

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

940



FROM: Department of Facilities Management

SUBMITTAL DATE:
March 6, 2009

SUBJECT: First Amendment to Lease – Department of Public Social Services, Corona

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

BACKGROUND: On May 4, 2004, the County of Riverside entered into a lease for 7,280 square feet of office space at 1373 Old Temescal Road, in Corona, which will expire on June 30, 2009. The facility is occupied by the Department of Public Social Services' (DPSS) MediCal Division and continues to meet the needs of the department. This first amendment to lease provides for an extended term of three (3) years with a renegotiated reduced rent.

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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:	\$24,335	For Fiscal Year:	08/09

SOURCE OF FUNDS: Federal 46.2%; State 42.4%; General Fund 11.4%	Positions To Be Deleted Per A-30	<input type="checkbox"/>
	Requires 4/5 Vote	<input type="checkbox"/>

C.E.O. RECOMMENDATION:

APPROVE

County Executive Office Signature Jennifer L. Sargent

FORM APPROVED COUNTY COUNSEL
 BY: *Synthia M. Gunzel* 3-16-09
 SYNTHIA M. GUNZEL Departmental Concurrence

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

BACKGROUND: (Continued)

Location: 1373 Old Temescal Road
Corona, CA 92881

Lessor: The Balsamo Family Trust
c/o Strata Realty Asset Services, Inc.
2433 Pomona Avenue
Corona, CA 92882

Size: 7,280 square feet

Term: Three years, commencing July 1, 2009, through June 30, 2012.

Rent:

	<u>Current</u>	<u>New</u>
	\$ 2.28 per sq. ft.	\$ 2.24 per sq. ft.
	\$ 15,609.00 per month	\$ 15,288.00 per month
	\$ 1,009.15 monthly tax	\$ 1,009.15 monthly tax
	reimbursement	reimbursement
	\$199,417.80 per year	\$195,565.80 per year

Utilities: County pays utilities and telephone services.

Custodial: Lessor provides custodial services.

Interior/Exterior Maintenance: Lessor provides interior and exterior maintenance.

Improvements: None

RCIT: N/A

Market Data: 1307 W. Sixth Street, Corona, CA \$2.26 psf
2275 S. Main Street, Corona, CA \$2.14 psf

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

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FINANCIAL DATA:

All associated costs for this First Amendment to Lease will be fully funded through the DPSS budget and costs are not anticipated to be incurred prior to FY 2009/10. DPSS has budgeted for these costs in FY 2009/10. While the Department of Facilities Management (DOFM) will front the costs for this amendment with the property owner, DPSS will reimburse DOFM for all associated improvement costs. DOFM will return to the Board with the First Quarter Report to request any necessary budget adjustments to its FY 2009/10 budget associated with this transaction.

Exhibit A

DPSS Lease Cost Analysis for FY 2009/10 1373 Old Temescal Road, Corona

Proposed Square Footage:

Office: 7,280 SQFT

Cost per Square Foot: \$ 2.24
(For period of July 1, 2009 - June 30, 2010)

Estimated Lease Cost Per Month (July 1, 2009 - June 30, 2010) \$ 195,566

Estimated Lease Cost (July 1, 2009 - June 30, 2010) \$ 195,566

Estimated Utility Costs:

Utility Cost per Square Foot \$ 0.12

Estimated Utility Costs (July 1, 2009 - June 30, 2010) \$ 10,483

FM Lease Management Fee (Based @ 3.79%) \$ 7,412

Total Estimated Lease Cost FY 2009/10: \$ 213,461

Annual Net County Cost at 11.4% \$ 24,335