

Edward P. Walker
Office on Aging 9/2/09

513



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

FROM: Economic Development Agency

SUBMITTAL DATE:
August 6, 2009

SUBJECT: Sixth Amendment to Lease - Department of Office on Aging, Palm Desert

RECOMMENDED MOTION: That the Board of Supervisors:

1. Approve the attached Sixth 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 Economic Development Agency's FY 2009/10 budget as set out on Schedule A.

BACKGROUND: This Sixth Amendment to Lease represents a request from Office on Aging to extend the lease for its office located at 73750 Catalina Way, in Palm Desert, commencing August 1, 2009, through July 31, 2011. Office on Aging has occupied this facility since 1996, providing a retired senior volunteer program and a senior employment/placement service to senior citizens living in the desert area. The facility is also utilized for administrative purposes.

(Continued)

FISCAL PROCEDURES APPROVED
ROBERT E. BYRD, AUDITOR-CONTROLLER
BY: *[Signature]* 10/1/09
SUSANA GARCIA-BOCANEGRA

[Signature]
Robert Field,
Assistant County Executive Officer/EDA

FINANCIAL DATA	Current F.Y. Total Cost:	\$18,001	In Current Year Budget:	No
	Current F.Y. Net County Cost:	\$ -0-	Budget Adjustment:	Yes
	Annual Net County Cost:	\$ -0-	For Fiscal Year:	09/10

SOURCE OF FUNDS: RSVP 30%; Title III 60%; Title V 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: *[Signature]*
Jennifer L. Sargent

County Executive Office Signature

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

FORM APPROVED COUNTY COUNSEL
BY: *[Signature]* GUNZEL 8-20-09
SYNTHIA M. GUNZEL
Deputy Director

Prev. Agn. Ref.: 1/8/02, 3.20; 7/29/03, 3.27; 6/7/05, 3.11; 7/31/07, 3.41; 12/16/08 3.25;

District: 4

Agenda Number:

3.29

ATTACHMENTS FILED WITH THE CLERK OF THE BOARD

(Continued)

BACKGROUND:

The facility continues to meet the requirements of the department. In an effort to provide cost savings for the department, The Real Estate Division has negotiated a two (2) year lease term commitment with no additional increases over the next two (2) years.

Location: 73-750 Catalina Way
Palm Desert, California 92260

Lessor: Cove Communities Senior Association
73-750 Catalina Way
Palm Desert, California 92660

Size: Approximately 1,325 square feet

Term: Two (2) years, August 1, 2009, through July 31, 2011.

Rent:	<u>Current</u>	<u>New</u>
	\$ 1.19 per sq. ft.	\$ 1.19 per sq. ft.
	\$ 1,576.75 per month	\$ 1,576.75 per month
	\$18,921.00 per year	\$18,921.00 per year

Rent Adjustments: None

Utilities: County pays phone

Lessor: Pays all other utilities.

Interior/Exterior
Maintenance: Provided by Lessor.

Market Data:	73-710 Fred Waring Drive Alessandro Drive, Palm Desert	\$1.67
	73-555 San Gorgonio Way, Palm Desert, CA	\$1.33

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

FINANCIAL DATA:

All associated costs for this Sixth Amendment to Lease will be fully funded through Office on Aging budget. Office on Aging has budgeted for these costs in FY 2009/10; however, EDA requires a budget adjustment to its FY 2009/10 budget to cover related transactional costs with the property owner. While EDA will front the costs for this amendment with the property owner, Office on Aging will reimburse EDA for all associated lease costs.

Schedule A

Increase Appropriations:

10000-7200400000-526700 - Rent/Lease Buildings	\$17,344
10000-7200400000-572500 - Intra – Leases	(\$17,344)

Exhibit A

Department of Office on Aging Lease Cost Analysis for FY 2009/10 73-750 Catalina Way, Palm Desert, California

Current Square Feet Occupied:

Office: 1,325 SQFT
Cost per Square Foot: \$ 1.19

Lease Cost per Month (August 1, 2009 - June 30, 2010) \$ 1,576
Total Estimated Lease Cost for FY 2009/10 \$ **17,344**

Estimated Utility Costs:

Utility Cost per Square Foot \$ -
Estimated Utility Costs (August 1, 2009 - July 31, 2010) \$ -
Total Estimated Utility Cost for FY 2009/10 \$ -
FM Lease Management Fee (Based @ 3.79%) \$ **657**
Total Estimated Lease Cost FY 2009/10: \$ **18,001**

