

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



**FROM:** Department of Facilities Management

**SUBMITTAL DATE:**  
July 13, 2005

**SUBJECT:** THIRD AMENDMENT TO LEASE/DEPARTMENT OF PUBLIC SOCIAL SERVICES/RIVERSIDE COUNTY OFFICE, INC., AVENUE 48 AND JACKSON STREET, INDIO.

**RECOMMENDED MOTION:** The Board of Supervisors approve the attached Third Amendment to Lease and authorize the Chairman of the Board to execute same on behalf of the County.

**BACKGROUND:** The County of Riverside entered into a lease agreement with Riverside County Office, Inc., Lessor, on June 25, 2002, for a facility to be constructed at Avenue 48 and Jackson Street, in Indio, for the purpose of providing office space for the Department of Public Social Services, Child Protective Services Division.

(Continued on Page 2)

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7/13/05

*Steph M. Clinton*  
Reviewed by  
**CIP TEAM**

Departmental Concurrence

*Michael J. Sylvester*  
MICHAEL J. SYLVESTER, Director  
Department of Facilities Management

MJS:HHR:pc  
9.543

FINANCIAL DATA	Current F.Y. Total Cost:	\$ 483,229	In Current Year Budget:	Yes
	Current F.Y. Net County Cost:	\$ 26,094	Budget Adjustment:	No
	Annual Net County Cost:	\$ 57,895	For Fiscal Year:	05/06

SOURCE OF FUNDS: Federal 52.3%; State 33.1%; County 5.4% Realignment 9.2%	Positions To Be Deleted Per A-30	<input type="checkbox"/>
	Requires 4/5 Vote	<input type="checkbox"/>

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

*Lisa Brandl*

County Executive Office Signature

FORM APPROVED  
COUNTY COUNSEL

JUL 18 2005

*Bx Gordon V. Ubo*

Dept't Recomm.:  Consent  Policy  
Per Exec. Ofc.:  Consent  Policy

Prev. Agn. Ref.: 3.11 3.22 5/21/02 | District: 4 | Agenda Number:  
3.20 6/25/02  
3.12 11/4/03  
3.28 9/14/04

**ATTACHMENTS FILED  
WITH THE CLERK OF THE BOARD**

3.27

BOARD OF SUPERVISORS

Form 11: THIRD AMENDMENT TO LEASE DEPARTMENT OF PUBLIC SOCIAL SERVICES/RIVERSIDE COUNTY OFFICE, INC.

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**BACKGROUND:** (Continued)

Due to delays in commencing initial construction, building costs have substantially increased since the lease was approved, and the Lessor has requested a rent restructuring to ease the financial impact during the initial years of the lease. The proposed rent structure eliminates the annual rent increases, using flat monthly payments for the entire lease term. The total expended dollars over the term of the lease will remain unchanged and the revised rent structure is within market averages for new construction. All other terms and conditions remain the same.

The attached Lease Agreement is summarized below:

Lessor: Riverside County Office, Inc.  
C/O Vanir Development Company  
980 Ninth Street, Suite 900  
San Bernardino, CA 95814-2719

Location: Avenue 48 and Jackson Street, Indio, CA.

Size: 31,171 square feet.

Term: Fifteen (15) years.

Rent: Existing Lease:

	1 <sup>st</sup> Year	15 <sup>th</sup> Year	
\$	1.49	\$ 1.97	Per Sq. Ft.
\$	46,444.79	\$ 61,232.91	Per Mo.
\$	557,337.48	\$ 734,794.92	Per Yr.
Total Rent Over Term:		\$ 9,637,669.00	

Rent: Amended Lease:

	1 <sup>st</sup> Year	15 <sup>th</sup> Year	
\$	1.72	\$ 1.72	Per Sq. Ft.
\$	53,542.60	\$ 53,542.60	Per Mo.
\$	642,511.20	\$ 642,511.20	Per Yr.
Total Rent Over Term:		\$ 9,637,670.00	

Rent Adjustments: None.

Utilities: Paid by County.

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**BACKGROUND:** (Continued)

Custodial Service:	Provided by Lessor.
Interior/Exterior Maintenance:	Provided by Lessor.
Tenant Improvements:	Cost not to exceed \$1,288,846.00 (\$41.34 per square foot) including contingency. County to reimburse Lessor in three (3) installments over three (3) consecutive fiscal years.
Option to Terminate:	For reduced or unavailable funding, with six (6) months notice. For nonperformance of work based on specified dates of completion, including final delivery of the premises within ten (10) months from issuance of building permits.
Information Technology Costs:	\$250,000.00
Parking:	Sufficient to meet County needs.

The attached third Amendment to Lease has been approved as to form by County Counsel.