

DEPARTMENT: Human Services

BY: James A. Rydingsword  
PHONE: 966-2000

**RECOMMENDED ACTION AND JUSTIFICATION:**

It is respectfully requested that your Board approve and authorize the Chair to sign the attached lease and related documents with DesCor, Inc. for office space that is being developed by DesCor, Inc. at 5336 Hwy. 49 North, Mariposa, CA 95338 with an estimated occupancy date of May 1, 2011.

**BACKGROUND AND HISTORY OF BOARD ACTIONS:**

Please see attached Board Memo.

**ALTERNATIVES AND CONSEQUENCES OF NEGATIVE ACTION:**

Please see attached Board Memo.

Financial Impact? (X) Yes ( ) No	Current FY Cost: \$	Annual Recurring Cost: \$
Budgeted In Current FY? ( ) Yes ( ) No ( ) Partially Funded		
Amount in Budget: \$		List Attachments, number pages consecutively
Additional Funding Needed: \$		Board Memo, pages 1-3
Source:		Recap Sheet, page 4
Internal Transfer		Cost Benefit Analysis, page 5
Unanticipated Revenue _____ 4/5's vote		Lease Agreement, pages 6-79
Transfer Between Funds _____ 4/5's vote		Agreement for Payment of Interim Rent pages 80-82
Contingency _____ 4/5's vote		Second Amendment to Consulting Agreement, pages 83-84
( ) General ( ) Other		

**CLERK'S USE ONLY:**

Res. No.: 09-563 Ord. No. \_\_\_\_\_  
 Vote - Ayes: 5 Noes: \_\_\_\_\_  
 Absent: \_\_\_\_\_  
 Approved  
 Minute Order Attached ( ) No Action Necessary

**COUNTY ADMINISTRATIVE OFFICER:**

Requested Action Recommended  
 No Opinion  
 Comments:

The foregoing instrument is a correct copy of the original on file in this office.

Date: \_\_\_\_\_  
 Attest: MARGIE WILLIAMS, Clerk of the Board  
 County of Mariposa, State of California

By: \_\_\_\_\_  
 Deputy

CAO: SWD for RJB



**MARIPOSA COUNTY  
HUMAN SERVICES DEPARTMENT**

P.O. Box 99 • Mariposa, CA 95338 • (209) 966-2000 • Fax (209) 966-2486  
 □ Behavioral Health and Recovery Services (209) 966-2000 □ Employment and Community Services (209) 966-3609  
 □ Fiscal Services (209) 966-2131 □ Social Services (209) 966-2442



**JAMES A. RYDINGSWORD, DIRECTOR**

November 17, 2009

TO: Members, Board of Supervisors  
 Rick Benson, CAO  
 FROM: James Rydingsword, Human Services Director  
 RE: Long Term Lease of New Building for Human Services

**Recommendation**

It is respectfully requested that your Board approve and authorize the Chair to sign the attached lease and related documents with DesCor, Inc. for office space that is being developed by DesCor, Inc. at 5336 Hwy. 49N, Mariposa, CA 95338 with an estimated occupancy date of May 1, 2011.

**Background/Current Situation**

As approved by your Board, in September 2008, the Department completed the public bidding solicitation procedures necessary to engage a building developer for a new facility for the Department. The bidding process produced two proposals. The subsequent review process of the proposals resulted in the selection of DesCor Inc. as having the most qualified proposal. The DesCor proposal provides best value to the County in terms of cost, long term operational efficiency, employee and client comfort, client access and potential for expansion.

