



# WASHOE COUNTY

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HR N/A  
Comptroller CH

## STAFF REPORT

BOARD MEETING DATE: June 21, 2016

**DATE:** May 18, 2016  
**TO:** Board of County Commissioners  
**FROM:** Dave Solaro, Arch., P.E., Director  
Community Services Department, 328-2040, [dsolaro@washoecounty.us](mailto:dsolaro@washoecounty.us)  
**THROUGH:** Kevin Schiller, Assistant County Manager  
**SUBJECT:** Approve a Renewal of Lease Agreement for Joe Mitchell Community Center between Washoe County and the Boys and Girls Club of Truckee Meadows retroactive to June 1, 2016 and through May 31, 2021, to continue year-round youth services at the Joe Mitchell Community Center located in Lemmon Valley; and if approved, authorize the Community Services Director to execute the Renewal of Lease Agreement. (Commission District 5.)

### SUMMARY

The Boys and Girls Club of Truckee Meadows, a Nevada non-profit corporation, has utilized the Joe Mitchell Community Center located at 325 Patrician Drive, Reno, Nevada under a Lease Agreement for the past five years, offering a variety of programs and activities for youth ages 6-18.

Pursuant to NRS 244.284, Washoe County may enter into certain leases for civic and charitable purposes without competitive bidding and without charging fair market value for rent. The Boys and Girls Club of Truckee Meadows is a Nevada non-profit Corporation and will continue to operate the facility rent-free for civic and charitable purposes.

The original Lease Agreement approved in April 2011, provides for renewal of one additional five-year period under the terms and conditions of the original Lease. There is no cost to the Boys and Girls Club to lease the building; however, the terms of the Agreement require all costs associated with operation and maintenance of the building, including all utilities, routine maintenance, and building improvements to be paid for by the Boys and Girls Club.

Strategic Objective supported by this item: Safe, Secure and Healthy Communities.

### PREVIOUS ACTION

On April 26, 2011, the Board of County Commissioners (Board) approved a Lease Agreement between Washoe County and the Boys and Girls Club of Truckee Meadows to provide year-round youth services at the Joe Mitchell Community Center located in Lemmon Valley; initial term five years with an option to renew for an additional five years.

AGENDA ITEM # 11.C.1.

## **BACKGROUND**

The Joe Mitchell Community Center located in the Lemon Valley Park was constructed in 1978 and is an approximately 3,200 square feet with a large community room, kitchen, restrooms and small classrooms.

The Boys and Girls Club of Truckee Meadows operates within the Joe Mitchell Community Center throughout the year offering a variety of programs and activities for youth ages 6-18.

Washoe County has worked with Boys and Girls Club of Truckee Meadows throughout the years utilizing other community centers such as Cold Springs and Sun Valley to provide quality youth programming to the community.

## **FISCAL IMPACT**

According to the terms of the lease agreement, Boys and Girls Club of Truckee Meadows will lease the building rent-free. In consideration of the rent-free agreement, the Lessee will be responsible for all utilities to the facility, expenditures for the repair and routine maintenance of the building, and all improvements constructed within the facility upon approval of Washoe County.

The extension of the rent-free lease will continue to benefit Washoe County, the Boys and Girls Club of Truckee Meadows and the community. The facility's utility expenses and operations and maintenance is provided by the Boys and Girls Club, continuing to provide relief to Washoe County's budget, and the year-round use of the facility benefits the community and brings exposure to the park facilities and resources.

The average cost of utilities is approximately \$9,000 to \$10,000. This agreement provides approximately \$12,500 in savings to Washoe County between utilities and reduced staff maintenance that is the responsibility of the Boys and Girls Club.

## **RECOMMENDATION**

It is recommended the Board of County Commissioners approve a Renewal of Lease Agreement for Joe Mitchell Community Center between Washoe County and the Boys and Girls Club of Truckee Meadows retroactive to June 1, 2016 and through May 31, 2021, to continue year-round youth services at the Joe Mitchell Community Center located in Lemmon Valley; and if approved, authorize the Community Services Director to execute the Renewal of Lease Agreement.

## **POSSIBLE MOTION**

Should the Board agree with staff's recommendation, a possible motion would be: "Move to approve a Renewal of Lease Agreement for Joe Mitchell Community Center between Washoe County and the Boys and Girls Club of Truckee Meadows retroactive to June 1, 2016 and through May 31, 2021, to continue year-round youth services at the Joe Mitchell Community Center located in Lemmon Valley; and if approved, authorize the Community Services Director to execute the Renewal of Lease Agreement."



