

2008-04

808



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

**FROM:** Department of Facilities Management

**SUBMITTAL DATE:**  
January 11, 2008

**SUBJECT:** First Amendment to Lease, Probation Department, Riverside

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

1. Approve the attached First Amendment to Lease 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 budget as set out on Schedule A.

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

FISCAL PROCEDURES APPROVED  
ROBERT E. BYRD, Auditor-Controller

RF:SE:cm  
11.495

BY:   
SUSANA GARCIA - ROBERTA Deputy

Robert Field, Director  
Department of Facilities Management

FINANCIAL DATA	Current F.Y. Total Cost:	\$1,731,379	In Current Year Budget:	Partially
	Current F.Y. Net County Cost:	\$1,644,810	Budget Adjustment:	Yes
	Annual Net County Cost:	\$ 882,343	For Fiscal Year:	07/08

SOURCE OF FUNDS: County 95%; Federal 2%; State 3%	Positions To Be Deleted Per A-30	<input type="checkbox"/>
	Requires 4/5 Vote	<input checked="" type="checkbox"/>

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

APPROVE

County Executive Office Signature

Policy

Consent

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

Prev. Agn. Ref.: 06/26/07, 3.33;  
07/11/06, 3.44

District: 2

Agenda Number:

ATTACHMENTS FILED  
WITH THE CLERK OF THE BOARD

3.24

FORM APPROVED COUNTY COUNSEL  
BY: GORDON V. WOO  
DATE: 01/15/08  
Departmental Concurrence

ALAN M. CROGAN  
Departmental Concurrence

Christopher Hans

**BACKGROUND:** On June 26, 2007, the Board of Supervisors entered into a Lease for 18,463 square feet of administrative office space at Metro Centre, 3801 University Avenue, Riverside, for the Probation Department. This First Amendment to Lease represents a request for an additional 12,000 square feet for the department's information technology operation team. Office space for this team was approved in-principle by the Board of Supervisors on July 11, 2006, as described in Exhibit B.

Lessor: Chippewa Enterprises  
13245 Riverside Drive, 6<sup>th</sup> floor  
Sherman Oaks, CA 91423

Premises Location: Metro Centre  
3801 University Avenue  
Riverside, CA 92501

Size: Increased from 18,463 to 31,125 square feet

Rent:	<u>Current Rent</u>	<u>New Rent</u>
	\$ 2.31 per sq.ft.	\$ 2.29 per sq.ft.
	\$ 42,691.75 per month	\$ 71,415.05 per month
	\$512,301.00 per year	\$856,980.60 per year

Rental Adjustments: Four (4%) percent annually

Utilities: Included in the rent

Improvements: \$671,086.00

RCIT Costs: \$87,012.00 (Paid by Probation Department)

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

1. 2300 Market Street, Riverside	\$2.20 Full Service
2. 3403 10 <sup>th</sup> Street, Riverside	\$2.50 Full Service

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

(continued)

Department of Facilities Management  
First Amendment to Lease, Probation Department, Riverside  
January 11, 2008  
Page 3

**FINANCIAL DATA:** All associated costs for this First Amendment to Lease will be fully funded through the Probation Department's budget. The Probation Department has budgeted for these costs in FY 2007/08; however, Facilities Management requires a budget adjustment to its FY 2007/08 budget to cover related transactional costs with the property owner. While Facilities Management will front the cost for this amendment with the property owner, the Probation Department will reimburse Facilities Management for all associated lease costs.

## SCHEDULE A

Increase Appropriations:

10000-7200400000-526700 – Rent/Lease Buildings	\$1,577,936 ✓
10000-7200400000-572500 – Intra-Leases	(\$1,577,936)

# Exhibit B

## Probation Department Lease Cost Analysis for FY 2007/08 3801 University Avenue, Riverside, California

### Current Square Feet Occupied:

Office:		18,463	SQFT
Cost per Square Foot:	\$	2.31	

### Proposed Expansion:

Office:		12,662	SQFT
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### Total Proposed Square Footage to be Leased:

Current Office:		18,463	SQFT
Proposed Office		12,662	SQFT
<b>Total Square Footage:</b>		<b>31,125</b>	<b>SQFT</b>

Cost per Square Foot:	\$	2.29	
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Lease Cost per Month (Feb. 1, 2008 - May 31, 2008)	\$	170,767	
Lease Cost per Month (June 1, 2008 - June 30, 2008)	\$	71,415	

<b>Total Estimated Lease Cost for FY 2007/08</b>			<b>\$ 242,182 ✓</b>
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### Estimated Utility Costs:

Utility Cost per Square Foot	N/A		
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Estimated Utility Costs

<b>Total Estimated Utility Cost for FY 2007/08</b>	\$	-	
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<b>Tenant Improvement Costs for Master Lease</b>	\$	664,668	
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<b>Tenant Improvement Costs for Expansion Space:</b>	\$	671,086	
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<b>RCIT Improvements:</b>	\$	87,012	
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<b>FM Lease Management Fee (Based @ 4.21%)</b>	\$	66,431 ✓	
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<b>Total Estimated Probation Lease Cost FY 2007/08:</b>	\$	1,731,379 ✓	
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# Exhibit B

## Probation Department Lease Cost Analysis for FY 2008/09 3801 University Avenue, Riverside, California

### Current Square Feet Occupied:

Office: 31,125 SQFT  
Cost per Square Foot: \$ 2.29  
(For period of July 1, 2008 - June 30, 2009)

1

Estimated Lease Cost Per Month (July 1, 2008 - June 30, 2009)	\$	856,981	
<b>Estimated Lease Cost (July 1, 2008 - June 30, 2009)</b>			<b>\$ 856,981</b>
Annual Increase @ 4%			34,279.24
Total Estimated Lease Cost for FY 2008/09	\$		891,260

### Estimated Utility Costs:

Utility Cost per Square Foot

Estimated Utility Costs (July 1, 2008 - June 30, 2009)	\$	-	
FM Lease Management Fee (Based @ 4.21%)			<u>\$ 37,522</u>
Total Estimated Probation Department Lease Cost FY 2008/09:	\$		928,782
<u>General Fund (95%)</u>			882,343