



INVESTING IN COMMUNITIES

NOTICE OF REGULAR MEETING
**Sacramento Housing and Redevelopment
Commission**
Wednesday, November 19, 2014 – 6:00 pm
801 12th Street Sacramento, CA

ROLL CALL

APPROVAL OF AGENDA

1. APPROVAL OF MINUTES – November 5, 2014

CITIZENS COMMENTS

2. While the Commission welcomes and encourages participation in the Commission meetings, it would be appreciated if you would limit your comments to three minutes so that everyone may be heard. Please fill out a speaker card and present it to the Agency Clerk if you wish to speak under Citizen Comments or on a posted agenda item. Matters under the jurisdiction of the Commission, and not on the posted agenda, may be addressed by the general public at this time. Commission attendees are requested to silence any electronic devices that they have in their possession.

CONSENT

3. 2015 and Subsequent years authorization for Solicitation and Award and approval of Annual Expenditure Caps and Per Contract Caps for Routine Services

PUBLIC HEARING

4. Authorization of Leases and a Non-Exclusive License Agreement at Housing Authority Owned Properties for the provision of Resident Service Programs – City report
5. Authorization of Leases and a Non-Exclusive License Agreement at Housing Authority Owned Properties for the provision of Resident Service Programs – County report

STAFF REPORTS/ACTION ITEMS

6. Approval Of Pre-Development Agreement And Disposition And Development Agreement With Sacramento Habitat for Humanity For Five 43rd Avenue Properties 43rd avenue DDA with Habitat
7. Allocation of Supplemental Annual Administrative Fees from Multifamily Low-Income Mortgage Revenue Bond Financed Developments to the Housing Authority for Affordability and Supportive Services
8. Approval Of Tax-Exempt Bonds For Anton Butano Apartments
9. Approval of SHRA Commission Resolution to honor outgoing County Supervisor Jimmie Yee

PRESENTATIONS

9. SHRA Media Strategy
10. Fair Housing Presentation

EXECUTIVE DIRECTOR REPORT

COMMISSION CHAIR REPORT

ITEMS AND QUESTIONS OF COMMISSION MEMBERS

ADJOURNMENT

Staff reports are available for public review on the Agency's website www.shra.org and include all attachments and exhibits. Hard copies are available at the Agency Clerk's office (801 12th Street) for 10 cents per page. A copy of materials for this agenda will be available at the meeting for public review. **Assistance for the Disabled:** Meeting facilities are accessible to persons with disabilities. If you require special assistance to participate in the meeting, notify the Agency Clerk at (916) 440-1363 at least 48 hours prior to the meeting.



MINUTES

Sacramento Housing and Redevelopment Commission (SHRC) Regular Meeting November 5, 2014

Meeting noticed on October 31, 2014

ROLL CALL

The Sacramento Housing and Redevelopment Commission meeting was called to order at 6:00 p.m. by Chair Alcalay. A quorum of members was present.

MEMBERS PRESENT: Alcalay, Griffin, Johnson, Morgan, Morton, Raab, Stivers

MEMBERS ABSENT: Chan, Creswell (one vacancy)

STAFF PRESENT: Vickie Smith, LaShelle Dozier, David Levin, Christine Weichert, Don Cavier, Mike Taylor, Wayne Whitley, Geoff Ross

APPROVAL OF AGENDA The Agenda was approved as submitted.

APPROVAL OF MINUTES

1. October 15, 2014 minutes were approved.

CITIZENS COMMENTS

2. MaryLiz Paulson presented the Commission and SHRA staff an award of merit from the National Association of Housing and Redevelopment Officials for their participation in the Walk for Literacy.

PRESENTATIONS

2. SHRA Media Strategy – postponed to next meeting.

3. Promise Zone program application

Kyle Flood presented the item.

4. Jobs-plus Community Revitalization Initiative

Tyrone Williams presented the item.

EXECUTIVE DIRECTOR REPORT

LaShelle Dozier reviewed the following:

- Events calendar
- Next meeting is November 19th

- SHRA commission holiday party is December 10th.

COMMISSION CHAIR REPORT

Chair Alcalay made comments as follows:

- He requested more information on Promise Zone and Jobs Plus programs operated in other jurisdictions.
- He encouraged members to attend a going away event for Supervisor Jimmie Yee on Friday.
- He requested that the commission adopt a resolution to honor Supervisor Yee at the next meeting.
- He discussed the need to engage with the incoming new board and council members.

ITEMS AND QUESTIONS OF COMMISSION MEMBERS

None

ADJOURNMENT

As there was no further business to be conducted, Chair Alcalay adjourned the meeting at 6:40 p.m.

AGENCY CLERK

November 19, 2014



Sacramento Housing and Redevelopment Commission
Sacramento, California

Honorable Members in Session:

SUBJECT 2015 AND SUBSEQUENT YEARS AUTHORIZATION FOR
SOLICITATION, AWARD AND APPROVAL OF ANNUAL EXPENDITURE
CAPS AND PER CONTRACT CAPS FOR ROUTINE SERVICES

RECOMMENDATION

Staff recommends adoption of the attached resolution which authorizes the Executive Director or her designee to: 1) solicit competitive bids and proposals, and award contracts according to adopted Agency Procurement Policy and Procedures for routine and recurring services and, 2) authorizes the Executive Director or her designee to execute contracts, in amounts not to exceed annual expenditure or per contract amounts set forth for routine and recurring services.

CONTACT PERSONS

Michael Taylor, Program Manager, 449-6285
Wayne Whitley, Procurement Services Supervisor, 440-1327

SUMMARY

The attached resolution authorizes the Executive Director to solicit competitive bids and/or proposals, make awards, and enter into agreements with the responsive and responsible bidders and/or offerors for the services required in 2015 and the subsequent years.

BACKGROUND

As in previous years, the Agency will procure routine services for various Agency operations such as general administration and operations. This staff report covers new solicitations during 2015. If the length of the contract is greater than one year, the resolution authorizes the Executive Director to amend the contract each subsequent year for the dollar amounts listed up to the total number of years listed. Any procurement that exceeds \$100,000 and is not included in this report or in the adopted budget resolution will be presented individually for approval at a future Commission meeting.

FINANCIAL CONSIDERATIONS

The service shown below is a new solicitation that will be performed during 2015. All other solicitations have been approved by the Commission in prior staff reports, and staff does not anticipate any substantial changes to the specifications.

2015 Procurement		
Description	Estimated Annual Expenditure	Maximum Length of Contract
Information Technology (IT) Consulting Services	\$400,000	5 years

As always, services will be procured by competitive bids and proposals in accordance with the Agency Procurement Policy and Procedures. Funds for the above services are budgeted in the requesting departments' 2015 and subsequent years operating or project budgets.

POLICY CONSIDERATIONS

Agency procurement policy requires that all purchase orders and agreements for routine services, supplies and maintenance exceeding \$100,000 be approved by the Sacramento Housing and Redevelopment Commission. Any activities exceeding that amount that are not listed will be brought back to the Commission for review and approval. The actions proposed in this report are consistent with adopted Agency Procurement Policy and no changes to that policy are currently recommended. Contractors will be required to use the First Source Program for new employment opportunities.

ENVIRONMENTAL REVIEW

California Environmental Quality Act (CEQA): The proposed action consists of solicitation and award of services. IT Consulting Services are considered administrative or operational activities and are categorically exempt pursuant to CEQA Guidelines Section 15061 (b) (3).

National Environmental Policy Act (NEPA): The proposed action is exempt from further environmental review under NEPA 24 CFR 58.34 (a) (2), which exempts information and financial services: IT Consulting Services.

M/WBE AND SECTION 3 CONSIDERATIONS

Minority and Women's Business Enterprise requirements will be applied to all activities to the extent required by federal funding to maintain that federal funding. Section 3 requirements will be applied to the extent as may be applicable.

Respectfully submitted,


LA SHELLE DOZIER
Executive Director

RESOLUTION NO. SHRC-_____

ADOPTED BY THE SACRAMENTO HOUSING AND REDEVELOPMENT COMMISSION UNDER THE AUTHORITY DELEGATED TO THE COMMISSION PURSUANT TO CALIFORNIA HEALTH AND SAFETY CODE, SECTION 33202 BY RESOLUTION NO. RA 81-083 ADOPTED BY THE REDEVELOPMENT AGENCY OF THE CITY OF SACRAMENTO ON OCTOBER 20, 1981, AND BY RESOLUTION NO. RA-83 ADOPTED BY THE REDEVELOPMENT AGENCY OF THE COUNTY OF SACRAMENTO ON OCTOBER 27, 1981, AND PURSUANT TO CALIFORNIA HEALTH AND SAFETY CODE SECTION 34292 BY RESOLUTION NO. HA 81-098 ADOPTED BY THE HOUSING AUTHORITY OF THE CITY OF SACRAMENTO ON OCTOBER 20, 1981, AND BY RESOLUTION NO. HA-1497 ADOPTED BY THE HOUSING AUTHORITY OF THE COUNTY OF SACRAMENTO ON OCTOBER 27, 1981.

ON DATE OF
November 19, 2014

2015 AND SUBSEQUENT YEARS SOLICITATION AWARD AND APPROVAL OF ANNUAL EXPENDITURE CAPS AND PER CONTRACT CAPS OF ROUTINE SERVICES

NOW, THEREFORE, BE IT RESOLVED BY THE SACRAMENTO HOUSING AND REDEVELOPMENT COMMISSION:

Section 1. All the evidence presented having been fully considered, including but not limited to the environmental findings that the actions herein are exempt under the California Environmental Quality Act (CEQA), CEQA Guidelines Section 15061(b)(3) and under the National Environmental Policy Act (NEPA), 24 CFR 58.34(a)(2) and (5), as stated in this staff report that accompanies this resolution are approved.

Section 2. The Executive Director or her designee is authorized to solicit competitive bids and proposals, and award contracts according to adopted Agency Procurement Policy and Procedures for routine and recurring Information Technology (IT) services.

Section 3. The Executive Director or her designee is authorized to execute contracts for routine and recurring services, in amounts not to exceed the annual expenditure cap or per contract cap which is set at Four Hundred Thousand Dollars annually, and renewable annually up to four years.

CHAIR

ATTEST:

CLERK



November 14, 2014

Sacramento Housing and
Redevelopment Commission
Sacramento, CA

Honorable Members in Session:

SUBJECT:

Approval Of Lease And License Agreements at Housing Authority Owned Properties
For The Provision Of Resident Service Programs

SUMMARY

The attached report is submitted to you for review prior to consideration by the City of
Sacramento.

RECOMMENDATION

Staff recommends approval of the recommendations outlined in this report.

Respectfully submitted,


LASHELLE DOZIER
Executive Director

Attachment



REPORT TO HOUSING AUTHORITY
City of Sacramento
915 I Street, Sacramento, CA 95814-2671
www.CityofSacramento.org

Consent
December 9, 2014

Chair and Members of the Housing Authority Board

Title: Authorization of Leases and a Non-Exclusive License Agreement at Housing Authority Owned Properties for the provision of Resident Service Programs

Location/Council District: 263 Seavey Circle/District 4, 2640 A and B Muir Way/District 4, 816 Revere Street/District 4, and 1725 K Street/District 4

Recommendation: Adopt a **Housing Authority Resolution** that authorizes the Executive Director, or her designee, to: 1) execute a Lease Agreement with Sacramento Employment and Training Agency (SETA) for a Head Start Child Development Program for a term not to exceed one year with the option to extend for four renewable terms of one year each for a possible total of five years at the 263 Seavey Circle, 2640 A and B Muir Way, and 816 Revere Street, Sacramento, CA properties; 2) execute a Non Exclusive License Agreement with Meals on Wheels by Asian Community Center (ACC) for a term not to exceed one year with the option to extend for four renewable terms of one year each for a possible total of five years at the 1725 K Street, Sacramento, CA property; 3) amend the Housing Authority budget to receive and allocate the annual revenue from the lease and non exclusive license agreement to an approved or amended property-level budget, and 4) make related findings.

Contact: MaryLiz Paulson, Assistant Director of Housing, 916-440-1334; Cecette Hawkins, Management Analyst, 916-449-6218

Presenters: N/A

Department: Sacramento Housing and Redevelopment Agency

Description/Analysis

Issue: The Housing Authority (HA) is committed to providing services to HA residents as well as to neighboring residents. To ensure that the services provided are effective and well-utilized, the HA has communicated with service providers, public housing residents, and nearby neighborhood residents about priority needs in the area. As expected, affordable childcare and nutrition services emerged as the top priority need for public housing residents, neighborhood residents, and service providers.

