



Board Agenda Item 52

DATE: June 20, 2017

TO: Board of Supervisors

SUBMITTED BY: Delfino E. Neira, Director, Department of Social Services
Robert W. Bash, Director of Internal Services/Chief Information Officer
Joy Cronin, Executive Director, In-Home Supportive Services Public Authority

SUBJECT: Amendment III to Lease Agreement with FMAAA Foundation

RECOMMENDED ACTION(S):

Sitting as the In-Home Supportive Services Public Authority Governing Board:

Approve and authorize the Chairman to execute Amendment III to Agreement 01-130 / L-167 with Fresno-Madera Area Agency on Aging (FMAAA) Foundation to increase the total square footage of leased space, provide tenant improvements to the increased space and allow for an increase in janitorial rates for needed services, effective upon execution with no change to the month to month term and increasing the monthly maximum lease payment from \$42,898 to \$59,040.

Sitting as the Fresno County Board of Supervisors:

Approve and authorize the Chairman to execute Amendment III to Agreement 01-130 / L-167 with Fresno-Madera Area Agency on Aging (FMAAA) Foundation to increase the total square footage of leased space, provide tenant improvements to the increased space and allow for an increase in janitorial rates for needed services, effective upon execution with no change to the month to month term and increasing the monthly maximum lease payment from \$42,898 to \$59,040.

Approval of the recommended action will increase the amount of leased square footage by 1,105 square feet (to 47,232 square feet total) at \$0.85 per square foot. The landlord will perform tenant improvements in an amount not to exceed \$25,000, to be paid by County upon completion. Janitorial service to be provided at a rate not to exceed \$0.40 per square foot with no increase in Net County Cost.

ALTERNATIVE ACTION(S):

If the recommended action is not approved, the Department will continue with existing agreement and terms, with no increase in square footage, no tenant improvements, and no increase in the level of janitorial services being provided.

FISCAL IMPACT:

There is no increase in Net County Cost associated with the recommended action. Currently this Lease Agreement is on a month to month basis, and the Amendment III would adjust the monthly rate to \$59,040. The adjustment is attributed to additional square footage (1,105 sq/ft) at \$0.85 per sq/ft and an increase in the janitorial rate from \$0.08 to \$0.40 per sq/ft. The monthly cost for the Lease Amendment III (\$59,040) will be offset with State and Federal Social Services funds (\$52,861), 1991 Realignment funds (\$238), and \$78 in budgeted Net County Cost will fund the General Relief's share of cost. Additionally, \$5,863 in 2011

Realignment funds will offset the former State share of the Child Welfare and Adult Protective Services Programs, that were realigned to counties through Assembly Bill (AB) 118. Amendment III also includes a maximum cost of \$25,000 for Tenant Improvements to be paid upon completion. Sufficient appropriations will be included in the recommended FY 2017-18 Budget for the Tenant Improvements.

The Governor's FY 2017-18 Proposed Budget includes the elimination of the Coordinated Care Initiative (CCI) and the associated Maintenance of Effort (MOE) for the IHSS Program and the Public Authority (PA), which froze the County share of cost at actual FY 2011-12 expenditures subject to an annual inflation factor of 3.5%. Elimination of the MOE would result in different funding structure for PA.

Sufficient appropriations and revenues are included in the FY 2016-17 Adopted Budget for the Department of Social Services, Organization 5610 and the Public Authority, Organization 5611, and will be included in subsequent budgets.

DISCUSSION:

Approval of the recommended action will allow Department of Social Services (DSS) to lease from the FMAAA Foundation 1,105 square feet of additional office space in the Sierra Building on the Senior Resource Center campus located at 2025 East Dakota, Fresno, CA. DSS provides one stop services for the elderly and disabled from this location. Currently, DSS occupies areas of the 1st, 2nd and 4th floors of the Sierra Building totaling approximately 29,939 square feet along with 16,188 square feet at the Sequoia Building.

This lease amendment will allow DSS to utilize space on the 1st floor, previously occupied by FMAAA Foundation, to provide an office and reception services for the Public Authority providers. Currently, Public Authority providers are served on the 2nd floor of the Sierra Building in a small reception and waiting room which is very crowded. The new space will provide additional seating, a reception area, a minimum of three reception stations to assist providers, and a staff office. DSS has struggled with finding space to better serve this population, and the 1st floor reception area better meets the needs for space and allows for increased accessibility. The existing reception area on the 2nd floor will be used by DSS-Adult Protective Services.

Janitorial service has not been expanded since the inception of the original lease. The lease amendment includes language which will allow for the County to increase the maximum allowable costs payable to FMAAA Foundation for janitorial services to not exceed \$0.40 sq/ft. The existing maximum allowable reimbursement rate for janitorial services, \$0.08 sq/ft, does not allow for the proper level of services to be provided. There have been significant increases in minimum wages and janitorial related products/supplies since the original lease was executed, and the recommended change in reimbursement rate will allow for the needed level of services to be provided to meet the needs of the County.

OTHER REVIEWING AGENCIES:

Facilities Planning Committee recommended approval on June 17, 2016.

REFERENCE MATERIAL:

BAI #57, August 20, 2013
BAI #46, February 27, 2007
BAI #35d, April 17, 2001

ATTACHMENTS INCLUDED AND/OR ON FILE:

On file with Clerk - Amendment III to Lease Agreement with FMAAA Foundation

CAO ANALYST:

Ronald Alexander