



**County of Del Norte**  
Department of Child Support Services  
P.O. Box 66, 983 Third Street  
Crescent City, CA 95531  
(866) 901-3212  
Fax (707) 465-0126  
dcss@co.del-norte.ca.us

**AGENDA DATE: 9 MARCH 2021**

**TO: Del Norte County Board of Supervisors**

**FROM: Del Norte County Department of Child Support Services**

**SUBJECT: Building Lease Approval**

**RECOMMENDATION FOR BOARD ACTION:**

The Department requests the approval of a ten-year lease agreement between Del Norte County Dept. of Child Support Services and North Plaza Professionals, a California General Partnership.

**SUMMARY:**

The Department has been searching for a new or renovated facility for the past several years. The prior request submitted in 2019 was rejected by the BOS in search for a better option. After the release of an RFP at the end of 2020 the Department was able to locate a new facility which meets the Department's needs while saving a significant amount of public funds. The facility owners, Billy Don Hartwick, RoLane Hartwick, and Kevin Hartwick and their partnership (North Plaza Professionals, a California General Partnership) has met every demand listed in the RFP in addition to providing the most competitive leasing rates. The Department's savings is ~\$674,928 over the ten-year agreement when compared to the Department's current lease costs.

**DISCUSSION/JUSTIFICATION:**

The Department identified the need to search for a new/renovated facility due to significant changes within the Department. The Department's staffing size is currently 16 which is down from 39 in FFY 03/04; the current facility is largely unused and unoccupied. Most importantly, the Department is currently experiencing funding cuts from the state, during FFY 19/20 the Department's allocation was reduced by \$417,082 with additional cuts pending. Ultimately, the Department has conducted an investigation to find a location which is safe, secure, and cost effective. The proposed lease meets all demands of the Department and is eager to begin transitioning into a highly effective program within Del Norte County.

The Department received two proposals within the RFP window: North Plaza Professionals (NPP) and TAB Inc. (TAB). Once received, the Director conducted an analysis of the two proposals over the lease's ten-year lifecycle (see attached documents). Both proposals offer a significant cost savings compared to the Department's current rental rate and met all or most criteria of the RFP. NPP met all criteria and was the most cost effective while TAB met most of the criteria and was more expensive. Of note, TAB's facility is within the Tsunami Evacuation Zone (3<sup>rd</sup> Street) which poses serious safety

concerns to the facility and the employees. When weighing both options, the RFP grading criteria was evaluated and scored appropriately (see attached document). Departmental funding cuts will continue by the state over the next several years and it is in the best interest of the Department, Del Norte County, and the state Department of Child Support Services to have a long-term lease which is sustainable by the Department. In the event departmental costs exceed funding, then the financial burden will be on the county's general fund or the Department will have to reallocate funds (aid recoupment funds) which are currently transferred to other county agencies, reducing overall county services. Funding for the Department derives from both state general funds and federal tax dollars. As a government agency it is prudent to take overt measures to save state and federal funds to the maximum extent possible. Throughout the RFP process it was the focal concern of the Department to become more cost effective. The Department currently ranks last in the state for cost effectiveness, rental costs is the second highest cost to the Department. A reduction of rental costs will have a marked impact on the Department's performance. It is in the best interest of the Department to award the lease to NPP based on their merits of meeting all RFP demands while being the most cost effective.

**ALTERNATIVE:**

Do not approve the requested lease agreement. If not approved and a new lease agreement is not decided, the current lease will extend for an additional Fiscal Year until a long term lease is signed. Current lease costs \$102,700.80 per year while the proposed lease costs \$38,142.00 for the first year. Current lease will expire on June 30, 2021. Requested lease agreement will need to be expedited in order to allow enough time for facility improvements to occur.

**FINANCING:**

The Department will be able to fund the entire lease through state general funds and federal funds. No county general funds are used within the Department. The ten-year lease agreement will cost the Department \$355,014 over its lifecycle.

**CHILDREN'S IMPACT STATEMENT:**

This section meets 2 of the following outcome measures for children in Del Norte County:

- Children ready for and succeeding in school.
- Children and youth are healthy and preparing for adulthood.
- Families are economically self-sufficient.
- Families are safe, stable and nurturing.
- Communities are safe and provide a high quality of life.
- No impact to Children as a result of this action.

**OTHER AGENCY INVOLVEMENT:**

**SIGNATURE REQUIRED:**

Document requires the Chair's signature.

**ADMINISTRATIVE SIGN-OFF:**

AUDITOR:

COUNTY ADMINISTRATIVE OFFICER: Jay Sarina

COUNTY COUNSEL: Joel Campbell-Blair

PERSONNEL: Risk Management

OTHER DEPARTMENT:

**LEASE AGREEMENT  
DEL NORTE DEPARTMENT OF CHILD SUPPORT SERVICES**

**LANDLORD:** North Plaza Professionals, a California General Partnership

**TENANT:** County of Del Norte  
A political subdivision of the State of California

**DEPARTMENT:** Child Support Services

**LOCATION:** Suite #8 and Suite #18  
1225 Marshall Street  
Crescent City, CA 95531

## OFFICE LEASE

THIS OFFICE LEASE (“Lease”), dated as of 1 July 2021 for the purpose of reference only, is made and entered into by and between North Plaza Professionals, a California General Partnership (“Landlord”) and the County of Del Norte, a political subdivision of the State of California (“Tenant”). The term “Party” will refer to a referenced party and if no party is referenced, then to all Parties.

### ARTICLE 1 LEASE OF PREMISES

NOW THEREFORE, for payment of good and adequate consideration, the receipt and adequacy of which are hereby acknowledged, Landlord hereby leases to Tenant and Tenant hires from Landlord the “Premises”, as defined in Section 1 of the Lease Summary, which is attached hereto and made a part hereof, for the term and subject to the terms, covenants, agreements and conditions hereinafter set forth, to each and all of which Tenant and Landlord hereby mutually agree.

