

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

414



**FROM:** Economic Development Agency (EDA)

**SUBMITTAL DATE:**  
June 19, 2007

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

**RECOMMENDED MOTION:** That the Board of Supervisors:

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

**BACKGROUND:** Additional space is needed to relocate the Economic Development Agency's (EDA's) housing development division from the Housing Authority building to the Administration building. The housing development division works closely with EDA's redevelopment, community development block grant, real property and fiscal divisions and co-locating these divisions in one building will enhance collaboration and teamwork. In addition, this will allow the Housing Authority to cluster their staff and create a more usable area to lease to another entity. (Continued on second page).

RZ: DL:PS:GS  
S:\RealProperty\Real Property\Facilities\EDA Executive Offices\Form 11  
EDA Admin Second Amendment.doc

*Robin Zimpfer*  
Robin Zimpfer  
Assistant County Executive Officer/EDA

<b>FINANCIAL DATA</b>	Current F.Y. Total Cost:	\$ 441,000	In Current Year Budget:	Yes
	Current F.Y. Net County Cost:	\$ 0	Budget Adjustment:	No
	Annual Net County Cost:	\$ 0	For Fiscal Year:	2007-2008

**COMPANION ITEM ON BOARD OF DIRECTORS AGENDA:** No

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

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

BY: *Jennifer L. Sargent*  
Jennifer L. Sargent

County Executive Office Signature

- Policy
- Consent
- Dept Recomm.:
- Policy
- Consent
- Per Exec. Ofc.:

Prev. Agn. Ref.: 9/13/05 3.20  
6/13/06 3.13 12/12/06 3.10:

District: 1

Agenda Number:

**3.12**

Included in this request is \$386,000 for tenant improvements, furnishings, information technology equipment and related items necessary to accommodate the housing authority development division.

The attached Lease agreement is summarized below:

Location:	1325 Spruce Street Riverside, California
Original Size:	30,407 Gross Square Feet.
First Amended Size:	38,061 Gross Square Feet.
Second Amended Size:	40,208 Gross Square Feet
Term:	Ten (10) years with an out option in five (5) years.
Commencement Date:	February 2007
Original Rent:	\$63,854.70/Month or \$766,256.40/Year with a 3% annual flat rate increase. First three months rent free.
First Amended Rent:	\$79,928.10/Month or \$959,137.20/Year with a 3% annual flat rate increase. First three (3) months rent free.
Second Amended Rent:	\$84,436.80/Month or \$1,013,241.60/Year with a 3% annual flat rate increase.
Utilities:	Lessee provides.
Custodial Services:	Lessee provides.
Interior/Exterior Maintenance:	Lessee provides.
Original Tenant Improvement Allowance:	\$937,930
First Amended Tenant Improvement Allowance:	\$1,179,430
Second Amended Tenant Improvement Allowance:	\$1,245,930.00
Top of Building Signage Allowance:	\$10,000

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