



STAFF REPORT

Report To: Board of Supervisors

Meeting Date: October 19, 2017

Staff Contact: Darren Schulz, Public Works Director

Agenda Title: For Possible Action: To approve a lease extension until December 31, 2017, for Vitality Unlimited, a non-profit Nevada corporation for the lease of a 6,998 square foot portion of the second floor of the building located at 900 E. Long Street. (Stephanie Hicks, SHicks@carson.org and Nicki Aaker, NAaker@carson.org)

Staff Summary: The lease between Carson City and Vitality Unlimited, a non-profit organization, for the lease of a 6,998 square foot portion of the second floor of the building located at 900 E. Long Street expires on October 31, 2017. Vitality Unlimited has requested a new five-year (5-year) lease. City staff and Vitality Unlimited are currently engaged in a collaborative effort of reviewing various considerations for inclusion in what may become a new lease agreement. It is anticipated that preparing and executing the lease may extend beyond the termination date of the existing lease.

Agenda Action: Formal Action/Motion

Time Requested: Consent

Proposed Motion

Move to approve a lease extension until December 31, 2017, for Vitality Unlimited, a non-profit Nevada corporation for the lease of a 6,998 square foot portion of the second floor of the building located at 900 E. Long Street.

Board's Strategic Goal

Quality of Life

Previous Action

March 6, 2014. Board of Supervisors approved the lease agreement between Carson City and Vitality Unlimited, a non-profit Nevada corporation. Motion approved 4-0; 1 nay.

Background/Issues & Analysis

Nevada Revised Statute (NRS) 244.284 empowers the Board of Supervisors to lease any real property owned by Carson City to a corporation for public benefit without complying with the provisions of NRS 244.283 and based on four conditions enumerated in the statute as listed below. Staff finds that Vitality Unlimited meets the statute requirements.

In March of 2014, Vitality Unlimited requested to lease 6,998 square foot portion of the second floor of the building located at 900 E. Long Street. Vitality Unlimited requested the lease space after Community Counseling Center's lease with Carson City was terminated due to loss of funding. Since this time, Vitality Unlimited has been providing detoxification and substance abuse treatment at this location.

On March 30, 2017, the City received a request from Vitality Unlimited for a five-year lease renewal. City staff and Vitality Unlimited are currently engaged in a collaborative effort of reviewing various considerations for

inclusion in what may become a new lease agreement. It is anticipated that preparing and executing the lease may extend beyond the termination date of the existing lease.

Applicable Statute, Code, Policy, Rule or Regulation

NRS 244.284 Lease or conveyance of real property of county to corporation for public benefit.

1. In addition to the powers conferred by NRS 450.500, the board of county commissioners may:
 - (a) Lease any of the real property of the county for a term not exceeding 99 years; or
 - (b) Convey any of the real property of the county, except property of the county that is operated or occupied by the county fair and recreation board, without consideration, if such real property is not needed for the public purposes of the county and is leased or conveyed to a corporation for public benefit, and the property is actually used for charitable or civic purposes.
2. A lease or conveyance pursuant to this section may be made on such terms and conditions as seem proper to the board of county commissioners.
3. If a corporation for public benefit to which property is conveyed pursuant to this section ceases to use the property for charitable or civic purposes, the property automatically reverts to the county.
4. As used in this section, "corporation for public benefit" has the meaning ascribed to it in NRS 82.021.

Financial Information

Is there a fiscal impact? Yes No

If yes, account name/number:

Is it currently budgeted? Yes No

Explanation of Fiscal Impact:

Alternatives

Do not approve the lease extension to Vitality Unlimited for use of a 6,998 square foot portion of the second floor of the building located at 900 E. Long Street.

Approve the lease extension with modifications.

Board Action Taken:

Motion: _____

1) _____

Aye/Nay

2) _____

(Vote Recorded By)

LEASE EXTENSION

This LEASE EXTENSION ("EXTENSION") is made and entered into on this ____ day of _____, 2017, by and between CARSON CITY, a consolidated municipality and political subdivision of the State of Nevada ("CITY") and VITALITY UNLIMITED, a non-profit Nevada corporation ("VITALITY"), whom may be hereinafter individually referred to as "Party" and collectively as "Parties."

WHEREAS, the Parties have previously entered into a Lease Agreement ("LEASE"), dated March 17, 2014, which is currently binding upon the Parties and will expire upon its term on October 31, 2017, unless sooner terminated by mutual agreement of the Parties or by one Party for violation of any term or condition of that LEASE; and

WHEREAS, the Parties are currently engaged in a collaborative effort of reviewing various considerations for inclusion in what may become a new lease agreement between the Parties; and

WHEREAS, the process of preparing and executing a new lease agreement between the Parties may extend beyond the termination date of the existing LEASE; and

IN CONSIDERATION of the mutual promises, covenants and obligations contained herein and of other good and valuable consideration, the receipt and sufficiency of which is hereby acknowledged, the Parties agree as follows:

1. PRIOR LEASE: The Parties executed the existing LEASE on March 17, 2014 with a term of that LEASE commencing on March 17, 2014 and expiring on October 31, 2017. Each and every condition, obligation and provision of said LEASE is hereby incorporated by reference to this EXTENSION.

2. EXTENSION OF PRIOR LEASE TERM: The Parties hereby agree to extend and continue the LEASE for an additional term, commencing on and including October 31, 2017 and expiring on and including December 31, 2017.

IN WITNESS WHEREOF, the Parties have executed this EXTENSION on the day and year first above written.

CITY:

CARSON CITY, NEVADA, A
CONSOLIDATED MUNICIPALITY

LESSEE:

VITALITY UNLIMITED

Mayor Robert L. Crowell

Attest:

Susan Merriwether, Clerk-Recorder

Approved as to Form:

District Attorney