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*2*

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

840



**FROM:** Department of Facilities Management

**SUBMITTAL DATE:**  
July 5, 2007

**SUBJECT:** Lease Agreement – Department of Public Social Services, Cathedral City

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

1. Approve the attached Lease Agreement and authorize the Chairman of the Board to execute the 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 (100000-7200400000) and Energy (10000-7200600000) as set out on Schedule "A"

**BACKGROUND:** (Commences on Page 2)

*Robert Field*

RF:HR:pa  
11.076

Robert Field, Director  
Department of Facilities Management

FINANCIAL DATA	Current F.Y. Total Cost:	\$211,359	In Current Year Budget:	Partially
	Current F.Y. Net County Cost:	\$ 0	Budget Adjustment:	Yes
	Annual Net County Cost: 07/08	\$ 0	For Fiscal Year:	07/08

**SOURCE OF FUNDS:** DPSS Funds:  
Federal, 90.2%; State 7.5%; County 0.0%; Realignment 2.3%

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*  
Jennifer L. Sargent

FORM APPROVED  
COUNTY COUNSEL

JUL 17 2007

County Executive Office Signature

BY: *Gordon V. Woo*  
GORDON V. WOO

FISCAL PROCEDURES APPROVED  
ROBERT E. BYRD, AUDITOR-CONTROLLER  
BY: Loan Bishop 7/23/07  
LAN BISHOP  
Departmental Concurrence

Policy

Consent

Dept's Recomm.:  
Per Exec. Ofc.:

Prev. Agn. Ref.:

District: 4

Agenda Number:

3.46

**BACKGROUND:** The Department of Public Social Services currently occupies a 2,400 square foot office at 68615 Perez Road in Cathedral City that is utilized by their GAIN (Greater Avenues for Independence) program. The program staff is increasing and additional office space is necessary to adequately serve the public. The attached Lease provides for a new 4,944 square foot office located within the same property adjacent to other DPSS program operations that work in tandem with GAIN.

Lessor: T W Investments  
c/o Capri Realty  
44650 Village Court, Suite 200  
Palm Desert, California

Premises Location: 68625 Perez Road  
Suites 4 & 5  
Cathedral City, California

Size: Approximately 4,944 square feet.

Term: Five (5) years.

Rent: \$ 1.80 per square foot, modified gross.  
\$ 8,899.20 per month.  
\$106,790.40 per year.

Rental Adjustments: Four (4%) annually.

Utilities: County pays telephone, electric and gas. Landlords pays all other utilities.

Custodial Services: Lessor provides and County pays \$870.00 per month in addition to base rent. Cost to be reviewed annually and adjusted as needed

Maintenance: To be provided by Lessor.

Improvements: Not to exceed \$269,962.00. To be reimbursed in three payments, plus interest, over three fiscal years.

RCIT costs: \$56,500.00

Option to Terminate: For loss of funding with 120 day's written notice and reimbursement of any unpaid tenant improvement costs.

Parking: Sufficient to meet County requirements.

**BACKGROUND:** (Continued)

Market Data: Facilities Management has researched rental rates for competitive rates and located the following:

48113 Jackson St., Indio	\$1.72 MG
68615 Perez Rd., Cathedral City	\$1.95 MG
38686 El Cerrito Rd., Palm Desert	\$2.27 MG

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 federal, state, and realignment funds. DPSS has budgeted these costs in FY 2007/08; however, Facilities Management requires a budget adjustment to its FY 2007/08 Real Property (100000-7200400000) 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	\$205,103.00
10000-7200600000-529540 – Utilities	\$ 7,119. <del>50</del>
10000-7200400000-572500 – Intra – Leases	(\$205,103.00)
10000-7200400000-574600 – Intra – Mgmt Fees	(\$ 6,256.00)
10000-7200600000-573800 – Intra – Utilities	(\$ 7,119. <del>30</del> )