### ARTICLE 2 TERM; COMPLETION OF IMPROVEMENTS

2.1 Term. The term of this Lease (the “Base Term”) will commence on the date of delivery of the Premises to Tenant for occupancy in accordance with the scheduled Commencement Date set forth in Section 2 of the Lease Summary. Unless sooner terminated as hereinafter provided, or as provided by law, the Base Term will end on the date set forth in Section 2 of the Lease Summary.

2.2 Landlord Improvements. Prior to delivery of possession of the Premises to Tenant on or before the Commencement Date, Landlord must construct or install on the Premises the improvements detailed in Exhibit A, which is attached hereto and incorporated herein (“Project”). The Premises will be deemed completed and possession delivered when Landlord has substantially completed the Project subject only to the completion of minor items which do not materially impair the usability of the Premises by Tenant, and Tenant agrees to accept the Premises upon notice from Landlord that such improvements have been so completed. Landlord must use reasonable efforts to advise Tenant of the anticipated date of substantial completion at least thirty (30) days prior to such date.

2.3 Early Occupancy. In the event the Premises are ready for occupancy prior to the scheduled Commencement Date, Tenant will have the right to take early occupancy of the Premises on such date as Landlord and Tenant agree, and notwithstanding anything to the contrary contained herein, the Term and Tenant's obligation to pay Rent hereunder will commence upon such occupancy; provided, however, that the Expiration Date will not be affected by such early occupancy.

2.4 Right to Extend. Provided there is no uncured default hereunder either as of the date Tenant notifies Landlord of its election to extend the Term or as of the first day of the extension

period, Tenant may extend the original Term as it relates to the Premises for two (2) successive periods of five (5) years each (each an "Extension Term"). Tenant must notify Landlord of its election to extend the Term by giving Landlord written notice thereof, not less than three (3) months prior to the expiration of the Base Term or expiration of a prior Extension Term. All of the provisions of this Lease (other than the amount of Base Rent payable hereunder and the right of Tenant to exercise the Extension Option) will apply during the Extension Term. The parties will meet and agree on a new rent amount at least 30 days in advance of any extended term.

### **ARTICLE 3** **RENT**

3.1 **Rent.** Tenant agrees to pay to Landlord as rent for the Premises during the Base Term and any Extension Term the per-month sum based on \$1.00 per square foot for a total of 2, 934 square feet. Suite #18 includes 2,160 square feet and Suite #8 includes 774 square feet. First payment includes Deposit/first and last month rent for \$5,868.00. Monthly base rent payments throughout the term equals \$2,934.

3.2 **Due Date.** Base Rent must be paid to Landlord on or before the first day of the Term and on or before the first day of each and every successive calendar month thereafter during the Term. In the event the Term commences on a day other than the first day of a calendar month or ends on a day other than the last day of a calendar month, then Base Rent for the first and last fractional months of the Term will be appropriately prorated on the basis of a thirty (30) day calendar month. Nothing in this section restricts the right of the tenant to pay more than one month at a time without penalty.

3.3 **Additional Rent.** All charges, assessments, taxes, expenses, reimbursements and other amounts of any kind whatsoever collectively payable by Tenant to Landlord pursuant to this Lease will be deemed additional rent for purposes of collection only (collectively "Additional Rent"). Landlord will have the same remedies for default in the payment of Additional Rent as for default in the payment of Base Rent. Base Rent and Additional Rent are collectively referred to herein as "Rent."

### **ARTICLE 4** **USE OF PREMISES**

4.1 **Approved Use.** The Premises may only be used for general office purposes consistent with the nature of the Tenant's status as a County-operated child support office (the "Approved Use") and no other. Tenant will not commit, or suffer to be committed, any waste upon the Premises, or any public or private nuisance, or other act or thing which may injure, annoy or disturb the quiet enjoyment of any occupant of neighboring properties or other tenant in the Building; nor, without limiting the generality of the foregoing, will Tenant allow the Premises to be used for any improper, unlawful or objectionable purpose. Tenant may not place any harmful or hazardous liquids in the drainage system of the Premises or of the Building. Tenant may not place any loads upon the floors, walls, ceilings or roof which might endanger the structure, nor overload any electrical, plumbing, telecommunications, mechanical or other systems.

**ARTICLE 5**  
**UTILITIES**

Landlord must provide access to water, electricity, heat, light, power, sewer, and other utilities (“Utilities”); Landlord will provide metering of Utilities so that Tenant’s consumption of a specific Utility can be separately charged directly to the Tenant by the service provider. Quarterly garbage fees will be calculated based on total occupancy and billed based on square footage.

**ARTICLE 6**  
**HOLDING OVER**

If Tenant remains in possession of the Premises after the expiration or earlier termination of the Term without the express written consent of Landlord, Tenant will become a month-to-month tenant and the terms of this Lease will continue to apply.

**ARTICLE 7**  
**TAXES**

Landlord will pay all taxes, levies, fees, community district fees and/or bonds, assessments and government charges of any kinds, existing as of the Commencement Date or thereafter enacted or imposed by Government authority during the Term of this Lease.

**ARTICLE 8**  
**ALTERATIONS AND TENANT’S PROPERTY**

8.1 Tenant Alterations. Tenant agrees not to make or allow to be made any alterations, improvements, additions or physical changes in or about the Premises (“Tenant Alterations”) without first obtaining the written consent of Landlord in each instance, which consent may be withheld by Landlord in its sole discretion if the proposed Alterations (i) affect the structural components of the Building or (ii) adversely affect the Building Systems, in all other cases, Landlord’s consent must not be unreasonably withheld.

8.2 Conditions. Notwithstanding the foregoing, if Landlord approves any Alterations, Landlord may impose such reasonable conditions on Tenant in connection with the commencement, performance and completion of such Alterations as Landlord may deem appropriate in Landlord’s reasonable discretion.

