

2007.06.188

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

527



SUBMITTAL DATE:
June 14, 2007

FROM: Department of Facilities Management


SUBJECT: Lease Agreement - Department of Public Social Services, Banning

RECOMMENDED MOTION: That the Board of Supervisors:

1. Approve the attached Lease Agreement and authorize the Chairman of the Board to execute same on behalf of the County; and
2. Authorize the Auditor-Controller to adjust the FY 2007/08 budget for Facilities Management's Real Property (10000-7200400000) and Energy (10000-7200600000) as set out on Schedule "A."

BACKGROUND: On November 23, 2004, the Board of Supervisors approved a request authorizing the Department of Facilities Management to locate office space to accommodate the Riverside County Child Protective Services (CPS) in the Banning and Beaumont area known as the Mid-County Region. The project was put on temporary hold due to budget concerns. The Department of

(Continued on page 2)

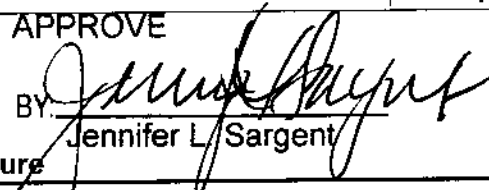

 Robert Field, Director
 Department of Facilities Management

RF:SE:pa
10.996

FINANCIAL DATA	Current F.Y. Total Cost:	\$1,810,906	In Current Year Budget:	Partially
	Current F.Y. Net County Cost:	\$ 41,651	Budget Adjustment:	Yes
	Annual Net County Cost:	\$41,651	For Fiscal Year:	07/08

SOURCE OF FUNDS: DPSS Funds: Federal 53%; State 32.3%; County 2.3%; Realignment 12.1%; Other 0.3%	Positions To Be Deleted Per A-30	<input type="checkbox"/>
	Requires 4/5 Vote	<input checked="" type="checkbox"/>

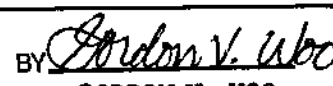
C.E.O. RECOMMENDATION: APPROVE


BY: 
 Jennifer L. Sargent

FORM APPROVED
 COUNTY COUNSEL

JUL 11 2007

County Executive Office Signature

BY: 
 GORDON V. WOO

Reviewed by
 CIP TEAM
 C.A. Hays
 Original Concurrence
 SUSANA GARCIA-BOCANEGRA
 7/11/07
 FISCAL PROCEDURES APPROVED
 ROBERT E. BYRD, AUDITOR-CONTROLLER
 BY: 

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

BACKGROUND: (continued)

Public Social Services (DPSS) recently contacted this department's Real Estate Division with a request to commence with the search. Through the Request for Proposal process, suitable property has been located at 901 Ramsey Street, Banning.

The attached Lease Agreement is a five year lease for the facility located at 901 Ramsey Street, Banning. Anticipated date for occupancy is December 2007. The Lease Agreement is summarized below:

Lessor:	Gary and Wendy Carlton Trust 940 E. Williams St. Banning, California 92220
Premises Location:	901 Ramsey Street, Banning
Size:	Approximately 38,286 square feet
Term:	Five (5) years
Rent:	\$ 2.02 per square foot, modified gross \$ 77,337.72 per month \$928,052.64 per year.
Rental Adjustments:	Three (3%) percent
Utilities:	County pays electric. Landlord pays all other utilities.
Custodial Services:	Landlord provides.
Maintenance:	Landlord provides.
Improvements:	\$2,373,732.00 (\$62 per square foot) paid in three annual payments. First payment of \$791,244.00 due upon occupancy.
RCIT Costs:	\$422,195.00
Parking:	Sufficient to meet County requirements
Market Data:	Facilities Management has researched rental rates for competitive rates and located the following: 72-248 N. Shore St., Thousand Palms \$1.97 MG 68-615 Perez Road, Cathedral City \$1.75 MG 38686 El Cerrito Rd., Palm Desert \$2.27 MG

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The attached Lease Agreement has been reviewed and approved by County Counsel as to legal form.

FINANCIAL DATA: All associated costs for this Lease Agreement will be fully funded through the DPSS General Fund Contribution as well as federal, state, and realignment funds. DPSS has budgeted for these costs in FY 2007/08; however Facilities Management requires a budget adjustment to its FY 2007/08 Real Property (10000-7200400000) and Energy (10000-7200600000) budgets to cover related transactional costs with the property owner, as well as ongoing utility costs. While Facilities Management will front the costs for this lease with the property owner, DPSS will reimburse Facilities Management for all associated lease costs, tenant improvement costs, as well as utility costs related to this property.

Schedule A

Increase Appropriations:

10000-7200400000-526700 – Rent/Lease Buildings	\$ 1,754,803
10000-7200600000-529540 – Utilities	\$ 30,000
10000-7200400000-572500 – Intra – Leases	(\$1,754,803)
10000-7200400000-574600 – Intra – Mgmt Fees	(\$ 56,103)
10000-7200600000-573800 – Intra – Utilities	(\$ 30,000)