

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

806



SUBMITTAL DATE:
May 13, 2010

FROM: Economic Development Agency

SUBJECT: New Sublease Agreement

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

BACKGROUND: The County of Riverside ("Lessor") leased to the Redevelopment Agency ("Lessee") certain premises located at 3403 Tenth Street, Riverside. This Lease provided for the relocation and consolidation of the Redevelopment Agency and the Economic Development Agency (EDA) from a leased facility located at 1325 Spruce Street, Riverside. This sublease provides for EDA to sublease space to house various divisions with EDA and reimburse the Redevelopment Agency for this space. In the event County terminates this Sublease, County shall pay any amortized balance due through the end of the term.

(Continued)

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:	Positions To Be Deleted Per A-30	<input type="checkbox"/>
	Requires 4/5 Vote	<input type="checkbox"/>

C.E.O. RECOMMENDATION:

APPROVE

BY: Jennifer L. Sargent

County Executive Office Signature

Reviewed by
 Christopher Hans
 Departmental Concurrence
 DATE: 5/13/10
 BY: SYMTHIA M. GUNZEL
 FORM APPROVED COUNTY COUNSEL
 BY: SYMTHIA M. GUNZEL

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

Prev. Agn. Ref.: 4.5 and 3.19 of
12/22/09

District: 2

Agenda Number:

3.25

BACKGROUND: (Continued)

Location: 3403 Tenth Street, Floors 4 and 5 and a portion of Floor 3, Suite 630
3499 Tenth Street, Suite 100
Riverside, California

Sublessee: County of Riverside/EDA

Size: 53,806 square feet

Term: December 1, 2009 through November 30, 2014

Rent: \$2.35 per square foot or \$126,444.00 month.

Parking: 221 parking spaces available for staff at the established monthly rate.

Utilities: Provided by County.

Maintenance: Provided by County.

Custodial: Provided by County

Improvements: \$3,600,000, payable at \$64,687.29 per month throughout the term of the Sublease.

RCIT Costs: None

FINANCIAL DATA:

Through this Sublease, EDA shall reimburse the Redevelopment Agency for rent and tenant improvements.

Exhibit A

Lease Cost Analysis FY 2009/10

3403 Tenth Street, Floors 4 & 5, Suites 300 & 630, 3499 Tenth Street, Suite 100, Riverside California

Total Square Footage to be Leased:

BUDGETED AMOUNTS

Current office:		53,806 SQFT		
Cost Per Sq. Ft:	\$	2.35		
Lease Cost per Month			\$ 126,444.00	
Total Lease Cost included in Budget for FY 2009/10			\$ 885,108.00	

ACTUAL AMOUNTS

Current office:		53,806 SQFT		
Approximate Cost per SQFT (Dec - June)	\$	2.35		
Lease Cost per Month (Dec - June)	\$	126,444.00		
Total Lease Cost (Dec - June)	\$	885,108.00		
Total Lease Cost for FY 2009/10			\$ 885,108.00	\$ 885,108.00
TOTAL LEASE COST FOR FY 2009/10				\$0.00

Estimated Additional Costs:

BUDGETED AMOUNTS

Total Estimated Utility Cost for FY 2009/10				N/A
Tenant Improvement Costs	\$	3,600,000.00		
Tenant Improvements Amortized per Month (Dec - June)	\$	64,687.29	\$	452,811.00
RCIT Costs				N/A
EDA Lease Management Fee (Based @ 3.79%)			\$	33,545.59
Total Estimated Costs included in Budget for FY 2009/10			\$	486,356.59

ACTUAL AMOUNTS

Total Additional Estimated Utility Cost for FY 2009/10 (Dec - June)				N/A
Tenant Improvement Costs	\$	3,600,000.00		
Tenant Improvements Amortized per Month (Dec - June)	\$	64,687.29	\$	452,811.00
RCIT Costs				N/A
EDA Lease Management Fee (Based @ 3.79%)			\$	33,545.59
Total Estimated Costs for FY 2009/10			\$	486,356.59
TOTAL LEASE COST FOR FY 2009/10				\$0.00

Exhibit B

Lease Cost Analysis FY 2010/11 3403 Tenth Street, Floors 4 & 5, Suites 300 & 630, 3499 Tenth Street, Suite 100, Riverside California

Total Square Footage to be Leased:

BUDGETED AMOUNTS

Current office:		53,806 SQFT		
Cost Per Sq. Ft:	\$	2.35		
Lease Cost per Month (July 1, 2010 - November 30, 2010)		\$ 126,444.00		
			\$	632,220.00
Cost Per Sq. Ft:	\$	2.42		
Lease Cost per Month (December 1, 2010 - June 30, 2011)		\$ 130,237.32		
			\$	911,661.24
Total Lease Cost included in Budget for FY 2010/11			\$	1,543,881.24

ACTUAL AMOUNTS

Current office:		53,806 SQFT		
Cost Per Sq. Ft:	\$	2.33		
Lease Cost per Month (July 1, 2010 - November 30, 2010)		\$ 126,444.00		
			\$	632,220.00
Cost Per Sq. Ft:	\$	2.42		
Lease Cost per Month (December 1, 2010 - June 30, 2011)		\$ 130,237.32		
			\$	911,661.24
Total Lease Cost for FY 2010/11			\$	1,543,881.24
TOTAL LEASE COST FOR FY 2010/11				\$0.00

Estimated Additional Costs:

BUDGETED AMOUNTS

Total Estimated Utility Cost for FY 2010/11				N/A
Tenant Improvement Costs	\$	3,600,000.00		
Tenant Improvements Amortized per Month (June - July)		\$ 64,687.29	\$	776,247.48
RCIT Costs		N/A		
EDA Lease Management Fee (Based @ 3.79%)			\$	58,513.10
Total Estimated Costs included in Budget for FY 2010/11			\$	834,760.58

ACTUAL AMOUNTS

Total Additional Estimated Utility Cost for FY 2010/11				N/A
Tenant Improvement Costs	\$	3,600,000.00		
Tenant Improvements Amortized per Month (June - July)		\$ 64,687.29	\$	776,247.48
RCIT Costs		N/A		
EDA Lease Management Fee (Based @ 3.79%)			\$	58,513.10
Total Estimated Costs for FY 2010/11			\$	834,760.58
TOTAL LEASE COST FOR FY 2010/11				\$0.00