Exhibit B

Department of Office on Aging Lease Cost Analysis for FY 2010/11 73-750 Catalina Way, Palm Desert, California

Current Square Feet Occupied:

Office: 1,325 SQFT

Cost per Square Foot: \$ 1.19

Lease Cost per Month (July 1, 2010 - June 30, 2011)

\$ 1,576

Total Estimated Lease Cost for FY 2010/11

\$ 18,921

Estimated Utility Costs:

Utility Cost per Square Foot \$ -

Estimated Utility Costs (August 1, 2010 - July 31, 2011)

\$ -

Total Estimated Utility Cost for FY 2010/11

\$ -

FM Lease Management Fee (Based @ 3.79%)

\$ 717

Total Estimated Lease Cost FY 2010/11:

\$ 19,638

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SIXTH AMENDMENT TO LEASE
(Department of Office on Aging,
73-750 Catalina Way, Palm Desert, California)

This SIXTH AMENDMENT TO Cove Communities Senior Association Lease ("Sixth Amendment") is made as of _____, 2009, by and between the **COUNTY OF RIVERSIDE**, a political subdivision of the State of California ("County"), and **COVE COMMUNITIES SENIOR ASSOCIATION**, a California Corporation ("Lessor").

1. Recitals.

a. **COVE COMMUNITIES SENIOR ASSOCIATION, a California Corporation**, Lessor, and **COUNTY OF RIVERSIDE**, County, hereby agree to amend that certain Lease dated August 26, 1996 (the "original Lease") pertaining to the premises located within that certain building located at 73-750 Catalina Way, Palm Desert, California, as more particularly shown on Exhibit "A", attached to the Lease as follows:

b. The Original Lease has been amended by:

- i. That certain First Amendment of Cove Communities Senior Association Lease dated January 8, 2002, by and between County of Riverside and Cove Communities Senior Association (the "First Amendment").
- ii. That certain Second Amendment of Cove Communities Senior Association Lease dated July 29, 2003, by and between County of Riverside and Cove Communities Senior Association (the "Second Amendment").
- iii. That certain Third Amendment of Cove Communities Senior Association Lease dated May 2, 2005, by and between County of Riverside and Cove Communities Senior Association (the "Third Amendment").
- iv. That certain Fourth Amendment of Cove Communities Senior Association Lease dated July 31, 2007, by and between County of Riverside and Cove Communities Senior Association (the "Fourth Amendment").
- v. That certain Fifth Amendment of Cove Communities Senior Association Lease dated December 16, 2008, by and between County of Riverside and Cove Communities Senior Association (the "Fifth Amendment").

c. The Original Lease, as heretofore, currently, or hereafter amended, shall hereafter be referred to as the "Lease".

d. The term of the Lease, as heretofore amended, will expire July 31, 2009. County and Lessor desire to further amend the Lease to extend the term of the Lease.

1 NOW THEREFORE, for good and valuable consideration the receipt and adequacy of which is
2 hereby acknowledged, the parties agree as follows:

3 **2. Capitalized Terms: Sixth Amendment to Prevail.** Unless defined herein or the context
4 requires otherwise, all capitalized terms herein shall have the meaning defined in the
5 Lease, as heretofore amended. The provisions of this Sixth Amendment shall prevail over
any inconsistency or conflicting provisions of the Lease, as heretofore amended, and shall
supplement the remaining provisions thereof. The Lease remains in full force and effect
except to the extent amended by this Sixth Amendment.

6 **3. Extension of Term.** The Term of this Lease is hereby extended two (2) years. The
7 extended term will commence on August 1, 2009 and will expire on July 31, 2011
("Extended Term"). July 31, 2011 shall hereafter be the "Expiration Date".

8 **4. Rent During Extended Term.** County shall pay to Lessor the monthly sums as rent for
9 the Leased premises during the term of this Lease as indicated below:

<u>Amount</u>	<u>Year</u>
\$1,576.75	08/01/09 – 07/31/11

11 **5.** All other provisions of the Lease remain the same.

12 **6.** This Sixth Amendment to Lease shall not be binding or consummated until its approval by
13 the County's Board of Supervisors.

