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

FROM: Economic Development Agency

SUBMITTAL DATE:
October 5, 2009

SUBJECT: Second Amendment to Lease – Sheriff's Department

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 Economic Development Agency's FY 2009/10 budget as set out on Schedule A

BACKGROUND: (Commences on Page 2)

FISCAL PROCEDURES APPROVED
ROBERT F. BYRD, AUDITOR-CONTROLLER

BY: Susana Garcia-Bocanegra 2/2/10
SUSANA GARCIA-BOCANEGRA

Robert Field
Assistant County Executive Officer/EDA

FINANCIAL DATA	Current F.Y. Total Cost:	\$ 1,163	In Current Year Budget:	No
	Current F.Y. Net County Cost:	\$ 1,163	Budget Adjustment:	Yes
	Annual Net County Cost:	\$24,182	For Fiscal Year:	09/10

SOURCE OF FUNDS: 100% 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
BY: Jennifer L. Sargent
Jennifer L. Sargent

County Executive Office Signature

Policy Policy

Consent Consent

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

Prev. Agn. Ref.: 8/11/92, 3.32,
8/28/00, GSA, 8/11/03, FM, 9/12/06,
3.28

District: 3

Agenda Number:

ATTACHMENTS FILED
WITH THE CLERK OF THE BOARD

3.22

FORM APPROVED COUNTY COUNSEL
BY: Synthia M. Gunzel 10/24/09
SYNTHIA M. GUNZEL, COUNTY COUNSEL
DATE

By: Colleen Wolke Ass
SECRETARY

BACKGROUND:

On August 11, 2003 the County entered into a lease for the facility located at 56550 Highway 74, Mountain Center, California. This facility is utilized as a Sub-Station for the Sheriff's Department and continues to meet their needs and requirements. The Second Amendment to Lease represents a three year extension effective September 1, 2009, terminating August 31, 2012.

Lessor: Lake Hemet Municipal Water District
2480 E. Florida Avenue
Hemet, California 92544

Premises Location: 56550 Highway 74
Mountain Center, California 92561

Term: Three years commencing September 1, 2009

Size: 1,360 square feet

Rent:	Current	New
	\$1.20 per sq. ft.	\$1.28 per sq. ft.
	\$1,628.73 per month	\$1,740.80 per month
	\$19,544.76 per year	\$20,889.60 per year

Rental Adjustment: Three (3%) percent

Utilities: County pays gas, telephone and electric, Lessor provides all other utility services

Maintenance: Provided by Lessor

Custodial: Provided by Lessor

Improvements: Interior and exterior painting, new carpet and VCT throughout, remove and replace worn out exterior stairs, seal and paint. Provided by Lessor.

RCIT Costs: N/A

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

Economic Development Agency
Second Amendment to Lease – Sheriff's Department
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FINANCIAL DATA:

All associated costs for this Second Amendment to Lease will be fully funded through the Sheriff's Department General fund budget. The Sheriff's Department has budgeted these costs in FY 2009/10; however, the Economic Development Agency requires a budget adjustment to its FY 2009/10 budget to cover transactional costs and utility costs.

Schedule A

Increase Appropriations:

10000-7200400000-526700 – Rent/Lease Buildings	\$1,121
10000-7200400000-572500 – Intra Leases	(\$1,121)

Exhibit A

Sheriff Lease Cost Analysis for FY 2010/11 56550 Highway 74, Mountain Center, California

Total Square Footage to be Leased:

BUDGETED AMOUNTS

Current office:		1,360 SQFT	
Cost Per Sq. Ft:	\$	1.20	
Lease Cost per Month		\$	1,628.73
Total Lease Cost included in Budget for FY 2009/10			\$ 19,544.76

ACTUAL AMOUNTS

Current office:		1,360 SQFT	
Approximate Cost per SQFT (July - Aug)	\$	1.20	
Approximate Cost per SQFT (Sept - June)	\$	1.28	
Lease Cost per Month (July - Aug)	\$	1,628.73	
Lease Cost per Month (Sept - June)	\$	1,740.80	
Total Lease Cost (July - Aug)		\$	3,257.46
Total Lease Cost (Sept - June)		\$	17,408.00
Total Lease Cost for FY 2009/10			\$ 20,665.46
TOTAL ADDITIONAL LEASE COST FOR FY 2009/10			\$ 1,120.70

Estimated Additional Costs:

BUDGETED AMOUNTS

Utility Cost per Square Foot	\$	0.12	
Estimated Utility Costs per Month		\$	163.20
Total Estimated Utility Cost for FY 2009/10			\$ 1,958.40
EDA Lease Management Fee (Based @ 3.79%)			\$ 740.75
Total Estimated Additional Costs included in Budget for FY 2009/10			\$ 2,699.15

