

624
SUBMITTAL TO THE BOARD OF SUPERVISORS
COUNTY OF RIVERSIDE, STATE OF CALIFORNIA



FROM: Department of Facilities Management SUBMITTAL DATE: February 19, 2003

343
SUBJECT: LEASE OPTION, DEPARTMENT OF PUBLIC SOCIAL SERVICES –
TEQUESQUITE AVENUE BUILDERS – 4260 TEQUESQUITE AVENUE,
RIVERSIDE

RECOMMENDED MOTION: That the Board approve the attached Exercise of Lease Option Letter and authorize the Chairman of the Board to execute same on behalf of the County.

BACKGROUND: On December 12, 1995, the County entered into a lease for 25,253 square feet of office space for the Department of Public Social Services at 4260 Tequesquite Avenue, Riverside which is due to expire on May 5, 2003. Currently, the Real Estate Division is negotiating a three and one half year lease extension with the landlord, however, lease negotiations have not yet concluded. Approval by the Board of this Form 11 will give the Real Estate Division the authority to exercise the one-year option, which expires on May 5, 2003. In the event lease negotiations have not yet concluded, the one-year extension will avoid the lease converting to a month-to-month tenancy. The current base rent of \$30,279.83 (\$1.20/sq.ft.) will increase by two percent (2%) to \$30,885.43, (\$1.22/sq.ft.) effective May 6, 2003, per the original agreement.

(Continued on Page 2)

MJS:SG:sh
8.162

MICHAEL J. SYLVESTER
Director

FINANCIAL DATA:

CURRENT YEAR COST \$61,771
NET COUNTY COST \$ - 0 -

ANNUAL COST \$ 370,625
IN CURRENT YEAR BUDGET: Yes
BUDGET ADJUSTMENT: No FOR FY: 02/03

SOURCE OF FUNDS: 59.2% Federal, 37.7% State, .5% Realignment and 2.6% County (DPSS Operating Budget)

C.E.O. RECOMMENDATION: **APPROVE**

County Executive Officer Signature

Policy
 Policy

Consent
 Consent

Department Recommendation:
Per Executive Office:

Prev. Agn. ref.

Dist. 2

AGENDA NO.

3.14

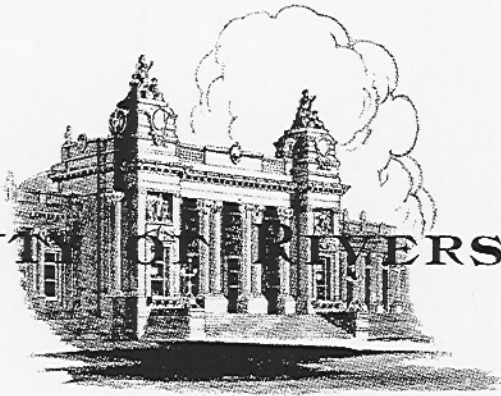
BACKGROUND: (Continued)

The lease is summarized as follows:

| | |
|--------------|---|
| Location: | 4260 Tequesquite Avenue, Riverside |
| Size: | 25,253 square feet. |
| Term: | Twelve months. |
| Rent: | \$30,885.43 per month \$1.22 per square feet |
| Custodial: | Provided by Lessor. |
| Maintenance: | Provided by Lessor. |
| Utilities: | County pays electric and telephone. Lessor provides all others. |
| Termination: | 90 days notice, due to loss of County funding. |

This Lease Option has been approved as to form by County Counsel. The Real Estate Division will return to the Board with the three and one half year lease arrangement upon conclusion of the negotiations.

COUNTY OF RIVERSIDE



FACILITIES MANAGEMENT

MICHAEL J. SYLVESTER
DIRECTOR

DESIGN & CONSTRUCTION
REAL ESTATE
MAINTENANCE
CUSTODIAL

February 18, 2003

Mr. W.D. Bell
Managing Partner
W.D. Bell, Inc./Tequesquite Avenue Building
5055 Canyon Crest Drive
Riverside, CA 92507

Re: Exercise of Option to Extend Lease
Lease Agreement dated December 12, 1995
4260 Tequesquite Avenue
Riverside, California 92501

Dear Mr. Bell,

Please consider this letter formal written notice pursuant to section 4(a) of the above referenced lease agreement, by and between the COUNTY OF RIVERSIDE, ("County") and Tequesquite Avenue Building ("Lessor"), that the COUNTY OF RIVERSIDE formally exercises its option to the extend the term of said lease until May 4, 2004, except that the monthly rent pursuant to paragraph 5(a) of the lease shall be increased to \$30,885.43.

If you have any questions please do not hesitate to contact Steve Gilbert at (909) 955-9277.

Very Truly Yours,
COUNTY OF RIVERSIDE

By _____
Chairman
Board of Supervisors

FORM APPROVED
COUNTY COUNSEL

FEB 18 2003
BY Gordon V. Ubo