Currently the Human Services Department is located in six offices in the township of Mariposa, excluding Heritage House and the Road House. These offices are located at the following addresses:

Function	Location	Sq. Ft.	Type
Eligibility Services	5186 Hwy 49N	5184	Leased
Adult & Employment	5200 Hwy 49 N	4700	Leased
Community Action/Housing	5174 Hwy 49 N	1589	Leased
Behavioral Health	5037 Stroming Road	10919	Leased
Fiscal	5174 Hwy 49N	1750	Leased
Child Welfare Services	5085 Bullion	3518	County Owned

By consolidating these six operations into one building the Department will be able to achieve staff savings in excess of \$800,000 to offset the increase in lease payments from \$262,000 per year to a beginning rate estimated to be initially \$1,139,416 in the first year of occupancy and increasing to an estimated \$1,961,586 in the 25<sup>th</sup> year. Attached to this Board letter is a 25 year cost analysis showing 1) the total cost of the 25 year lease and 2) the estimated costs and space needs if we continue to lease in Mariposa and assume that there will be leased space available for estimated growth in the Department over the next 25 years. The proposed building, as proposed, is constructed to allow for some future growth, if it is needed, over the next 25

years. Based on the flexible design of the proposed building, it is our analysis that the flexible nature of the offices will allow for adequate growth to meet the needs of the Department for the foreseeable future.

The Department and DesCor, Inc. have also held several conversations with Child Support Services and various other agencies regarding their facility needs and how they might be part of our new facility. DesCor, Inc. and their affiliates have also toured the buildings currently used by the Department, Child Support Services and various other agencies to begin to develop conceptual adjacencies for a new facility.

The proposed design also includes a Family Service Center that will be used as a combination of staff offices and counseling center for individuals and families. This Center will be paid for through a Mental Health Services Act (MHSA) grant and this portion of the development will be titled to the County of Mariposa upon occupancy. The MHSA grant is part of the MHSA set-aside funds and this particular grant is specifically allocated for Capital Investment and Information Technology. We estimate the total grant to be \$917,000. Upon completion of the Family Service Center, as required in the MHSA grant, the County is required to own this building.

On April 21, 2009 your Board approved a consulting agreement with DesCor (Res. No. 09-191) to perform, coordinate and furnish the services and work needed to identify, assess the development potential of, plan improvements for and begin design work for one or more building sites suitable for the construction of certain offices to be leased by County.

Since that time DesCor has fulfilled the agreement and plans for the new facility have been developed to the point where the commitment of the County to lease the facility on a long term basis is at hand. The plans provide for a facility that will be approximately 37,000 square feet. This facility will be aesthetically pleasing, pleasant and welcoming to County customers, comfortable and functional for County employees, and fully compliant with all applicable statutes and codes, including Uniform Building Code and Americans with Disability Act requirements. The proposed building includes a number of environmental features and energy saving initiatives that will enhance the quality and may create long-term sustainable savings.

Attached are three documents that make up the overall "lease package" and require action by your Board. Each of these documents have been reviewed and approved by County Counsel.

- 1) Lease Agreement
- 2) Agreement for Payment of Interim Rent
- 3) Second Amendment to Consulting Agreement

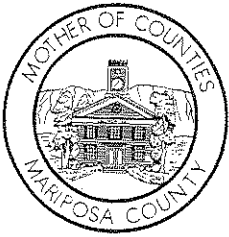
DesCor, Inc. is here today to present more detail of the project including conceptual renderings and estimated timeframes for completion on this project.

## **Financial**

Upon signing a lease agreement, DesCor, Inc. has agreed to include all costs incurred under the consulting agreement into the overall costs of the new facility. Should the County choose not to sign the lease agreement all costs incurred under the consulting agreement will be due and payable by the County.

Based on the cost benefits analysis of the Department that has been previously approved by the Board of Supervisors, there is an estimated cost savings to the Department upon completion of this project based on structural and position savings associated with this project. Therefore, we project no financial impact on the County General Fund for this project.

The lease payments will be spread to each of the Department's operating budget units based on allocation of FTEs.