**ARTICLE 9**  
**LANDLORD’S REPAIRS**

Landlord must maintain, at Landlord’s expense, all of the building systems in good repair, with the exception of reasonable wear and tear and uninsured losses and damages caused by Tenant, or by any of Tenant’s agents, servants, employees, invitees and contractors. Building systems include interior and exterior electrical systems, mechanical systems (including, without limitation, heating, ventilation and cooling systems), plumbing systems, fire protection, life

safety and sprinkler systems, in each case to the extent the same is brought to (and including), but not beyond, the point of distribution to the Premises. Landlord's duty of maintenance includes the hiring of exterminators to prevent damage to building systems as necessary and reasonable. Tenant will promptly give Landlord written notice of any repair required by Landlord pursuant to this Article, after which Landlord must make a commercially reasonable effort to affect such repair. In connection with its obligations under this Section, Landlord agrees to use reasonable efforts to minimize interference with Tenant's business at the Premises.

**ARTICLE 10**  
**TENANT'S REPAIRS**

Tenant, at Tenant's expense, will repair, replace and maintain in good condition and clean all entries, doors, ceilings (below the ceiling grid), interior windows, interior walls, and the interior side of demising walls. Should Tenant fail to make any such repair or replacement or fail to maintain and clean the specified portion of the Premises, Landlord may give Tenant written notice of such failure. If Tenant fails to commence cure of such failure within 10 days of Landlord's written notice, and thereafter diligently prosecute such cure to completion, Landlord may perform such work and be reimbursed by Tenant within 10 days after written demand therefor; provided, however, that if such failure by Tenant creates or could create an emergency, Landlord may immediately commence cure of such failure and thereafter be entitled to recover the costs of such cure from Tenant.

**ARTICLE 11**  
**MECHANICS' LIENS**

To the greatest extent possible, Tenant will keep the Premises free from any liens arising out of work performed, materials furnished, or obligations incurred by Tenant. Tenant agrees to discharge, by bond or otherwise, any mechanic's lien filed against the Premises for work done or materials furnished to Tenant within 30 days after it receives notice of the filing thereof.

**ARTICLE 12**  
**INDEMNIFICATION**

12.1 Tenant hereby indemnifies and agrees to defend, save and hold Landlord harmless from and against any and all Claims for injury or death to persons or damage to property occurring within or about the Premises, arising directly or indirectly out of use or occupancy of the Premises or a breach or default by Tenant in the performance of any of its obligations hereunder, except to the extent caused by the willful misconduct or gross negligence of Landlord or the Landlord Parties.

12.2 Landlord hereby indemnifies and agrees to defend, save and hold Tenant harmless from and against any and all Claims for injury or death to persons or damage to property occurring at the Premises, except to the extent caused by the willful misconduct or gross negligence of Tenant.



### **ARTICLE 13** **INSURANCE**

13.1 Landlord must maintain all risk property and, if applicable, sprinkler damage insurance covering the full replacement cost of the Project. Landlord will further procure and maintain commercial general liability insurance with a single loss limit of not less than \$1,000,000 for bodily injury and property damage with respect to the Project. Landlord may, but is not obligated to, maintain such other insurance and additional coverage as it may deem necessary, including, but not limited to, flood, environmental hazard and earthquake, loss or failure of building equipment, errors and omissions, rental loss during the period of repair or rebuilding, workers' compensation insurance and fidelity bonds for employees employed to perform services and insurance for any improvements installed by Tenant or which are in addition to the standard improvements customarily furnished by Landlord without regard to whether or not such are made a part of the Project.

13.2 Tenant will maintain during the Term: all risk property insurance with business interruption and extra expense coverage, covering the full replacement cost of all personal property and Tenant Alterations; workers' compensation insurance with no less than the minimum limits required by law to cover; employer's liability insurance with such limits as required by law; and commercial general liability insurance. The commercial general liability insurance policy must name Landlord, its officers, directors, employees and managers (collectively, "Landlord Parties") as additional insureds. Certificates of insurance showing the limits of coverage required hereunder and showing Landlord as an additional insured will be delivered to Landlord by Tenant upon commencement of the Term and upon each renewal of said insurance. Tenant will, prior to the expiration of such policies, furnish Landlord with reasonably acceptable evidence of the renewal of such policies and promptly thereafter deliver renewal certificates to Landlord.

### **ARTICLE 14** **RESTORATION**

If, at any time during the Term, the Project or the Premises are damaged or destroyed by a fire or other insured casualty, Landlord must notify Tenant within 30 days after discovery of such damage as to the amount of time Landlord reasonably estimates it will take to restore the Project or the Premises, as applicable (the "Restoration Period"). If the Restoration Period is estimated to exceed 3 months from the date Landlord notifies Tenant (the "Maximum Restoration Period"), Landlord may, in such notice, elect to terminate this Lease as of the date that is 45 days after such notice, provided, however, that notwithstanding Landlord's election to restore, Tenant may elect to terminate this Lease by written notice to Landlord delivered within 10 business days of receipt of the notice from Landlord estimating a Restoration Period for the Premises longer than the Maximum Restoration Period. Unless Tenant or Landlord so elect to terminate this Lease, Landlord must, subject to receipt of sufficient insurance proceeds, promptly restore the Premises (excluding Tenant Improvements and Tenant Alterations unless Tenant has separately insured same and such separate insurance proceeds or payment from Tenant is received by Landlord sufficient to pay for the restoration of such Tenant Improvement or Tenant Alteration).