Approval of Lease and License Agreement

SETA – Head Start

To enhance the employment prospects of residents, the Housing Authority has had a long relationship with the Sacramento Employment and Training Agency (SETA) to operate day-long Head Start programs at Housing Authority facilities. These facilities were constructed many years ago from former dwelling units that have been customized and converted to day care standards.

The last formal lease agreement with SETA expired in 2008 and they have been operating on a month to month agreement since that time. Staff is now recommending a one-year lease agreement with SETA with the option to extend for four renewable terms of one year each which will allow them to continue to offer a needed service to the residents and the community. Under the proposed lease, SETA will be responsible for monthly rent, metered utilities and janitorial services.

Meals on Wheels by ACC

Meals on Wheels provide frozen, home-delivered meals for older persons who are unable to leave their home to shop or prepare nutritious meals. The meals are prepared with the special dietary needs of seniors in mind and are adaptable to a variety of special diets. Meals are prepared offsite and frozen for delivery and storage at the sites. Meals are then reheated on site for serving.

Policy Considerations: Public Housing Authorities are required to comply with applicable federal laws and regulations, including the Quality Housing and Work Responsibility Act of 1998 (QHWRA). No new policies are recommended in this report. However, the Housing Authority is committed to facilitating on-site provision of services that enhance residents' quality of life and contribute to their ability to obtain and maintain employment.

Economic Impacts: not applicable

Environmental Considerations:

California Environmental Quality Act (CEQA): The proposed action has been analyzed in accordance with CEQA and is Exempt per CEQA Guidelines Section 15061(b)(3).

Sustainability Considerations: N/A

Other: National Environmental Policy Act (NEPA): The proposed action has been analyzed in accordance with NEPA and is Exempt under NEPA per 24 CFR 58.34(a)(3).

Approval of Lease and License Agreement

Commission Action: At its meeting of November 19, 2014, the Sacramento Housing and Redevelopment Commission considered the staff recommendation for this item. The votes were as follows:

AYES:

NOES:

ABSENT:

Rationale for Recommendation: The attached resolution will enable the Housing Authority to continue to lease with SETA and issue a non-exclusive license agreement with Meals on Wheels for one-year with the option to extend for four renewable terms of one year each. Execution of these lease and non-exclusive license agreement will allow them to continue to provide a much needed service to public housing residents and to the community.

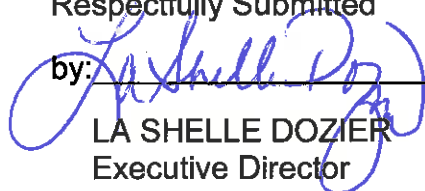
Financial Considerations: The annual revenue from the SETA leases at the various sites is outlined below. Should SETA decide to exercise the renewal option, the lease amount is proposed above. The proposed fee for the license agreement with Meals on Wheels by ACC is one dollar annually.

- 263 Seavey Circle - \$18,300 in year one, \$25,620 in years two, three, four, and five
- 2640 A and B Muir Way - \$4,200 in year one, \$6,000 in year two, three, four, and five
- 816 Revere Street - \$3,720 in year one, \$5,280 in year two, three, four, and five

M/WBE/Section 3 Considerations/First Source Program: The activities recommended in this staff report do not involve federal funding, therefore, there are no M/WBE or Section 3 requirements. The First Source Program is not applicable to this report.

Respectfully Submitted

by:



LA SHELLE DOZIER
Executive Director

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RESOLUTION NO. 2014 -

Adopted by the Sacramento City Council

On date of

AUTHORIZATION OF LEASES AND NON EXCLUSIVE LICENSE AGREEMENT AT HOUSING AUTHORITY OWNED PROPERTIES

BACKGROUND

- A. The Sacramento Employment and Training Agency, a joint powers agency of the City and County of Sacramento, was formed in 1978. From its inception SETA has been an effective force in connecting people to jobs, business owners to quality employees, education and nutrition to children, assistance to refugees, and hope to many Sacramento area residents
- B. The mission of SETA's Head Start childcare program (Head Start) is to improve the lives of low-income children by providing comprehensive child development services that are family focused, including education, health, nutrition, and mental health.
- C. Head Start serves over 6,200 children daily. The program provides educational, health, dental, mental health, social and nutritional services. Parent involvement in program planning, parent education and site operation, is an essential part of the program. Teamed with the One Stop Career Centers, Head Start promotes employment and training programs to help parents become self-sufficient.
- D. Meals on Wheels by ACC offers frozen home-delivered meals for older persons who are unable to leave their home to shop or prepare nutritious meals. The meals are prepared to meet the special dietary needs of the senior clients. Meals are prepared offsite and frozen for delivery and storage at the sites. Meals are then reheated on site for serving.
- E. The proposed license agreement with Meals on Wheels by ACC is in the best interest of the 1725 K Street, Sacramento, California senior residents. The proposal to issue a license agreement for the space will improve economic vitality as well as promote self-sufficiency for the seniors which are consistent with the PHA Annual Plan goals.
- F. The proposed leases with SETA are in the best interest of public housing residents and the community at large. The proposal to lease housing authority properties and spaces for Head Start will improve the economic vitality as well as promote self-sufficiency and asset development for residents which is consistent with the PHA Annual Plan goals.
- G. The Housing Authority offer leases, use agreements, and licenses for residential units, non-dwelling spaces, and common areas to service providers whose services will benefit residents and the community.

- H. The low income housing unit(s) proposed to be leased enhances resident experience while living at housing authority properties. The loss of the space will not materially affect the financial viability of the property.
- I. The execution of a lease for an existing facility is exempt from environmental review under California Environmental Quality Act (CEQA) Guidelines Section 15061(b)(3). In addition, the proposed action has been analyzed in accordance with NEPA and is exempt under NEPA per 24 CFR 58.34(a)(3)..
- J. A duly noticed public hearing was held on November 19, 2014 regarding the approval of the lease with SETA.

BASED ON THE FACTS SET FORTH IN THE BACKGROUND, THE CITY COUNCIL RESOLVES AS FOLLOWS:

- Section 1. The declarations set forth in the recitals above, including the environmental findings, are found to be true and correct.
- Section 2. The Executive Director, or her designee, is authorized to execute Lease Agreements with the Sacramento Employment and Training Agency for Head Start Child Development Programs for a term not to exceed one year with the option to extend for four renewable terms of one year each for a possible total of five years at the following locations:
- 263 Seavey Circle, Sacramento, CA
 - 2640 A and B Muir Way, Sacramento, CA
 - 816 Revere Street, Sacramento, CA.
- Section 3. The Executive Director, or her designee, is authorized to execute a Non Exclusive Licence Agreement Meals on Wheels for a Senior Nutrition Program for a term not to exceed one year with the option to extend for four renewable terms of one year each for a possible total of five years at the 1725 K Street, Sacramento, CA.
- Section 4. In consideration of the revenue received from SETA under these leases, the Executive Director is authorized to amend the Housing Authority budget to receive and allocate the annual revenue as outlined below. The funds shall be expended from an approved or amended property-level budget, approved by the Executive Director or her designee.
- for 263 Seavey Circle, Sacramento, California - \$18,300 in year one, \$25,620 in years two, three, four, and five
 - for 2640 A and B Muir Way, Sacramento, CA - \$4,200 in year one, \$6,000 in year two, three, four, and five
 - for 816 Revere Street, Sacramento, California - \$3,720 in year one, \$5,280 in year two, three, four, and five

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Exhibit A: Lease Agreements with SETA

Exhibit B: License Agreement with Meals on Wheels

LEASE AGREEMENT

[Alder Grove EHS – 2640 A and 2640 B Muir Way, Sacramento]

THIS LEASE (the “Lease”), dated _____ is between the **HOUSING AUTHORITY OF THE CITY OF SACRAMENTO**, a public body, corporate and politic (“LESSOR”), and the **SACRAMENTO EMPLOYMENT AND TRAINING AGENCY**, a joint powers agency (“LESSEE”).

IT IS AGREED:

1. LEASE TERM:

A. LESSOR grants to LESSEE a tenancy for One (1) Year, commencing on _____ in the following property: approximately one thousand four hundred twenty-two (1,422) square feet located at 2640 A and 2640 B Muir Way, Sacramento California, (“Premises”). A diagram of the Premises is attached as “Exhibit A”, and incorporated herein by reference.

B. LESSEE shall have four (4) one-year options to extend the term of this Lease. LESSEE shall exercise each option by giving written notice to LESSOR not later than one hundred twenty (120) days prior to the expiration of the then current lease term. Monthly rent shall be mutually negotiated and agreed upon by LESSOR and LESSEE no later than sixty (60) days before the commencement of each one-year option term. Should the new monthly rent not be agreed upon by the parties within sixty (60) days before the commencement of any one-year option term, then this Lease shall expire. Should the Lease expire without extension, LESSEE shall be entitled to hold over for up to ninety (90) days upon the same terms and conditions as in this Lease, except the option to renew. This Lease shall not exceed a total of five (5) years.

C. In the event funding to LESSEE for the operation of the Head Start program is reduced, suspended or terminated, so that LESSEE terminates, in whole or in part, the operation of the Head Child Development Program, LESSEE may terminate this Lease on reasonable notice to LESSOR.

2. RENTAL RATE:

A. The monthly rental rate for the first year of the lease term is Three Hundred Fifty Dollars (\$350), payable at the beginning of each calendar month. Monthly rent for the second, third, fourth, and fifth year of the lease term shall be Five Hundred Dollars (\$500) payable at the beginning of each calendar month. Rent does not include utilities. Rent does not include utilities.

3. USE AND REPORTS:

A. The Premises shall be used by LESSEE only for purposes related to operation of a Head Start Child Development Program and for no other uses without LESSOR'S written consent.

B. LESSEE shall have the right to share use of the Common Area of the building containing the Premises and the adult restrooms of the building which contains the Premises.

C. LESSEE shall assist LESSOR with the preparation of periodic utilization reports that LESSOR is required to submit to the United States Department of Housing and Urban Development regarding use of the Premises.

4. ALTERATIONS BY LESSEE:

A. LESSEE shall be responsible for the construction and installation of all tenant improvements required to conform the Premises to LESSEE's needs, including all associated costs. Provided, however, LESSEE must obtain LESSOR's approval of the proposed tenant improvements before commencement of any of the work, which approval shall not be unreasonably withheld or delayed. LESSEE shall immediately pay all costs of labor, services and materials supplied in prosecution of any work to be done on the Premises, if such work is approved. LESSEE shall keep the Premises free and clear of all mechanics liens and any other liens. All work must be approved by LESSOR, in addition to any required City approvals, before LESSEE commences its operations on the Premises.

5. UTILITIES AND JANITORIAL SERVICES:

A. LESSEE shall pay, when due, all gas and electricity charges incurred for heating, lighting, and cooling the Premises during the term of this Lease. If the Premises are not separately metered, then LESSEE shall pay a pro-rata share of all gas and electricity charges based upon the ratio that the square footage leased to LESSEE bears to the entire square footage of the building being served by the same gas and electric meters. In such event, LESSOR shall provide LESSEE with a copy of the monthly invoices for gas and electricity charges and calculate LESSEE's pro rata share each month. LESSEE shall provide, at its own cost, all necessary janitorial service and shall pay all charges for telephone and internet services furnished to LESSEE.

B. LESSEE shall furnish and replace all electric light bulbs and/or tubes as required during the term of this Lease in the Premises.

C. LESSOR, at its own cost and expense, shall pay all sewer and water charges.

D. LESSOR, at its own cost and expense, shall pay for installation, repair, replacement and monitoring costs for life safety systems.

E. LESSOR shall at its own cost and expense, furnish garbage and waste removal services for the premises. LESSEE shall not overburden these services.

F. LESSOR, at its own cost and expense, shall pay for grass mowing and all landscape maintenance and repairs at the property where the Premises are located.

6. **SIGNAGE:**

All signage shall comply with the local jurisdiction's rules, regulations, and codes. All signage on the exterior and any interior signage, graphics, and displays visible through the exterior windows or doors must be professional in appearance and approved by LESSOR in writing; LESSOR'S approval does not constitute the approval that LESSEE needs to seek from the local jurisdiction.

7. **INDEMNIFICATION:**

A. **By LESSEE.** LESSEE agrees to indemnify, defend and hold LESSOR and LESSOR'S governing boards, employees, agents and contractors harmless from all liability, penalties, losses, damages, costs, expenses, causes of action, claims, or judgments arising by reason of any death, bodily injury, personal injury, or property damage resulting from any cause occurring in or about or resulting from an occurrence in or about Premises during the term of this Lease arising from the occupancy, use or control of the Premises by LESSEE and its officers, employees, agents, volunteers, guests and invitees (including Head Start attendees).

