RESOLUTION - ACTION REQUESTED 2019-383

MEETING: July 2, 2019

TO: The Board of Supervisors

FROM: Chevon Kothari, Health and Human Services Director

RE: Mother Lode Job Training Sub-Lease Agreement FY2020 - 2022

RECOMMENDATION AND JUSTIFICATION:
Approve a Sub-Lease Agreement between Mariposa County (Lessee) and Mother Lode Job Training (Sub-Lessee) for office space at the Mariposa County Human Services Center Located at 5362 Lemee Lane, Mariposa, California; and Authorize the Board of Supervisors Chair to Sign the Agreement.

This sub-lease agreement is permitted by Article 7 of the County's lease agreement with Descor Assignment and Subletting by Tenant. Mariposa County (Lessee) has obtained approval from the landlord to sub-let approximately 1,107 square feet of office space in the Mariposa County Center to Mother Lode Job Training (Sub-lessee).

The sub-lease amount shall be $19,926 per year ($1,660.50 per month) for three years beginning July 1, 2019.

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.

On December 20, 2016, the Board approved an amendment to the existing three-year sub-lease agreement by Res. 2016-663.

ALTERNATIVES AND CONSEQUENCES OF NEGATIVE ACTION:
If this agreement is not approved, Mariposa County Health and Human Services could seek another party to sub-lease the space or leave the area vacant.
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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:
Mariposa-MLJT Lease 2019-2022 Wsignatue (PDF)
Exhibit A - 2019 through 2022 (PDF)
Exhibit B_Tenant Occupancy Plan_Revised (PDF)
MLJT - Sub Lease 1st Amendment Wsignatures (PDF)
MLJT - Sub-Lease Executed Agreement 2011-2016 (PDF)

RESULT: ADOPTED BY CONSENT VOTE [UNANIMOUS]
MOVER: Marshall Long, District III Supervisor
SECONDER: Merlin Jones, District II Supervisor
AYES: Merlin Jones, Marshall Long, Kevin Cann, Miles Menetrey
EXCUSED: Rosemarie Smallcombe
SUB-LEASE AGREEMENT

THIS LEASE AGREEMENT, made and entered into in the County of Mariposa, State of California, as of July 1, 2019, by and between the County of Mariposa, a political subdivision of the State of California, hereinafter called LESSEE, and Mother Lode Job Training, a joint powers authority established pursuant to California Government Code Section 6500 comprised of the counties of Amador, Calaveras, Mariposa and Tuolumne, hereinafter called SUB-LESSEE.

WITNESSETH

WHEREAS, DesCor Builders, hereinafter called LESSOR, owns real property commonly known as the Human Services Center and more particularly described in Exhibit “A” attached hereto; and

WHEREAS, LESSEE leases the Human Services Center from LESSOR; and

WHEREAS, the parties wish to provide for the sub-leaseing of said property by the LESSEE to the SUB-LESSEE;

FOR AND IN CONSIDERATION OF THE MUTUAL COVENANTS HEREINAFTER CONTAINED, IT IS AGREED AS FOLLOWS:

1. PREMISES: The leased PREMISES is the real property located in the County of Mariposa as more particularly described in Exhibit “A”, attached hereto and incorporated herein by reference.

2. CONSIDERATION/TERM: For and in consideration of $19,926 per year ($1,660.50/month), LESSEE agrees to sub-lease the real property described above. This Sub-lease shall commence on the first day of July 2019, and shall continue for three
(3) years, renewable thereafter as mutually agreed by LESSEE and SUB-LESSEE.

3. **USE:** The PREMISES which are the subject of this Lease shall be used as a business office and job resource, training and testing center.

4. **REGULATIONS:** The use of the leased PREMISES by SUB-LESSEE shall at all times be subject to all federal and state laws and ordinances of the County of Mariposa. LESSEE warrants that the PREMISES are at the time of this Lease in compliance with all laws and ordinances.

