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 FISCAL PROCEDURES APPROVED
 ROBERT E. BYRD, Auditor-Controller
 09.
 Ted T. KUBOTA
 Samuel Wong
 Deputy

519



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

FROM: Department of Facilities Management

SUBMITTAL DATE:
 September 14, 2007

SUBJECT: Lease Agreement - Department of Mental Health, Corona

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.
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 December 6, 2005, the Board of Supervisors approved Agenda Item #3.16 authorizing the Department of Facilities Management, Real Estate Division, to locate suitable office space for the Department of Mental Health. The Real Estate Division issued a Request for Proposal and received submittals from area landlords.

(Continued on Page 2)

Robert Field

RF:MH:pa
 11.175

Robert Field, Director
 Department of Facilities Management

FINANCIAL DATA	Current F.Y. Total Cost:	\$763,160	In Current Year Budget:	Partially
	Current F.Y. Net County Cost:	\$381,580	Budget Adjustment:	Yes
	Annual Net County Cost:	\$106,227	For Fiscal Year:	07/08

SOURCE OF FUNDS: State 50%; County 50%	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

County Executive Office Signature

FORM APPROVED COUNTY COUNSEL
 BY: Gordon V. Woo
 DATE: 9/18/07
 GORDON V. WOO

Departmental Concurrence

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

Prev. Agn. Ref.: 12/06/2005:3.16 | District: 2 | Agenda Number:

ATTACHMENTS FILED
 WITH THE CLERK OF THE BOARD

3.24

BACKGROUND: (Continued)

The 8,000 square foot facility located at 629 North Main Street, Corona, meets the needs and requirements of the department. Anticipated date for occupancy is February 2008.

The Lease is summarized below:

Lessor:	CJP Ltd. Summit Team 17165 Newhope Street, Suite H Fountain Valley, California 92708
Premises Location:	629 North Main Street Corona, California 92880-1409
Size:	Approximately 8,000 square feet
Term:	Five (5) years
Rent:	\$ 1.95 per square foot \$ 15,600.00 per month \$187,200.00 per year
Rental Adjustments:	Three (3%) percent annually
Utilities:	County pay electric and telephone, Lessor shall provide and pay for all other utilities.
Custodial Services:	Landlord provides
Maintenance:	Landlord provides
Improvements:	Not to exceed \$560,000, shall be paid upon completion
RCIT Costs:	\$93,500.00
Parking:	Sufficient to meet County requirements
Option to terminate:	Sixty (60) days written notice
Option Penalty:	Ten (10%) percent of the monthly rent and three (3) months rent

BACKGROUND: (Continued)

Market Data:

Facilities Management has researched rental rates for competitive rates in the area and located the following:

- | | |
|-------------------------------------|-----------|
| 1. 1250 Corona Pointe Court, Corona | \$2.15 MG |
| 2. 250 Rincon Street, Corona | \$2.15 MG |
| 3. 1250 Corona Pointe Court, Corona | \$1.95 MG |

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

FINANCIAL DATA: All associated cost for this Lease Agreement will be fully funded through Mental Health's County (50%) and State (50%) funds. Mental Health has budgeted for these costs in FY 2007/2008; however, Facilities Management requires a budget adjustment to its FY 2007/2008 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 Agreement with the property owner, DOMH will reimburse Facilities Management for all associated lease costs as well as utility costs related to this property.

Schedule A

Increase Appropriations:

10000-7200400000-526700 – Rent/Lease Buildings ✓	\$758,360.00
10000-7200600000-529540 – Utilities ✓	\$4,800.00
10000-7200400000-572500 - Intra-Leases ✓	(\$758,360.00)
10000-7200600000-573800 - Intra-Utilities ✓	(\$4,800.00)

01/01/2008