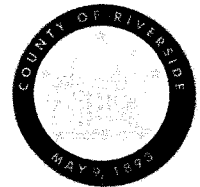


**SUBMITTAL TO THE BOARD OF SUPERVISORS
COUNTY OF RIVERSIDE, STATE OF CALIFORNIA**

234



SUBMITTAL DATE:
September 1, 2010

FROM: Economic Development Agency

SUBJECT: Lease Option – Economic Development Agency, Hemet

RECOMMENDED MOTION: That the Board of Supervisors:

1. Approve the attached Lease Option and authorize the Chairman to execute the same on behalf of the County of Riverside; and
2. Authorize the Auditor-Controller to adjust the Economic Development Agency's FY 2010/11 budget as set out on Schedule A.

BACKGROUND: (Commences on Page 2)

Robert Field
Assistant County Executive Officer/EDA

FINANCIAL DATA	Current F.Y. Total Cost:	\$ 60,841	In Current Year Budget:	No
	Current F.Y. Net County Cost:	\$ 0	Budget Adjustment:	Yes
	Annual Net County Cost:	\$ 0	For Fiscal Year:	2010/11

COMPANION ITEM ON BOARD OF DIRECTORS AGENDA: No

SOURCE OF FUNDS: 100% Federal Funds	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 J. Sargent

County Executive Office Signature

FISCAL PROCEDURES APPROVED
ROBERT E. BYRD, AUDITOR-CONTROLLER
BY: SAMUEL WONG

FORM APPROVED COUNTY COUNSEL
BY: CYNTHIA M. GUNZEL
Date: 9.1.10

Dept't Recomm.: Consent Policy
 Per Exec. Ofc.: Consent Policy

BACKGROUND:

The Workforce Development Center and Senior Center continue to occupy this existing facility until their new location at the Hemet Community Service Center is completed. Currently, the lease will expire on October 31, 2010, and the expected completion date for the new location is early 2011. Therefore, the attached lease option will extend the lease for the Workforce Development Center and Senior Center to continue to provide services to the community during this time.

Location: 1025 and 1075 State Street
Hemet, CA 92543

Lessor: State Street Buildings 1 and 11
5055 Canyon Crest Drive
Riverside, CA 92507

Size: 14,582 square feet.

Term: Extended through January 31, 2011.

Rent: Shall remain the same at \$19,539.88 per month.

Utilities: County is reimbursing Lessor 52% of the monthly cost for electrical services.

Custodial: Provided by Lessor.

Interior/Exterior
Maintenance: Provided by Lessor.

FINANCIAL DATA:

All associated costs for this Lease will be fully funded through the Economic Development Agency (EDA) Workforce Division's budget. EDA Workforce Division has budgeted for these costs for FY 2010/11; however, the EDA requires a budget adjustment to its FY 2010/11 budget to cover related transactional costs with the property owner. While EDA will front the costs for this lease with the property owner, EDA Workforce Division will reimburse EDA for all associated costs.

ATTACHMENT: Exhibit A

Schedule A

Increase Revenues:

47220-7200400000-777330 – Leasing Services \$60,841

Increase Appropriations:

47220-7200400000-526700 – Rent/Lease Buildings \$60,841

Exhibit A

**Economic Development Agency Lease Cost Analysis for FY 2010/11
1025 and 1075 State Street, Hemet, California
3 Month Lease Option**

Square Footage: 14,582 SQFT

ADDITIONAL AMOUNTS - Renewal

Cost Per Sq. Ft.:	\$	1.34		
Lease Cost per Month (Nov-Jan)			\$19,539.88	
Total Additional Lease Cost for FY 2010/11				\$ 58,619.64
EDA Lease Management Fee (Based @ 3.79%)	\$			2,221.68
Total Estimated Costs for FY 2010/11	\$			60,841.32



July 29, 2010

Mr. Don Bell
State Street Buildings 1 and 11
W.D. Bell, Inc.
5055 Canyon Crest Drive
Riverside, CA 92507

Re: Exercise of Lease Option rights – Fourth Amendment to Lease dated June 8, 2010
Department of Public Social Services, 1025 & 1075 N. State Street, Hemet, CA

Dear Mr. Bell:

Please consider this letter formal written notice pursuant to paragraph four (4) of the above-referenced Fourth Amendment to Lease by and between the County of Riverside ("County") and State Street Buildings 1 and 11 ("Lessor"), that the County of Riverside formally exercises its option to extend the term of said lease three (3) months, commencing November 1, 2010, through January 31, 2011, at a rent of \$19,539.88 per month.

Thank you.

ATTEST:
Kecia Harper-Ihem
Clerk of the Board

COUNTY OF RIVERSIDE

By: _____
Deputy

By: _____
Marion Ashley, Chairman
Board of Supervisors

APPROVED AS TO FORM;
Pamela J. Walls
County Counsel

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

HR:jg
07/28/10
HM025
13.566

Administration
Aviation
Business Intelligence
Cultural Services
Community Services
Custodial

Housing
Housing Authority
Information Technology
Maintenance
Marketing

Economic Development
Edward-Dean Museum
Environmental Planning
Fair & National Date Festival
Foreign Trade
Graffiti Abatement

Parking
Project Management
Purchasing Group
Real Property
Redevelopment Agency
Workforce Development