B. **By LESSOR.** LESSOR shall indemnify, defend and hold harmless LESSEE and its officers, employees, agents and volunteers from and against any and all third party claims of liability, loss, damage, expense, penalties and costs (including attorneys' fees and litigation costs) arising out of or in connection with the ownership, occupancy, use, maintenance or control of the Premises by LESSOR and its officers, employees, agents, volunteers, guests and invitees.

C. **Survival of Obligations.** The provisions of this Section 8 shall survive the expiration or sooner termination of this Lease.

8. **INSURANCE:**

A. **LESSEE's Property Insurance.** LESSEE shall procure and maintain at all times property insurance which is at least as broad as the ISO Special Form Causes of Loss (CP 1030) policy, formerly known as "all risks," which insurance covers LESSEE's personal property including furniture, fixtures and inventory. Such insurance shall include a waiver of subrogation in favor of LESSOR.

B. LESSOR's Property Insurance. LESSOR shall procure and maintain at all times, at its cost, a policy or policies of property insurance which is at least as broad as the ISO Special Form Causes of Loss (CP 1030) policy, formerly known as "all risks," as well as insurance covering boiler and machinery and compliance with ordinances or laws if appropriate, for the 100% insurable replacement cost of the building and improvements which contain the Premises. Such insurance shall include a waiver of subrogation in favor of LESSEE, its employees, agents and business invitees. LESSOR may not insure with a deductible or self-insured retention exceeding \$10,000 without the prior written consent of LESSEE.

C. LESSEE's Liability Insurance. LESSEE shall procure and maintain at all times, at its cost, commercial general liability insurance written on an "occurrence" policy form which is at least as broad as the most current ISO Commercial General Liability (CG 0001) policy, insuring liability arising from premises, operations, independent contractors, personal injury and advertising injury, products-completed operations and liability assumed under an insured contract. Coverage shall include a severability of interests provision and shall provide limits of not less than \$1,000,000 per occurrence and \$2,000,000 general aggregate. LESSEE's general liability policies shall be endorsed to name LESSOR and any lender of LESSOR as additional insured. LESSEE's liability insurance may be provided by a combination of primary, excess and umbrella policies, but all excess and umbrella policies must be at least as broad as the scope of the primary commercial general liability policy.

D. LESSOR's Liability Insurance. LESSOR shall procure and maintain at all times, at its cost, a policy or policies of commercial general liability insurance written on an "occurrence" policy form which is at least as broad as the most current ISO Commercial General Liability (CG 0001) policy, insuring liability arising from premises, operations, independent contractors, personal injury and advertising injury, products-completed operations and liability assumed under an insured contract. Coverage shall include a severability of interests provision and shall provide limits of not less than \$1,000,000 per occurrence and \$2,000,000 general aggregate per location. LESSOR may not insure with deductibles or self-insurance retention exceeding \$10,000 without the prior written consent of LESSEE. LESSEE, and in their capacity as such, LESSEE's offices, directors, agents and employees shall be named additional insureds by way of endorsement in the policy or policies of insurance by which LESSOR complies with the above insurance requirements, and LESSOR shall obligate its insurer to notify LESSEE in writing at least thirty (30) days in advance of any cancellation or failure to renew the above insurance during the term of this Lease. LESSOR further agrees to furnish LESSEE with certificates of insurance or copies of the policies evidencing the above coverage upon LESSEE's request.

9. MAINTENANCE OF FACILITY:

LESSEE at its cost shall maintain in good repair and tenantable condition, the interior of the Premises, including but not limited to: interior walls, ceilings, glazing, floor covering, exposed plumbing fixtures, plumbing clogs caused by LESSEE, hot water

heater, interior lighting fixtures (tubes, ballasts, bulbs) and any furnishings, partitions or systems specifically installed or required for the LESSEE's use. LESSOR at its cost shall maintain the exterior walls, doors, roof, grounds, parking lot, exterior lighting and light fixtures, HVAC equipment, electrical wiring and systems (excluding interior light fixtures), fire alarm systems, fire sprinkler/extinguisher systems, and landscaping.

10. FACILITY PARKING:

LESSEE and its clients, guests and invitees, shall not have any rights to use the parking area at the property which contains the Premises.

11. REPAIR CONTACTS:

LESSOR shall designate sources to be called when repairs to the electrical, HVAC and plumbing systems are required. Said sources shall be called in the event LESSEE is unable to contact LESSOR within a reasonable time after an event occurs that gives rise to the need for a repair at the Premises.

12. RISK OF HAZARDS:

LESSEE shall not do anything on the Premises, nor bring or keep anything thereon which will in any way increase the risk of fire or the rate of insurance, or which shall conflict with the regulations of any fire district having jurisdiction.

13. LESSEE OWNED ITEMS:

A. All permanent fixtures, partitions or other improvements made or installed under the requirements of this Lease, by either LESSOR or LESSEE, shall remain the property of the LESSOR. LESSEE shall repair any damage to the leased Premises resulting from removal of any fixture, partition or other improvement installed by LESSEE.

B. Playground equipment, if any, shall be maintained by LESSEE. At the expiration or termination of this LEASE, LESSEE shall retain ownership of said playground equipment and LESSEE shall remove said playground equipment from the Premises at no expense to LESSOR.

14. NON-DISCRIMINATION:

The LESSEE herein covenants by and for itself, and LESSEE's assigns, and all persons claiming under or through LESSEE that this Lease is made and accepted on the following conditions: that there shall be no discrimination against or segregation of any person or group of persons, on account of any basis listed in subdivision (a) or (d) of Section 12955 of the Government Code, as further defined in Sections 12926, 12926.1, subdivision (m) and paragraph (l) of subdivision (p) of Section 12955, and Section 12955.2 of the Government Code, in the use, occupancy, tenure, or enjoyment of the

Premises herein leased, nor shall the LESSEE or any person claiming under or through the LESSEE establish or permit any such practice or practices of discrimination or segregation with reference to the use or occupancy of the Premises herein leased.

15. SUCCESSORS-IN-INTEREST:

LESSEE may not transfer or assign this Lease without the prior written consent of LESSOR. Notwithstanding the foregoing, in the event the Joint Powers Agreement establishing LESSEE is terminated, the successor agency of LESSEE may, at its sole option, become the successor-in-interest to LESSEE under this Lease without the LESSOR's prior approval.

16. WRITTEN COMMUNICATIONS:

A. Any notice, demand, request, consent, approval, or communication that either party desires or is required to give to the other party pursuant to this Lease shall be in writing and either served personally or sent by prepaid, first class, certified mail with return receipt requested. Such matters shall be addressed to the other party at the following address:

To LESSOR at:

Housing Authority of the City of
Sacramento
801 12th Street, Fifth Floor
Sacramento, CA 95814
Attention: Assistant Director

Phone No. (916) 449-6302
Fax No. (916) 442-3718

To LESSEE at:

Sacramento Employment and Training
Agency
925 Del Paso Boulevard
Sacramento, California 95815
Attention: Executive Director

Phone No. (916) 263-3810
Fax No. (916) 263-3825

B. Any matter mailed pursuant to this paragraph shall be deemed communicated within forty-eight (48) hours from the time of mailing.

17. RIGHTS AND REMEDIES:

No delay or omission in the exercise of any right or remedy of either party on any default of the other party shall impair such a right or remedy or be construed as a waiver of such default. Any waiver by either party of any default of the other party shall be in writing and shall not be a waiver of any other default concerning the same or any other provisions of the Lease.

18. RULES AND REGULATIONS:

LESSEE's occupancy and use of the Premises shall at all times be conducted in a manner that is in compliance with LESSOR's Rules and Regulations for the property as promulgated from time to time at the sole discretion of LESSOR. An uncured violation of these Rules and Regulations will be a default by LESSEE, in which case LESSOR may terminate this Lease on 48 hours written notice.

19. SPECIAL CONDITIONS.

As an in-kind contribution to LESSEE's Head Start Program, LESSOR agrees to provide the following facilities at no additional charge to LESSEE at the identified fair market value:

Playground space

IN WITNESS WHEREOF, LESSOR and LESSEE have executed this Lease as set forth below.

LESSOR:

LESSEE:

HOUSING AUTHORITY OF
THE CITY OF SACRAMENTO, a public
body, corporate and politic

SACRAMENTO EMPLOYMENT AND
TRAINING AGENCY, a Joint Powers Agency

By: _____
LaShelle Dozier
Executive Director

By: _____
Kathy Kossick
Executive Director

DATE: _____

DATE: _____

APPROVED AS TO FORM:

APPROVED AS TO FORM:

AGENCY COUNSEL

LEGAL COUNSEL to SETA

EXHIBIT A

[INSERT DIAGRAM OF THE PREMISES]

LEASE AGREEMENT

[Marina Vista Head Start – 263 Seavey Circle, Sacramento]

THIS LEASE (the “Lease”), dated _____ is between the **HOUSING AUTHORITY OF THE CITY OF SACRAMENTO**, a public body, corporate and politic (“LESSOR”), and the **SACRAMENTO EMPLOYMENT AND TRAINING AGENCY**, a joint powers agency (“LESSEE”).

IT IS AGREED:

1. LEASE TERM:

A. LESSOR grants to LESSEE a tenancy for One (1) Year, commencing on _____ in the following property: approximately six thousand one hundred two (6,102) square feet located at 263 Seavey Circle, Sacramento California, (“Premises”). A diagram of the Premises is attached as “Exhibit A”, and incorporated herein by reference.

B. LESSEE shall have four (4) one-year options to extend the term of this Lease. LESSEE shall exercise each option by giving written notice to LESSOR not later than one hundred twenty (120) days prior to the expiration of the then current lease term. Monthly rent shall be mutually negotiated and agreed upon by LESSOR and LESSEE no later than sixty (60) days before the commencement of each one-year option term. Should the new monthly rent not be agreed upon by the parties within sixty (60) days before the commencement of any one-year option term, then this Lease shall expire. Should the Lease expire without extension, LESSEE shall be entitled to hold over for up to ninety (90) days upon the same terms and conditions as in this Lease, except the option to renew. This Lease shall not exceed a total of five (5) years.

C. In the event funding to LESSEE for the operation of the Head Start program is reduced, suspended or terminated, so that LESSEE terminates, in whole or in part, the operation of the Head Child Development Program, LESSEE may terminate this Lease on reasonable notice to LESSOR.

2. RENTAL RATE:

A. The monthly rental rate for the first year of the lease term is One Thousand Five Hundred Twenty-five Dollars (\$1,525), payable at the beginning of each calendar month. Monthly rent for the second, third, fourth, and fifth year of the lease term shall be Two Thousand One Hundred Thirty-five Dollars (\$2,135) payable at the beginning of each calendar month. Rent does not include utilities.

3. USE AND REPORTS:

A. The Premises shall be used by LESSEE only for purposes related to operation of a Head Start Child Development Program and for no other uses without LESSOR'S written consent.

B. LESSEE shall have the right to share use of the Common Area of the building containing the Premises and the adult restrooms of the building which contains the Premises.

C. LESSEE shall assist LESSOR with the preparation of periodic utilization reports that LESSOR is required to submit to the United States Department of Housing and Urban Development regarding use of the Premises.

4. ALTERATIONS BY LESSEE:

A. LESSEE shall be responsible for the construction and installation of all tenant improvements required to conform the Premises to LESSEE's needs, including all associated costs. Provided, however, LESSEE must obtain LESSOR's approval of the proposed tenant improvements before commencement of any of the work, which approval shall not be unreasonably withheld or delayed. LESSEE shall immediately pay all costs of labor, services and materials supplied in prosecution of any work to be done on the Premises, if such work is approved. LESSEE shall keep the Premises free and clear of all mechanics liens and any other liens. All work must be approved by LESSOR, in addition to any required City approvals, before LESSEE commences its operations on the Premises.

5. UTILITIES AND JANITORIAL SERVICES:

A. LESSEE shall pay, when due, all gas and electricity charges incurred for heating, lighting, and cooling the Premises during the term of this Lease. If the Premises are not separately metered, then LESSEE shall pay a pro-rata share of all gas and electricity charges based upon the ratio that the square footage leased to LESSEE bears to the entire square footage of the building being served by the same gas and electric meters. In such event, LESSOR shall provide LESSEE with a copy of the monthly invoices for gas and electricity charges and calculate LESSEE's pro rata share each month. LESSEE shall provide, at its own cost, all necessary janitorial service and shall pay all charges for telephone and internet services furnished to LESSEE.

B. LESSEE shall furnish and replace all electric light bulbs and/or tubes as required during the term of this Lease in the Premises.

