

505



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

**FROM:** Department of Facilities Management

**SUBMITTAL DATE:**

November 5, 2008

**SUBJECT:** Second Amendment to Lease – Community Health Agency, Riverside

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

1. Ratify the attached Second 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 Department of Facilities Management's FY 2008/09 budget as set out in Schedule A.

**BACKGROUND:** On September 24, 2004, the County of Riverside entered into a lease for 3,136 square feet located at 7801 Gramercy Place, in Riverside. The purpose of the lease was to provide office space for the staff of the Community Health Agency (CHA), Women's, Infant and Children Program (WIC).

(Continued)

FISCAL PROCEDURES APPROVED  
ROBERT E. BYRD, AUDITOR-CONTROLLER

BY: Susana Garcia-Bocanegra 2/25/09  
SUSANA GARCIA-BOCANEGRA

Robert Field, Director  
Department of Facilities Management

FINANCIAL DATA	Current F.Y. Total Cost:	\$ 84,560	In Current Year Budget:	Partially
	Current F.Y. Net County Cost:	\$ -0-	Budget Adjustment:	Yes
	Annual Net County Cost:	\$ -0-	For Fiscal Year:	08/09

SOURCE OF FUNDS: Federal 100%	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  
Jennifer L. Sargent

County Executive Office Signature

FORM APPROVED COUNTY COUNSEL  
DATE 10/28/08  
By: Gordon V. Woo  
GORDON V. WOO  
Departmental Concurrence  
Susan Harrington  
Director of Public Health

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

Prev. Agn. Ref.: 3.32 6/2/08

District: 1

Agenda Number:

3.11

ATTACHMENTS FILED  
WITH THE CLERK OF THE BOARD

(Continued)

**BACKGROUND:**

The facility continues to meet the location and space requirements for this department. The space is in need of certain improvements including interior painting, floor covering, and security related improvements. This Second Amendment to Lease requires the lessor to make these improvements and provides for reimbursement for the improvements costs. Improvement costs shall be paid by county to lessor as set forth below. In addition, this Second Amendment to Lease increases the monthly rent to lessor by three percent (3%) and extends the lease term for five (5) years.

Location: 7801 Gramercy Place  
Riverside, California 92503

Lessor: City of Riverside  
8095 Lincoln Avenue  
Riverside, California 92504

Size: Approximately 3,136 square feet

Term: Five (5) years commencing December 1, 2007 and terminating on November 30, 2012.

Rent: New  
\$ 1.42 per square foot  
\$ 4,455.00 per month  
\$53,460.00 per year

Rent Adjustments: Three (3%) percent annually.

Utilities: County pays electric. Lessor pays other utilities.

Tenant  
Improvements: \$21,769.00. The cost of the tenant improvements shall be amortized over the extended term at \$410.81 per month. Tenant Improvements shall not exceed \$21,769.00.

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

**FINANCIAL DATA:**

All associated costs for this Second Amendment to Lease will be fully funded through the CHA's budget. CHA has budgeted these costs in FY 2008/09; however the Department of Facilities Management (DOFM) requires a budget adjustment to its FY 2008/09 budget to cover related transactional costs with the property owner, as well as ongoing utility costs. While DOFM will front the costs for this amendment with the property owner, CHA will reimburse DOFM for all associated lease costs. Financial calculation cost for fiscal year only.

## Schedule A

Increase Appropriations:

10000-7200400000-526700 - Rent/Lease Buildings	\$76,810
10000-7200600000-529540 – Utilities	\$ 4,516
10000-7200400000-572500 - Intra – Leases	(\$76,810)
10000-7200600000-573800 – Intra - Utilities	(\$ 4,516)

# Exhibit A

## CHA Lease Cost Analysis for FY 2008/09 7801 Gramercy, Riverside, California 92503

### Current Square Feet Occupied:

Office: 3,136 SQFT

Cost per Square Foot: 1.42

Lease Cost per Month (July 1, 2008 - November 30, 2008)	\$	22,266	
Lease Cost per Month (December 1, 2008 - June 30, 2009)	\$	31,172	
Annual Increase @ 3% (July 1, 2008 - June 30, 2009)	\$	1,603	
<b>Total Estimated Lease Cost for FY 2008/09</b>			<b>\$ 55,041</b>

### Estimated Utility Costs:

Utility Cost per Square Foot \$ 0.12

Estimated Utility Costs (December 1, 2008 - June 30, 2009) \$ 4,516

**Total Estimated Utility Cost for FY 2008/09** \$ **4,516** ✓

**Tenant Improvement Costs:** \$ **21,769** ✓

**RCIT Improvements:** \$ -

**FM Lease Management Fee (Based @ 4.21%)** \$ **3,234**

**Total Estimated Lease Cost FY 2008/09:** \$ **84,560**