

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

733



SUBMITTAL DATE:

May 6, 2010

FROM: Economic Development Agency

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

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

BACKGROUND: (Commences on Page 2)

Robert Field

Assistant County Executive Officer/EDA

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

SOURCE OF FUNDS: 22.21% Federal, 48.86% State,  
28.37% Grants/MOU, .56% 3<sup>rd</sup> Party

Positions To Be  
Deleted Per A-30

☐

Requires 4/5 Vote

☐

C.E.O. RECOMMENDATION:

APPROVE

BY: Jennifer L. Sargent

County Executive Office Signature

Policy  
☒

Consent  
☐

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

Prev. Agn. Ref.: 3.8 10/19/99; 3.57  
11/20/01

District: 1

Agenda Number:

3.23

ATTACHMENTS FILED  
WITH THE CLERK OF THE BOARD

FORM APPROVED COUNTY COUNSEL  
BY: 3-31-10  
DATE: 3-31-10  
CYNTHIA M. GUNZEL Departmental Concurrence

MARIA T. MABEY, ASST DIRECTOR  
RIVERSIDE COUNTY DMH

**BACKGROUND:**

This Second Amendment to Lease represents a request from Mental Health to extend the lease for its office located at 9707/9731 Magnolia Avenue, Riverside, California, commencing on January 26, 2010 through January 25, 2012. This facility continues to meet the requirements of the department.

Lessor:	CAL Riverside LLC 1109 Westwood Blvd. Los Angeles, California 90024								
Premises Location:	9707/9731 Magnolia Avenue, Riverside, California								
Size:	22,210 sq. ft.								
Term:	January 26, 2010 through January 25, 2012								
Rent:	<table><thead><tr><th><u>Current</u></th><th><u>New</u></th></tr></thead><tbody><tr><td>\$ 1.55 per sq. ft.</td><td>\$ 1.55 per sq. ft.</td></tr><tr><td>\$ 34,428.77 per month</td><td>\$ 34,428.77 per month</td></tr><tr><td>\$413,145.24 per year</td><td>\$413,145.24 per year</td></tr></tbody></table>	<u>Current</u>	<u>New</u>	\$ 1.55 per sq. ft.	\$ 1.55 per sq. ft.	\$ 34,428.77 per month	\$ 34,428.77 per month	\$413,145.24 per year	\$413,145.24 per year
<u>Current</u>	<u>New</u>								
\$ 1.55 per sq. ft.	\$ 1.55 per sq. ft.								
\$ 34,428.77 per month	\$ 34,428.77 per month								
\$413,145.24 per year	\$413,145.24 per year								
Rental Adjustments:	Three (3%) percent annual increase								
Utilities:	County pays for electricity, phone and gas, Landlord pays for all others services.								
Custodial Services:	Landlord								
Maintenance:	Landlord								
Option to Terminate:	Termination for any reason with sixty days notice								
Termination Penalty:	None								
Improvements:	None								
RCIT Costs:	None								
Market Data:	1650 Iowa Citrus Park, Riverside \$1.85 7898 Spruce Street, Riverside \$2.02								

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 funded through the Department of Mental Health budget. The Department of Mental Health has budgeted these costs in FY 2009/10. This Second Amendment is only to increase term, there will be no financial impact, but if there is, then the Economic Development Agency (EDA) will front the costs for the Second Amendment to Lease with the property owners, the Department of Mental Health will reimburse EDA for all association lease costs.

**SECOND AMENDMENT TO LEASE**  
**9707/9731 Magnolia Avenue, Riverside, California**

This **SECOND AMENDMENT TO LEASE** ("Second Amendment") is made as of \_\_\_\_\_, 2010 by and between the **COUNTY OF RIVERSIDE**, a political subdivision of the State of California ("County"), and **CAL RIVERSIDE LLC.**, ("Lessor").

**1. Recitals.**

a. Lessor (as the successor-in-interest to 9707 Magnolia Avenue Associates, LLC,) and County are parties to that certain lease entered into as of October 19, 1999, (the "Original Lease") pursuant to which County leased a portion of that certain building located at 9709/9731 Magnolia Avenue, Riverside, California (the "Building"), as more particularly shown 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 November 20, 2001, by and between CAL Riverside LLC., and County (the "First Amendment").

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

**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 defined 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 in full force and effect except to the extent amended by this Second Amendment.

**3. Lease Term.** Section 1 of the First Amendment to Lease shall be amended as follows: The term of this Lease shall be extended for two (2) years commencing on January 26, 2010 and terminating on January 25, 2012.

**4. Rent.** Monthly rent shall be paid as follows through the extended term:

<u>Monthly Amount</u>	<u>Year</u>
\$34,428.77	January 26, 2010 to January 25, 2011
\$35,461.63	January 26, 2011 to January 25, 2012

**5. Options to Terminate.**

(a) County shall have the right to terminate this Lease for any reason provided County submits written notice to Lessor sixty (60) days in advance.

1       **6. Notices.** Section 12 of the Lease shall be amended as follows. Any notices  
2 required or desired to be served by either party upon the other shall be addressed to the  
3 respective parties as set forth below:

3                   COUNTY:  
4                   Economic Development Agency  
5                   County of Riverside  
6                   3403 Tenth Street, Suite 500  
7                   Riverside, California 92501

LESSOR:  
Cal Riverside, LLC  
Attn: Jacqueline S. Miller  
1109 Westwood Blvd.  
Los Angeles, California 90024

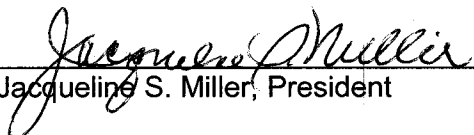
6       **7.** Except as modified or supplemented by this Second Amendment to Lease, all  
7 provisions of this Lease shall remain in full force and effect.

