

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

804



**FROM:** Department of Facilities Management

**SUBMITTAL DATE:**  
March 24, 2008

**SUBJECT:** Third Amendment to Lease – Department of Mental Health, Riverside

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

1. Ratify the attached Third 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 2007/2008 budget for Facilities Management's budget as set out on Schedule A.

**BACKGROUND:** On February 14, 1995, the County entered into a lease for the facility located at 3190 Chicago Avenue, in Riverside. This facility is occupied by the Department of Mental Health's, Public Guardian's office and continues to meet the needs of the department.

(Continued on Page 2)

FISCAL PROCEDURES APPROVED  
ROBERT E. BYRD, AUDITOR-CONTROLLER

BY: Susana Garcia-Bocanegra 4/8/08  
SUSANA GARCIA-BOCANEGRA

Robert Field  
Robert Field, Director

Department of Facilities Management

RF:MH:pa  
11.655/2008.03.348

<b>FINANCIAL DATA</b>	<b>Current F.Y. Total Cost:</b>	\$42,275	<b>In Current Year Budget:</b>	Partially
	<b>Current F.Y. Net County Cost:</b>	\$10,679	<b>Budget Adjustment:</b>	Yes
	<b>Annual Net County Cost:</b>	\$43,900	<b>For Fiscal Year:</b>	07/08

<b>SOURCE OF FUNDS:</b> County General Fund 25.26%; Medi-Cal 9.04%; Realignment 56.09%; Third Party 9.61%	<b>Positions To Be Deleted Per A-30</b>	<input type="checkbox"/>
	<b>Requires 4/5 Vote</b>	<input checked="" type="checkbox"/>

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

BY: Jennifer L. Sargent  
Jennifer L. Sargent

**County Executive Office Signature**

Maria T. Mabey  
MARIA T. MABEY  
ASSISTANT DIRECTOR  
DEPT. OF MENTAL HEALTH  
RIVERSIDE COUNTY

FORM APPROVED COUNTY COUNSEL  
BY: Gordon V. Woo 4/4/08  
DATE: 4/4/08  
GORDON V. WOO  
Departmental Concurrence

Dep't Recomm.:  Consent  Policy

Per Exec. Ofc.:  Consent  Policy

**Prev. Agn. Ref.:**  
3/15/1995;3.15,8/15/00;3.26,6/7/2005;3.14

**District:** 1

**Agenda Number:**

ATTACHMENTS FILED  
WITH THE CLERK OF THE BOARD

3.13

**BACKGROUND:** (Continued)

This Third Amendment to Lease will extend the term of the Lease an additional sixty (60) months as of April 1, 2008 and terminating March 31, 2013, as described in Exhibit B.

This Third Amendment to Lease is summarized below:

Lessor: Chicago Inland Empire, LLC  
3401 Centrelake Drive, Suite 203  
Ontario, California 91761

Premises Location: 3190 Chicago Avenue  
Riverside, California 92507

Size: Approximately 8,810 square feet.

Term: Five (5) years

Rent:

	<u>Current</u>	<u>New</u>
	\$ 1.27 per square foot	\$ 1.42 per square foot
	\$ 11,161.39 per month	\$ 12,507.89 per month
	\$133,936.68 per year	\$150,094.68 per year

Rental Adjustments: Three (3%) percent annually.

Utilities: County pays electric.

RCIT Costs: None.

Tenant Improvements: \$40,000.00, included in the rent.

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

**FINANCIAL DATA:** All associated cost for this Third Amendment to Lease will be fully funded through Mental Health's budget. Mental Health 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, as well as ongoing utility costs. While Facilities Management will front the costs for this amendment with the property owner, the Department of Mental Health will reimburse Facilities Management for all associated lease costs.

## Schedule A

Increase Appropriations:

10000-7200400000-526700 <sup>✓</sup> – Rent/Lease Buildings	\$37,524
10000-7200600000-529540 <sup>✓</sup> – Utilities	\$3,172
10000-7200400000-572500 <sup>✓</sup> - Intra-Leases	(\$37,524)
10000-7200600000-573800 <sup>✓</sup> - Intra-Utilities	(\$3,172)

# Exhibit B

## Mental Health Lease Cost Analysis for FY 2007/08 3190 Chicago Avenue, Riverside, California

### Total Proposed Square Footage to be Leased:

Current Office:	8,810 SQFT
<b>Total Square Footage:</b>	<u>8,810 SQFT</u>
Cost per Square Foot:	\$ 1.4197

Additional Lease Cost per Month (April 1, 2008 - June 30, 2008)	\$ 37,524 ✓	
<b>Total Estimated Lease Cost for FY 2007/08</b>	<u>\$</u>	<b>\$ 37,524</b>

### Estimated Utility Costs:

Utility Cost per Square Foot	\$ 0.12	
<b>Additional Estimated Utility Costs (April 1, 2007 - June 30, 2008)</b>	\$	<b>3,172 ✓</b>
<b>Tenant Improvement Costs:</b>	\$	<b>-</b>
<b>RCIT Improvements:</b>	\$	<b>-</b>
<b>FM Lease Management Fee (Based @ 4.21%)</b>	<u>\$</u>	<u><b>1,580 ✓</b></u>
<b>Total Estimated Lease Cost FY 2007/08:</b>	\$	<b>42,275 ✓</b>
<b>Current FY Net County Cost @ 25.26%</b>	\$	<b>10,679 ✓</b>

# Exhibit B

## Mental Health Lease Cost Analysis for FY 2008/09 3190 Chicago Avenue, Riverside, California

### Current Square Feet Occupied:

Office: 8,810 SQFT

Cost per Square Foot: \$ 1.4197

Estimated Lease Cost Per Month (July 1, 2008 - June 30, 2009)	\$	150,095	
Annual 3% Increase	\$	4,503	✓
<b>Estimated Lease Cost (July 1, 2008 - June 30, 2009)</b>		<u>154,598</u>	<b>\$ 154,598 ✓</b>

### Estimated Utility Costs:

Utility Cost per Square Foot \$ 0.12

Estimated Utility Costs (July 1, 2008 - June 30, 2009) \$ 12,686 ✓

FM Lease Management Fee (Based @ 4.21%) \$ 6,509 ✓

Total Estimated Lease Cost FY 2008/09: \$ 173,792 ✓

Annual Net County Cost @ 25.26% \$ 43,900 ✓