

562



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

**FROM:** Economic Agency Development, Real Estate Division

**SUBMITTAL DATE:**  
July 10, 2009

**SUBJECT:** Second Amendment to Lease – Department of Mental Health, Perris

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

**BACKGROUND:** On January 13, 2009, a lease agreement was executed by the Assistant County Executive Officer of the Economic Development Agency for a six (6) month extension for the Department of Mental Health (DOMH) facility located at 1688 North Perris Boulevard, in Perris. This Second Amendment to lease will extend the lease twelve (12) months until June 8, 2010.

Robert Field  
Assistant County Executive Officer/EDA

<b>FINANCIAL DATA</b>	<b>Current F.Y. Total Cost:</b>	\$150,652	<b>In Current Year Budget:</b>	Yes
	<b>Current F.Y. Net County Cost:</b>	\$ -0-	<b>Budget Adjustment:</b>	No
	<b>Annual Net County Cost:</b>	\$ -0-	<b>For Fiscal Year:</b>	2009/10

<b>SOURCE OF FUNDS:</b> 47.40% Medi-cal; 51.39% State; .65% Grants/MOU; .56% 3 <sup>rd</sup> Party	<b>Positions To Be Deleted Per A-30</b>	<input type="checkbox"/>
	<b>Requires 4/5 Vote</b>	<input type="checkbox"/>

**C.E.O. RECOMMENDATION:** APPROVE

County Executive Office Signature

- Dept.  Consent
- Per Exec. Ofc.:  Consent
- Policy
- Policy

FORM APPROVED COUNTY COUNSEL  
BY: SYNTHIA M. GUNZEL

MARIA T. MABEY, ASST. DIRECTOR  
RIVERSIDE COUNTY DMH

DATE: 7/10/09  
Department of Mental Health

RECEIVED 7/13/09

Prev. Agn. Ref.: 6/23/1998, 3.23 | District: 5 | Agenda Number:

ATTACHMENTS FILED  
WITH THE CLERK OF THE BOARD

3.31

(Continued)

**BACKGROUND:**

This facility continues to meet the needs of the department. To assist the department and County with its overall objective of reducing lease costs, the Economic Development Agency (EDA), Real Estate Division, has negotiated the following terms: A one year lease extension, eliminating the annual increase of 3%, and a tenant improvement allowance in the amount of \$1,500.00. Since there is no annual increase the department has saved approximately \$4,366.44 for the current lease term. Combined together with the tenant improvement allowance the department will achieve a cost savings in the approximate amount of \$5,866.44 per the extended term.

Lessor: Coudures Family Limited Partnership  
c/o 1<sup>st</sup> Commercial Real Group Inc.  
1688 North Perris Boulevard, Suite F4  
Perris, California 92571

Premises Location: 1688 North Perris Boulevard  
Suites L7 through L11  
Perris, California 92571

Size: Approximately 8,640 Square feet

Term: Effective as of June 9, 2009 and terminating June 8, 2010

Rent:	<u>Current</u>	<u>New</u>
	\$ 1.79 per square feet	\$ 1.79 per square feet
	\$ 15,128.93 per month	\$ 15,128.93 per month
	\$181,547.16 per year	\$181,547.16 per year

Savings per lease term by negotiating the elimination of the 3% annual increase and the addition of the Tenant Improvement Allowance resulted in a cost saving for the Department of \$5,866.44 for the current lease term.

Annual Increase: \$0

Utilities: County pays phone and electric. Landlord pays for gas and refuse.

Custodial Services: Landlord

Maintenance: Landlord

(Continued)

**BACKGROUND:**

Improvements: Landlord to provide a tenant improvement allowance in the amount of \$1,500. This improvement allowance will provide for new carpet in lobby, fresh paint in lobby, a new door for janitors closet and a door lock for room 135.

Market Data:	2055 N. Perris Boulevard	\$1.84 per square feet
	764 W. Ramona Express way	\$1.85 per square feet

RCIT Costs: None

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 reimbursed through DOMH's budget. DOMH has budgeted for these costs in FY 2009/2010. No budget adjustment is required. While EDA will front the costs for the Second Amendment to Lease with the property owners, DOMH will reimburse EDA for all associated costs.