C. LESSOR, at its own cost and expense, shall pay all sewer and water charges.

D. LESSOR, at its own cost and expense, shall pay for installation, repair, replacement and monitoring costs for life safety systems.

E. LESSOR shall at its own cost and expense, furnish garbage and waste removal services for the premises. LESSEE shall not overburden these services.

F. LESSOR, at its own cost and expense, shall pay for grass mowing and all landscape maintenance and repairs at the property where the Premises are located.

6. **SIGNAGE:**

All signage shall comply with the local jurisdiction's rules, regulations, and codes. All signage on the exterior and any interior signage, graphics, and displays visible through the exterior windows or doors must be professional in appearance and approved by LESSOR in writing; LESSOR'S approval does not constitute the approval that LESSEE needs to seek from the local jurisdiction.

7. **INDEMNIFICATION:**

A. **By LESSEE.** LESSEE agrees to indemnify, defend and hold LESSOR and LESSOR'S governing boards, employees, agents and contractors harmless from all liability, penalties, losses, damages, costs, expenses, causes of action, claims, or judgments arising by reason of any death, bodily injury, personal injury, or property damage resulting from any cause occurring in or about or resulting from an occurrence in or about Premises during the term of this Lease arising from the occupancy, use or control of the Premises by LESSEE and its officers, employees, agents, volunteers, guests and invitees (including Head Start attendees).

B. **By LESSOR.** LESSOR shall indemnify, defend and hold harmless LESSEE and its officers, employees, agents and volunteers from and against any and all third party claims of liability, loss, damage, expense, penalties and costs (including attorneys' fees and litigation costs) arising out of or in connection with the ownership, occupancy, use, maintenance or control of the Premises by LESSOR and its officers, employees, agents, volunteers, guests and invitees.

C. **Survival of Obligations.** The provisions of this Section 8 shall survive the expiration or sooner termination of this Lease.

8. **INSURANCE:**

A. **LESSEE's Property Insurance.** LESSEE shall procure and maintain at all times property insurance which is at least as broad as the ISO Special Form Causes of Loss (CP 1030) policy, formerly known as "all risks," which insurance covers LESSEE's personal property including furniture, fixtures and inventory. Such insurance shall include a waiver of subrogation in favor of LESSOR.

B. LESSOR's Property Insurance. LESSOR shall procure and maintain at all times, at its cost, a policy or policies of property insurance which is at least as broad as the ISO Special Form Causes of Loss (CP 1030) policy, formerly known as "all risks," as well as insurance covering boiler and machinery and compliance with ordinances or laws if appropriate, for the 100% insurable replacement cost of the building and improvements which contain the Premises. Such insurance shall include a waiver of subrogation in favor of LESSEE, its employees, agents and business invitees. LESSOR may not insure with a deductible or self-insured retention exceeding \$10,000 without the prior written consent of LESSEE.

C. LESSEE's Liability Insurance. LESSEE shall procure and maintain at all times, at its cost, commercial general liability insurance written on an "occurrence" policy form which is at least as broad as the most current ISO Commercial General Liability (CG 0001) policy, insuring liability arising from premises, operations, independent contractors, personal injury and advertising injury, products-completed operations and liability assumed under an insured contract. Coverage shall include a severability of interests provision and shall provide limits of not less than \$1,000,000 per occurrence and \$2,000,000 general aggregate. LESSEE's general liability policies shall be endorsed to name LESSOR and any lender of LESSOR as additional insured. LESSEE's liability insurance may be provided by a combination of primary, excess and umbrella policies, but all excess and umbrella policies must be at least as broad as the scope of the primary commercial general liability policy.

D. LESSOR's Liability Insurance. LESSOR shall procure and maintain at all times, at its cost, a policy or policies of commercial general liability insurance written on an "occurrence" policy form which is at least as broad as the most current ISO Commercial General Liability (CG 0001) policy, insuring liability arising from premises, operations, independent contractors, personal injury and advertising injury, products-completed operations and liability assumed under an insured contract. Coverage shall include a severability of interests provision and shall provide limits of not less than \$1,000,000 per occurrence and \$2,000,000 general aggregate per location. LESSOR may not insure with deductibles or self-insurance retention exceeding \$10,000 without the prior written consent of LESSEE. LESSEE, and in their capacity as such, LESSEE's offices, directors, agents and employees shall be named additional insureds by way of endorsement in the policy or policies of insurance by which LESSOR complies with the above insurance requirements, and LESSOR shall obligate its insurer to notify LESSEE in writing at least thirty (30) days in advance of any cancellation or failure to renew the above insurance during the term of this Lease. LESSOR further agrees to furnish LESSEE with certificates of insurance or copies of the policies evidencing the above coverage upon LESSEE's request.

9. MAINTENANCE OF FACILITY:

LESSEE at its cost shall maintain in good repair and tenantable condition, the interior of the Premises, including but not limited to: interior walls, ceilings, glazing, floor covering, exposed plumbing fixtures, plumbing clogs caused by LESSEE, hot water

heater, interior lighting fixtures (tubes, ballasts, bulbs) and any furnishings, partitions or systems specifically installed or required for the LESSEE's use. LESSOR at its cost shall maintain the exterior walls, doors, roof, grounds, parking lot, exterior lighting and light fixtures, HVAC equipment, electrical wiring and systems (excluding interior light fixtures), fire alarm systems, fire sprinkler/extinguisher systems, and landscaping.

10. FACILITY PARKING:

LESSEE and its clients, guests and invitees, shall have the right to use fifteen (15) parking spaces at the property which contains the Premises.

11. REPAIR CONTACTS:

LESSOR shall designate sources to be called when repairs to the electrical, HVAC and plumbing systems are required. Said sources shall be called in the event LESSEE is unable to contact LESSOR within a reasonable time after an event occurs that gives rise to the need for a repair at the Premises.

12. RISK OF HAZARDS:

LESSEE shall not do anything on the Premises, nor bring or keep anything thereon which will in any way increase the risk of fire or the rate of insurance, or which shall conflict with the regulations of any fire district having jurisdiction.

13. LESSEE OWNED ITEMS:

A. All permanent fixtures, partitions or other improvements made or installed under the requirements of this Lease, by either LESSOR or LESSEE, shall remain the property of the LESSOR. LESSEE shall repair any damage to the leased Premises resulting from removal of any fixture, partition or other improvement installed by LESSEE.

B. Playground equipment, if any, shall be maintained by LESSEE. At the expiration or termination of this LEASE, LESSEE shall retain ownership of said playground equipment and LESSEE shall remove said playground equipment from the Premises at no expense to LESSOR.

14. NON-DISCRIMINATION:

The LESSEE herein covenants by and for itself, and LESSEE's assigns, and all persons claiming under or through LESSEE that this Lease is made and accepted on the following conditions: that there shall be no discrimination against or segregation of any person or group of persons, on account of any basis listed in subdivision (a) or (d) of Section 12955 of the Government Code, as further defined in Sections 12926, 12926.1, subdivision (m) and paragraph (l) of subdivision (p) of Section 12955, and Section 12955.2 of the Government Code, in the use, occupancy, tenure, or enjoyment of the

Premises herein leased, nor shall the LESSEE or any person claiming under or through the LESSEE establish or permit any such practice or practices of discrimination or segregation with reference to the use or occupancy of the Premises herein leased.

15. SUCCESSORS-IN-INTEREST:

LESSEE may not transfer or assign this Lease without the prior written consent of LESSOR. Notwithstanding the foregoing, in the event the Joint Powers Agreement establishing LESSEE is terminated, the successor agency of LESSEE may, at its sole option, become the successor-in-interest to LESSEE under this Lease without the LESSOR's prior approval.

16. WRITTEN COMMUNICATIONS:

A. Any notice, demand, request, consent, approval, or communication that either party desires or is required to give to the other party pursuant to this Lease shall be in writing and either served personally or sent by prepaid, first class, certified mail with return receipt requested.

Such matters shall be addressed to the other party at the following address:

To LESSOR at:

Housing Authority of the City of
Sacramento
801 12th Street, Fifth Floor
Sacramento, CA 95814
Attention: Assistant Director

Phone No. (916) 449-6302
Fax No. (916) 442-3718

To LESSEE at:

Sacramento Employment and Training
Agency
925 Del Paso Boulevard
Sacramento, California 95815
Attention: Executive Director

Phone No. (916) 263-3810
Fax No. (916) 263-3825

or to such other address as a party may designate to the other by notice.

B. Any matter mailed pursuant to this paragraph shall be deemed communicated within forty-eight (48) hours from the time of mailing.

17. RIGHTS AND REMEDIES:

No delay or omission in the exercise of any right or remedy of either party on any default of the other party shall impair such a right or remedy or be construed as a waiver of such default. Any waiver by either party of any default of the other party shall be in writing and shall not be a waiver of any other default concerning the same or any other provisions of the Lease.

18. RULES AND REGULATIONS:

LESSEE's occupancy and use of the Premises shall at all times be conducted in a manner that is in compliance with LESSOR's Rules and Regulations for the property as promulgated from time to time at the sole discretion of LESSOR. An uncured violation of these Rules and Regulations will be a default by LESSEE, in which case LESSOR may terminate this Lease on 48 hours written notice.

19. SPECIAL CONDITIONS.

As an in-kind contribution to LESSEE's Head Start Program, LESSOR agrees to provide the following facilities at no additional charge to LESSEE:

- Playground space
- Parking spaces

IN WITNESS WHEREOF, LESSOR and LESSEE have executed this Lease as set forth below.

LESSOR:

HOUSING AUTHORITY OF
THE CITY OF SACRAMENTO, a public body,
corporate and politic

By: _____
LaShelle Dozier
Executive Director

DATE: _____

APPROVED AS TO FORM:

AGENCY COUNSEL

LESSEE:

SACRAMENTO EMPLOYMENT AND
TRAINING AGENCY, a Joint Powers Agency

By: _____
Kathy Kossick
Executive Director

DATE: _____

APPROVED AS TO FORM:

LEGAL COUNSEL TO SETA

EXHIBIT A

[INSERT DIAGRAM OF THE PREMISES]

LEASE AGREEMENT
[Alder Grove Head Start – 816 Revere Street, Sacramento]

THIS LEASE (the “Lease”), dated _____ is between the **HOUSING AUTHORITY OF THE CITY OF SACRAMENTO**, a public body, corporate and politic (“LESSOR”), and the **SACRAMENTO EMPLOYMENT AND TRAINING AGENCY**, a joint powers agency (“LESSEE”).

IT IS AGREED:

1. LEASE TERM:

A. LESSOR grants to LESSEE a tenancy for One (1) Year, commencing on _____ in the following property: approximately one thousand two hundred fifty-two (1,252) square feet located at 816 Revere Street, Sacramento California, (“Premises”). A diagram of the Premises is attached as “Exhibit A”, and incorporated herein by reference.

B. LESSEE shall have four (4) one-year options to extend the term of this Lease. LESSEE shall exercise each option by giving written notice to LESSOR not later than one hundred twenty (120) days prior to the expiration of the then current lease term. Monthly rent shall be mutually negotiated and agreed upon by LESSOR and LESSEE no later than sixty (60) days before the commencement of each one-year option term. Should the new monthly rent not be agreed upon by the parties within sixty (60) days before the commencement of any one-year option term, then this Lease shall expire. Should the Lease expire without extension, LESSEE shall be entitled to hold over for up to ninety (90) days upon the same terms and conditions as in this Lease, except the option to renew. This Lease shall not exceed a total of five (5) years.

C. In the event funding to LESSEE for the operation of the Head Start program is reduced, suspended or terminated, so that LESSEE terminates, in whole or in part, the operation of the Head Child Development Program, LESSEE may terminate this Lease on reasonable notice to LESSOR.

2. RENTAL RATE:

A. The monthly rental rate for the first year of the lease term is Three Hundred Ten Dollars (\$310), payable at the beginning of each calendar month. Monthly rent for the second, third, fourth, and fifth year of the lease term shall be Four Hundred Thirty-Four Dollars (\$440) payable at the beginning of each calendar month. Rent does not include utilities.

3. USE AND REPORTS:

A. The Premises shall be used by LESSEE only for purposes related to operation of a Head Start Child Development Program and for no other uses without LESSOR'S written consent.

B. LESSEE shall have the right to share use of the Common Area of the building containing the Premises and the adult restrooms of the building which contains the Premises.

C. LESSEE shall assist LESSOR with the preparation of periodic utilization reports that LESSOR is required to submit to the United States Department of Housing and Urban Development regarding use of the Premises.

