

1509



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

FROM: Department of Facilities Management

SUBMITTAL DATE:
February 23, 2009

SUBJECT: Second Amendment to Lease – Sheriff's Department, Thousand Palms

RECOMMENDED MOTION: That the Board of Supervisors:

1. Approve 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 on Schedule A.

BACKGROUND: The County of Riverside entered into a lease agreement on June 5, 2007 for the Sheriff's Special Investigations Bureau and Central Homicide Unit for the facility located at 72-248 North Shore Street, Suites 101 & 102, in Thousand Palms.

(Continued)

FISCAL PROCEDURES APPROVED
ROBERT E. BYRD, AUDITOR-CONTROLLER
BY: Susana Garcia-Bocanegra 4/20/09
SUSANA GARCIA-BOCANEGRA

Robert Field, Director
Department of Facilities Management

FINANCIAL DATA	Current F.Y. Total Cost:	(\$ 6,497)	In Current Year Budget:	Partially
	Current F.Y. Net County Cost:	(\$ 6,497)	Budget Adjustment:	Yes
	Annual Net County Cost:	\$214,032	For Fiscal Year:	08/09

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

C.E.O. RECOMMENDATION:

APPROVE

County Executive Office Signature

FORM APPROVED COUNTY COUNSEL
 BY: Gordon V. Woo 3/10/09
 GORDON V. WOO
 DATE
 Departmental Conference (Fac. Sheriff Stan Smith)

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

Prev. Agn. Ref.: 6/5/07, 3.26; 8/28/07, 3.27 | District: 4 | Agenda Number:

ATTACHMENTS FILED WITH THE CLERK OF THE BOARD

3.8

(Continued)

BACKGROUND:

Due to budget constraints, at the request of the department, the landlord has agreed to extend the term an additional twelve (12) months which will allow the department to extend the amortization schedule for reimbursement of tenant improvement costs, thereby reducing the monthly amount due, effective March 2, 2009.

Lessor: Thousand Palms Investment, LLC
72-248 North Shore Street, Suite 103
Thousand Palms, California

Premises Location: 72-248 North Shore Street, Suites 101 & 102
Thousand Palms, California

Size: 5,087 square feet

Term: Five years commencing on the first day of the first full month following final approval by County.

Base Rent	Old	New
	\$ 2.04 per sq. ft.	\$ 2.04 per sq. ft.
	\$ 10,422.25 per month \$125,067.00 per year	\$ 10,422.25 per month \$125,067.00 per year

T.I. Rent	Old	New
	\$7,381.75 per mo	\$5,757.40 per month

Rental Adjustments: Four percent

Utilities: County pays electric, telephone and water. Landlord provides all other utilities.

Custodial Services: Provided by Landlord.

Maintenance: Provided by Landlord.

Parking: Sufficient to meet County needs.

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

FINANCIAL DATA:

All associated costs for this Second Amendment to Lease will be fully funded through the Sheriff's Department. Sheriff's have budgeted these costs in FY 2008/09; however the Department of Facilities Management (DOFM) requires a budget adjustment to its FY 2008/09 budgets to cover related transactional costs with the property owners. While DOFM will front the costs for this amendment with the property owner, the Sheriff's Department will reimburse DOFM for all associated lease costs.

SCHEDULE A

Decrease Appropriations:

10000-7200400000-526700 – Real/Lease Buildings	(\$6,497)
10000-7200400000-572500 – Intra – Leases	\$6,497

Exhibit A

Sheriff's Department Lease Cost Analysis for FY 2008/09 72-248 North Shore Street, Suites 101 & 102, Thousand Palms

Current Square Feet Occupied:

Office: 5,087 SQFT
Cost per Square Foot: \$ 2.048801

Estimated Lease Cost Per Month (July 1, 2009 - June 30, 2010) N/A
N/A

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

Estimated Utility Costs:

Utility Cost per Square Foot \$ 0.12

Estimated Utility Costs (July 1, 2009 - June 30, 2010) N/A

Tenant Improvement Costs:

Improvement Costs at old rate \$ 7,382
Improvement Costs at new rate \$ 5,757
Net change per month \$ 1,624

Total Decrease on Improvement Costs (March 1, 2009-June 30, 2009) \$ 6,497

FM Lease Management Fee (Based @ 4.21%)

Total Decrease in Estimated Lease Cost FY 2008/09: \$ 6,497

Exhibit B

Sheriff's Department Lease Cost Analysis for FY 2009/10 72-248 North Shore Street, Suites 101 & 102, Thousand Palms

Current Square Feet Occupied:

Office: 5,087 SQFT

Cost per Square Foot: \$ 2.04

Estimated Lease Cost Per Month (July 1, 2009 - June 30, 2010)

\$ 125,067

Annual Increase at 4%:

\$ 5,003

Estimated Lease Cost (July 1, 2009 - June 30, 2010)

\$ 130,070

Estimated Utility Costs:

Utility Cost per Square Foot \$ 0.12

Estimated Utility Costs (July 1, 2009 - June 30, 2010)

\$ 7,325

Tenant Improvement Costs:

\$ 69,089

FM Lease Management Fee (Based @ 3.79%)

\$ 7,548

Total Estimated Lease Cost FY 2009/10:

\$ 214,032

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SECOND AMENDMENT TO LEASE

(Sheriff's Department,
Thousand Palms Business Park,
72-248 North Shore Street, Suites 101 & 102, Thousand Palms)

THOUSAND PALMS INVESTMENT, LLC., a California limited liability company, Lessor, and the **COUNTY OF RIVERSIDE**, County, hereby agree to amend that certain Lease dated June 5, 2007 as amended August 28, 2007, pertaining to that certain building located at 72-248 North Shore Street, Suites 101 & 102, Thousand Palms, California, as more particularly shown on Exhibit "A" attached to the Lease as follows:

1. **Term.** The Term of the Lease shall be extended to March 1, 2014.

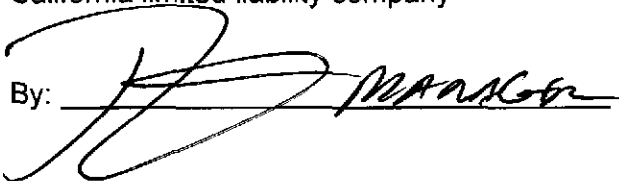
2. **Rent.** Tenant improvement payments shall be reduced to \$5,757.40 ^{per month} effective as of March 2, 2009.

3. All other provisions of the Lease not otherwise affected by this Second Amendment to Lease shall remain the same.

4. This Second Amendment to Lease shall not be binding or consummated until approval by the Board of Supervisors of Riverside County.

Dated: 3/23/09

THOUSAND PALMS INVESTMENT, LLC., a California limited liability company

By: 
By: _____

Attest:

COUNTY OF RIVERSIDE


Clerk of the Board

By: _____
Deputy

By: _____
Jeff Stone, Chairman
Board of Supervisors

Approved as to Form:

Pamela J. Walls
County Counsel

By:  3/10/09
Gordon V. Woo
Deputy County Counsel

TW:pa
3/10/09
TP004
12.458