**ARTICLE 15**  
**TENANT DEFAULT**

15.1 Each of the following will be considered an act of default by Tenant under this Lease:

- (a) Payment Defaults. Tenant fails to pay any installment of Rent or any other payment hereunder when properly due.
- (b) Insurance. Any insurance required to be maintained by Tenant pursuant to this Lease is canceled, terminated, expires, or is reduced or materially changed, or Landlord receives a notice of nonrenewal of any such insurance and Tenant fails to obtain replacement insurance at least 10 days before the expiration of the current coverage.
- (c) Improper Transfer. Tenant assigns, subleases or otherwise transfers, or attempts to transfer all or any portion of Tenant's interest in this Lease or the Premises, except as expressly permitted herein, or Tenant's interest in this Lease is attached, executed upon, or otherwise judicially seized and such action is not released within 90 days of the action.
- (d) Liens. Tenant fails to discharge or otherwise obtain the release of any lien placed upon the Premises in violation of this Lease within 30 days after Tenant's receipt of notice that any such lien is filed against the Premises.
- (e) Other Defaults. Tenant fails to comply with any provision of this Lease and, except as otherwise expressly permitted, such failure continues for a period of 30 days after written notice thereof from Landlord to Tenant.

15.2 Landlord will have the following remedies in the event of a Tenant default:

- (a) Landlord Cure. Landlord may, without waiving or releasing any obligation of Tenant hereunder, make such payment or perform such act, provided that Landlord has first provided reasonable notice and opportunity for Tenant to cure, and Tenant has failed to do so. Nothing herein may be construed to create or impose a duty on Landlord to mitigate any damages resulting from Tenant's Default hereunder.
- (b) Late Payment Rent. If any installment of Rent due from Tenant is not received by Landlord within 5 days after the date such payment is due, Tenant must pay to Landlord an additional sum equal to 5% of the overdue Rent as a late charge. Notwithstanding the foregoing, before assessing a late charge the first time in any calendar year, Landlord must provide Tenant written notice of the delinquency and will waive the right if Tenant pays such delinquency within 5 days thereafter. The parties agree that this late charge represents a fair and reasonable estimate of the costs Landlord will incur by reason of late payment by Tenant.
- (c) Termination of Lease. If, after notice to Tenant, Tenant fails to perform, Landlord may opt to use its judicial remedies pursuant to California Civil Code Sections 1940 *et seq.*

**ARTICLE 16**  
**LANDLORD DEFAULT**

If Landlord fails to perform any of its obligations hereunder within 30 days after written notice from Tenant specifying such failure (unless such performance will, due to the nature of the obligation, require a period of time in excess of 30 days, then after such period of time as is reasonably necessary), Tenant may immediately terminate this Lease, free of further obligation, for breach of Landlord's obligations hereunder.

**ARTICLE 17**  
**ASSIGNMENT AND SUBLETTING**

Without Landlord's prior written consent, Tenant may not, directly or indirectly, voluntarily or by operation of law, assign this Lease or sublease the Premises or any part thereof or mortgage, pledge, or hypothecate its leasehold interest or grant any concession or license within the Premises, and any attempt to do any of the foregoing will be void and of no effect.

**ARTICLE 18**  
**SURRENDER**

Upon the Termination Date or earlier termination of Tenant's right of possession, Tenant will surrender the Premises to Landlord broom clean, in as good condition as on the Commencement Date, except for normal wear and tear and damage by fire or other casualty not caused by Tenant, and repairs and replacements other than those which it is Landlord's obligation to make, free and clear of tenants and occupants and with all of Tenant's property removed and, to the extent required by Landlord in accordance with the terms of this Lease, with Alterations restored or removed to the extent required by Landlord. Any Tenant's property or Alterations not so removed by Tenant as permitted or required herein will be deemed abandoned and may be stored, removed, and disposed of by Landlord, and Tenant waives all claims against Landlord for any damages resulting from Landlord's retention and/or disposition of such property.

**ARTICLE 19**  
**SEVERABILITY**

If any clause or provision of this Lease is illegal, invalid or unenforceable under present or future laws, then and in that event, it is the intention of the parties hereto that the remainder of this Lease will not be affected thereby. It is also the intention of the parties to this Lease that in lieu of each clause or provision of this Lease that is illegal, invalid or unenforceable, there be added, as a part of this Lease, a clause or provision as similar in effect to such illegal, invalid or unenforceable clause or provision as may be legal, valid and enforceable.

**ARTICLE 20**  
**NOTICES**

All notices or other communications between the parties must be in writing and will be deemed duly given upon delivery or refusal to accept delivery by the addressee thereof if delivered in

person, or upon actual receipt if delivered by reputable overnight guaranty courier, addressed and sent to the parties at their addresses as follows:

**IF TO LANDLORD:**

North Plaza Professionals  
1225 Marshall Street #24  
Crescent City, CA 95531

**IF TO TENANT:**

County of Del Norte  
Department of Child Support Services  
Attn: Aaron Goodwin, Director  
983 Third Street  
Crescent City, CA 95531

**ARTICLE 21**  
**COMPLIANCE WITH LAWS**

The Parties agree that they have and will comply with all federal, state, and local laws applicable to this Lease, and that the violation of this provision may be deemed a default under this Lease, triggering the Parties' respective remedies for such default.

**ARTICLE 22**  
**CHOICE OF LAW AND FORUM**

Construction and interpretation of this Lease will be governed by the laws of the State of California. The Superior Court for the County of Del Norte will have original jurisdiction over any legal dispute relating to or arising out of this Lease.

**ARTICLE 23**  
**ATTORNEYS' FEES**

If any action is brought by either party against the other party, relating to or arising out of this Lease, the transaction described herein or the enforcement hereof, the prevailing party will be entitled to recover from the other party reasonable attorneys' fees, costs and expenses incurred in connection with the prosecution or defense of such action.

## LEASE SUMMARY

### Section 1

Lease agreement includes occupancy of Suite #8 and Suite #18 located within North Plaza Professional commercial building at 1225 Marshall Street Crescent City. Total office size is 2,934 square feet with Suite #8 (774 square feet) and Suite #18 (2,160 square feet). Lease includes \$1.00 per square foot with tenant responsible for garbage (prorated between all tenants), power, and water. Tenant will pay a one-time deposit (first and last month rent) of \$5,868.00 upon occupancy.

