FISCAL PROCEDURES APPROVED ROBERT F, BYRD, AUDITOR-CONTROLLER

☐ Consent

Dep't Recomm∴

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



ਜ਼ੂੰ **FROM**: Economic Development Agency

June 30, 2010

SUBJECT: Second Amendment to Lease - Department of Public Social Services, Banning

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加田		DED MOTION: That the Lease and authorize the			sors approve the the same on beh				
	BACKGROUN	ID: The Department of	Public	Social Service	es (DPSS) has	occupied ⁶	this office		
BY:	BACKGROUND: The Department of Public Social Services (DPSS) has occupied this office located at 63 South Fourth Street, in Banning since 1999. The location and facility continues to meet the needs of the department for their Self Sufficiency Program. The Economic Developmen Agency (EDA), Real Estate Division, has negotiated a three-year lease renewal commencing at the								
vices	existing rent.								
cial Sen	(Continued)				. //				
So		Robert Field Assistant County Executive Officer/EDA							
Public									
Department of Public Social Services	FINANCIAL DATA	Current F.Y. Total Cost: Current F.Y. Net County Annual Net County Cost		\$377,677 \$14,352 \$14,352	In Current Year Budget Adjustr For Fiscal Year	ment:	Yes No 2010/11		
Depart	SOURCE OF 3.8%	FUNDS: Federal 61.4%		34.8%; Coun	Delete	ions To Be ed Per A-30			
_	C E O PECOI	MMENDATION: AC		- PAA	Require	es 4/5 Vote			
Policy	C.E.O. RECO	MIMENDATION: AF	PROVI	ing SA	Gut		7		
	County Execu	utive Office Signature	Jennif	er L. Sargent	····				
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Consent									
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Ofc									
xec.							<u>.</u>		
Per Exec. Ofc.:	Prev. Agn. Re 11/09/99	sf.: 3.8 of 05/11/99; 3.6 of	Distric	t: 5 A	genda Number:				

Economic Development Agency Second Amendment to Lease – Department of Public Social Services, Banning June 30, 2010 Page 2

BACKGROUND: (Continued)

Location:

63 S. Fourth Street

Banning, California

Lessor:

Banning #169, LP

c/o B.A.G. Investments, Inc. 8665 South Wilshire, Suite 302

Beverly Hills, CA 90211

Size:

Approximately 19,695 square feet.

Term:

Three (3) years commencing July 1, 2010.

Rent:

Current

New

\$ 1.42 per sq.ft.

1.42 per sq. ft.

\$ 28,046.75 per month

\$ 28,046.75 per month

\$336,561.00 per year

\$ 336,561.00 per year

Rent Inreases:

Increased 3% at the beginning of years 2 and 3 of the extended term.

Utilities:

County pays all utilities.

Custodial:

Included in Rent.

Maintenance:

Included in Rent.

Improvements:

None

RCIT:

None

Market Data:

1360 E 6th St., Beaumont

\$2.00

118 Beaumont Avenue, Beaumont

\$2.00

The attached lease amendment 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 DPSS budget.

EXHIBIT A

DPSS Lease Cost Analysis for FY 2010/11 63 S. Fourth Street, Banning, California

Proposed Square Footage:

Office:

19,695 SQFT

Cost per Square Foot:

\$

1.42

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

\$28,046.75

Total Estimated Lease Cost for FY 2010/11:

\$336,561.00

Estimated Additional Costs:

Utility Cost per Square Foot

\$0.12

Estimated Utility Cost per month (July 1, 2010 - June 30, 2011)

\$2,363.40

Total Estimated Utility Cost for FY 2010/11

\$28,360.80

EDA Lease Management Fee (Based @ 3.79%)

\$12,755.66

Total Estimated Lease Cost FY 2010/11:

\$377,677.46

Total Annual Net County Cost of 3.8%

\$14,351.74

SECOND AMENDMENT TO LEASE

(Department of Public Social Services, 63 S. Fourth Street, Banning, California)

This SECOND AMENDMENT to Lease ("Second Amendment") is made as of April 10, 2010, by and between the **COUNTY OF RIVERSIDE**, a political subdivision of the State of California ("County"), and **BANNING #169**, **LP**, a California limited partnership, successor in interest to BANNING #169, LLC, a California limited liability company ("Lessor").

1. Recitals.

- a. BANNING #169, LP, a California limited partnership, Lessor, and COUNTY OF RIVERSIDE, County, hereby agree to amend that certain Lease dated May 11, 1999 (the "Original Lease") pertaining to the premises located at 63 S. Fourth Street, Banning, 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 Banning #169, LLC, Lease dated November 9, 1999, by and between County of Riverside and Banning #169, LLC. (the "First 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, expires June 30, 2010. County and Lessor desire to further amend the Lease to extend the term of 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. Extension of Term**. The Term of this Lease is hereby extended three (3) years. The extended term will commence on July 1, 2010 and will expire on June 30, 2013 ("Extended Term"). June 30, 2013 shall hereafter be the "Expiration Date".
- **4. Rent During Extended Term.** County shall pay to Lessor the monthly sum as rent for the Leased premises during the term of this Lease as indicated below:

Amount	<u>Term</u>
\$28,046.75	07/01/10 - 06/30/11
\$28,888.16	07/01/11 - 06/30/12
\$29,754.81	07/01/12 - 06/30/13

±	All other provisions of the Lease remain the same.					
2	6. This Second Amendment to Lease shall not be binding or consummated until its approval by the County's Board of Supervisors.					
4	Dated: 6/26/10					
5		BANNING #169, LP, a California limited				
6		partnership				
7		Ву:				
8		Ala f J Gt ddi, President of B.A.G. Investments Inc.				
9		General Partner				
10						
11		COUNTY OF RIVERSIDE				
12	·	Ву:				
13	ATTEST: Kecia Harper-Ihem Clerk of the Board	Marion Ashley, Chairman Board of Supervisors				
14						
15	By: Deputy					
16	Deputy					
17	APPROVED AS TO FORM: Pamela J. Walls					
18	County Counsel					
19	By: Synthia M. Gonzel					
20	Synthia M. Gunzel					
HR:jw 21	Deputy County Counsel					
05/03/10 BA019 22 13.280						
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