**RENEWAL OF LEASE AGREEMENT FOR "JOE MITCHELL COMMUNITY CENTER"**

This renewal agreement is made this 19 day of May, 2016 between the County of Washoe, hereinafter referred to as "County," and Boys and Girls Club of the Truckee Meadows, a Nevada non-profit corporation, hereinafter referred to as "Lessee."

WITNESSETH

Pursuant to the terms of the agreement between Boys and Girls Club of Truckee Meadows and Washoe County as approved by the Board of County Commissioners on April 26, 2011, the agreement may be renewed for an additional five (5) years. The County and Lessee agree to renew the agreement for an additional five (5) years, to expire May 31, 2021, subject to the terms and conditions of the agreement.

IN WITNESS WHEREOF, the parties hereto have executed this renewal agreement on the day and year first above written.

County of Washoe County

By: \_\_\_\_\_  
Dave Solaro, Community Services Department

STATE OF NEVADA  
COUNTY OF WASHOE

On the \_\_\_\_\_ day of \_\_\_\_\_, 2016, \_\_\_\_\_ personally appeared before me, a Notary Public, and Acknowledge to me that he/she executed the above instrument for the purpose therein contained.

\_\_\_\_\_  
NOTARY PUBLIC

Boys and Girls Club of the Truckee Meadows  
By: Michael P. Wurum MICHAEL P. WURUM  
Title: EXECUTIVE DIRECTOR

STATE OF NEVADA  
COUNTY OF WASHOE

On the 19 day of May, 2016, MICHAEL P. WURUM personally appeared before me, a Notary Public, and Acknowledge to me that he/she executed the above instrument for the purpose therein contained.

Kathleen Vanderziel  
NOTARY PUBLIC



**LEASE AGREEMENT**

**THIS LEASE AGREEMENT** ("Agreement") is made and entered into this 26<sup>th</sup> day of April, 2011, by and between Washoe County, a political subdivision of the State of Nevada, hereinafter called "Lessor" and Boys and Girls Club of the Truckee Meadows, a Nevada non-profit corporation, hereinafter called "Lessee".

**WITNESSETH:**

**WHEREAS**, Lessor is the sole owner the Joe Mitchell Community Center, ("Building") described below, which Building is not currently needed for the public purposes of Washoe County, and Lessor by virtue of NRS 244.284 may enter into certain leases for civic and charitable purposes, without competitive bidding and without charging fair market value for rent; and

**WHEREAS**, Lessee, a Nevada non-profit corporation, desires to use the Building described below, which use Lessee agrees will be only for civic or charitable purposes; and

**WHEREAS**, the parties desire by this Agreement to define their respective rights, duties and liabilities relating to the Building.

**NOW THEREFORE**, in consideration of the mutual covenants contained herein, the parties hereto agree as follows:

**SECTION ONE**

**DESCRIPTION OF BUILDING**

Lessor hereby leases unto Lessee that "Building", generally known and designated as the Joe Mitchell Community Center, located at 325 Patrician Drive, Reno, Nevada 89506 ("Property") together with common areas, entrances, parking lots and restrooms.

Lessee understands and agrees that the use of the Building and Property including all parking areas are non-exclusive and may be occupied in conjunction with other users as approved by Lessor and Lessee. The use of the Premises is conditioned upon all applicable rules and regulations as created by the Washoe County Regional Parks and Open Space Department.

Unless otherwise specified, "Premises" shall include all portions of the Property, including the parking area and common areas.

**SECTION TWO**  
**TERM OF AGREEMENT**

The term of this Agreement shall be for a five year term, commencing June 1, 2011 and terminating on May 31, 2016, unless sooner terminated or extended, upon mutual agreement of the parties or as otherwise provided herein. Upon approval by Lessor, Lessee may renew this agreement for one (1) additional five year period to use the Premises.

**SECTION THREE**  
**RENTAL**

As long as Lessee remains a non-profit corporation in good standing engaged in civil or charitable work, Lessee may occupy said Building rent-free for the term of this Agreement.

**SECTION FOUR**  
**RENEWAL OPTION**

So long as Lessee remains a non-profit corporation in good standing engaged in civil or charitable work, Lessee shall have one (1) successive option to renew this Agreement for five years to use the Premises.

**SECTION FIVE**  
**USE OF BUILDING**

A. Lessee shall not use or permit said Building or any part thereof to be used for any purpose other than to conduct the necessary business of the Lessee as a non-profit corporation engaged in civil or charitable work.