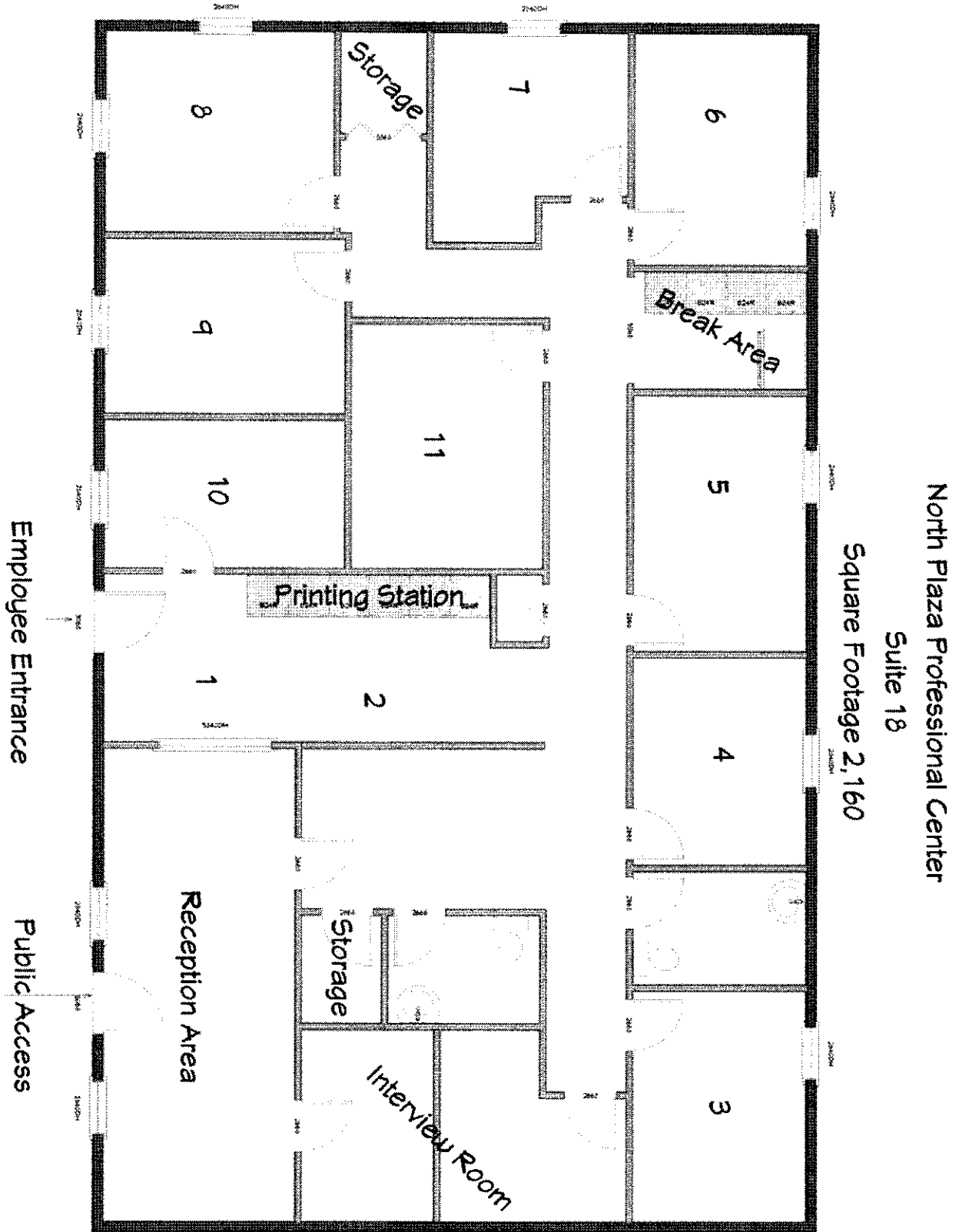
### Section 2

Lease will commence starting 1 July 2021 and will continue for a period of ten (10) years. Lease will expire on 1 July 2031 with the ability to extend for a maximum of two five (5) year terms.

