

351
SUBMITTAL TO THE BOARD OF SUPERVISORS
COUNTY OF RIVERSIDE, STATE OF CALIFORNIA

843



FROM: Department of Facilities Management SUBMITTAL DATE: February 25, 2003

SUBJECT: THIRD AMENDMENT TO LEASE – 22690 CACTUS AVENUE,
MORENO VALLEY – NNN TECH FUND III, A VIRGINIA LLC/DEPARTMENT OF
PUBLIC SOCIAL SERVICES

RECOMMENDED MOTION: That the Board of Supervisors:

1. Approves the attached Third Amendment to lease and authorize the Chairman to execute same on behalf of the County.
2. Direct the Auditor Controller to:
 - a. Increase appropriations in 10000-7200400000-526700 (Building Leases) by \$188,524.
 - b. Increase appropriations in 10000-7200400000-572500 (Intrafund Leases) by \$188,524.

BACKGROUND: The County holds a leasehold interest as Lessee, under a lease between the County and NNN Tech Fund III, a Virginia LLC, for the facility located at 22690 Cactus Avenue, Moreno Valley, California. The Department of Public Social Services has utilized this location for its Employee Training Division since 1998. The facility continues to meet the needs of DPSS and therefore a lease extension has been requested. The Department of Facilities Management, Real Estate Division, has negotiated a 4-year extension and, in addition, the landlord will complete requested improvements to the premises as specified in the attached amendment.

(Continued on Page 2)

MJS:SG:sh
8.147

**REQUIRES
4/5 VOTE**

Michael J. Sylvester
MICHAEL J. SYLVESTER
Director

CURRENT YEAR COST \$ 188,524
NET COUNTY COST \$ 3,770

ANNUAL COST \$439,530
IN CURRENT YEAR BUDGET: NO
BUDGET ADJUSTMENT: YES FOR FY: 02-03

SOURCE OF FUNDS: DPSS' Operating Budget - 59% Federal; 38% State; 2% County General Fund; 1% Realignment

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

**REQUIRES
4/5 VOTE**

County Executive Officer Signature

Kevin J. Sumner

FISCAL PROCEDURES APPROVED
ROBERT E. BYRD, Auditor-Controller
BY *Sue Ward* Deputy
3/3/03

Policy
 Policy

Consent
 Consent

Department Recommendation:
Per Executive Office:

Prev. Agn. ref.

Dist. 5

AGENDA NO.

3.17

BOARD OF SUPERVISORS

Form 11: THIRD AMENDMENT TO LEASE – 22690 CACTUS AVENUE, MORENO VALLEY
– NNN TECH FUND III, A VIRGINIA LLC/DEPARTMENT OF PUBLIC SOCIAL
SERVICES

February 25, 2003

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BACKGROUND: (Continued)

The Lease Amendment is summarized below:

Location: 22690 Cactus Avenue, Moreno Valley, California.

Square Footage: 24,373 square feet.

Lease Term: Four (4) year lease term extension to expire January 31, 2007.

Current Rent:

New Rent:

Rate Per Sq. Ft: \$1.44

Rate per Sq. Ft: \$1.48

Monthly Rent: \$34,983

Monthly Rent: \$36,000

Tenant Improvement Amortization: In the amount of \$160.83 per month payable during the lease term to amortize fifty (50%) percent of the improvement cost below.

Rental Adjustments: Three (3) percent annually.

Improvements: A total of \$15,440. Fifty percent (50%) of this cost is to be paid within thirty (30) days of completion of the improvements, and fifty percent (50%) is to be amortized over the term of the lease as set forth above

Custodial/Maintenance: Lessor

Utilities: Lessor

All other provisions of the Lease Agreement remain the same.

This third amendment to lease has been approved as to form by County Counsel.