B. Lessee shall not conduct or at any time knowingly permit its employee, agent or visitor to conduct activity in the Building, which is unlawful, or in violation of any federal or state or county statute, code or regulation. Said Building shall not be used for storage, transfer, processing, etc. of any toxic or hazardous materials.

**SECTION SIX**  
**ALTERATIONS AND IMPROVEMENTS**

A. The parties hereby acknowledge that the Building is in good condition and is architecturally acceptable to Lessee and shall not be altered, repaired or changed except as herein provided. Prior to commencement of any alteration or improvement, Lessee shall prepare plans and specifications of such work and submit to Lessor for its consideration.

B. Lessee agrees that it shall not paint, erect partitions, install or change any doors or windows, or place any nails, screws or other implements or fasteners into the woodwork or walls other than for decorative purposes, without the prior written consent of the Lessor.

C. The parties agree that all the erections, additions, fixtures and improvements, excepting only decorative items and movable equipment, made in or upon said Building shall be Lessor's property and shall remain upon the Building at the termination of this Agreement by lapse of time or otherwise, without compensation to Lessee.

D. The parties agree that all equipment purchased and installed by Lessee, which is not affixed to the Building, shall remain the property of and the sole responsibility of Lessee and all replacement, repairs and maintenance of said equipment is the sole responsibility of Lessee, unless said damage was caused by Lessor's negligence.

E. The erection, construction, installation or making of any approved improvements shall be accomplished and completed in a workmanlike manner and in compliance with all applicable state and municipal laws and regulations and will be accomplished under the direction of licensed contractors. Lessee shall keep the Building free from any liens arising out of any work performed, or materials furnished, or obligations incurred by Lessee.

**SECTION SEVEN**  
**UTILITIES, JANITORIAL, TELEPHONE AND SERVICES**

A. Lessee shall supply electricity and water to the Building. The hours and days of operation of the program shall be mutually agreed upon by Lessor and Lessee

B. Lessee shall provide all janitorial services.

C. Lessee shall schedule and pay for all utilities for said building including electrical, gas, water service for building and trash.

D. Lessee will be responsible for the installation and payment of any telephone service, including fax and computer lines, as required by Lessee.

E. Lessee shall be provided keys to the front door entrance of the Building. Upon termination of this Agreement, Lessee shall return all keys to Lessor. In the event of lost or stolen keys, the locks shall be replaced and all costs thereof shall be the responsibility of Lessee.

## **SECTION EIGHT MAINTENANCE, REPAIRS AND INSPECTIONS**

A. Except as otherwise provided in this Agreement, Lessee shall be responsible for maintenance and repair of the Building at its sole expense. Lessee agrees that all damage to the Building caused by Lessee or any person who may be in or upon the Building with the consent of Lessee, or because of Lessee's presence, shall be the full responsibility of Lessee.

B. The parties agree that all equipment purchased and installed by Lessee, which is not affixed to the Building, shall remain the property of and the sole responsibility of Lessee and all replacement, repairs and maintenance of said equipment is the sole responsibility of Lessee, unless said damage was caused by Lessor's negligence. Prior to occupancy by Lessee, it shall furnish an inventory list of any and all equipment that will be removed upon vacating the Building.

C. Lessee shall permit Lessor or its authorized agents to enter into the Building at all reasonable times for the purpose of inspecting the same or for the purpose of making repairs or maintaining the Building. Lessee shall not change the locks without prior consent by Lessor.

## **SECTION NINE SIGNS**

Lessee agrees that no sign or advertisement shall be painted or affixed to any part of the outside or inside of the Building without written consent of Lessor.

## **SECTION TEN**

### **WAIVER**

Any failure on the part of either party to take action against the other for any breach of covenant herein shall not be construed to constitute a waiver of any other or subsequent breach.

## **SECTION ELEVEN**

### **CONDEMNATION**

In the event that any part of the Building hereby demised shall be condemned or taken by any county, federal, state or other authority for any purpose, then the term of this Agreement shall cease on the part so taken from the day the possession of that part is required for any public purpose. Thereafter, the Lessee or the Lessor shall have the right to either cancel this Agreement or to continue in the possession of the remainder of the same under the terms herein provided, except that the area of occupancy shall be reduced in proportion to the area of that portion of the Building taken for such public purpose. All damages awarded for the taking of the Building for any public purpose shall belong to and be the property of the party suffering such damage whether such damage is awarded as compensation for diminution in value to the leasehold or to the fee of the Building herein leased.