ACTUAL AMOUNTS

Utility Cost per Square Foot	\$	0.12	
Estimated Utility Costs per Month		\$	163.20
Total Estimated Utility Cost for FY 2009/10			\$ 1,958.40
EDA Lease Management Fee (Based @ 3.79%)			\$ 783.22
Total Estimated Additional Costs for FY 2009/10			\$ 2,741.62
TOTAL ADDITIONAL COSTS FOR FY 2009/10			\$ 42.47
TOTAL ESTIMATED ADDITIONAL LEASE COST FY 2009/10			\$ 1,163.17

Exhibit B

Sheriff Lease Cost Analysis for FY 2010/11 56550 Highway 74, Mountain Center, California

Current Square Feet Occupied:

Office:	1,360 SQFT		
Cost per Square Foot:	\$	1.28	
Lease Cost per Month (July 1, 2010 - August 31, 2010)		<u>\$ 1,740.80</u>	
Annual Increase of 3% (commencing September 1, 2010)			
Total Lease Cost			\$ 3,481.60
Cost per Square Foot:	\$	1.32	
Lease Cost per Month (September 1, 2010 - June 30, 2011)		<u>\$ 1,793.03</u>	
Total Lease Cost			\$ 17,930.30
Total Estimated Lease Cost for FY 2010/11			\$ 21,411.90

Estimated Utility Costs:

Utility Cost per Square Foot	\$	0.12	
Estimated Utility Costs (July 1, 2010 - June 30, 2011)		<u>\$ 1,958.40</u>	
Total Estimated Utility Cost for FY 2010/11			\$ 1,958.40
EDA Lease Management Fee (Based @ 3.79%)			\$ 811.51
Total Estimated Lease Cost FY 2010/11:			\$ 24,181.81

SECOND AMENDMENT TO LEASE
(County of Riverside and Lake Hemet
Municipal Water District, 56550 Highway 74
Mountain Center, California)

This Second Amendment to Lease ("Second Amendment") is made as of _____, 2009, by and between the COUNTY OF RIVERSIDE, a political subdivision of the State of California, ("County"), and LAKE HEMET MUNICIPAL WATER DISTRICT, a public non-profit agency, ("Lessor").

1. Recitals:

a. Lessor and County entered into that certain Lease dated August 11, 2003, (the "Original Lease") pursuant to which County leased the premises located at 56550 Highway 74, Mountain Center, California ("Leased Premises"), as more particularly described on Exhibit "A", attached hereto and made a part hereof.

b. The Original Lease has been amended by that certain First Amendment to Lease dated September 12, 2006, by and between Lessor and County ("First Amendment").

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

2. Capitalized Terms; Second Amendment to Prevail. Unless herein or the context requires otherwise, all capitalized terms herein shall have the meaning defined in the Lease, as heretofore amended. The provisions of this Second 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 the same and in full force and effect except as amended by this Second Amendment.

3. Term. Section 1 of the First Amendment to Lease is hereby amended as follows: The Lease Term is hereby extended for three (3) years commencing on September 1, 2009, and terminating on August 31, 2012.

4. Rent. Section 2 of the First Amendment to Lease is hereby amended as follows: Effective September 1, 2009 the monthly rent shall be increased from \$1,628.73 to \$1,740.80.

5. Parking. Section 2 of the Original Lease is hereby amended to add subsection (c) as follows: County shall make its best effort to park their vehicles in the Southeast parking area of the Leased Premises, to provide additional visibility at Lake Hemet.

6. Utilities. Section 6 of the Original Lease is hereby deleted in its entirety and amended as follows: County shall pay for all telephone, gas, electric and water service used in connection with the Leased Premise. Lessor shall provide, or cause to be provided and pay for all other utility services, including, but not limited to refuse collection, as may be required in the maintenance, operation and use of the Leased Premises.

1 **7. Maintenance.** Section 7(b) of the Lease shall be amended as follows: The
2 following sentence shall be added at the end of Paragraph 7(b). "Any repairs undertaken on
the Leased Premises by County shall be performed by a licensed and bonded contractor."

3 **8. Improvements by County.** Section 9(a) shall be amended as follows. The
4 following sentence shall be inserted at the end of Paragraph 9(a). Any alterations,
improvements or installation by completed by County shall be completed by a licensed and
5 bonded contractor."

6 **9. Signs.** Section 2 of the Original Lease is hereby amended to add subsection (d) as
7 follows: County shall not place any sign on the Leased Premises which is visible from
anywhere outside of the Premises, without Landlord's prior written consent.

8 **10. Assignment or Subletting.** County shall not directly or indirectly, voluntarily,
9 involuntarily or by operation of any Laws, sell, convey, mortgage, assign, sublet or otherwise
transfer or encumber all or any part of County's interest in this Lease or the Leased Premises
10 without Lessor's prior written consent in each instance, which consent shall not be
unreasonably withheld or delayed.