14 Dated: _____

COVE COMMUNITIES SENIOR ASSOCIATION
a California Corporation

15 By: *Peter Rittenhouse*
16 Peter Rittenhouse, Executive Director

COUNTY OF RIVERSIDE

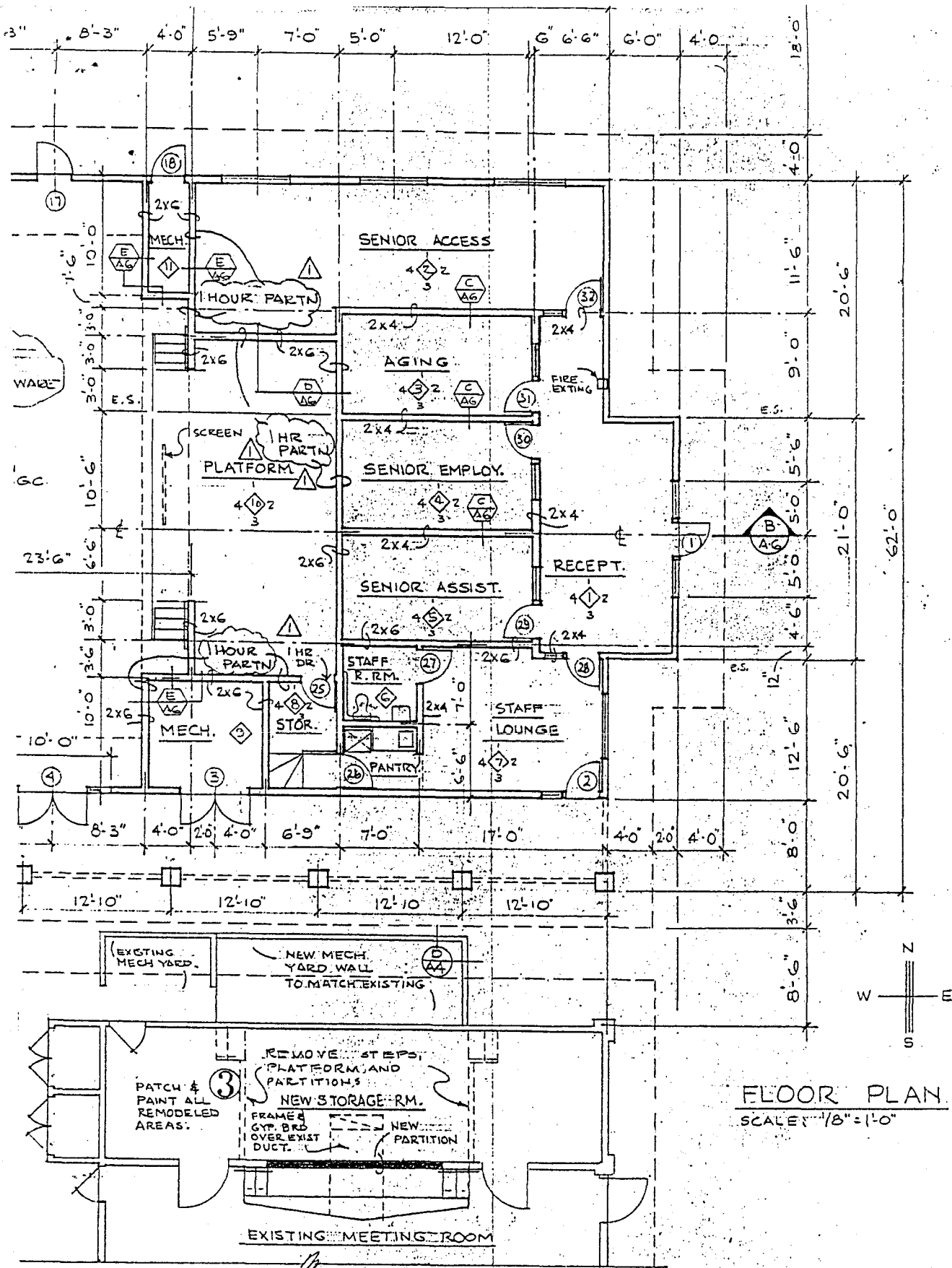
17 By: _____
18 Jeff Stone, Chairman
19 Board of Supervisors

20 **ATTEST:**
Kecia Harper-Ihem
21 Clerk of the Board

22 By: _____
Deputy

23 **APPROVED AS TO FORM:**
Pamela J. Walls
24 County Counsel

25 By: *Synthia M. Gunzel*
Synthia M. Gunzel
Deputy County Counsel



FLOOR PLAN
SCALE: 1/8" = 1'-0"

EXHIBIT "A"