4. ALTERATIONS BY LESSEE:

A. LESSEE shall be responsible for the construction and installation of all tenant improvements required to conform the Premises to LESSEE's needs, including all associated costs. Provided, however, LESSEE must obtain LESSOR's approval of the proposed tenant improvements before commencement of any of the work, which approval shall not be unreasonably withheld or delayed. LESSEE shall immediately pay all costs of labor, services and materials supplied in prosecution of any work to be done on the Premises, if such work is approved. LESSEE shall keep the Premises free and clear of all mechanics liens and any other liens. All work must be approved by LESSOR, in addition to any required City approvals, before LESSEE commences its operations on the Premises.

5. UTILITIES AND JANITORIAL SERVICES:

A. LESSEE shall pay, when due, all gas and electricity charges incurred for heating, lighting, and cooling the Premises during the term of this Lease. If the Premises are not separately metered, then LESSEE shall pay a pro-rata share of all gas and electricity charges based upon the ratio that the square footage leased to LESSEE bears to the entire square footage of the building being served by the same gas and electric meters. In such event, LESSOR shall provide LESSEE with a copy of the monthly invoices for gas and electricity charges and calculate LESSEE's pro rata share each month. LESSEE shall provide, at its own cost, all necessary janitorial service and shall pay all charges for telephone and internet services furnished to LESSEE.

B. LESSEE shall furnish and replace all electric light bulbs and/or tubes as required during the term of this Lease in the Premises.

C. LESSOR, at its own cost and expense, shall pay all sewer and water charges.

D. LESSOR, at its own cost and expense, shall pay for installation, repair, replacement and monitoring costs for life safety systems.

E. LESSOR shall at its own cost and expense, furnish garbage and waste removal services for the premises. LESSEE shall not overburden these services.

F. LESSOR, at its own cost and expense, shall pay for grass mowing and all landscape maintenance and repairs at the property where the Premises are located.

6. **SIGNAGE:**

All signage shall comply with the local jurisdiction's rules, regulations, and codes. All signage on the exterior and any interior signage, graphics, and displays visible through the exterior windows or doors must be professional in appearance and approved by LESSOR in writing; LESSOR'S approval does not constitute the approval that LESSEE needs to seek from the local jurisdiction.

7. **INDEMNIFICATION:**

A. **By LESSEE.** LESSEE agrees to indemnify, defend and hold LESSOR and LESSOR'S governing boards, employees, agents and contractors harmless from all liability, penalties, losses, damages, costs, expenses, causes of action, claims, or judgments arising by reason of any death, bodily injury, personal injury, or property damage resulting from any cause occurring in or about or resulting from an occurrence in or about Premises during the term of this Lease arising from the occupancy, use or control of the Premises by LESSEE and its officers, employees, agents, volunteers, guests and invitees (including Head Start attendees).

B. **By LESSOR.** LESSOR shall indemnify, defend and hold harmless LESSEE and its officers, employees, agents and volunteers from and against any and all third party claims of liability, loss, damage, expense, penalties and costs (including attorneys' fees and litigation costs) arising out of or in connection with the ownership, occupancy, use, maintenance or control of the Premises by LESSOR and its officers, employees, agents, volunteers, guests and invitees.

C. **Survival of Obligations.** The provisions of this Section 8 shall survive the expiration or sooner termination of this Lease.

8. **INSURANCE:**

A. **LESSEE'S Property Insurance.** LESSEE shall procure and maintain at all times property insurance which is at least as broad as the ISO Special Form Causes of Loss (CP 1030) policy, formerly known as "all risks," which insurance covers LESSEE's personal property including furniture, fixtures and inventory. Such insurance shall include a waiver of subrogation in favor of LESSOR.

B. LESSOR's Property Insurance. LESSOR shall procure and maintain at all times, at its cost, a policy or policies of property insurance which is at least as broad as the ISO Special Form Causes of Loss (CP 1030) policy, formerly known as "all risks," as well as insurance covering boiler and machinery and compliance with ordinances or laws if appropriate, for the 100% insurable replacement cost of the building and improvements which contain the Premises. Such insurance shall include a waiver of subrogation in favor of LESSEE, its employees, agents and business invitees. LESSOR may not insure with a deductible or self-insured retention exceeding \$10,000 without the prior written consent of LESSEE.

C. LESSEE's Liability Insurance. LESSEE shall procure and maintain at all times, at its cost, commercial general liability insurance written on an "occurrence" policy form which is at least as broad as the most current ISO Commercial General Liability (CG 0001) policy, insuring liability arising from premises, operations, independent contractors, personal injury and advertising injury, products-completed operations and liability assumed under an insured contract. Coverage shall include a severability of interests provision and shall provide limits of not less than \$1,000,000 per occurrence and \$2,000,000 general aggregate. LESSEE's general liability policies shall be endorsed to name LESSOR and any lender of LESSOR as additional insured. LESSEE's liability insurance may be provided by a combination of primary, excess and umbrella policies, but all excess and umbrella policies must be at least as broad as the scope of the primary commercial general liability policy.

D. LESSOR's Liability Insurance. LESSOR shall procure and maintain at all times, at its cost, a policy or policies of commercial general liability insurance written on an "occurrence" policy form which is at least as broad as the most current ISO Commercial General Liability (CG 0001) policy, insuring liability arising from premises, operations, independent contractors, personal injury and advertising injury, products-completed operations and liability assumed under an insured contract. Coverage shall include a severability of interests provision and shall provide limits of not less than \$1,000,000 per occurrence and \$2,000,000 general aggregate per location. LESSOR may not insure with deductibles or self-insurance retention exceeding \$10,000 without the prior written consent of LESSEE. LESSEE, and in their capacity as such, LESSEE's offices, directors, agents and employees shall be named additional insureds by way of endorsement in the policy or policies of insurance by which LESSOR complies with the above insurance requirements, and LESSOR shall obligate its insurer to notify LESSEE in writing at least thirty (30) days in advance of any cancellation or failure to renew the above insurance during the term of this Lease. LESSOR further agrees to furnish LESSEE with certificates of insurance or copies of the policies evidencing the above coverage upon LESSEE's request.

9. MAINTENANCE OF FACILITY:

LESSEE at its cost shall maintain in good repair and tenantable condition, the interior of the Premises, including but not limited to: interior walls, ceilings, glazing, floor covering, exposed plumbing fixtures, plumbing clogs caused by LESSEE, hot water

heater, interior lighting fixtures (tubes, ballasts, bulbs) and any furnishings, partitions or systems specifically installed or required for the LESSEE's use. LESSOR at its cost shall maintain the exterior walls, doors, roof, grounds, parking lot, exterior lighting and light fixtures, HVAC equipment, electrical wiring and systems (excluding interior light fixtures), fire alarm systems, fire sprinkler/extinguisher systems, and landscaping.

10. FACILITY PARKING:

LESSEE and its clients, guests and invitees, shall not have any right to use the parking lot at the property which contains the Premises.

11. REPAIR CONTACTS:

LESSOR shall designate sources to be called when repairs to the electrical, HVAC and plumbing systems are required. Said sources shall be called in the event LESSEE is unable to contact LESSOR within a reasonable time after an event occurs that gives rise to the need for a repair at the Premises.

12. RISK OF HAZARDS:

LESSEE shall not do anything on the Premises, nor bring or keep anything thereon which will in any way increase the risk of fire or the rate of insurance, or which shall conflict with the regulations of any fire district having jurisdiction.

13. LESSEE OWNED ITEMS:

A. All permanent fixtures, partitions or other improvements made or installed under the requirements of this Lease, by either LESSOR or LESSEE, shall remain the property of the LESSOR. LESSEE shall repair any damage to the leased Premises resulting from removal of any fixture, partition or other improvement installed by LESSEE.

B. Playground equipment, if any, shall be maintained by LESSEE. At the expiration or termination of this LEASE, LESSEE shall retain ownership of said playground equipment and LESSEE shall remove said playground equipment from the Premises at no expense to LESSOR.

14. NON-DISCRIMINATION:

The LESSEE herein covenants by and for itself, and LESSEE's assigns, and all persons claiming under or through LESSEE that this Lease is made and accepted on the following conditions: that there shall be no discrimination against or segregation of any person or group of persons, on account of any basis listed in subdivision (a) or (d) of Section 12955 of the Government Code, as further defined in Sections 12926, 12926.1, subdivision (m) and paragraph (l) of subdivision (p) of Section 12955, and Section 12955.2 of the Government Code, in the use, occupancy, tenure, or enjoyment of the

Premises herein leased, nor shall the LESSEE or any person claiming under or the through the LESSEE establish or permit any such practice or practices of discrimination or segregation with reference to the use or occupancy of the Premises herein leased.

15. SUCCESSORS-IN-INTEREST:

LESSEE may not transfer or assign this Lease without the prior written consent of LESSOR. Notwithstanding the foregoing, in the event the Joint Powers Agreement establishing LESSEE is terminated, the successor agency of LESSEE may, at its sole option, become the successor-in-interest to LESSEE under this Lease without the LESSOR's prior approval.

16. WRITTEN COMMUNICATIONS:

A. Any notice, demand, request, consent, approval, or communication that either party desires or is required to give to the other party pursuant to this Lease shall be in writing and either served personally or sent by prepaid, first class, certified mail with return receipt requested.

Such matters shall be addressed to the other party at the following address:

To LESSOR at:

Housing Authority of the City of
Sacramento
801 12th Street, Fifth Floor
Sacramento, CA 95814
Attention: Assistant Director

Phone No. (916) 449-6302
Fax No. (916) 442-3718

To LESSEE at:

Sacramento Employment and Training
Agency
925 Del Paso Boulevard
Sacramento, California 95815
Attention: Executive Director

Phone No. (916) 263-3810
Fax No. (916) 263-3825

B. Any matter mailed pursuant to this paragraph shall be deemed communicated within forty-eight (48) hours from the time of mailing.

17. RIGHTS AND REMEDIES:

No delay or omission in the exercise of any right or remedy of either party on any default of the other party shall impair such a right or remedy or be construed as a waiver of such default. Any waiver by either party of any default of the other party shall be in writing and shall not be a waiver of any other default concerning the same or any other provisions of the Lease.

18. RULES AND REGULATIONS:

LESSEE's occupancy and use of the Premises shall at all times be conducted in a manner that is in compliance with LESSOR's Rules and Regulations for the property as promulgated from time to time at the sole discretion of LESSOR. An uncured violation of these Rules and Regulations will be a default by LESSEE, in which case LESSOR may terminate this Lease on 48 hours written notice.

19. SPECIAL CONDITIONS.

As an in-kind contribution to LESSEE's Head Start Program, LESSOR agrees to provide the following facilities at no additional charge to LESSEE at the identified fair market value:

Playground space

IN WITNESS WHEREOF, LESSOR and LESSEE have executed this Lease as set forth below.

[Signatures on next page.]

LESSOR:

HOUSING AUTHORITY OF
THE CITY OF SACRAMENTO, a public
body, corporate and politic

LESSEE:

SACRAMENTO EMPLOYMENT AND
TRAINING AGENCY, a Joint Powers Agency

By: _____
LaShelle Dozier
Executive Director

By: _____
Kathy Kossick
Executive Director

DATE: _____

DATE: _____

APPROVED AS TO FORM:

APPROVED AS TO FORM:

AGENCY COUNSEL

LEGAL COUNSEL to SETA

EXHIBIT A

[INSERT DIAGRAM OF THE PREMISES]



NON-EXCLUSIVE LICENSE AGREEMENT

THIS LICENSE, dated _____, 20__ is between the **HOUSING AUTHORITY OF THE CITY OF SACRAMENTO** (AUTHORITY), and the **MEALS ON WHEELS BY ACC** (LICENSEE).

IT IS AGREED:

1. **LICENSE TERM:**

A. AUTHORITY grants to LICENSEE permission to use the following property for its non-exclusive use: the kitchen area and the Comstock Community Room located at 1725 K Street, Sacramento California, ("Premises"). This License does not confer a possessory interest in real property.

B. Either party shall have the right to cancel this License at no cost or penalty by giving the other party thirty (30) days written notice.

2. **SCHEDULE:**

A. The License term shall commence upon the signing of this agreement, or the date LICENSEE takes possession of the premises, whichever occurs first.

3. **RENTAL RATE:**

The rental rate is ONE DOLLAR (\$1.00) annually paid in advance.

4. **USE:**

A. The Premises shall be used, as a congregate meal site, by LICENSEE only as a Meals on Wheels by ACC Senior Nutrition lunch program, for the purpose of providing meals to senior citizens, but for no other uses without AUTHORITY's written consent.