# Exhibit A

## Mental Health Lease Cost Analysis for FY 2009/10 1688 North Perris Boulevard, Perris, California

### Current Square Feet Occupied:

Office: 8,640 SQFT

Cost per Square Foot: \$ 1.79

Lease Cost per Month (June 9, 2009 - June 8, 2010)

\$ 15,129

**Total Estimated Lease Cost for FY 2009/10**

\$ **136,160**

### Estimated Utility Costs:

Utility Cost per Square Foot \$ 0.12

Estimated Utility Costs (June 9, 2009 - June 8, 2010)

\$ 9,331

**Total Estimated Utility Cost for FY 2009/10**

\$ **9,331**

**FM Lease Management Fee (Based @ 3.79%)**

\$ **5,160**

**Total Estimated Lease Cost FY 2009/10:**

\$ **150,652**



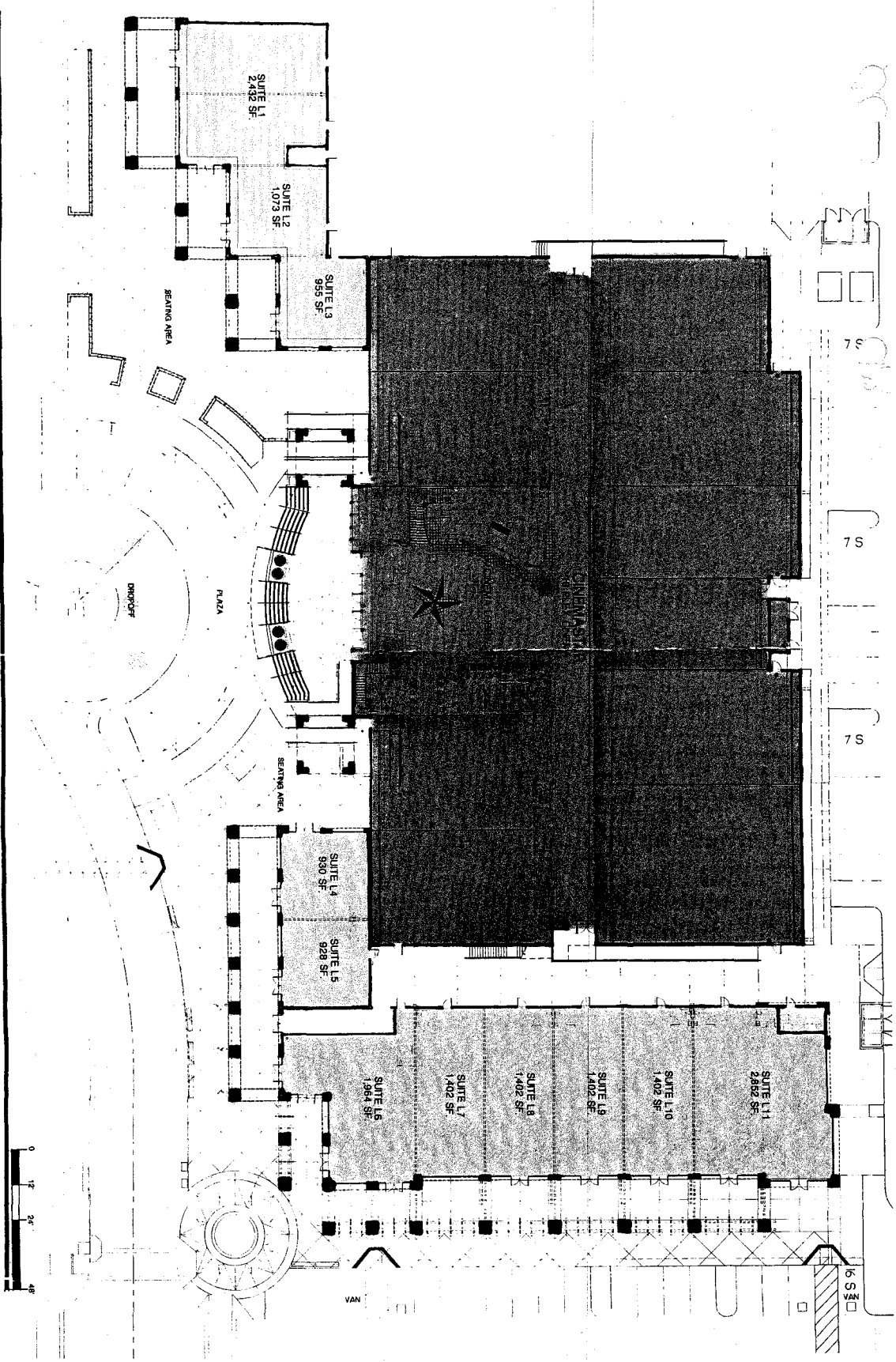


**PERRIS PLAZA**  
 PERRIS, CALIFORNIA  
 COUDRES FAMILY PROPERTY  
 DR. VILTOR R. CONSULTANT

**EXHIBIT "A"**

ARCHITECTURE PLANNING  
 M. LARA AND VASQUEZ & PARTNERS INC.  
 401 HAWK CENTER DR. SUITE 100 COSTA MESA, CALIFORNIA 92626  
 TEL: 714.440.1234  
 WWW.MLV.COM

CIVIL ENGINEERING  
 ASSOCIATES  
 2000 W. RIVERSIDE AVENUE, SUITE 4200  
 RIVERSIDE, CALIFORNIA 92506  
 TEL: 951.514.1100



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