

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



FROM: Department of Facilities Management

SUBMITTAL DATE:
July 7, 2008

SUBJECT: First Amendment to Lease – Community Health Agency, Moreno Valley

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

BACKGROUND: On September 24, 2007, the county entered into a lease agreement for the purpose of providing office space for the (CHA's) Women's, Infants, and Children Program (WIC) and Public Health Nursing. This facility continues to meet the location requirements for these programs. This First Amendment extends the term of the lease an additional three (3) years, and includes an expansion into the adjacent Suite #123. The expansion requirement consists of 2,344 additional square feet as described in Exhibit A.

(Continued)

Departmental Concurrence

Robert Field, Director
Department of Facilities Management

FINANCIAL DATA	Current F.Y. Total Cost:	\$146,438	In Current Year Budget:	Partially
	Current F.Y. Net County Cost:	\$ -0-	Budget Adjustment:	No
	Annual Net County Cost:	\$ -0-	For Fiscal Year:	08/09

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

C.E.O. RECOMMENDATION: APPROVE

BY:
Jennifer L. Sargent

County Executive Office Signature

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

Prev. Agn. Ref.: 12/20/1994, 3.30 | District: 5 | Agenda Number:

ATTACHMENTS FILED
WITH THE CLERK OF THE BOARD

3.68

(Continued)

BACKGROUND:

Location: 13800 Heacock Street
Suite 125, Building D
Moreno Valley, California 92553

Lessor: Heacock Business Center, LLC
320 North E Street, Suite 101
San Bernardino, California 92401

Size: Approximately 5,727 square feet

Term: Three years, commencing April 1, 2008 and terminating on March 31, 2011.

Rent:

	<u>Current</u>	<u>New</u>
	\$ 1.41 per square foot	\$ 1.40 per square foot
	\$ 4,784.75 per month	\$ 8,017.80 per month
	\$ 57,417.00 per year	\$96,213.60 per year

Rent Adjustments: 4% annually on April 1st (the anniversary date)

Utilities: County pays phone and electric. Lessor pays other utilities.

RCIT: \$6,788.82 (to be paid by CHA)

Interior/Exterior
Maintenance: Provided by Lessor

Market Data:

14375 Nason Street	\$1.81
23119 Cottonwood	\$1.78
22690 Cactus	\$1.82

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

FINANCIAL DATA: All associated costs for this First Amendment to Lease will be fully funded through the CHA's budget. Facilities Management will front the costs for this First Amendment with the property owner. CHA will reimburse Facilities Management for all associated lease costs. Any necessary budget adjustments will come under separate cover to the Board in the First Quarter Budget Report for FY 08/09.

Exhibit A

CHA Lease Cost Analysis for FY 2007/08 13800 Heacock Street, Ste. 125, Bldg D, Moreno Valley, California

Current Square Feet Occupied:

Office: (Suite 125)		2,344	SQFT
Cost per Square Foot:	\$	1.41	

Proposed Expansion:

Office: (Suite 123)		3,383	SQFT
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Total Proposed Square Footage to be Leased:

Current Office:		2,344	SQFT
Proposed Office		3,383	SQFT
Total Square Footage:		5,727	SQFT

Cost per Square Foot:	\$	1.40	
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Lease Cost per Month (April 1, 2008 - June 30, 2008)	\$	24,053	
Total Estimated Lease Cost for FY 2007/09			\$ 24,053

Estimated Utility Costs:

Utility Cost per Square Foot	\$	0.12	
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Estimated Utility Costs (April 1, 2008 - June 30, 2008)	\$	2,062	
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Total Estimated Utility Cost for FY 2007/08			\$ 2,062
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Tenant Improvement Costs for Expansion Space:			\$ -
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RCIT Improvements:			\$ 6,789
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FM Lease Management Fee (Based @ 4.21%)			\$ 1,013
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Total Estimated Lease Cost FY 2007/08:			\$ 33,917
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Exhibit B

CHA Lease Cost Analysis for FY 2008/09 13800 Heacock Street, Ste. 125, Bldg D, Moreno Valley, California

Current Square Feet Occupied:

Office: (Suite 125)		2,344	SQFT
Cost per Square Foot:	\$	1.41	

Proposed Expansion:

Office: (Suite 123)		3,383	SQFT
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Total Proposed Square Footage to be Leased:

Current Office:		2,344	SQFT
Proposed Office		3,383	SQFT
Total Square Footage:		5,727	SQFT

Cost per Square Foot:	\$	1.40	
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Lease Cost per Month (April 1, 2008 - June 30, 2008)	\$	24,053	
Lease Cost per Month (July 1, 2008 - June 30, 2009)	\$	96,214	
Annual Increase at 4%	\$	3,849	
Total Estimated Lease Cost for FY 2008/09	\$		124,116

Estimated Utility Costs:

Utility Cost per Square Foot	\$	0.12	
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Estimated Utility Costs (April 1, 2008 - June 30, 2009)	\$	10,309	
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Total Estimated Utility Cost for FY 2008/09	\$		10,309
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Tenant Improvement Costs for Expansion Space:	\$		-
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RCIT Improvements:	\$		6,789
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FM Lease Management Fee (Based @ 4.21%)	\$		5,225
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Total Estimated Lease Cost FY 2008/09:	\$		146,438
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