

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

607



**SUBMITTAL DATE:**

June 30, 2010

**FROM:** Economic Development Agency

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

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

**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 Development Agency (EDA), Real Estate Division, has negotiated a three-year lease renewal commencing at the existing rent.

(Continued)

*Robert Field*

Robert Field  
Assistant County Executive Officer/EDA

<b>FINANCIAL DATA</b>	<b>Current F.Y. Total Cost:</b>	\$377,677	<b>In Current Year Budget:</b>	Yes
	<b>Current F.Y. Net County Cost:</b>	\$14,352	<b>Budget Adjustment:</b>	No
	<b>Annual Net County Cost:</b>	\$ 14,352	<b>For Fiscal Year:</b>	2010/11

**SOURCE OF FUNDS:** Federal 61.4%; State 34.8%; County 3.8%

<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

BY: *Jennifer L. Sargent*  
Jennifer L. Sargent

County Executive Office Signature

- Consent
- Consent

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

**Prev. Agn. Ref.:** 3.8 of 05/11/99; 3.6 of 11/09/99

**District:** 5

**Agenda Number:**

FISCAL PROCEDURES APPROVED  
ROBERT E. BYRD, AUDITOR-CONTROLLER  
BY: *Tanya S. Harris* 7/1/10  
FORM APPROVED COUNTY COUNSEL  
BY: *Synthia M. Glunzel* 6-18-10  
DATE

Reviewed by  
**CIP TEAM**  
By: *Susan Loew*  
Susan Loew, Director  
Department of Public Social Services

**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:

	<u>Current</u>	<u>New</u>
	\$ 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 Increases: 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 6 <sup>th</sup> 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
<b>Total Estimated Lease Cost for FY 2010/11:</b>			<b>\$336,561.00</b>

### Estimated Additional Costs:

Utility Cost per Square Foot	\$0.12	
Estimated Utility Cost per month (July 1, 2010 - June 30, 2011)		\$2,363.40
<b>Total Estimated Utility Cost for FY 2010/11</b>		<b>\$28,360.80</b>
<b>EDA Lease Management Fee (Based @ 3.79%)</b>		<b>\$12,755.66</b>
<b>Total Estimated Lease Cost FY 2010/11:</b>		<b>\$377,677.46</b>
<b>Total Annual Net County Cost of 3.8%</b>		<b>\$14,351.74</b>




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5. All other provisions of the Lease remain the same.

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

Dated: 6/24/10

**BANNING #169, LP, a California limited partnership**

By:   
Alan J. Gudi, President of B.A.G. Investments Inc.  
General Partner

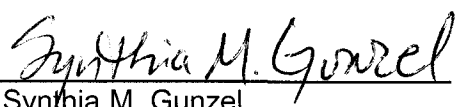
**COUNTY OF RIVERSIDE**

By: \_\_\_\_\_  
Marion Ashley, 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  
Deputy County Counsel

HR:jw  
05/03/10  
BA019  
13.280