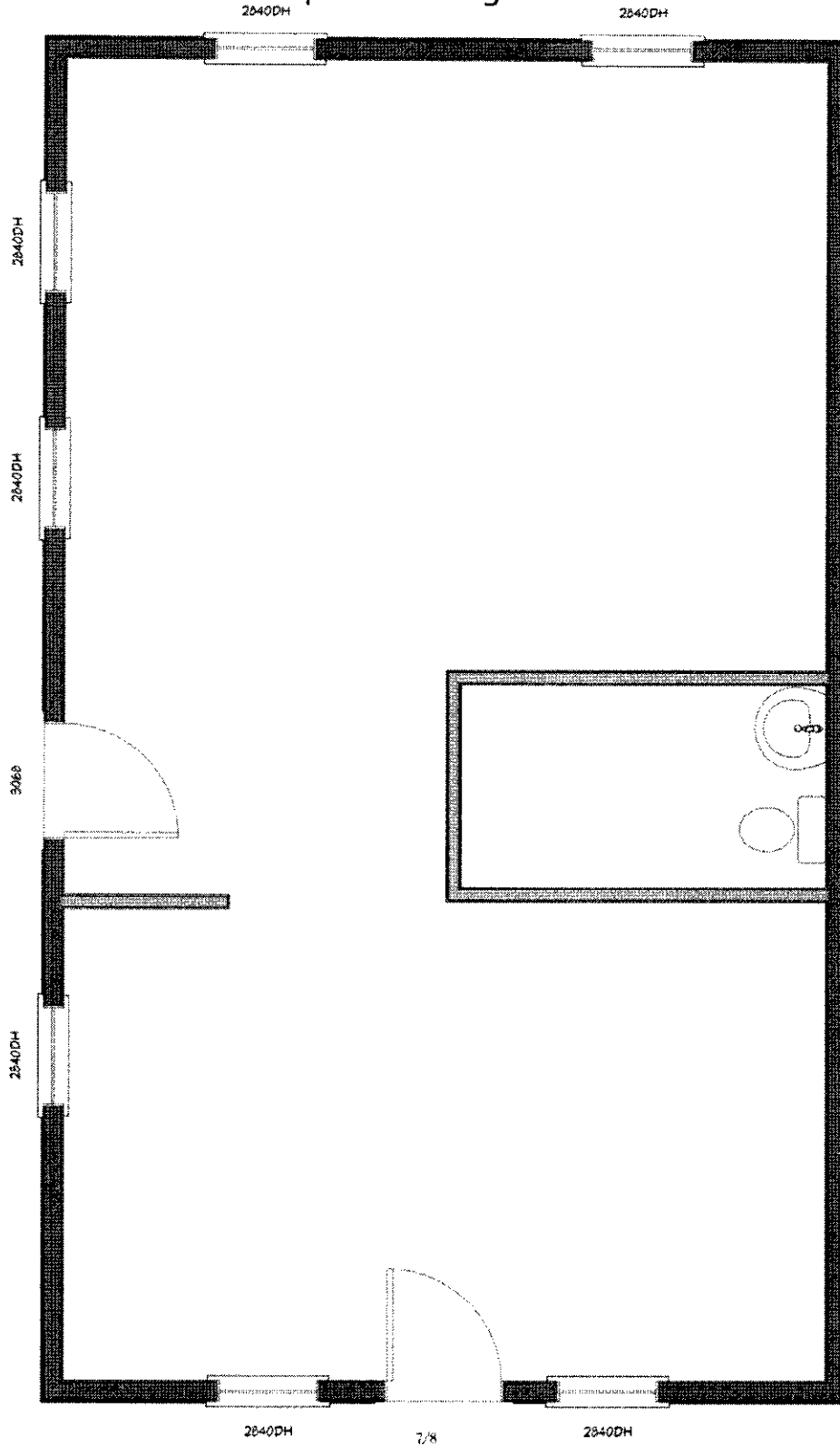
### Section 3

Financial costs relating to renovations of the current facility will be placed on the Landlord. Landlord will make modifications to the current facility which will be jointly approved by the Tenant and Landlord. Facility improvements will be made based on operational necessity by the Tenant. Renovations will be considered complete once approved by the Tenant. Landlord will use the graphic given in Exhibit A as the basis for renovations.

**EXHIBIT A**



Suite 8  
Square Footage 774



IN WITNESS WHEREOF, the parties hereto have executed this Lease Agreement on \_\_\_\_\_, 2020.

**LANDLORD**

**TENANT  
COUNTY OF DEL NORTE**

\_\_\_\_\_  
By: Kevin Hartwick  
Title: DBA North Plaza Professionals

\_\_\_\_\_  
Chris Howard, Chair  
Board of Supervisors

ATTEST:

\_\_\_\_\_  
Kylie Goughnour  
Clerk of the Board

APPROVED AS TO FORM:

\_\_\_\_\_  
Joel Campbell-Blair  
County Counsel



	North Plaza Professionals 1225 Marshall Street	TAB Inc. 983 Third Street (Current Facility)	Tab Inc. Revised Proposal 2/26/21	
Year	\$1.00 per square ft	Original Proposal	Rent (\$0.75) per square foot with 2% annual increase	Rent with Renovation Costs incurred (\$0.20) by the tenant
1	\$38,142.00	\$50,424.00	\$34,695.00	\$43,947.00
2	\$35,208.00	\$51,210.48	\$35,388.90	\$44,640.90
3	\$35,208.00	\$52,012.69	\$36,096.68	\$45,348.68
4	\$35,208.00	\$52,830.93	\$36,818.61	\$46,070.61
5	\$35,208.00	\$53,665.58	\$37,554.98	\$46,806.98
6	\$35,208.00	\$53,667.80	\$38,306.08	\$47,558.08
7	\$35,208.00	\$54,529.36	\$39,072.21	\$48,324.21
8	\$35,208.00	\$55,397.91	\$39,853.65	\$49,105.65
9	\$35,208.00	\$56,283.84	\$40,650.72	\$49,902.72
10	\$35,208.00	\$57,187.52	\$41,463.74	\$50,715.74
<b>Total</b>	<b>\$355,014.00</b>	<b>\$537,210.11</b>		<b>\$472,420.57</b>
Ave rent per year	\$35,501.40	\$53,721.01		\$47,242.06
<b>Cost Comparison (10 year lifecycle)</b>				
TAB Inc.		\$472,420.57		
North Plaza Professionals		\$355,014.00		
Cost differential		\$117,406.57		

**COUNTY OF DEL NORTE**  
Department of Child Support Services  
983 3rd Street  
Crescent City, CA 95531

# **REQUEST FOR PROPOSALS**

**UPDATED 13 JAN 2021**

## **DEPARTMENT OF CHILD SUPPORT SERVICES OFFICE SPACE (LEASE/BUILD TO SUIT)**



**Notice is Given** – The Del Norte County Child Support Office will receive Proposals for Department of Child Support Services Office Space (Lease / Build to Suit)

**Date of RFP Issue** – November 12, 2020

**Proposals Submission Deadline** – January 15, 2021 at 3:00 p.m.

Mail your Proposals to:

Attn: Aaron Goodwin, Director of Child Support Services  
Del Norte County Child Support  
983 Third Street  
Crescent City CA 95531

## **PROPOSALS SUBMITTAL**

Respondents must submit three (3) originals signed by the individual or authorized representative. All proposals shall be submitted on letter-sized media, pages numbered numerically, preferably on recycled paper. The outside of the submission envelope must be sealed and clearly marked "REQUEST FOR PROPOSALS – DEPARTMENT OF CHILD SUPPORT SERVICES OFFICE SPACE (LEASE / BUILD TO SUIT)." Proposals must be submitted to Del Norte County Child Support, Attn: Aaron Goodwin, 983 Third Street, Crescent City, California, 95531, and **received no later than January 15, 2021 at 3:00 p.m.**

Questions regarding the RFP content shall be submitted by email to Aaron Goodwin at [agoodwin@co.del-norte.ca.us](mailto:agoodwin@co.del-norte.ca.us) or by phone at 707-464-7299 ext. 2234 no later than **January 2, 2021 at 1:00 p.m.** Respondents must email the above address to receive any addendums.

