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



FROM: Department of Facilities Management

SUBMITTAL DATE:
August 10, 2004

SUBJECT: FIRST AMENDMENT TO LEASE, COUNTY OF RIVERSIDE, PUBLIC DEFENDER, 4200 ORANGE ST., RIVERSIDE - BETTY L. HUTTON TITLE HOLDING COMPANY, LESSOR

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

BACKGROUND: The lease for 4200 Orange Street, Riverside expired on June 30, 2004, however an Option to Extend the lease for an additional 12 months was exercised on May 1, 2004. The option was exercised in order to provide additional time to negotiate renewal terms that were most beneficial to the department. Subsequently an agreement was reached with the Landlord to extend the term five (5) years at a rate of \$1.55 per square foot F.S.G, which represents an increase in the rental rate of 3.95% per square foot.

(Continued on Page 2)

Michael J. Sylvester

MICHAEL J. SYLVESTER, Director
Department of Facilities Management

MJS:TW:db
9.151

FINANCIAL DATA	Current F.Y. Total Cost:	\$ 645,718	In Current Year Budget:	Yes
	Current F.Y. Net County Cost:	\$ 645,718	Budget Adjustment:	No
	Annual Net County Cost:	\$ 651,911	For Fiscal Year:	04/05

SOURCE OF FUNDS: Departmental Budget	Positions To Be Deleted Per A-30	<input type="checkbox"/>
	Requires 4/5 Vote	<input type="checkbox"/>

C.E.O. RECOMMENDATION:

APPROVE

County Executive Office Signature

Robert Summers

Policy Policy

Consent Consent

Dep't Recomm.:
Per Exec. Ofc.:

Prev. Agn. Ref.: 4/27/04, 3.8

District: 2

Agenda Number:

ATTACHMENTS FILED
WITH THE CLERK OF THE BOARD

3.88

W.C.H.
Kary M. Chinitz
Harry W. Anderson
Reviewed by
CIP TEAM

BOARD OF SUPERVISORS

Form 11: FIRST AMENDMENT TO LEASE, COUNTY OF RIVERSIDE, PUBLIC DEFENDER, 4200
ORANGE ST., RIVERSIDE – BETTY L. HUTTON TITLE HOLDING COMPANY, LESSOR

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BACKGROUND: (Continued)

In addition the Landlord will complete Tenant Improvements at no cost to the County as specified in the attached First Amendment. With rental rates escalating at a substantial rate, Facilities Management felt this was an excellent offer and recommended that the department accept these terms. Although the Public Defender anticipated the rent increase reflected in the May 1 extension, the negotiation was finalized after budget submission, and the entire increase was not included in the proposed budget. The Executive Office is aware of the unbudgeted \$25,765.00 increase in rent, and will continue to monitor the situation throughout the fiscal year.

Lessor : The Betty L. Hutton Title Holding Company
2520 North Santiago Boulevard
Orange, California

Premises Location: 4200 Orange Street, Riverside

Size: 35,049 square feet

Term: Five (5) years

Rent: From: \$ 1.49 per sq. ft. F.S.G.
\$ 52,261.43 per mo.
\$627,137.16 per yr.
To: \$ 1.55 per sq. ft. F.S.G.
\$ 54,325.95 per mo.
\$651,911.40 per yr.

Rent Adjustment: Three percent (3%) on each anniversary date of the lease.

Custodial Service: Provided by Lessor

Utilities: Provided by Lessor, County pays for telephone.

Interior/Exterior Maintenance: Paid by Lessor

Improvements: Paid by Lessor – Install carpet in 3rd floor corridors and Room 324. Patch walls as needed and paint entire floor. Remove paneling in interview room and paint.

Information Technology Costs: N/A

Terminate: For loss of funding with sixty (60) days written notice.

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BOARD OF SUPERVISORS

Form 11: FIRST AMENDMENT TO LEASE, COUNTY OF RIVERSIDE, PUBLIC DEFENDER, 4200
ORANGE ST., RIVERSIDE – BETTY L. HUTTON TITLE HOLDING COMPANY, LESSOR

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BACKGROUND: (Continued)

Parking: Sufficient to meet County needs.

Market Rates: Facilities Management researched rates for office buildings in downtown Riverside for this renewal. The research encompassed rentals located in close proximity to the current site which continues to meet the location requirements of the Public Defender. Rental rates in the area range from \$1.60 per square foot F.S.G. to \$1.85 per square foot F.S.G.