B. The Premises shall be available to the LICENSEE between the hours of 9:00 a.m. to 1:00 p.m., Monday - Friday.

5. **ALTERATIONS BY LICENSEE:**

LICENSEE may make no alterations to the Licensed premises without the prior written consent of AUTHORITY.

6. **INDEMNIFICATION:**

Except for the negligence or willful misconduct of Authority, LICENSEE agrees to indemnify, defend and hold AUTHORITY and AUTHORITY'S governing boards, employees, agents and contractors harmless from all liability, penalties, losses, damages, costs, expenses, causes of action, claims, or judgments arising by reason of any death, bodily

injury, personal injury, or property damage resulting from any cause occurring in or about or resulting from an occurrence in or about Premises during the License Term; the negligence or willful misconduct of LICENSEE or LICENSEE's agents, employees, and contractors wherever it occurs; or, an Event of LICENSEE's Default.

The provisions of this Section 6 shall survive the expiration or sooner termination of this License.

7. INSURANCE:

Licensee will provide certificate of liability insurance naming Authority as additional insured.

8. MAINTENANCE OF FACILITY:

AUTHORITY at its cost shall maintain in good repair and condition, the interior of the Licensed premises, including but not limited to: interior walls, ceilings, glazing, floor covering, plumbing, water pipes, hot water heater, alarm systems, fire extinguishers, lighting (fixtures, ballasts, emergency lights), exterior walls, roof, grounds, exterior lighting, and HVAC equipment.

9. FACILITY PARKING:

LICENSEE shall have exclusive right to one (1) parking space as designated by AUTHORITY. LICENSEE agrees to abide by AUTHORITY's parking rules and agrees to not overburden the parking facilities.

10. REPAIR CONTRACT:

AUTHORITY shall designate sources to be called when repairs to the Licensed premises are required. Said sources shall be called in the event LICENSEE is unable to contact AUTHORITY within a reasonable time.

11. RISK OF HAZARDS:

LICENSEE shall not do anything on the premises, nor bring or keep anything thereon which will in any way increase the risk of fire or the rate of insurance, or which shall conflict with the regulations of any fire district having jurisdiction.

12. LICENSEE OWNED ITEMS:

LICENSEE, at their expense, shall maintain in good repair all LICENSEE owned property / equipment brought in or stored in the facility and used as part of the Senior Nutrition Program.

13. BACKGROUND CHECK OF LICENSEE ASSIGNED EMPLOYEES:

LICENSEE, at their expense, shall on or before the date the person is employed or assigned to Licensed premises to coordinate the Meals on Wheels by ACC Senior Nutrition lunch program shall have a clear background check.

14. WRITTEN COMMUNICATIONS:

A. Any notice, demand, request, consent, approval, or communication that either party desires or is required to give to the other party pursuant to this License shall be in writing and either served personally or sent by prepaid, first class, certified mail.

Such matters shall be addressed to the other party at the following address:

To AUTHORITY at:

Housing Authority of the City of Sacramento
1725 K Street
Sacramento, CA 95811
ATTN: Angela Hall
Phone No. (916) 449-6301
Fax No. (916) 443-5689

To LICENSEE at:

Meals on Wheels by ACC
7311 Greenhaven Drive, Suite 190
Sacramento, CA 95831
ATTN: David Morikawa
Phone No. (916) 444-9533 ext: 163
Fax No. (916) 394-9156

or such other address as a party may designate to the other by notice.

B. Any matter mailed pursuant to this paragraph shall be deemed communicated within forty-eight (48) hours from the time of mailing.

15. RIGHT AND REMEDY:

No delay or omission in the exercise of any right or remedy of either party on any default of the other party shall impair such a right or remedy or be construed as a waiver of such default. Any waiver by either party of any default of the other party shall be in writing and shall not be a waiver of any other default concerning the same or any other provisions of the License.

16. RULES AND REGULATIONS:

LICENSEE'S occupancy and use of the Premises shall at all times be conducted in manner that is in compliance with AUTHORITY'S Rules and Regulations for the Midtown Manor Community as promulgated from time to time at the sole discretion of AUTHORITY. Violation of these Rules and Regulations will be a default by LICENSEE, in which case AUTHORITY may terminate this License on 48 hours written notice.

AUTHORITY:

HOUSING AUTHORITY OF
THE CITY OF SACRAMENTO

By: _____
LASHELLE DOZIER
Executive Director

DATE: _____

LICENSEE:

MEALS ON WHEELS BY ACC

By: _____
Donna L Yee
Chief Executive Officer

DATE: _____

APPROVED AS TO FORM:

AGENCY COUNSEL



November 14, 2014

Sacramento Housing and
Redevelopment Commission
Sacramento, CA

Honorable Members in Session:

SUBJECT:

Approval Of Lease And License Agreements at Housing Authority Owned Properties
For The Provision Of Resident Service Programs

SUMMARY

The attached report is submitted to you for review prior to consideration by the County
of Sacramento.

RECOMMENDATION

Staff recommends approval of the recommendations outlined in this report.

Respectfully submitted,


LA SHELLE DOZIER
Executive Director

Attachment

**COUNTY OF SACRAMENTO
CALIFORNIA**

For the Agenda of:
December 9, 2014

To: Housing Authority of the County of Sacramento
Sacramento Housing Development Corporation

From: Sacramento Housing and Redevelopment Agency

Subject: Approval Of Lease And License Agreements at Housing Authority Owned
Properties For The Provision Of Resident Service Programs

Supervisory
District: Serna and Yee

Contact: MaryLiz Paulson, Assistant Director, 916-440-1334
Cecette Hawkins, Management Analyst, 916-449-6218

Overview

This report recommends approval of leases with the Sacramento Employment and Training Agency (SETA) for a Head Start Program and a license with Meals on Wheels by Asian Community Center (Meals on Wheels by ACC) for a Senior Nutrition Program at Housing Authority owned properties.

Recommendations

Adopt a **Housing Authority Resolution**: authorizing the Executive Director, or her designee, 1) to execute a lease agreement with Sacramento Employment and Training Agency (SETA) for a Head Start Child Development Program for a term not to exceed one year with the option to extend for four renewable terms of one year each for a possible total of five years at the 3530 41st Avenue, Sacramento, CA; 2) to amend the Housing Authority budget to receive and allocate the annual revenue from the lease of 3530 41st Avenue, Sacramento, CA The funds shall be expended from an approved or amended property-level budget, approved by the Executive Director or her designee, and 3) make related findings.

Adopt a **Sacramento Housing Development Corporation Resolution** authorizing the Executive Director or her designee to 1) to execute a license agreement with Meals on Wheels by ACC to provide meals to seniors for a term not to exceed one year with the option to extend for four renewable terms of one year each for a total of five years at 600 I Street, Sacramento CA, and 2) make related findings.

Measures/Evaluation

The proposal to lease the space for Head Start and Meals on Wheels by ACC will improve the economic vitality as well as promote self-sufficiency and asset development for youth and seniors which is consistent with the Housing Authority annual plan goals.

Fiscal Impact

The annual revenue from the lease with SETA for 3530 41st Avenue, Sacramento, CA is as follows: \$5,460 in year one, \$7,620 in years two, three, four, and five. The license agreement with Meals on Wheels by ACC for 600 I Street is \$1 annually.

BACKGROUND

The Housing Authority (HA) is committed to providing services to HA residents as well as to neighboring residents. To ensure that the services provided are effective and well-utilized, the HA has communicated with service providers, public housing residents, and nearby neighborhood residents about priority needs. As expected, affordable childcare and nutrition programs emerged as top priority needs for public housing residents, neighborhood residents, and service providers.

SETA – Head start

To enhance the employment prospects of residents are preferred, the Housing Authority has had a long relationship with the Sacramento Employment and Training Agency (SETA) to operate day-long Head Start programs at Housing Authority facilities in both the City and County of Sacramento. These facilities were constructed many years ago from former dwelling units that have been customized and converted to day care standards.

In the County of Sacramento, SETA operates a Head Start Program at 3530 41st Avenue. The last formal lease agreement with SETA expired in 2008 and they have been operating on a month to month agreement since that time. Staff is now recommending a one-year lease agreement with SETA with the option to extend for four renewable terms of one year each which will allow them to continue to offer a needed service to the residents and the community. Under the proposed lease, SETA is responsible for monthly rent, metered utilities and janitorial services.

Head Start serves over 6,200 children daily. The program provides educational, health, dental, mental health, social and nutritional services. Parent involvement in program planning, parent education and site operation, is an essential part of the program. Teamed with the One Stop Career Centers, Head Start promotes employment and training programs to help parents become self-sufficient.

Meals on Wheels by ACC

Meals on Wheels offers frozen home-delivered meals for older persons who are unable to leave their home to shop or prepare nutritious meals. The meals are prepared with the special dietary needs of seniors in mind and are adaptable to a variety of special diets. Staff is recommending a one year agreement with four one year renewable options with Meals on Wheels by ACC for the 600 I Street Senior housing site. Though the facility is managed by the Housing Authority, the agreement with Meals on Wheels by ACC for 600 I Street is between the Sacramento Housing Development Corporation (SHCD) and Meals on Wheels by ACC because SHDC is the legal owner of the 600 I Street building.

COMMISSION ACTION

At its meeting of November 19, 2014, the Sacramento Housing and Redevelopment Commission considered the staff recommendation for this item. The votes were as follows:

AYES:

NOES:

ABSENT:

MEASURES/EVALUATIONS

The proposal to lease the space for Head Start and Meals on Wheels by ACC will improve the economic vitality as well as promote self-sufficiency and asset development for youth and seniors which is consistent with the Housing Authority annual plan goals.

FINANCIAL ANALYSIS

The annual revenue from the lease with SETA for 3530 41st Avenue, Sacramento, CA is as follows: \$5,460 in year one, \$7,620 in years two, three, four, and five. The fee for the license agreement with Meals on Wheels by ACC for 600 I Street is \$1 annually.

POLICY CONSIDERATIONS

Public Housing Authorities are required to comply with applicable federal laws and regulations, including the Quality Housing and Work Responsibility Act of 1998 (QHWRA). No new policies are recommended in this report. However, the Housing Authority is committed to facilitating on-site provision of services that enhance residents' quality of life and contribute to their ability to obtain and maintain employment.

ENVIRONMENTAL REVIEW:

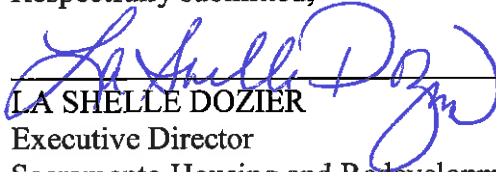
California Environmental Quality Act (CEQA): The proposed action has been analyzed in accordance with CEQA and is Exempt per CEQA Guidelines Section 15061(b)(3).

National Environmental Policy Act (NEPA): The proposed action has been analyzed in accordance with NEPA and is Exempt under NEPA per 24 CFR 58.34(a)(3).

M/WBE AND SECTION 3 CONSIDERATIONS:

The activities recommended in this staff report do not involve federal funding, therefore, there are no M/WBE or Section 3 requirements. The First Source Program is not applicable to this report.

Respectfully submitted,



LA SHELLE DOZIER
Executive Director
Sacramento Housing and Redevelopment Agency

APPROVED

BRADLEY J. HUDSON
County Executive

Attachments:

- RES – County HACOS Resolution
- RES – SHDC Resolution
- ATT 1 – SETA Lease agreement
- ATT 2 – Meals on Wheels license agreement

RESOLUTION NO. _____

**ADOPTED BY THE HOUSING AUTHORITY OF THE
COUNTY OF SACRAMENTO**

ON DATE OF

**AUTHORIZATION AND APPROVAL OF LEASE AND LICENSE AT HOUSING
AUTHORITY OWNED PROPERTIES**

WHEREAS, the Sacramento Employment and Training Agency (SETA), a joint powers agency of the City and County of Sacramento, was formed in 1978. From its inception SETA has been an effective force in connecting people to jobs, business owners to quality employees, children to education and nutrition, assistance to refugees, and hope for many Sacramento area residents.

WHEREAS, SETA's Head Start Childcare Program (Head Start) serves over 6,200 children daily providing educational and special educational services, health, dental, mental health, social and nutritional services. Parent involvement in program planning, parent education and site operation, is an essential part of the program. Teamed with the One Stop Career Centers, Head Start promotes employment and training programs to help parents become self-sufficient.

WHEREAS, these lease is in the best interest of housing authority residents and the community at large. The proposal to lease the spaces is appropriate because it will improve the economic vitality as well as promote self-sufficiency and asset development for youths and seniors which are consistent with the PHA annual plan goals.