Del Norte County reserves the right to:

- Request clarification of any submitted information;
- Not enter into any lease agreement;
- Amend or cancel this process at any time;
- Interview applicants prior to award and request additional information during the interview;
- Negotiate a multi-year lease or a lease with an option to extend during the duration;
- Issue a similar RFP in the future.

## **PROPOSAL PURPOSE**

Del Norte County is seeking space for its Department of Child Support Services. The intent of this Request for Proposals (RFP) is to secure said office space for these purposes.

The Department of Child Support Services is currently looking for office space with no less than 2,800 sq. ft. of available space.

## **PROPOSAL SPECIFICATIONS**

This Request for Proposal requires proposals to include the following specifications:

- Secured reception area (approximately 675 SF including lobby area). The facility needs to have a physical barrier established in order to protect the employees (up to two people) who perform their work and interact with the public. This would include a fixed countertop which is high enough to not allow the free access of unauthorized personnel, which will provide this area with the confidentiality and security that is required. This area shall also include seating for up to six public visitors as well as a secured area for the "Payment Kiosk" allowing for privacy.

- Interview rooms. Minimum of one small (approximately 50 SF each) interview room accessible to the public. These rooms cannot be within the secured area due to information security of the main part of the building. In addition, these rooms need to be accessible from the secured side of the building but prevents public access unless authorized.
- Break room. Capable of supporting approximately five people (approximately 100 SF) with a sink and room for a refrigerator.
- Open area capable of holding 12 cubicles (approximately 64 SF per cubicle). Offices may be used to substitute cubical spaces as long as offices meet all applicable building codes and ADA/OSHA requirements.
- Three hard walled offices with doors (approximately 120 SF each). These rooms support the management staff.
- Open space with enough seating for up to 15 people for training classes and meetings.
- Bathrooms which are compliant with all applicable building codes and ADA/OSHA requirements.
- Parking. Public/private parking spaces capable of supporting staff, county vehicle, and 1-2 customers throughout the day. Two handicap parking spaces immediately adjacent to facility entranceway.
- As much natural light possible.

Additional Proposal Requirements:

- Include location map and draft floor plan in proposal submittal.
- Detailed Building Specifications including square footage, access, and whether single unit or multi-unit space.
- Cost Proposal (i.e. rent and complete listing of pass-through expenses, if any, including a 2-year cost history of those items).
- Proposed schedule of work and deadlines to ensure space availability.
- Readiness of facility.
- Confirmation that the site meets any and all existing building codes.
- Ideally located outside the tsunami run-up zone but not required. Part of the 15% RFP evaluation applies to whether the facility is within the tsunami run-up zone. Tsunami run-up zone map (evacuation map) is located on Del Norte County's Emergency Services webpage: <http://www.co.del-norte.ca.us/departments/administration/emergency-services>

**EVALUATION/SELECTION CRITERIA**

Respondents will be evaluated on their responses to the following categories and criterion for selection:

- a) Site Size & Location 15%
- b) Site Visibility & Suitability 25%
- c) Lease Price 25%
- d) Site Parking 15%
- e) ADA Accessibility 10%
- f) Ability to Provide Additional Space 10%

**CONTRACT AWARD SCHEDULE**

Post RFP	November 12, 2020
Deadline for Questions	January 2, 2020 at 1:00 p.m.
Proposal Submission Deadline	January 15, 2020 at 3 p.m.

**METHOD OF AWARD**

The successful proposal will be determined by the Del Norte County Board of Supervisors. Such award will be to the respondent whose proposal is determined by the County to be the most responsive to the requirements specified in the RFP, in the best interest of Del Norte County and most technically complete. For purposes of this RFP, “award” is defined as the right to negotiate a contractual relationship with Del Norte County for services identified in the RFP. Award does not constitute an acceptance of a lease agreement.

**ATTACHMENTS**

Proposed Lease Agreement

RFP Comparison Chart				
Criteria	Max. %	North Plaza Professionals	Notes	TAB Inc.
Site Size & Location	15%	15.00%	Appropriate Size and <b>outside</b> Tsunami Evacuation Zone.	7.50%
Site Visibility & Suitability	25%	25.00%	Located within a professional office building in close proximity to DHHS. Suitable to carry out operations.	25.00%
Lease Price	25%	25.00%	65% reduction of current rental rate (cost averaging).	20.00%
Site Parking	15%	10.00%	Assigned ADA parking in front of facility along with reserved customer parking. Staff park in public space adjacent to facility.	15.00%
ADA Accessibility	10%	10.00%	Required component of RFP.	10.00%
Ability to Provide Additional Space	10%	10.00%	Adjacent units would be available if needed for future operations.	10.00%
Total	100%	95%		88%

Appropriate Size and **within** the Tsunami Evacuation Zone.

Located within a main thoroughfare. Suitable to carry out operations.

54% reduction of current rental rate (cost averaging).

Public parking lot immediately adjacent to facility.

Required component of RFP.

Total facility is currently unoccupied if additional space is needed.