# COUNTY of MARIPOSA

P.O. Box 784, Mariposa, CA 95338 (209) 966-3222

BRAD ABORN, CHAIR  
JANET BIBBY, VICE CHAIR  
LYLE TURPIN  
KEVIN CANN  
JIM ALLEN

DISTRICT I  
DISTRICT III  
DISTRICT II  
DISTRICT IV  
DISTRICT V



## MARIPOSA COUNTY BOARD OF SUPERVISORS

### MINUTE ORDER

TO: JIM RYDINGSWORD, Human Services Director  
FROM: MARGIE WILLIAMS, Clerk of the Board  
SUBJECT: Approve Lease Agreement and other Related Documents with DesCor, Inc. for Office Space that is being Developed by DesCor, Inc. at 5336 Highway 49 North, Mariposa, with an Estimated Occupancy Date of May 1, 2011

RESOLUTION 09-563

THE BOARD OF SUPERVISORS OF MARIPOSA COUNTY, CALIFORNIA

ADOPTED THIS Order on November 17, 2009

#### ACTION AND VOTE:

**11:09 a.m.** Jim Rydingsword, Human Services Director;

Approve Lease Agreement and other Related Documents with DesCor, Inc. for Office Space that is being Developed by DesCor, Inc. at 5336 Highway 49 North, Mariposa, with an Estimated Occupancy Date of May 1, 2011

**BOARD ACTION:** Neal Cordeiro/Des Cor, Inc. Vice President and CEO provided background information on how we got to this point with this project. Alan Hom/Calpo Hom & Dong Architects, provided input on their work on this project; and he advised that the new facilities will include Mother Lode Job Training and Child Support Services. Loangle Newsome/Calpo Hom & Dong Architects, provided input on their architectural consideration of the buildings and the site. Neal Cordeiro provided input relative to the planning and design review overlay. Jim Rydingsword provided input on the benefits of the new facility. Discussion was held relative to the project, funding status, including changes to the tax rolls, the roof design and additional warranty that is available, the design review standards and the final design costs, whether additional warranties are available and can be included in the construction costs, and relative to the funds that accrue and use of those funds. Bob Meneni stated he was the Director of Administrative Services and the project manager for the Human Services facility project that was constructed in Yuba County, and he responded to questions relative to the lease contract and the funding and reimbursement. Further discussion was held relative to the status of the encroachment permit with CalTrans, whether Public Works has reviewed this matter and how it relates to the "field of dreams" property; whether the Auditor and Administration has reviewed the cost allocation and figures for this project, and whether there is adequate parking. Steve Dahlem, County Counsel, responded to questions relative to the lease agreement and timeframes for providing the financial information to the State.

Input from the public was provided by the following:

Tolley Gorham referred to the mention of having funds to purchase the Fischer building and renting it out, and he asked why the County isn't buying the new building versus leasing. Jim Rydingsword responded relative to the funding constraints. Tolley Gorham commented on the existing

lease payments and consolidation of positions to have funds to pay for the lease on the new building. He expressed concern with the vacant spaces that will be left when Human Services moves to the new facility and the impact the vacancies will have on the community; and he noted that the rent for the new facility will be paid to an out-of-county business. He asked if the County has any plans in place to help fill the vacant buildings. He asked who has maintenance responsibility currently for the encroachment, and whether the County would become responsible with the new building.

Further discussion was held. It was clarified that a large percentage of the existing facilities rented by Human Services are held by out-of-county owners. It was noted that the micro-enterprise program is available and that perhaps the Economic Development Coordinator could assist. (M)Cann, (S)Allen, Res. 09-563 was adopted approving the recommended actions. Further discussion was held. County Counsel noted that the lease agreement is for a 25-year term and is subject to two ten-year extensions, and there is no commitment for the County to take title at the end of this period. Supervisor Cann clarified that consideration of whether to purchase the Fischer/Stroming building is a separate item and will take separate action in the future. Supervisor Bibby asked that the issues raised be discussed with the Auditor and Public Works, and she clarified that this action has no impact on General Fund dollars. Ayes: Unanimous.

Cc: Rick Benson, CAO  
Dana Hertfelder, Public Works Director  
Chris Ebie, Auditor  
File