WHEREAS, the Housing Authority offers leases, use agreements and licenses for residential units, non-dwelling spaces, and common areas to service providers whose services will benefit the residents and community.

WHEREAS, the lease of low-income housing unit(s) enhances the resident experience while living at Housing Authority properties. The loss of the space will not materially affect the financial viability of the property.

WHEREAS, the execution of a lease for an existing facility is exempt from environmental review under California Environmental Quality Act (CEQA) Guidelines Section 15061(b)(3). In addition, the proposed action has been analyzed in accordance with the National Environmental Policy Act (NEPA) and is exempt under NEPA per 24 CFR 58.34 (a) (3).

WHEREAS, A duly noticed public hearing was held on November 19, 2014 regarding the approval of the lease with SETA.

NOW, THEREFORE, BE IT RESOLVED BY THE HOUSING AUTHORITY OF THE COUNTY OF SACRAMENTO

Section 1: The above declarations set forth in the above recitals including the environmental findings, are found to be true and correct.

Section 2: The Executive Director, or her designee, is authorized to execute a Lease Agreement with Sacramento Employment and Training Agency for a Head Start Child Development Program at the 3530 – 41st Street, CA for a term not to exceed one year with the option to extend for four renewable terms of one year each for a possible total of five years.

Section 3. The Executive Director is authorized to amend the Housing Authority budget to receive and allocate the an annual revenue from the Sacramento Employment & Training Agency lease of \$5,460 in year one, \$7,620 in years two, three, four, and five for 3530 41st Avenue, Sacramento, CA, received in consideration for which this Agreement generated revenue. The funds shall be expended from an approved or amended property-level budget, approved by the Executive Director or her designee.

On a motion by Member _____, seconded by Member _____, the foregoing Resolution was passed and adopted by the Housing Authority of the County of Sacramento, State of California this 9th day of December, 2014, by the following vote, to wit:

AYES: Members,
NOES: Members,
ABSENT: Members,
ABSTAIN: Members,

Chair of the Housing Authority
of Sacramento County, California

(SEAL)

ATTEST: _____
Clerk

RESOLUTION NO. SHDC ____

ADOPTED BY THE SACRAMENTO HOUSING DEVELOPMENT CORPORATION

ON DATE OF

**AUTHORIZATION AND APPROVAL OF ISSUANCE OF A LICENSE AGREEMENT AT
600 I STREET, SACRAMENTO, CA**

Whereas, Meals on Wheels by Asian Community Center offers frozen home-delivered meals for older persons who are unable to leave their home to shop or prepare nutritious meals. The meals are prepared with the special dietary needs of seniors in mind and are adaptable to a variety of special diets. Meals are prepared offsite and frozen for delivery and storage at the sites. Meals are then reheated on site for serving;

Whereas, this license agreement is in the best interest of Riverview Plaza senior residents. The proposal to issue a license for the spaces is appropriate because it will improve the economic vitality as well as promote self-sufficiency for the seniors which are consistent with the PHA annual plan goals;

Whereas, it is beneficial to offer leases, use agreements, and licenses for residential units, non-dwelling spaces, and common areas to service providers whose services will benefit the residents and community;

Whereas, the kitchen and community room proposed to have a license, enhances the senior residents experience while living at 600 I Street. The loss of the space will not materially affect the financial viability of the property;

WHEREAS, the issuance of a license for an existing facility is exempt from environmental review under California Environmental Quality Act (CEQA) Guidelines Section 15061(b)(3). In addition, the proposed action has been analyzed in accordance with the National Environmental Policy Act (NEPA) and is exempt under NEPA per 24 CFR 58.34 (a) (3); and

Whereas, A duly noticed public hearing was held on November 19, 2014 regarding the approval of the leases with SETA and the license with Meals on Wheels.

NOW THEREFORE BE IT RESOLVED AND ORDERED BY THE BOARD OF DIRECTORS OF THE SACRAMENTO HOUSING DEVELOPMENT CORPORATION:

Section 1. The above declarations set forth in the above recitals including the environmental findings, are found to be true and correct.

Section 2. The Executive Director, or her designee, is authorized to execute a License Agreement with Meals on Wheels by Asian Community Center at 600 I Street, Sacramento, CA property for a term not to exceed one year with the option to extend for four renewable terms of one year each for a possible total of five years.

Section 3. The Executive Director is authorized to amend the Housing Authority budget to receive and allocate the annual revenue from the lease of \$1 annually for 600 I Street, Sacramento, CA received in consideration of the Agreement for which this Agreement generated revenue. The funds shall be expended from an approved or amended property-level budget, approved by the Executive Director or her designee.

On a motion by Director _____, seconded by Director _____, the foregoing Resolution was passed and adopted by the Sacramento Housing Development Corporation, State of California, this 9th day of December, 2014, by the following vote, to wit:

AYES: Directors,

NOES: Directors,

ABSTAIN: Directors,

ABSENT: Directors,

ISSUANCE OF LICENSE AGREEMENT WITH MEALS ON WHEELS

Page 3 of 3

Chair, Board of Directors
Sacramento Housing Development
Corporation

(SEAL)

ATTEST: _____
Clerk

LEASE AGREEMENT
[Illa Collin Early Learning Center Head Start – 3530 41st Street,
Sacramento]

THIS LEASE (the “Lease”), dated _____ is between the **HOUSING AUTHORITY OF THE CITY OF SACRAMENTO**, a public body, corporate and politic (“LESSOR”), and the **SACRAMENTO EMPLOYMENT AND TRAINING AGENCY**, a joint powers agency (“LESSEE”).

IT IS AGREED:

1. LEASE TERM:

A. LESSOR grants to LESSEE a tenancy for One (1) Year, commencing on _____ in the following property: approximately one thousand eight hundred twenty (1,820) square feet located at 3530 41st Street, Sacramento California, (“Premises”). A diagram of the Premises is attached as “Exhibit A”, and incorporated herein by reference.

B. LESSEE shall have four (4) one-year options to extend the term of this Lease. LESSEE shall exercise each option by giving written notice to LESSOR not later than one hundred twenty (120) days prior to the expiration of the then current lease term. Monthly rent shall be mutually negotiated and agreed upon by LESSOR and LESSEE no later than sixty (60) days before the commencement of each one-year option term. Should the new monthly rent not be agreed upon by the parties within sixty (60) days before the commencement of any one-year option term, then this Lease shall expire. Should the Lease expire without extension, LESSEE shall be entitled to hold over for up to ninety (90) days upon the same terms and conditions as in this Lease, except the option to renew. This Lease shall not exceed a total of five (5) years.

C. In the event funding to LESSEE for the operation of the Head Start program is reduced, suspended or terminated, so that LESSEE terminates, in whole or in part, the operation of the Head Child Development Program, LESSEE may terminate this Lease on reasonable notice to LESSOR.

2. RENTAL RATE:

A. The monthly rental rate for the first year of the lease term is Four Hundred Fifty-Five Dollars (\$455.00), payable at the beginning of each calendar month. Monthly rent for the second, third, fourth, and fifth year of the lease term shall be Six Hundred Thirty-Five Dollars (\$635.00) payable at the beginning of each calendar month. Rent does not include utilities.

3. USE AND REPORTS:

A. The Premises shall be used by LESSEE only for purposes related to operation of a Head Start Child Development Program and for no other uses without LESSOR'S written consent.

B. LESSEE shall have the right to share use of the Common Area of the building containing the Premises and the adult restrooms of the building which contains the Premises.

C. LESSEE shall assist LESSOR with the preparation of periodic utilization reports that LESSOR is required to submit to the United States Department of Housing and Urban Development regarding use of the Premises.

4. ALTERATIONS BY LESSEE:

A. LESSEE shall be responsible for the construction and installation of all tenant improvements required to conform the Premises to LESSEE's needs, including all associated costs. Provided, however, LESSEE must obtain LESSOR's approval of the proposed tenant improvements before commencement of any of the work, which approval shall not be unreasonably withheld or delayed. LESSEE shall immediately pay all costs of labor, services and materials supplied in prosecution of any work to be done on the Premises, if such work is approved. LESSEE shall keep the Premises free and clear of all mechanics liens and any other liens. All work must be approved by LESSOR, in addition to any required City approvals, before LESSEE commences its operations on the Premises.

5. UTILITIES AND JANITORIAL SERVICES:

A. LESSEE shall pay, when due, all gas and electricity charges incurred for heating, lighting, and cooling the Premises during the term of this Lease. If the Premises are not separately metered, then LESSEE shall pay a pro-rata share of all gas and electricity charges based upon the ratio that the square footage leased to LESSEE bears to the entire square footage of the building being served by the same gas and electric meters. In such event, LESSOR shall provide LESSEE with a copy of the monthly invoices for gas and electricity charges and calculate LESSEE's pro rata share each month. LESSEE shall provide, at its own cost, all necessary janitorial service and shall pay all charges for telephone and internet services furnished to LESSEE.

B. LESSEE shall furnish and replace all electric light bulbs and/or tubes as required during the term of this Lease in the Premises.

C. LESSOR, at its own cost and expense, shall pay all sewer and water charges.

D. LESSOR, at its own cost and expense, shall pay for installation, repair, replacement and monitoring costs for life safety systems.

E. LESSOR shall at its own cost and expense, furnish garbage and waste removal services for the premises. LESSEE shall not overburden these services.

F. LESSOR, at its own cost and expense, shall pay for grass mowing and all landscape maintenance and repairs at the property where the Premises are located.

6. **SIGNAGE:**

All signage shall comply with the local jurisdiction's rules, regulations, and codes. All signage on the exterior and any interior signage, graphics, and displays visible through the exterior windows or doors must be professional in appearance and approved by LESSOR in writing; LESSOR'S approval does not constitute the approval that LESSEE needs to seek from the local jurisdiction.

7. **INDEMNIFICATION:**

A. **By LESSEE.** LESSEE agrees to indemnify, defend and hold LESSOR and LESSOR'S governing boards, employees, agents and contractors harmless from all liability, penalties, losses, damages, costs, expenses, causes of action, claims, or judgments arising by reason of any death, bodily injury, personal injury, or property damage resulting from any cause occurring in or about or resulting from an occurrence in or about Premises during the term of this Lease arising from the occupancy, use or control of the Premises by LESSEE and its officers, employees, agents, volunteers, guests and invitees (including Head Start attendees).

B. **By LESSOR.** LESSOR shall indemnify, defend and hold harmless LESSEE and its officers, employees, agents and volunteers from and against any and all third party claims of liability, loss, damage, expense, penalties and costs (including attorneys' fees and litigation costs) arising out of or in connection with the ownership, occupancy, use, maintenance or control of the Premises by LESSOR and its officers, employees, agents, volunteers, guests and invitees.

C. **Survival of Obligations.** The provisions of this Section 8 shall survive the expiration or sooner termination of this Lease.

8. **INSURANCE:**

A. **LESSEE's Property Insurance.** LESSEE shall procure and maintain at all times property insurance which is at least as broad as the ISO Special Form Causes of Loss (CP 1030) policy, formerly known as "all risks," which insurance covers LESSEE's personal property including furniture, fixtures and inventory. Such insurance shall include a waiver of subrogation in favor of LESSOR.

B. LESSOR's Property Insurance. LESSOR shall procure and maintain at all times, at its cost, a policy or policies of property insurance which is at least as broad as the ISO Special Form Causes of Loss (CP 1030) policy, formerly known as "all risks," as well as insurance covering boiler and machinery and compliance with ordinances or laws if appropriate, for the 100% insurable replacement cost of the building and improvements which contain the Premises. Such insurance shall include a waiver of subrogation in favor of LESSEE, its employees, agents and business invitees. LESSOR may not insure with a deductible or self-insured retention exceeding \$10,000 without the prior written consent of LESSEE.

C. LESSEE's Liability Insurance. LESSEE shall procure and maintain at all times, at its cost, commercial general liability insurance written on an "occurrence" policy form which is at least as broad as the most current ISO Commercial General Liability (CG 0001) policy, insuring liability arising from premises, operations, independent contractors, personal injury and advertising injury, products-completed operations and liability assumed under an insured contract. Coverage shall include a severability of interests provision and shall provide limits of not less than \$1,000,000 per occurrence and \$2,000,000 general aggregate. LESSEE's general liability policies shall be endorsed to name LESSOR and any lender of LESSOR as additional insured. LESSEE's liability insurance may be provided by a combination of primary, excess and umbrella policies, but all excess and umbrella policies must be at least as broad as the scope of the primary commercial general liability policy.

