RESOLUTION - ACTION REQUESTED 2016-663

MEETING: December 20, 2016

TO: The Board of Supervisors

FROM: Chevon Kothari, Human Services Director

RE: Amendment to the Mother Lode Job Training Sub-Lease Agreement

RECOMMENDATION AND JUSTIFICATION:
Approve an amendment reducing the lease office space and amount in the sub-lease agreement between Mariposa County Human Services (Lessee) and Mother Lode Job Training (Sub-Lessee) for office space at the Mariposa County Human Services Center located at 5362 Lemee Lane, Mariposa CA; and authorize the Board of Supervisors Chair to sign the amendment.

In accordance with Article 7 of the lease agreement; Assignment and Subletting by Tenant, Mariposa County Human Services (Lessee) has an existing agreement with the landlord to sub-let approximately 1,510 square feet of office space in the Mariposa County Human Services Center (Lessee) to Mother Lode Job Training (Sub-lessee). In consultation with Mother Lode Job Training staff it was determined that Mother Lode Job Training is leasing office space that they are not fully utilizing. Reducing the amount of office space will help both organizations, by reducing costs to Mother Lode Job Training and enabling Human Services to use this office space to meet the growing demand for services. Mother Lode Job Training is in concurrence with the requested Amendment to the Lease Agreement.

This amendment authorizes the Lessee to assume occupancy of 403 square feet of the previously agreed upon 1,510 square feet of office space, reducing the total amount of sub-let office space to 1,107 square feet. Beginning December 1, 2016, this Amendment will reduce the rent $7,254 per year, from $27,180 per year to $19,926 per year, for the remaining three years of the Sub-lease Agreement.

The reduction in revenue to Human Services will have no impact on the operation of services as there is sufficient revenue from other sources to offset this change in the lease. Any necessary budget adjustments will be done with Mid-Year.

BACKGROUND AND HISTORY OF BOARD ACTIONS:
On November 17, 2009, the Board approved by Res. No. 09-563, a lease agreement by and between the County of Mariposa (Tenant) and DesCor, Inc. (Landlord) for office space at 5362 Lemee Lane, Mariposa, CA 95338; the property known as Mariposa County Human Services Center.

On June 7, 2011, the Board approved a five-year sub-lease agreement with Mother
Lode Job Training for FY 2011-2016 by Res. 11-249.

On September 20, 2016, the Board approved a three-year sub-lease agreement with Mother Lode Job Training for FY 2017-2019 by Res. 2016-489.

**ALTERNATIVES AND CONSEQUENCES OF NEGATIVE ACTION:**
Do not approve the Amendment reducing the lease office space. Mother Lode Job Training will continue to lease office space that they are not fully utilizing and Mariposa County Human Services will not have access to this office space for staff to fulfill agency objectives for the County.

**FINANCIAL IMPACT:**
This sub-lease represents revenue to the department and will not impact the County General Fund, as this reduction will be offset by revenue from other sources.

**ATTACHMENTS:**
- Exhibit A Amendment (DOC)
- Exhibit B Tenant Occupancy Plan_ Revised (PDF)
- 2016_Sub Lease Amendment_MLJT v2 (DOC)
- Mariposa-MLJT Lease 2016-2019 (PDF)

**CAO RECOMMENDATION**
Requested Action Recommended

Mary Hodson, CAO 12/15/2016

**RESULT:** ADOPTED BY CONSENT VOTE [UNANIMOUS]
**MOVER:** Marshall Long, District III Supervisor
**SECONDER:** Rosemarie Smallcombe, District I Supervisor
**AYES:** Smallcombe, Jones, Long, Cann, Carrier
THIS FIRST AMENDMENT TO SUB-LEASE AGREEMENT is made and entered into this 7th day of Dec., 2016, by and between the County of Mariposa, a political subdivision of the State of California, hereinafter referred to as “Lessee,” and Mother Lode Job Training, hereinafter referred to as “Sub-Lessee.”

WHEREAS, Lessee and Sub-Lessee have heretofore entered into a Sub-Lease Agreement dated September 20, 2016, wherein Lessee agreed to sub-lease certain property as described on Exhibit “A” of the Sub-Lease Agreement to Sub-Lessee; and

WHEREAS, Lessee and Sub-Lessee desire to amend said Agreement to reduce the amount of square footage of property to be sub-let by Sub-Lessee and to reduce the compensation to be paid by Sub-Lessee to Lessee;

NOW, THEREFORE, the parties hereto in consideration of the mutual covenants herein recited, hereby agree as follows:

1. Paragraph 1, “PREMISES,” is hereby amended to reduce the amount of square footage of property to be sub-let to Sub-Lessee from 1,510 square feet to 1,107 square feet as described on Amended Exhibit A attached hereto effective Dec. 1, 2016.

2. Paragraph 2, “CONSIDERATION/TERM,” is hereby amended to reduce the consideration to be paid by Sub-Lessee from Twenty Seven Thousand One Hundred Eighty Dollars ($2,265.00/month), to Nineteen Thousand Nine Hundred Twenty-Six Dollars ($1,660.50/month) effective Dec. 1, 2016.

3. Except as herein amended, the agreement dated September 20, 2016 shall remain in full force and effect.

IN WITNESS WHEREOF, the parties have caused this Amendment to be executed on the date first above written.

COUNTY OF MARIPOSA:

JOHN CARRIER, Chairman
Mariposa County Board of Supervisors

ATTEST:
RENE LAROCHE
Clerk of the Board

SUB-LESSEE:

DAVE THOENY, Executive Director
Mother Lode Job Training

APPROVED AS TO FORM:

STEVEN W. DAHLLEN
County Counsel

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EXHIBIT A - Amendment

Property known as: Mariposa County Human Services Center
5362 Lemee Lane
Mariposa, CA. 95338

Portion of building covered by this sub-lease is colored yellow on attached floor plan (Exhibit B – Tenant Occupancy Plan). Area is approximately 1,107 square feet not including main lobby and other common areas, a reduction of 403 square feet from the original agreement. The square foot rate is $18.00, resulting in an annual total of $19,926.

Calculation of the Sub-Lease cost includes the following items:
  Base rent: Space, Furniture
  Utilities: Electricity, Propane, Water, Sewage, Trash
  Communications: Phone, Fax, Internet
  Facility Maintenance: Landscape, Janitorial

Computer servers to be housed within the Child Support Services leased area (shown in red on floor plan). Access to the server room and IT closets will not be unreasonably withheld by either party, but will remain secured as per IDF Access procedure. Computer maintenance and problem resolution on sub-lessee’s system will remain the responsibility of the sub-lessee.

Telephone system will be Voice Over Internet Protocol and individual handsets will be provided. Fax and Internet will be facilitated through the assumption of Mother Lode Job Training’s (MLJT) DSL services.

Building entry and egress will be secured and controlled by the County. ID badges with magnetic strip will be issued to each employee and access programmed according to mutual agreement.

All MLJT staff will have access to all common use areas including but not limited to: Main lobby, public restrooms, staff break room, staff restrooms, staff showers, common use corridors.
TENANT OCCUPANCY PLAN