## **SECTION TWELVE**

### **INDEMNIFICATION**

A. Lessee shall hold harmless, indemnify and defend Lessor, its officers, agents and employees from any loss or liability, financial or otherwise resulting from any claim, demand, suit, action or other cause of action based on bodily injury, death or property damage to any person, including Lessee's employees and agents, caused by any action, either direct or passive, or the omission, failure to act or negligence on the part of the Lessee, its employees, agents or representatives, and any action arising out of the use of the building pursuant to this Agreement.

B. In the event any legal action is brought against Lessor, its officers, agents, employees or volunteers, as a result of Lessee's negligence, Lessee shall reimburse Lessor for costs and attorneys fees incurred by Lessor.



C. In the event any legal action is brought against Lessor, its officers, agents, employees or volunteers, Lessor will not waive and intends to assert available NRS Chapter 41 liability limitations in all cases.

### **SECTION THIRTEEN INSURANCE**

A. Lessor, at its sole cost and expense, shall:

(1) Secure and maintain fire and extended insurance on the building in which the Building is located in an amount and coverage determined by Lessor during the term or any extended term of this Agreement.

(2) Lessor may fund any such coverage and related financial obligations through a program of self-funding administered by its Risk Management Division. Any and all claims related to the use of the Building by Lessee shall be forwarded to Lessor in a timely manner.

(3) Lessor hereby expressly waives and releases any cause of action or right of recovery which Lessor may have hereafter against the Lessee for any loss or damage to the Building, or to the contents thereof belonging to either, caused by fire, explosion, or any other risk covered by insurance; and

B. Lessee, at its sole cost and expense, shall:

(1) Maintain fire insurance on all contents owned by Lessee located at the Building.

(2) Secure and maintain comprehensive or commercial general liability insurance coverage (occurrence form). Coverage limits shall be not less than \$1,000,000 per occurrence and at least \$2,000,000 annual aggregate during the term of this Agreement.

(3) Lessee hereby expressly waives and releases any cause of action or right of recovery which Lessee may have hereafter against the Lessor for any loss or damage to the Building, or to the contents thereof belonging to either, caused by fire, explosion, or any other risk covered by Lessee's insurance, and

(4) Lessee shall obtain a waiver from any insurance carrier with which Lessee carries fire, explosion or any other risk coverage insuring the Building or the contents thereof releasing its subrogation rights against Lessor.

(5) In the event Lessee's occupancy causes any increase of premium for Lessor's insurance on the Building, or any parts thereof, Lessor shall notify Lessee in writing of such increase. Lessee shall have fifteen (15) days after receipt of written notification from Lessor of such increase to correct or mitigate, if applicable, said circumstances that resulted in the need for a premium increase. If Lessee is unable to mitigate or correct said hazardous occupancy, where applicable, Lessee shall upon written agreement pay the increased premium or terminate said Agreement.

(6) In the event that Lessee is covered under a self-funded insurance policy, Washoe County's Risk Manager must approve all retentions and may request additional documentation financial or other wise for review prior to approving said agreement.

#### **SECTION FOURTEEN HAZARDOUS SUBSTANCES**

A. Lessee shall not cause or permit any hazardous substances to be used, released, stored, manufactured or disposed in or upon the Building, except in the minimum quantities as are customary and usual in connection with Lessee's permitted use. If the Building becomes contaminated as a result of a violation by Lessee of this Section Fifteen, for which Lessee is legally liable, Lessee shall indemnify, defend and hold Lessor harmless from all related claims, judgments, penalties, costs or losses, including all expenses incurred for investigation, removal, remediation and restoration mandated by federal, state and local governments, together with Lessor's attorney's fees.

B. If hazardous substances have been used, released, stored, manufactured or disposed in or upon the Building or connected areas outside the Building, or if the Building or connected areas outside the Building, are or become contaminated in any manner, for which Lessor is legally liable, Lessor shall indemnify, defend and hold Lessee harmless from all related claims, judgments, penalties, costs or losses, including all expenses incurred for investigation, removal, remediation and restoration mandated by federal, state and local governments, together with Lessee's attorney fees.

C. Hazardous substances mean all toxic, ignitable, reactive and corrosive substances regulated by federal, state or local governments.

**SECTION FIFTEEN  
QUIET ENJOYMENT**

Lessee, while in compliance with the terms and covenants herein, is entitled to the quiet enjoyment of the Building for the term hereby created, subject to the provisions of Section Four of this Agreement.

