

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

392



FROM: Department of Facilities Management

SUBMITTAL DATE:
August 4, 2008

SUBJECT: Fourth Amendment to Lease – Office on Aging, Riverside

RECOMMENDED MOTION: That the Board of Supervisors:

1. Approve the attached Fourth 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 Facilities Management's FY 2008/09 budget as set out in Schedule A.

BACKGROUND: The County of Riverside entered into a lease agreement on October 5, 1993, for the Office on Aging, for the facility located at 6296 Rivercrest Drive in Riverside. This Fourth Amendment to Lease will extend the term for a period of five (5) years effective as of February 1, 2009. This facility continues to meet the Office on Aging space requirements, as described on Exhibits A and B.

(Continued)

Reviewed by
CIP TEAM
Christopher Hans

Robert Field
Robert Field, Director
Department of Facilities Management

FINANCIAL DATA	Current F.Y. Total Cost:	\$274,659	In Current Year Budget:	Partially
	Current F.Y. Net County Cost:	\$ 27,466	Budget Adjustment:	Yes
	Annual Net County Cost:	\$ 35,655	For Fiscal Year:	08/09

SOURCE OF FUNDS: Federal 85%; State 5%; General Fund 10%	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
County Executive Office Signature

FISCAL PROCEDURES APPROVED
 ROBERT E. BYRD, AUDITOR-CONTROLLER
 BY: SUSANA GARCIA-BOCANEGRA 8/21/08
 S. Walsh
 Office on Aging
 FORM APPROVED COUNTY COUNSEL
 BY: GORDON V. WOOD 8/8/08
 DATE

Policy Policy
 Consent Consent
 Dept's Recomm.:
 Per Exec. Ofc.:

Prev. Agn. Ref.: 10/5/93 3.11; 3/30/99 3.5; 6/8/04 3.24; 4/24/07 3.14
 District: 11N000 Agenda Number:

ATTACHMENTS FILED
WITH THE CLERK OF THE BOARD

3.66

(Continued)

BACKGROUND:

Lessor: Rivercrest LLC
5034 Humboldt Court
Riverside, California 92507

Premises Location: 6296 Rivercrest Drive
Riverside, California 92507

Size: Approximately 17,724 square feet

Term: Five year lease extension effective as of February 1, 2009

Rent:	<u>Current</u>	<u>New</u>
	\$ 1.13 per sq ft.	\$ 1.45 per sq ft.
	\$ 19,948.51 per month	\$ 25,699.80 per month
	\$239,382.12 per year	\$308,397.60 per year

Rental Adjustments: Three (3%) percent

Utilities: County pays electric. Lessor pays all other utilities.

Improvements: Not to exceed \$124,860.00

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

FINANCIAL DATA:

All associated costs for this Fourth Amendment to Lease will be fully funded through the Office on Aging budget. Office on Aging has budgeted these costs in FY 2008/09; however, Facilities Management requires a budget adjustment to its FY 2008/09 budget to cover related transactional costs with the property owners, as well as ongoing utility costs. While Facilities Management will front the costs for this Fourth Amendment to Lease with the property owners, Office on Aging will reimburse Facilities Management for all associated lease costs.

Schedule A

Increase Appropriations:

10000-7200400000-526700 – Rent/Lease Buildings	\$253,359
10000-7200600000-529540 – Utilities	\$ 10,634
10000-7200400000-572500 – Intra Leases	(\$253,359)
10000-7200600000-573800 – Intra Utilities	(\$ 10,634)

Exhibit A

Office on Aging Lease Cost Analysis for FY 2008/09 6296 Rivercrest Drive, Riverside, CA

Current Square Feet Occupied:

Office: 17,724 SQFT

Cost per Square Foot: \$ 1.45

Lease Cost per Month (February 1, 2009 - June 30, 2009) \$ 128,499
Total Estimated Lease Cost for FY 2008/09 \$ 128,499 ✓

Estimated Utility Costs:

Utility Cost per Square Foot \$ 0.12

Estimated Utility Costs (February 1, 2009 - June 30, 2009) \$ 10,634

Total Estimated Utility Cost for FY 2008/09 \$ 10,634 ✓

Tenant Improvement Costs for Expansion Space: \$ 124,860 ✓

RCIT Improvements: \$ -

FM Lease Management Fee (Based @ 4.21%) \$ 10,666 ✓

Total Estimated Lease Cost FY 2008/09: \$ 274,659 ✓

Current Net County Cost at 10%: \$ 27,466 ✓

Exhibit B

Office on Aging Lease Cost Analysis for FY 2009/10 6296 Rivercrest Drive, Riverside, CA

Current Square Feet Occupied:

Office: 17,724 SQFT

Cost per Square Foot: \$ 1.45

Estimated Lease Cost Per Month (July 1, 2009 - June 30, 2010)	\$	308,398 ✓	
Annual Increase at 3%	\$	9,252 ✓	
Estimated Lease Cost (July 1, 2009 - June 30, 2010)		\$	317,650 ✓

Estimated Utility Costs:

Utility Cost per Square Foot \$ 0.12

Estimated Utility Costs (July 1, 2008 - June 30, 2009) \$ 25,523 ✓

FM Lease Management Fee (Based @ 4.21%) \$ 13,373 ✓

Total Estimated Lease Cost FY 2008/09: \$ 356,546 ✓

Annual Net General Fund @ 10%: \$ 35,655 ✓