5. **VOLUNTARY ASSIGNMENT:** Except as expressly provided herein, SUB-LESSEE shall not assign this Lease nor any right hereunder, nor sublet the PREMISES, nor any part thereof, or suffer any other person to occupy the said PREMISES or any portion thereof without prior written consent of the LESSEE, which consent shall not be unreasonably withheld. Any such assignment, subletting or occupation by any other person without such consent shall be void and shall at the option of LESSEE terminate this Lease. This provision does not prohibit SUB-LESSEE from renting or allowing other parties to utilize the PREMISES for permitted functions and events.

6. **IN Voluntary ASSIGNMENT:** SUB-LESSEE agrees that, except as expressly provided herein, neither this Lease or any interest herein shall be assignable or transferable unless otherwise agreed in writing by the parties hereto, which consent shall not be unreasonably withheld.

7. **IMPROVEMENTS, CONSTRUCTION, ALTERATION, REMOVAL:** SUB-LESSEE may maintain on the PREMISES improvements as necessary to facilitate the use of the PREMISES. Any such structure and/or alteration shall remain the sole and separate property of SUB-LESSEE and at the termination of this Lease shall be removed at the SUB-LESSEE’S expense within a reasonable time or disposed of as otherwise mutually agreed by SUB-LESSEE and LESSEE.
8. **MAINTENANCE AND REPAIR:** SUB-LESSEE will be responsible for all maintenance and repairs of SUB-LESSEE installed interior improvements. SUB-LESSEE agrees to maintain the PREMISES in a clean and orderly condition at all times, and in accordance with safety and fire codes and other applicable federal, state, local laws and ordinances. LESSEE shall notify the SUB-LESSEE in writing of any necessary maintenance or repair of any structure placed on the leased PREMISES by SUB-LESSEE. LESSEE shall maintain and repair all structures and utilities, including but not limited to heat, air conditioning, water, and sewer. Failure to repair and maintain the PREMISES shall be a breach of this Lease and SUB-LESSEE may at its option terminate the Lease.

9. **RIGHT OF RE-ENTRY OF LESSEE:** It is expressly agreed that in the event SUB-LESSEE creates or causes any breach of this Lease, LESSEE shall have the right and option to re-enter said PREMISES, take possession thereof, and remove all persons as provided by law.

10. **SURRENDER OF POSSESSION:** At the expiration of this Agreement, SUB-LESSEE promises and agrees to deliver unto LESSEE the said Leased PREMISES in as good condition as at the date of execution of this Agreement, reasonable wear and tear excepted.

11. **POSSESSORY INTEREST:** SUB-LESSEE recognizes and understands that to the extent this Lease may or may not create a possessory interest subject to property taxation that the SUB-LESSEE is solely responsible for the payment of any taxes levied or assessed on the Leased PREMISES. LESSEE expresses no opinion on the taxable affect of this Lease.

12. **INDEMNITY:** SUB-LESSEE agrees to indemnify, protect, defend and hold LESSEE and its officers, agents and employees, free and harmless from any and all liabilities, claims, demands, actions, losses, damages and costs of any kind, including but not limited to, all costs of defense thereof, caused by or arising out of SUB-
LESSEE’S use or the use of any guests, invitees or agents of SUB-LESSEE of the leased PREMISES. Upon demand SUB-LESSEE shall, at its own expense, defend LESSEE, and its officers, agents and employees, against any and all such liabilities, claims, demands, actions, losses, damages, and costs of any type or nature arising solely from the acts or omissions of SUB-LESSEE. LESSEE shall indemnify, protect, defend, and hold SUB-LESSEE and its officers, agents, and employees free and harmless from any and all liabilities, claims, demands, actions, losses, damages and costs of any kind, including but not limited to, all costs of defense thereof, caused by or arising out of, or in any way related to LESSEE’S obligations to maintain and repair the PREMISES or solely from the acts or omissions of LESSEE or any structural or other defects of the PREMISES.