# **TAB & Associates, Inc.**

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243 Price Mall

Crescent City, CA 95531

## **REQUEST FOR PROPOSALS – DEPARTMENT OF CHILD SUPPORT SERVICES OFFICE SPACE (LEASE / BUILD TO SUIT)**

Site Proposal Presented to Aaron Goodwin, Director of Child Support Services

## **Executive Summary**

02/26/2021

TAB & Associates, Inc.: the "Landlord"  
Del Norte County Child Support Services: the "Tenant"

**Location** - 983 3rd Street Suite E Crescent City, CA 95531

**Size** - approximately 3855 Sq. ft.

**Lease Term** - 10 Years

**Tenant Improvement Cost** - \$70,000.00 \*amortized over 10 years at 6% interest

**Total Monthly Cost**- \$3662.25/ month

- Base rent \$2891.25/ month (\$0.75/ square foot)
- Tenant Improvement cost \$771.00/month (\$0.20/ square foot)

**\* Base rent rate increases 2% annually**

**Utilities**- Tenant pays for water/sewer/ electric/gas

**Option to extend**- Tenant may extend the original Term as it relates to the Premises for two (2) successive periods of five (5) years each.

**Tenant Improvement Cost**- The required TI cost will be the Tenant's responsibility. The TI cost will be amortized over the life of the lease at 6% interest for 10 years, and will have a separate monthly payment which can be adjusted and reamortized if an additional principal payment is made. The tenant has the option to pay off the TI cost at any time during the lease, at which time the lease cost will be adjusted accordingly.

**Escape Clause** - Lease will contain an escape clause that will be contingent on the loss of funding for the program. Should the Tenant cancel the lease during the first three years of the contract; the Tenant will be responsible for the remaining lease amount for the first three year period plus any outstanding unpaid TI Cost. After the initial three year period, should the Tenant break the lease due to loss of funding, the Landlord will require a 180 day notice to cancel the lease and payment in full of any outstanding TI Cost.



**Additional contiguous tenants** - The Tenant will be consulted on any future tenants who will occupy space in the building, to ensure that the proposed use would not conflict with the tenants current use. If there is an objection it has to be reasonable and based on factual evidence that the use is non conforming and damaging to their business, mission, employees, and or clients. If required, the objection can be subject to mediation.

**Proposal specifications-** Reference exhibit 1 for more details

The proposed floor plan was reviewed and approved by Aaron Goodwin. All preliminary specifications outlined in the RFP dated 11/12/2020 have been met with the proposed floor plan; including but not limited to:

- Secured reception area
- Interview rooms
- Break rooms
- Cubicle spaces
- Office spaces
- Training and mediation room
- Bathrooms
- Parking
- Natural light
- All minimum square footage requirements have been met

**Site location-** The proposed location has been the home of Child Support Services for over 20 years, the employees and clients are familiar with the location, it is located within the central business district, where city, county, state, legal, financial, and judicial offices are located.

**Site Visibility-** The proposed location is located in the center of the downtown district in Crescent City. The location offers high visibility with an unobstructed view of the building and a private entrance off of the city public parking lot. There is also ample amounts of room for signage on several areas of the building.

**Parking** - There are two contiguous city maintained parking lots with approximately 165 spaces, 8 handicapped spaces; including 2 that are immediately adjacent to the facility entranceway, and 6 Tesla charging stations. All parking is adjacent to the proposed space and does not require crossing any streets to enter the building.

**ADA Accessibility & Building Codes-** Proposed site will be compliant to current ADA requirements and building codes.

**Future Expansion** - There is an additional 6000 sq. ft. of contiguous vacant space available on the first floor and approximately 3,500 sq. ft. of vacant space on the second floor

**Right of first refusal on the vacant space-** In the event the Landlord receives an offer to lease the vacant space, the Landlord will offer it to Child Support Services first under your present contract terms and price, you will have a 15 day period to accept or decline the lease. Should you decline, the Landlord will lease the space to the offering party.

#### **Managed Professional Build Out -**

Lee Tromble Engineering: Consulting engineer

Clement Consulting Services: Space planning, drafting, and construction coordination

**Construction/Conversion Plan-** We offer up to 6000 sq ft of additional contiguous space available for use at no additional cost to the tenant during the construction/conversion period. The Tenant will be responsible for any direct cost associated with the space that they utilize (ie, gas, electric, swg, etc.) The Tenant's current lease with TAB & Associates, Inc. expires on 06/30/2021, should the Tenant enter into a new lease for the proposed space outlined in exhibit 1 and the new space is not ready by the 07/01/2021, then the terms of the new lease, including the new rental rate, will go into effect on 07/01/2021.

**Existing Cubicles-** See exhibit 1 for more detail. The tenant can use their existing cubicles as outlined in the floor plan on exhibit 1. The TI cost quoted does not account for new cubicles. If the tenant's cubicles will not work for the space there will be an additional TI cost.

**Current lease-** Child support's current lease with TAB & Associates, Inc. expires on 06/30/2021. There is an option to extend the lease for a 1 year period. TAB & Associates, Inc. will not be offering a month to month option at the expiration of that lease. If Child Support Services enters into a lease agreement for another space with a different landlord, Child Support Services must either vacate its current space by 06/30/2021 or elect to extend for 1 year at a rate of \$8,815.15/month totaling \$105,781.80 for the length of the year extension.

**Next Step-** It is our understanding that all options being considered will be presented and vetted at a future facility planning meeting for their approval and recommendation(s), which will be submitted to the Board of Supervisors for approval or tentative approval based on the plans being finalized, defining the Tenant Improvement costs, and final lease prepared. Upon execution of the lease agreement the Landlord will begin the build out.

**Negotiable and Non Binding-** All terms and conditions outlined in the agreement are negotiable. The terms outlined in this lease proposal serve for the basis of negotiation only and are non-binding until a formal Lease Amendment has been executed between both parties.

02/26/2021

TAB & Associates, Inc.



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Kali Moulder

Operations Director, TAB and Associates, Inc.

