



Board Agenda Item 42

DATE: January 9, 2018

TO: Board of Supervisors

SUBMITTED BY: Delfino E. Neira, Director, Department of Social Services
Robert W. Bash, Director of Internal Services/Chief Information Officer

SUBJECT: Lease of Office Space at Gallery Plaza

RECOMMENDED ACTION(S):

Approve and authorize the Chairman to execute a lease Agreement with 5561 Sultana, LLC, for 9,552 square feet of office space at 5091 N. Fresno St., Suites 115, 116, 117, and 122, Fresno, CA, for use by the Department of Social Services, effective upon first date of occupancy, not to exceed five consecutive years, which includes a three-year base contract and one optional two-year extension, total not to exceed \$2,188,676.

Approval of the recommended action will create a three-year lease and one optional two-year extension for 9,552 square feet of office space at the Gallery Plaza for the Department of Social Services Visitation program. DSS presently does not have adequate space in existing facilities to effectively operate this program. The Agreement maximum for the first year is \$619,043, with no increase in Net County Cost. This item pertains to a location in District 2.

ALTERNATIVE ACTION(S):

There are no viable alternative actions as current County facilities are unable to provide adequate and appropriate office space for visitation services.

FISCAL IMPACT:

There is no increase in Net County Cost associated with the recommended action. The maximum amount of the recommended Agreement (\$2,188,676) will be offset with State and Federal Social Services funds (\$1,941,753.66), 2011 Realignment (\$220,950.19) in lieu of State General Funds for Child Welfare Services and Adult Protective Services Programs that were realigned to counties through Assembly Bill (AB) 118, 1991 Social Services Realignment (\$8,688.99) and \$17,283.16 Net County Cost to fund the General Relief's share of cost. Total cost for FY 2017/18 will be \$361,108 and the Net County Cost (\$2,851.54) will be absorbed by the Department of Social Services Org 5610 using existing requested appropriations. Sufficient appropriations have been included in the FY 2017-18 Requested Budget for the Department of Social Services, Organization 5610, and will be included in subsequent budgets

DISCUSSION:

The Department of Social Services (DSS) currently occupies 1,807 square feet of County office space at the Brix-Mercer building in Downtown Fresno for the Fresno County Child Welfare Services Visitation Unit. The Visitation Unit offers supervised visitation to families receiving court ordered child welfare services with the goal of coaching and mentoring parents to safely parent their children and have their children return to

their care.

The current visitation center averages 432 visits per month, but lacks sufficient space, in both the quantity and quality of available rooms. The visitation rooms at the Gallery Plaza are larger and more family friendly, allowing larger family groups to visit comfortably, and creating a welcoming environment for families in difficult situations. Visitors and staff will also have easy access to the facility due to public parking in close proximity. In addition, staff will now have on-site workspaces, classrooms, and conference rooms

The recommended action will increase the office space from 1,807 to 9,552 square feet. The initial term of the lease Agreement is for three (3) years and includes one two-year extension period. The rent for the first year of the primary term will be \$9,552 per month (\$1.00 per square foot) and will increase two percent each year during the primary term of the lease. In addition to the rent, tenant improvements will be amortized over three (3) years, at an amount not to exceed \$39,284.92 monthly. Existing space at the Brix-Mercer building will return to the Department of Public Health for their use.

If the County terminates the recommended lease pursuant to the Non-Funding clause during the primary (3) year term of the lease, the landlord will be paid in one lump sum the remaining balance for the unpaid tenant improvements. The insurance section in the recommended lease Agreement contains mutual hold harmless language for both parties.

ATTACHMENTS INCLUDED AND/OR ON FILE:

On file with Clerk - Agreement with Sultana, LLC

CAO ANALYST:

Ronald Alexander