

2007-07-125

799

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



FROM: Department of Facilities Management

SUBMITTAL DATE:
July 6, 2007

SUBJECT: Lease Agreement - Code Enforcement, Thousand Palms

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 07/08 budget for Facilities Management's Real Property (10000-7200400000) and Energy (10000-7200600000) as set out on Schedule "A".

BACKGROUND: (Commences on Page 2)

Robert Field, Director
Department of Facilities Management

RF:TW:pa
11.078

FINANCIAL DATA	Current F.Y. Total Cost:	\$ 224,478	In Current Year Budget:	No
	Current F.Y. Net County Cost:	\$ 224,478	Budget Adjustment:	Yes
	Annual Net County Cost:	\$ 200,412	For Fiscal Year:	07/08

SOURCE OF FUNDS: 100% General Fund	Positions To Be Deleted Per A-30	<input type="checkbox"/>
	Requires 4/5 Vote	<input checked="" type="checkbox"/>

C.E.O. RECOMMENDATION: APPROVE

BY: Jennite L. Sargent

FORM APPROVED COUNTY COUNSEL

JUL 17 2007

County Executive Office Signature

BY: GORDON V. WOO

FISCAL PROCEDURES APPROVED
 ROBERT E. BYRD, AUDITOR-CONTROLLER
 BY: TANYA S. HARRIS 7.23.07

Consent
 Policy

 Consent
 Policy

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

Prev. Agn. Ref.: | District: 4 | Agenda Number:

ATTACHMENTS FILED WITH THE CLERK OF THE BOARD

3.47

BACKGROUND: On June 13, 2006 the Board of Supervisors approved a request from Code Enforcement authorizing the Department of Facilities Management to locate office space in Thousand Palms for a new Code Enforcement office. Through the Request for Proposal process, suitable space was located.

The space requirement for Code Enforcement expanded by 6,000 sq. ft. between the Board approved In Principle for the lease search and the final leased area. The increased requirement was caused by the desire to fully vacate Code Enforcement from the Indio County Administration Building coupled with increases in agency staffing. The area previously occupied by Code Enforcement will be used by county justice support agencies associated with the Larson Justice Center's function. The County had two options to house the relocated staff with other Code Enforcement staff and the subject property was the lower alternative by \$0.70 per square foot.

The attached Lease Agreement is a five year lease for the facility located at 31-290 Plantation Drive, Thousand Palms, California. Anticipated date for occupancy is September 2007. The Lease Agreement is summarized below:

Lessor:	Corporate Way Four, LLC 45-445 Portola Avenue, Suite 5 Palm Desert, California 92260
Premises Location:	31-290 Plantation Drive Thousand Palms, California
Size:	7,050 square feet
Term:	Five (5) years
Base Rent:	\$ 2.28 per square foot \$ 15,409.89 per month \$184,918.68 per year
Rental Adjustments:	Four percent (4%) annually
Improvements:	Not to exceed \$20,000.00.
Utilities:	County pays electricity and telephone. All other utilities provided by Lessor
Custodial Services:	Provided by Lessor
Maintenance:	Provided by Lessor.
RCIT Costs:	\$43,050.00

BACKGROUND: (Continued)

Option to Terminate: Sixty (60) days written notice

Option Penalty: Three (3) months rent

Parking: Sufficient for County needs.

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

31-330 Reserve Drive 1000 Palms	\$2.20 per sq. ft. M.G
72-440 Ramon, 1000 Palms	\$2.30 per sq. ft. M.G

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 Code Enforcements General Fund Contribution in FY 07/08; 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 owners as well as ongoing utility costs. While Facilities Management will front the costs for this Lease Agreement with the property owner, Code Enforcement 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	\$217,149
10000-7200600000-529540 – Utilities	\$ 10,152
10000-7200400000-572500 – Intra – Leases	(\$ 217,149)
10000-7200400000-574600 – Intra – Mgt Fees	(\$ 7,330)
10000-7200600000-573800 – Utilities	(\$ 10,152)