D. LESSOR's Liability Insurance. LESSOR shall procure and maintain at all times, at its cost, a policy or policies of commercial general liability insurance written on an "occurrence" policy form which is at least as broad as the most current ISO Commercial General Liability (CG 0001) policy, insuring liability arising from premises, operations, independent contractors, personal injury and advertising injury, products-completed operations and liability assumed under an insured contract. Coverage shall include a severability of interests provision and shall provide limits of not less than \$1,000,000 per occurrence and \$2,000,000 general aggregate per location. LESSOR may not insure with deductibles or self-insurance retention exceeding \$10,000 without the prior written consent of LESSEE. LESSEE, and in their capacity as such, LESSEE's offices, directors, agents and employees shall be named additional insureds by way of endorsement in the policy or policies of insurance by which LESSOR complies with the above insurance requirements, and LESSOR shall obligate its insurer to notify LESSEE in writing at least thirty (30) days in advance of any cancellation or failure to renew the above insurance during the term of this Lease. LESSOR further agrees to furnish LESSEE with certificates of insurance or copies of the policies evidencing the above coverage upon LESSEE's request.

9. MAINTENANCE OF FACILITY:

LESSEE at its cost shall maintain in good repair and tenantable condition, the interior of the Premises, including but not limited to: interior walls, ceilings, glazing, floor covering, exposed plumbing fixtures, plumbing clogs caused by LESSEE, hot water

heater, interior lighting fixtures (tubes, ballasts, bulbs) and any furnishings, partitions or systems specifically installed or required for the LESSEE's use. LESSOR at its cost shall maintain the exterior walls, doors, roof, grounds, parking lot, exterior lighting and light fixtures, HVAC equipment, electrical wiring and systems (excluding interior light fixtures), fire alarm systems, fire sprinkler/extinguisher systems, and landscaping.

10. FACILITY PARKING:

LESSEE and its clients, guests and invitees, shall not have any rights to use the parking area at the property which contains the Premises.

11. REPAIR CONTACTS:

LESSOR shall designate sources to be called when repairs to the electrical, HVAC and plumbing systems are required. Said sources shall be called in the event LESSEE is unable to contact LESSOR within a reasonable time after an event occurs that gives rise to the need for a repair at the Premises.

12. RISK OF HAZARDS:

LESSEE shall not do anything on the Premises, nor bring or keep anything thereon which will in any way increase the risk of fire or the rate of insurance, or which shall conflict with the regulations of any fire district having jurisdiction.

13. LESSEE OWNED ITEMS:

A. All permanent fixtures, partitions or other improvements made or installed under the requirements of this Lease, by either LESSOR or LESSEE, shall remain the property of the LESSOR. LESSEE shall repair any damage to the leased Premises resulting from removal of any fixture, partition or other improvement installed by LESSEE.

B. Playground equipment, if any, shall be maintained by LESSEE. At the expiration or termination of this LEASE, LESSEE shall retain ownership of said playground equipment and LESSEE shall remove said playground equipment from the Premises at no expense to LESSOR.

14. NON-DISCRIMINATION:

The LESSEE herein covenants by and for itself, and LESSEE's assigns, and all persons claiming under or through LESSEE that this Lease is made and accepted on the following conditions: that there shall be no discrimination against or segregation of any person or group of persons, on any basis of race, color, national origin, religion, language proficiency, sexual orientation or gender identity, gender, familial status, age or disability in the sale, lease, or rental or in the use or occupancy of the Property. Owner covenants by and for him/her/itself, his/her/its heirs, executors, administrators, and

assigns, and all persons claiming under or through them that there shall be no discrimination against or segregation with reference to the leasing, subleasing, transferring, use, occupancy, tenure, or enjoyment of the Premises herein leased, nor shall the LESSEE or any person claiming under or the through the LESSEE establish or permit any such practice or practices of discrimination or segregation with reference to the selection, location, number, use, or occupancy of tenants, lessees, sublessees, subtenants or vendees in the Premises herein leased.

15. SUCCESSORS-IN-INTEREST:

LESSEE may not transfer or assign this Lease without the prior written consent of LESSOR. Notwithstanding the foregoing, in the event the Joint Powers Agreement establishing LESSEE is terminated, the successor agency of LESSEE may, at its sole option, become the successor-in-interest to LESSEE under this Lease without the LESSOR's prior approval.

16. WRITTEN COMMUNICATIONS:

A. Any notice, demand, request, consent, approval, or communication that either party desires or is required to give to the other party pursuant to this Lease shall be in writing and either served personally or sent by prepaid, first class, certified mail with return receipt requested.

Such matters shall be addressed to the other party at the following address:

To LESSOR at:

Housing Authority of the City of
Sacramento
801 12th Street, Fifth Floor
Sacramento, CA 95814
Attention: Assistant Director

Phone No. (916) 449-6302
Fax No. (916) 442-3718

To LESSEE at:

Sacramento Employment and Training
Agency
925 Del Paso Boulevard
Sacramento, California 95815
Attention: Executive Director

Phone No. (916) 263-3810
Fax No. (916) 263-3825

or to such other address as a party may designate to the other by notice.

B. Any matter mailed pursuant to this paragraph shall be deemed communicated within forty-eight (48) hours from the time of mailing.

17. RIGHTS AND REMEDIES:

No delay or omission in the exercise of any right or remedy of either party on any default of the other party shall impair such a right or remedy or be construed as a waiver of such default. Any waiver by either party of any default of the other party shall be in

writing and shall not be a waiver of any other default concerning the same or any other provisions of the Lease.

18. RULES AND REGULATIONS:

LESSEE's occupancy and use of the Premises shall at all times be conducted in a manner that is in compliance with LESSOR's Rules and Regulations for the property as promulgated from time to time at the sole discretion of LESSOR. An uncured violation of these Rules and Regulations will be a default by LESSEE, in which case LESSOR may terminate this Lease on 48 hours written notice.

19. SPECIAL CONDITIONS.

As an in-kind contribution to LESSEE's Head Start Program, LESSOR agrees to provide the following facilities at no additional charge to LESSEE:

Playground space

IN WITNESS WHEREOF, LESSOR and LESSEE have executed this Lease as set forth below.

LESSOR:

LESSEE:

HOUSING AUTHORITY OF
THE CITY OF SACRAMENTO, a public
body, corporate and politic

SACRAMENTO EMPLOYMENT AND
TRAINING AGENCY, a Joint Powers Agency

By: _____
LaShelle Dozier
Executive Director

By: _____
Kathy Kossick
Executive Director

DATE: _____

DATE: _____

APPROVED AS TO FORM:

APPROVED AS TO FORM:

AGENCY COUNSEL

LEGAL COUNSEL to SETA

EXHIBIT A

[INSERT DIAGRAM OF THE PREMISES]



NON-EXCLUSIVE LICENSE AGREEMENT

THIS LEASE, dated _____, 20__ is between the **SACRAMENTO HOUSING DEVELOPMENT CORPORATION (LESSOR)**, and the **MEALS ON WHEELS BY ACC (LESSEE)**.

IT IS AGREED:

1. LICENSE TERM:

A. AUTHORITY grants to LICENSEE permission to use the following property for its non-exclusive use: the kitchen area and the Riverview Plaza Community Room located at located at 600 I Street, Sacramento California, (“Premises”) incorporating the Community Room and kitchen area on the 15th floor.

B. Either party shall have the right to cancel this Lease at no cost or penalty by giving the other party thirty (30) days written notice.

2. SCHEDULE:

A. The Lease term shall commence upon the signing of this agreement, or the date LESSEE takes possession of the premises, whichever occurs first.

3. RENTAL RATE:

The rental rate is ONE DOLLAR (\$1.00) annually paid in advance.

4. USE:

A. The Premises shall be used, as a congregate meal site, by LESSEE only as Meals on Wheels by ACC Senior Nutrition lunch program, for the purpose of providing meals to senior citizens, but for no other uses without LESSOR’s written consent.

B. The Premises shall be available to the LESSEE between the hours of 8:30 a.m. to 1:00 p.m., Monday -Friday.

5. ALTERATIONS BY LESSEE:

LESSEE may make no alterations to the leased premises without the prior written consent of LESSOR.

6. INDEMNIFICATION:

LESSEE agrees to indemnify, defend and hold LESSOR and LESSOR'S governing boards, employees, agents and contractors harmless from all liability, penalties, losses, damages, costs, expenses, causes of action, claims, or judgments arising by reason of any death, bodily injury, personal injury, or property damage resulting from any cause occurring in or about or resulting from an occurrence in or about Premises during the Lease Term; the negligence or willful misconduct of LESSEE or LESSEE's agents, employees, and contractors wherever it occurs; or, an Event of LESSEE's Default.

The provisions of this Section 6 shall survive the expiration or sooner termination of this Lease.

7. INSURANCE:

Lessee will provide certificate of liability insurance naming Lessor as additional insured.

8. MAINTENANCE OF FACILITY:

LESSOR at its cost shall maintain in good repair and condition, the interior of the leased premises, including but not limited to: interior walls, ceilings, glazing, floor covering, plumbing, water pipes, hot water heater, alarm systems, fire extinguishers, lighting (fixtures, ballasts, emergency lights), exterior walls, roof, grounds, exterior lighting, and HVAC equipment.

9. FACILITY PARKING:

LESSEE shall have exclusive right to up to 1 parking space as designated by LESSOR. LESSEE agrees to abide by LESSOR's parking rules and agrees to not overburden the parking facilities.

10. REPAIR CONTRACT:

LESSOR shall designate sources to be called when repairs to the leased premises are required. Said sources shall be called in the event LESSEE is unable to contact LESSOR within a reasonable time.

11. RISK OF HAZARDS:

LESSEE shall not do anything on the premises, nor bring or keep anything thereon which will in any way increase the risk of fire or the rate of insurance, or which shall conflict with the regulations of any fire district having jurisdiction.

12. LESSEE OWNED ITEMS:

LESSEE, at their expense, shall maintain in good repair all LESSEE owned property / equipment brought in or stored in the facility and used as part of the Senior Nutrition Program.

13. BACKGROUND CHECK OF LESSEE ASSIGNED EMPLOYEES:

LESSEE, at their expense, shall on or before the date the person is employed or assigned to leased premises to coordinate the Meals on Wheels by ACC Senior Nutrition lunch program shall have a clear background check.

14. WRITTEN COMMUNICATIONS:

A. Any notice, demand, request, consent, approval, or communication that either party desires or is required to give to the other party pursuant to this Lease shall be in writing and either served personally or sent by prepaid, first class, certified mail.

Such matters shall be addressed to the other party at the following address:

To LESSOR at:

Sacramento Housing Development Corporation
600 I Street
Sacramento, CA 95814
ATTN: Jennifer Dumas
Phone No. (916) 449-6396
Fax No. (916) 442-3671

To LESSEE at:

Meals on Wheels by ACC
7311 Greenhaven Drive, Suite 190
Sacramento, CA 95831
ATTN: David Morikawa
Phone No. (916) 444-9533 ext: 163
Fax No. (916) 394-9156

or such other address as a party may designate to the other by notice.

B. Any matter mailed pursuant to this paragraph shall be deemed communicated within forty-eight (48) hours from the time of mailing.

15. RIGHT AND REMEDY:

No delay or omission in the exercise of any right or remedy of either party on any default of the other party shall impair such a right or remedy or be construed as a waiver of such default. Any waiver by either party of any default of the other party shall be in writing and shall not be a waiver of any other default concerning the same or any other provisions of the Lease.

16. RULES AND REGULATIONS:

LESSEE'S occupancy and use of the Premises shall at all times be conducted in manner that is in compliance with LESSOR'S Rules and Regulations for the Riverview Plaza community as promulgated from time to time at the sole discretion of LESSOR. Violation of these Rules and Regulations will be a default by LESSEE, in which case LESSOR may terminate this Lease on 48 hours written notice.

LESSOR:

HOUSING AUTHORITY OF
THE CITY OF SACRAMENTO

By: _____
LASHELLE DOZIER
Executive Director

DATE: _____

APPROVED AS TO FORM:

AGENCY COUNSEL

LESSEE:

MEALS ON WHEELS BY ACC

By: _____
Donna L Yee
Chief Executive Officer

DATE: _____



November 14, 2014

Sacramento Housing and
Redevelopment Commission
Sacramento, CA

Honorable Members in Session:

SUBJECT:

Approval Of Pre-Development Agreement And Disposition And Development
Agreement With Sacramento Habitat for Humanity For Five 43rd Avenue Properties

SUMMARY

The attached report is submitted to you for review prior to consideration by the County
of Sacramento.

RECOMMENDATION

Staff recommends approval of the recommendations outlined in this report.

Respectfully submitted,



LA SHELLE DOZIER
Executive Director

Attachment