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

9       Dated: \_\_\_\_\_

**CAL – RIVERSIDE LLC**

10                   By: Cal-American Corporation, its authorized  
11                   agent

12                   By:   
13                   Jacqueline S. Miller, President

14                   **COUNTY OF RIVERSIDE**

15                   By: \_\_\_\_\_  
16                   Marion Ashley, Chairman  
17                   Board of Supervisors

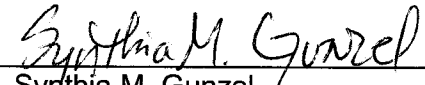
18       **ATTEST:**

19       Kecia Harper-Ihem  
20       Clerk of the Board

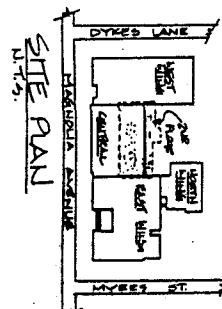
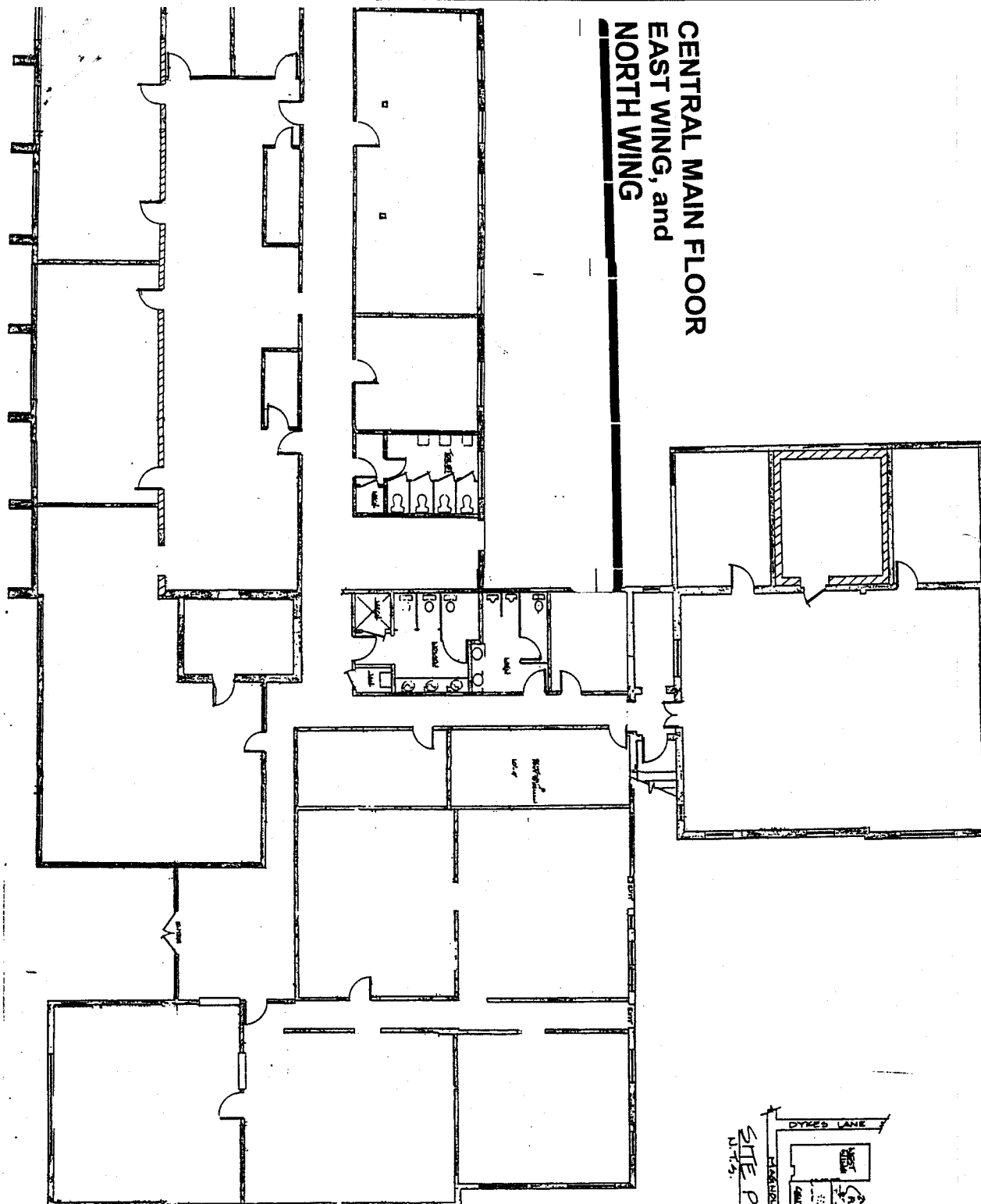
21       By: \_\_\_\_\_  
22                   Deputy

23       **APPROVED AS TO FORM:**

24       Pamela J. Walls  
25       County Counsel

By:   
Cynthia M. Gunzel  
Deputy County Counsel

CENTRAL MAIN FLOOR  
EAST WING, and  
NORTH WING



9731 MAGNOLIA AVENUE  
RIVERSIDE, CA