11 **11. Notices.** Section 13 of the Original Lease is hereby amended with new contact
name and address information for the County as follows:

12 **County**

13 County of Riverside
14 Economic Development Agency
15 3403 Tenth Street, Suite 500
16 Riverside, California 92501

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11. This Second Amendment to Lease shall not be binding or consummated until its approval by the County's Board of Supervisors.

Dated: 12/10/2009

LAKE HEMET MUNICIPAL WATER DISTRICT

By: Thomas W. Wagoner
Thomas W. Wagoner, General Manager

COUNTY OF RIVERSIDE

By: _____
Jeff Stone, Chairman
Board of Supervisors

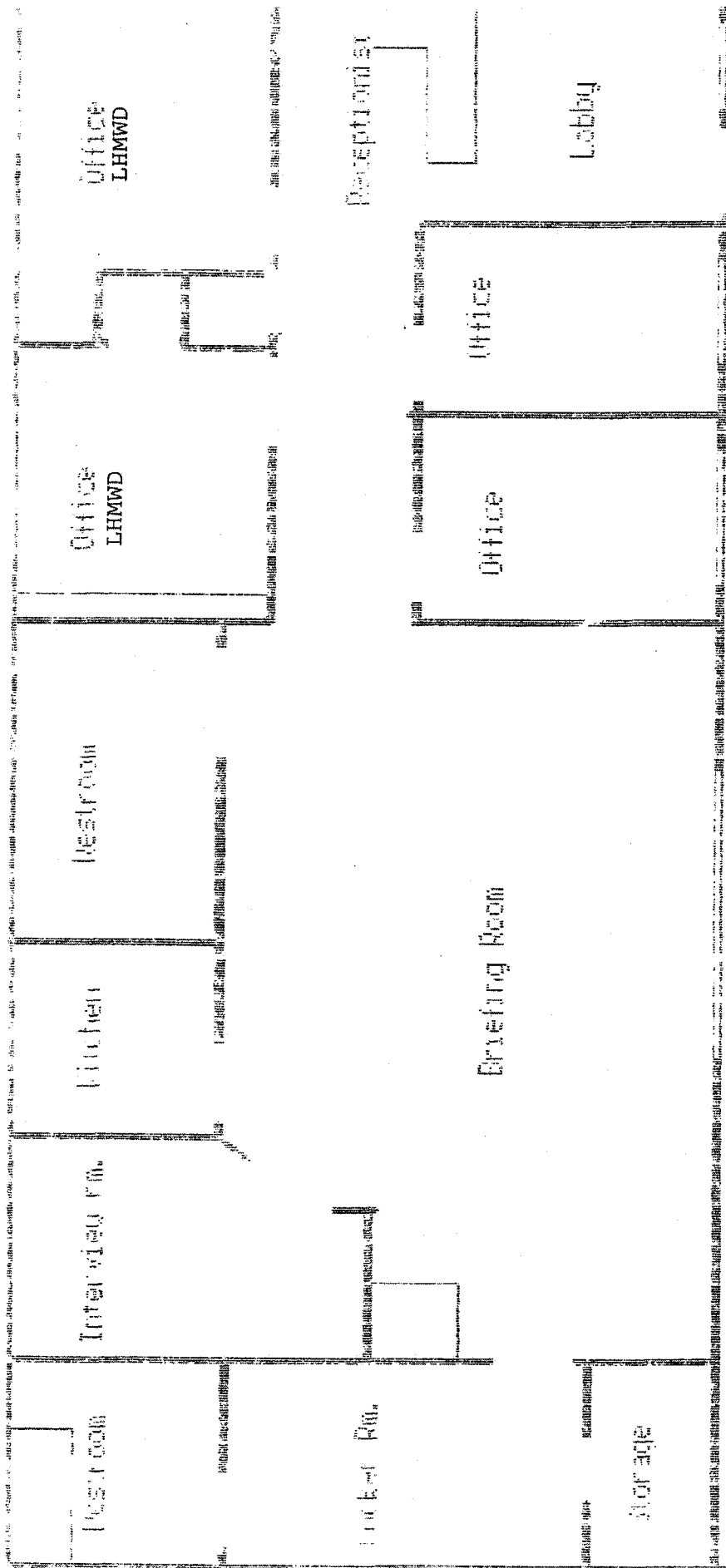
ATTEST:
Kecia Harper-Ihem
Clerk of the Board

By: _____
Deputy

APPROVED AS TO FORM:
Pamela J. Walls
County Counsel

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

TW:jw
09/14/09
MC001
12.985



TOTAL SQUARE FEET: 1,600
 COUNTY'S SQUARE FEET TOTAL: 1,250

Mountain Center
 Mountain Highway 74
 Exhibit "A"
 JUNE 15, 1990