808

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

FROM: Department of Facilities Management

SUBMITTAL DATE: March 24, 2008

SUBJECT: Lease Agreement – Community Health Agency, Palm Springs

RECOMMENDED MOTION: That the Board of Supervisors approve the attached Lease Agreement and authorize the Chairman of the Board to execute the same on behalf of the County.

BACKGROUND: The current lease for the Community Health Agency, Environmental Health Department, will expire in April 2008. The Landlord has elected not to renew. Through the Request For Proposal process, Facilities Management, Real Estate Division, has located space in the Palm Springs area that meets the needs and requirements of the department. A lease has been negotiated. Anticipated occupancy is July, 2008, as described in Exhibit B. The department will remain in their current Lease on a month to month tenancy until they can relocate to their new space.

(Continued on Page 02)

Reviewed by CIP TEAM

RF:TW:pa
11.578/2008.02.306

Christopher Hans

Robert Field, Director
Department of Facilities Management

FINANCIAL DATA				
	Current F.Y. Total Cost:	$-0-	**In Current Year Budget:**	N/A
	Current F.Y. Net County Cost:	$-0-	**Budget Adjustment:**	N/A
	Annual Net County Cost:	$-0-	**For Fiscal Year:**	07/08

SOURCE OF FUNDS: Revenue Local Fees

Positions To Be Deleted Per A-30 ☐

Requires 4/5 Vote ☐

C.E.O. RECOMMENDATION: APPROVE

BY: Jennifer L. Sargent

County Executive Office Signature

FORM APPROVED COUNTY COUNSEL
BY: GORDON V. WOO DATE 4/7/08

By: Gary Root

Departmental Concurrence

Dep't Recomm.: ☒ Policy ☐ Consent
Per Exec. Ofc.: ☑ Policy ☐ Consent

Prev. Agn. Ref.: | **District:** 4 | **Agenda Number:** 3.15

ATTACHMENTS FILED
WITH THE CLERK OF THE BOARD

BACKGROUND: (Continued)

Lessor:	Garmont Enterprises, LLC 875 Westlake Boulevard Suite 114 Thousand Palms, California 91361	
Premises Location:	554 Paseo Dorotea Palm Springs, California 92264	
Size:	7,038 square feet.	
Term:	Five (5) years.	
Rent:	$ 2.15 per square foot $ 15,131.70 per month $181,580.50 per year	
Rental Adjustments:	Four (4%) annually	
Utilities:	County pays electric. Lessor pays all other utilities.	
Custodial Services:	Provided by Lessor.	
Maintenance:	Provided by Lessor.	
Improvements:	Not to exceed $267,444.00.	
RCIT Costs:	$68,790.52 (paid by Environmental Health)	
Parking:	Sufficient to meet County needs	
Market Data:	3700 Tachevah Drive, Palm Springs 1801 Tahquitz Canyon, Palm Springs	$2.10 mg $2.25 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 Environmental Health's budget staring FY 2008/09. No costs associated with this lease agreement or the related tenant improvements are anticipated to be incurred during FY 2007/08. Environmental Health has budgeted for these costs in FY2008/09 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 lease with the property owner, Environmental Health will reimburse Facilities Management for all associated lease costs.

Exhibit B

Community Health Agency Lease Cost Analysis for FY 2008/09
554 Paseo Dorotea, Palm Springs, CA 92264

Current Square Feet Occupied:

Office:		7,038	SQFT
Cost per Square Foot:	$	2.15	

Total Proposed Square Footage to be Leased:

Current Office:		7,038	SQFT
Total Square Footage:		**7,038**	**SQFT**

Lease Cost per Month (July 1, 2008 - June 30, 2009)		$ 181,580		
Total Estimated Lease Cost for FY 2008/09			**$**	**181,580**

Estimated Utility Costs:

Utility Cost per Square Foot	$ 0.12			
Estimated Utility Costs (July 1, 2008 - June 30, 2009)		$ 10,135		
Total Estimated Utility Cost for FY 2008/09			**$**	**10,135**
Tenant Improvement Costs for Expansion Space:			**$**	**267,444**
RCIT Improvements:			**$**	**68,791**
FM Lease Management Fee (Based @ 4.21%)			**$**	**18,904**
Total Estimated CHA Lease Cost FY 2008/09:			**$**	**546,854**