**SECTION SIXTEEN  
NOTICES**

All notices and demands which may be required to be served upon the respective parties to this Agreement shall be in writing and may be served either personally or by certified mail, postage prepaid, addressed to Lessee at: Boys and Girls Club of Truckee Meadows, 2680 East 9<sup>th</sup> Street, Reno, NV 89512, Attn: Mike Wurm and upon Lessor to: Assistant Director, Regional Parks & Open Space Department, 2601 Plumas Street, Reno, NV 89509, Attn: Parks Assistant Director or at such other address as the parties may designate and serve upon the other. Any service by mail shall be deemed served upon deposit with the United States Post Office.

**SECTION SEVENTEEN  
COSTS AND ATTORNEY'S FEES**

Should either party hereto institute any action or proceeding of any kind to enforce or interpret any provision hereof or for damages by reason of an alleged breach of any provision of this Agreement, the prevailing party shall be entitled to receive from the losing party such amounts as be adjudged to be reasonable attorney's fees for the services rendered to the prevailing party in such action or proceeding.

**SECTION EIGHTEEN  
CHOICE OF LAW; VENUE**

This Agreement shall be construed in accordance with and be governed by the laws of the State of Nevada. All parties hereto consent to the personal jurisdiction of the state court located in Washoe County, Nevada, and to the service of process by any means authorized by such state court or under the

laws of the State of Nevada. The exclusive venue of any action, proceeding or counterclaim arising out of or in connection with this Agreement shall be Washoe County, Nevada.

**SECTION NINETEEN  
RULES AND REGULATIONS**

The Rules and Regulations of the Building set forth as Exhibit A, which may be amended from time to time, are expressly made part of this Agreement and the Lessee agrees to perform them insofar as said rules and regulations are not inconsistent with the terms of this Agreement.

**SECTION TWENTY  
TERMINATION**

A. Upon termination of this Agreement, Lessee shall quit the Building peaceably, with no damage to the Building, normal wear and tear excepted.

B. It is understood and agreed that either party may cancel this Agreement with or without cause upon providing ninety (90) days written notice to the other party, or as specifically defined below.

C. This Agreement may be terminated by either party in the event the other party breaches any of the provisions herein or defaults on its obligations. A default will also occur in the event either party either voluntarily petitions or is involuntarily placed in bankruptcy or assigns or attempts to assign a substantial amount of his assets for the benefit of creditors.

**SECTION TWENTY-ONE  
FUNDING OUT CLAUSE**

Pursuant to NRS 244.320, in the event Lessor fails to appropriate budget funds specifically for the purpose of maintaining said Building, in any subsequent fiscal year after the effective date of the Agreement, Lessee hereby agrees to cancel this Agreement and hold Lessor harmless from any penalty, charge or sanction. Lessor agrees to provide thirty (30) day written notice to Lessee of this eventuality, should it occur.

**SECTION TWENTY-TWO**  
**EFFECT OF AGREEMENT**

A. This Agreement constitutes the entire contact between the parties and no obligation other than that set forth herein will be recognized unless endorsed hereto in writing.

B. Each of the covenants, warranties, and agreements herein contained are binding on the parties hereto, their successors, assigns and legal representatives. In the event of any breach of these covenants, warranties and agreements by Lessee during the duration of this Agreement, whether or not discovered by or known to Lessor during the Agreement term, Lessor expressly reserves unto itself the right to pursue appropriate legal action against Lessee to correct or cure said breaches or deficiencies.

C. This agreement may be amended from time to time by written consent of both the parties.

IN WITNESS WHEREOF, the parties hereto have set their hands as of the day and year first above written.

LESSOR: WASHOE COUNTY, a political subdivision of the State of Nevada (County)

By: [Signature] 4/26/11  
John Breternitz, Chairman  
Washoe County Commission

ATTEST:

[Signature]  
Washoe County Clerk

LESSEE: BOYS AND GIRLS CLUB OF TRUCKEE MEADOWS, a Nevada non-profit Corporation

By: [Signature]  
Mike Wurm  
Its: Chief Professional Officer

STATE OF Nevada )  
:  
COUNTY OF Washoe )

On this 27<sup>th</sup> day of April, 2011, before me a Notary Public in and for the County of Washoe, State of Nevada, personally appeared MIKE WURM, known to me to be the person described in and who executed the foregoing instrument, and who acknowledged to me that ~~it~~ ~~he~~ ~~she~~ executed the same freely and voluntarily and for the uses and purposes therein mentioned.

[Signature]  
Notary Public





**LEMMON VALLEY PARK  
JOE MITCHELL COMMUNITY CENTER  
Location Map - Exhibit A**