



Mendocino County Health & Human Services Agency

Healthy People, Healthy Communities

Tammy Moss Chandler, Director

Anne Molgaard, Chief Operations Officer



July 24, 2017

Board of Supervisors
Mendocino County Administrative Center
501 Low Gap Rd, Rm 1010
Ukiah, CA 95482

Dear Members of the Board of Supervisors:

The Health and Human Services Agency Employment and Family Assistance Services respectfully requests your support and attention to the proposed Lease Agreement between the County of Mendocino and Ukiah Imperial LLC for the purpose of securing a property for the continued operation of the One-Stop Job Center and for the advancement of the Welfare to Work Services provided by our Agency.

Summary:

The Mendocino County One-Stop Job Center is a building wherein the County and community partners co-locate and work together to achieve better results for both employers and clients seeking employment. These programs have been co-located at 631 S Orchard Ave for over 20 years. That property changed ownership effective 6/1/17. The new owners have allowed the One-Stop partners to remain in the building temporarily, but the new owners need the occupied space for their own staff and business operations. The County's One-Stop cannot remain in its current location; a new building has been identified that can serve as a replacement location.

WIOA (Program) Background:

The Workforce Innovation and Opportunity Act (WIOA) was signed into law on July 22, 2014 by President Barack Obama, replacing the Workforce Investment Act (WIA). This legislation was designed to strengthen and improve our nation's public workforce system and help put citizens back to work, especially youth and those with significant barriers to employment. WIOA supports innovative strategies to keep pace with changing economic conditions and seeks to improve core WIOA and other Federal programs that support employment services, workforce development, adult education and literacy, and vocational rehabilitation activities. New statutory requirements were implemented to ensure that the workforce system operates as a comprehensive, integrated and streamlined system to provide pathways to prosperity to those it serves and to continuously improve the quality and performance of its services and the One-Stop system, branded as American Job Centers.

The One-Stop delivery system includes six core programs (Title I adult, dislocated worker, and youth programs; Title II adult education and literacy programs; Title III Wagner-Peyser program; and Title IV vocational rehabilitation program). The One-Stop also requires other partners, including TANF (CalWORKs). Through the One-Stop Job Centers, these partner programs and their service providers ensure that businesses and job seekers — a shared client base across the multiple programs identified above — have access to information and services that lead to positive employment outcomes.

The New One-Stop:

HHSA Program staff met with partners to determine their space and other needs. A number of key issues were highlighted such as adequate security, appropriate square footage, and parking. The property located at 2550 N State Street (known as "the BLM Building") was identified by HHSA Program

Staff, and evaluated by HHSA staff, management, County Fleet & Facilities and Information Services. All parties found it to address the identified specifications and to be the most practical available structure to house the One-Stop Job Center, especially given the limited real estate possibilities in the Ukiah area.

The landowner's Project Manager worked with the Program to design and remodel the interior of the building to suit the current needs of the One-Stop Job Center. This effort led to improved security for staff, maximized the useful square footage available for the Program participants and minimized underutilized space.

Interior Improvements:

The tenant improvements utilize space efficiently, with conference rooms sized to staff/ program needs, and smaller but adequately sized common areas and equipment rooms. The One Stop Program has historically been impacted by roof leaks, fungus remediation, and frequent problems with the heating & air conditioning system. The proposed new space has a roof that has been actively maintained with no current indication of leaks, a new ceiling grid, new flooring, and a newly engineered HVAC system with ducting routed to accommodate the separate tenants and common spaces. The building also ensures full compliance with Accessibility requirements and California Title 34 energy and water conservations rules.

Security:

The N. State Street facility is designed for scan card security access between the client and employee areas. This not only protects the personal security of employees, it also provides data security, as required by CIV state client data safekeeping requirements and federal mandates to safeguard social security client data. There is an improvement in the configuration of interview rooms as they will be located off of the lobby instead of being within the staff side of the building. This will greatly improve the security of staff and lessen the possibility of unauthorized electronic data access. Interview booths will be designed to provide separate entrances for staff and clients and to prevent client access to the employee area. The main conference room where large community meetings and workshops are held will also be accessible through the lobby instead of requiring access through staff areas.

Efficiency:

The design and size of the previous One-Stop building no longer fit the current needs of the program. Because the floorplan no longer met the needs of the partners, it became larger than necessary and resulted in unused space that became the fiscal responsibility of the County to maintain. Ultimately, this also meant that more space was being cleaned, heated and cooled than is necessary.

In addition to the proposed space physically meeting the current needs of this program better (along with corresponding reductions in expected time to provide janitorial and maintenance services), the building also has a 182 LG panel photovoltaic solar system rated at 60 Kw which will reduce the cost of electricity for the tenants. This new site has a newer HVAC system that will operate more efficiently, and it utilizes LED lighting which is more cost effective than the current fluorescent lighting.

Exterior and Parking:

The proposed new facility has a maintained building exterior, and is appropriately landscaped. Parking has historically been difficult for the partners and program participants at the Orchard Avenue facility. The parking areas at this new facility are newly renovated with secured employee/County vehicle parking in the rear of the building.

Fiscal Analysis:

This resulted in a proposed increase to the cost per square footage over what was paid for the old space, but a lower overall rental amount, from \$17,100 to \$14,000 for the first 5 years, which is a

savings of \$37,200 annually assuming that the rent amount would have stayed static at the Orchard location. After 5 years, the rent will increase to \$15,400 monthly for years 6-10 which is still an annual decrease of \$20,400. We also anticipate a decrease to the monthly utility expense over our current expense given the reduction of underutilized spaces and the improved energy efficiency of heating/cooling systems, and lighting. HHSA subleases spaces in the One-Stop Job Center to the required partners and expects to continue this arrangement in the new location. HHSA has also received some queries from optional partners regarding the potential of co-location which will further advantage the cost allocation amongst the One Stop.

Conclusion & Recommendation:

Despite the lack of alternative available sites that would be able to easily accommodate the requirements of our One-Stop Job Center, Facility and Program staff believe that the opportunity to assume occupation of this particular building is advantageous for our customers, our partners, and our mission to provide business services to employers and job seekers in the pursuit of a thriving community. It is recommended that the Board approve the lease agreement to secure this site for the next 10 years with a corresponding commitment from the landlord that the site can be available to the County for an additional 10 years.

Sincerely,

A handwritten signature in black ink, appearing to read "Rachel Ebel-Elliott", written in a cursive style.

Rachel Ebel-Elliott

Acting Deputy Director

HHSA Employment and Family Assistance Services

