

Board Agenda Item 61

DATE: May 25, 2021

TO: Board of Supervisors

SUBMITTED BY: Delfino E. Neira, Director, Department of Social Services

Robert W. Bash, Director, Internal Services/Chief Information Officer

SUBJECT: Amend Facility Sub-Lease Agreement with Fresno Area Workforce Investment

Corporation at Reedley Regional Center

RECOMMENDED ACTION(S):

Approve and authorize the Chairman to execute Second Amendment to Sublease Agreement No. 15-286 with Fresno Area Workforce Investment Corporation for 6,580 square feet of office space at 1670 - 1690 East Manning Avenue, Reedley, CA, effective upon execution extending the term by two-years from July 1, 2021 to June 30, 2023 and increasing the maximum by \$157,289 to a total of \$722,355.

There is no additional Net County Cost associated with the recommended action, which will continue to sublease office space at the Reedley Regional Center to Fresno Area Workforce Investment Corporation (Workforce) for its operations up to two additional years and generate \$157,289 in rent revenue for the Department of Social Services during the term. This item pertains to a location in District 4.

ALTERNATIVE ACTION(S):

Your Board could reject the recommended action, requiring Workforce to relocate on July 1, 2021 or modify the amendment to decrease the extension period.

FISCAL IMPACT:

There is no increase in Net County Cost associated with the recommended action. The recommended amendment will provide additional revenue (\$157,289) increasing the sublease agreement total to \$722,355 to offset the costs (\$2,450,343) associated with the Lease for the Reedley office space at 1670 - 1690 East Manning Avenue. Sufficient appropriations and estimated revenues are included in the Department's Org 5610 FY 2021-22 Recommended Budget and will be included in the FY 2022-23 budget request.

DISCUSSION:

On June 16, 2015, the Board approved Lease Agreement No. 15-285, a Master Lease for the Department to lease 27,177 square feet of office space at 1670 - 1690 East Manning Avenue, Reedley, CA 93654. On the same date, in conjunction with the Lease Agreement, the Board authorized 10,078 square feet of office space to be sub-leased to Workforce (Sublease Agreement No. 15-286).

On December 4, 2018, the Board approved the First Amendment to the Sublease Agreement to allow a decrease in Workforce's leased square footage from 10,078 to 6,580.

File Number: 21-0393

The Department provides public assistance and employment services in and around the city of Reedley. Department programs administered from the site include the California Work Opportunities and Responsibility to Kids (CalWORKs) cash assistance program, CalFresh, California Medical Assistance Program (Medi-Cal), homeless assistance, General Relief, and employment services.

Workforce is co-located with the Department at the facility and operates a one-stop center, which connects job seekers to valuable services including job search skills workshops, information on training education, referrals to partnering agencies, and community resources and labor market information growth industries in Fresno County. Workforce is a valuable partner to the Department in assisting public assistance recipients to obtain full-time employment and achieve self-sufficiency.

With your Board's approval of the recommended action, the sublease with Workforce will include two optional one-year extensions.

REFERENCE MATERIAL:

BAI #45, December 4, 2018 BAI #78, June 16, 2015

ATTACHMENTS INCLUDED AND/OR ON FILE:

On file with Clerk - Amendment II to Sublease Agreement No. 15-286

CAO ANALYST:

Sonia M. De La Rosa