

county of Santa Cruz

HUMAN RESOURCES AGENCY

CECILIA ESPINOLA, ADMINISTRATOR
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May 24, 1998 Agenda: June 8, 1999

BOARD OF SUPERVISORS County of Santa Cruz 701 Ocean Street Santa Cruz, CA 95060

APPROVE LEASE AGREEMENT WITH THE STATE OF CALIFORNIA EMPLOYMENT DEVELOPMENT DEPARTMENT TO CREATE A MID-COUNTY WORKFORCE CAREER CENTER

Dear Members of the Board:

On September 15, 1998, your Board was updated on the progress that the Human Resources Agency (HRA) CareerWorks Division was making in establishing the One-Stop Career Center system. The mid-county Workforce Santa Cruz County Career Center is being developed in partnership with the State Employment Development Department (EDD) at their local field office at 2045 –40th Avenue in Capitola. This is the third Career Center to be developed, the other two are fully operational in Watsonville and Santa Cruz. The lease and planning process with the State has been extremely complicated with many unanticipated delays developing final remodel plans and negotiating the lease terms. After many months, the blueprints for the tenant improvements and the lease have been completed and all Partners are ready to proceed. The purpose of this letter is to seek your Board's approval of the lease agreement with the State of California for the Mid-County Workforce Career Center and to authorize the HRA Administrator to take related actions.

To create a space suitable for the operations of a One Stop Career Center some tenant improvements will need to be completed and modular furniture purchased. The tenant improvements will be managed by the State with HRA having construction oversight and final acceptance approval. CareerWorks will pay the building owner for the tenant improvements and will pay the State's modular furniture vendor at the State's discounted rate for the modular units. The anticipated tenant improvement cost is \$115,500 and modular furniture cost is \$30,000. The costs will be paid by the Job Training Partnership Act One Stop Implementation Grant. There is no cost to the County.

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Approve Lease Agreement with State of California for the Mid-County Career Center

The sublease term is for the remaining period of EDD's lease July 1, 1999 – June 30, 2002. Negotiated cost offsets paid by HRA will result in no rental payments for approximately 19 months. CareerWorks and EDD will continue to identify and negotiate additional cost offsets for the remaining 17 months of the lease term. The lease will be amended when the additional offsets are agreed upon.

IT IS THEREFORE RECOMMENDED that your Board:

- 1. Approve the lease with the State of California on file with the Clerk of the Board and authorize the Human Resources Agency Administrator to sign the lease;
- 2. Authorize the Human Resources Agency Administrator to act on behalf of the County in all matters pertaining to the lease including tenant improvements, additional cost offsets, and any space allocations, as necessary and appropriate; and
- 3. Authorize the Human Resource Agency to pay the building owner for the tenant improvements and to pay the State's vendor for the modular furniture.

Very truly yours,

Cecilia Espinola

Administrator

Susan A. Mauriello

RECOMMENDED:

County Administrative Officer

Cecilia Espurola (Ex)

cc: Auditor-Controller

Career Works Division-HRA

Lessor: State of California Real Estate Services Division

Employment Development Department

CE/TP/KZ/DL:dl