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



FROM: Economic Development Agency (EDA)

SUBMITTAL DATE:
May 26, 2006

SUBJECT: Approval of a ten year office space lease for the Economic Development Agency.

RECOMMENDED MOTION: That the Board of Supervisors:

1. Approve the attached Lease between the County of Riverside and the Spruce Street Professional Building, Inc; and
2. Authorize the Chairman of the Board to execute the Lease.

BACKGROUND: On September 13, 2005, the Board of Supervisors authorized the Economic Development Agency (EDA) to seek leased office space in the City of Riverside for the administrative offices that were previously located at 3525 14th Street. On September 28, 2005, a Request For Proposal was issued seeking 28,000 square feet of office space. Seven proposals were received and evaluated by EDA Management. The Spruce Street Professional Building currently under construction at 1325 Spruce Street was selected because: (1) it is economically competitive, (2) it provides an opportunity for growth or reduction as necessary, (3) it is within close proximity of the Riverside Workforce Development Center (an EDA function), and (4) it will be finished and ready for occupancy at the time that EDA's existing rental commitment terminates. (continued on second page)

RZ:JC:DL:TE:GS
 S:\RealProperty\Real Property\Facilities\EDA Executive Offices\Form 11
 EDA Admin.doc

Robin Zimpfer
 Robin Zimpfer
 Assistant County Executive Officer/EDA

FINANCIAL DATA	Current F.Y. Total Cost:	\$ 0	In Current Year Budget:	No
	Current F.Y. Net County Cost:	\$ 0	Budget Adjustment:	No
	Annual Net County Cost:	\$ 0	For Fiscal Year:	2006-2007

COMPANION ITEM ON BOARD OF DIRECTORS AGENDA: No

SOURCE OF FUNDS: EDA Administrative Funds have been budgeted for Fiscal Year 2006-2007	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

James J. ...

Prev. Agn. Ref.: 9/13/05 3.20 District: 1 Agenda Number:

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

3.13
Form 11 (Rev 06/2003)

Reviewed by
CIP TEAM
Departmental Concurrence

JUN 05 2006
BY *[Signature]*

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

The facility features steel framed/double-paned glass construction with electronic controls for security and climate control management systems, two high speed elevators, and video monitoring of common areas and parking lots. In addition; property management is available twenty-four hours per day, seven days per week.

Approximately \$1.5 million which was previously allocated for the 14th Street renovation of Information Technology and systems furniture will be used instead at the Spruce Street Professional Building. No County general funds will be used.

The attached Lease agreement is summarized below:

Location:	1325 Spruce Street Riverside, California
Size:	30,407 Gross Square Feet.
Term:	Ten (10) years with an out option in five (5) years.
Anticipated Commencement Date:	November, 2006
Rent:	\$63,854.70/Month or \$766,256.40/Year with a 3% annual flat rate increase. First three (3) months rent free.
Utilities:	Lessor provides.
Custodial Services:	Lessor provides.
Interior/Exterior Maintenance:	Lessor provides.
Tenant Improvement Allowance:	\$937,930
Top of Building Signage Allowance:	\$10,000

County Counsel has reviewed and approved the attached document as to form.