13. INSURANCE: SUB-LESSEE shall obtain and keep in full force and effect, general liability coverage of at least One Million Dollars ($1,000,000) combined limit for bodily injury and property damage during any right of occupancy of the leased PREMISES.

14. CHANGE OF ADDRESS: It shall be LESSEE’S responsibility to inform SUB-LESSEE of any change of address.

15. INSPECTION: LESSEE shall be permitted to enter and view the PREMISES at any reasonable time for the purpose of inspecting or maintaining such PREMISES and doing any and all things with reference thereto which the LESSEE is obligated to do.

16. TERMINATION PRIOR TO EXPIRATION:
   A. The LESSEE shall have the right to terminate this Lease, in whole or in part, on the occurrence of any of the following events:
i) The failure of the SUB-LESSEE to perform or observe any of the terms, covenants and conditions which it is obligated to perform, keep or observe under this Lease.

ii) The abandonment of the leased PREMISES. Should this occur LESSEE shall not be responsible for the custodial protection of SUB-LESSEE’S abandoned property, fixtures or equipment.

B. SUB-LESSEE shall have the right to terminate this Lease upon sixty (60) days written notice. In such case the SUB-LESSEE shall pay a termination fee of one (1) months rent.

C. FUNDING AVAILABILITY It is mutually agreed that if the SUB-LESSEE’s budget of the current year and/or any subsequent years covered under this Lease does not appropriate sufficient funds for the program, this Lease shall be of no further force and effect. In this event, the SUB-LESSEE shall have no liability to pay any funds whatsoever to LESSEE or to furnish any other considerations under this Lease and LESSEE shall not be obligated to perform any provisions of this Lease. If funding for any fiscal year is reduced or deleted by the SUB-LESSEE budget for purposes of this program, the SUB-LESSEE shall have the option to either cancel this Lease with no liability occurring to the SUB-LESSEE, or offer a Lease amendment to LESSEE to reflect the reduced amount.

17. BREACH: In the event of breach of this Lease by SUB-LESSEE, LESSEE shall be entitled to all rights and remedies provided by law in addition to the specific remedies mentioned herein.

18. PARTNERSHIP DISCLAIMER: It is mutually understood and agreed that nothing in this Lease is intended to or shall be construed as in any way creating or establishing the relationship of partners between the parties hereto, or as constituting the SUB-LESSEE as an agent or representative of the LESSEE for any purpose or in any manner whatsoever.
19. **NOTICES:** Any notice to the **SUB-LESSEE** shall be sufficient if sent by certified mail, postage prepaid, addressed to the Executive Director of Mother Lode Job Training located at 197 Mono Way, Suite B, Sonora, CA 95370. Any notice to the **LESSEE** shall be sufficient if sent by certified mail, postage prepaid, addressed to the County Administrative Officer, County of Mariposa, P.O. Box 784, Mariposa, CA 95338.

20. **NON-WAIVER:** Any waiver of breach of any covenants or conditions herein contained to be kept and performed by either party shall be effective only if in writing and shall not be deemed or considered as a continuing waiver and shall not operate to bar or prevent the other party from declaring a forfeiture or exercising its rights for any succeeding breach of either the same or other condition or covenant.

21. **SUCCESSOR:** This Lease shall be binding upon and inure to the benefit of all the heirs, successors and assigns of the parties.

**IN WITNESS WHEREOF,** the parties hereto have caused this Lease to be executed the day and year first above written.

**LESSEE:**

**SUB-LESSEE:**

MILES MENETREY, Chair
Mariposa County Board of Supervisors

DAVE THOENY, Chair Exec. Director
Mother Lode Job Training
Board of Directors

**ATTEST:**

**APPROVED AS TO FORM:**

RENE LAROCHE
Clerk of the Board

STEVEN W. DAHLEM
County Counsel