

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

322



**FROM:** Economic Development Agency

**SUBMITTAL DATE:**  
September 23, 2010

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

**RECOMMENDED MOTION:** That the Board of Supervisors:

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

**BACKGROUND:** (Commences on Page 2)

FISCAL PROCEDURES APPROVED  
ROBERT E. BYRD, AUDITOR-CONTROLLER  
BY: Samuel Wong 9/21/10  
SAMUEL WONG

Robert Field  
Assistant County Executive Officer/EDA

<b>FINANCIAL DATA</b>	Current F.Y. Total Cost:	(\$11,209)	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:** 39.01% Federal, 58.86% State, 2.13% 3<sup>rd</sup> Party

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 L. Sargent  
County Executive Office Signature

- Dep't Recomm.:  Consent  Policy
- Per Exec. Ofc.:  Consent  Policy

Prev. Agn. Ref.: 3.13 of 4/16/02; 3.41 of 9/19/09

District: 5

Agenda Number.

**ATTACHMENTS FILED  
WITH THE CLERK OF THE BOARD**

**3.9**

FORM APPROVED COUNTY COUNSEL  
 BY: Synthia M. Gunzel 5-6-10  
 SYNTHIA M. GUNZEL DATE: 5-6-10 Mental Concurrence

MARIA T. MABEY, ASST DIRECTOR  
 RIVERSIDE CO DEPT OF MENTAL HEALTH

**BACKGROUND:**

This Second Amendment to Lease represents a request from Mental Health to extend the lease for its office located at 1330 West Ramsey Street, Banning, California, commencing on November 1, 2010 through October 31, 2012. This facility continues to meet the requirements of the department. The Real Estate Division has negotiated a 2 year lease renewal with an 11% rental rate reduction, saving the department \$16,200 per year.

Lessor: B.H. Properties, LLC  
11111 Santa Monica, Blvd., #600  
Los Angeles, California 90025

Premises Location: 1330 W. Ramsey Street, Banning, California 90025

Size: 9,000 sq. ft.

Term: Two (2) years, November 1, 2010 through October 31, 2012

Rent:	<u>Current</u>		<u>New</u>	
	\$ 1.40	per sq. ft.	\$ 1.25	per sq. ft.
	\$ 12,600.00	per month	\$ 11,250.00	per month
	\$151,200.00	per year	\$135,000.00	per year

<u>Savings</u>	
Per Sq. Ft.	\$ .15
Per Month	\$ 1,350.00
Per Year	\$16,200.00

Rental Adjustments: None

Utilities: County pays for electricity and telephone, Landlord pays for all others services.

Custodial Services: Landlord

Maintenance: Landlord

Option to Terminate: Termination for any reason with ninety (90) days notice

Improvements: None

RCIT Costs: None

Market Data: 3055 W. Ramsey, Banning \$1.72  
63 S. Fourth Street, Banning \$1.42

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 2010/11. While 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.

**ATTACHMENT: Exhibit A**

## Schedule A

Decrease Appropriations:

47220-7200400000-526700 – Rent/Lease Buildings	\$ 10,800
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Decrease Estimated Revenues:

47220-7200400000-777330 – Leasing Services	\$10,800
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# Exhibit A

## Department of Mental Health Lease Cost Analysis FY 2010/11 1330 W. Ramsey Street, Banning

**Total Square Footage to be Leased:**

**BUDGETED AMOUNTS**

Current office:		9,000	SQFT	
Cost Per Sq. Ft:	\$	1.40		
Lease Cost per Month		\$	12,600.00	
<b>Total Lease Cost included in Budget for FY 2010/11</b>			<u>\$</u>	<b>151,200.00</b>

**ACTUAL AMOUNTS**

Current office:		9,000	SQFT	
Approximate Cost per SQFT (July - Oct)	\$	1.40		
Approximate Cost per SQFT (Nov - June)	\$	1.25		
Lease Cost per Month (July -Oct)	\$	12,600.00		
Lease Cost per Month (Nov- June)	\$	11,250.00		
Total Lease Cost (July - Oct)		\$	50,400.00	
Total Lease Cost (Nov - June)		\$	90,000.00	
<b>Total Lease Cost for FY 2010/11</b>			<u>\$</u>	<b>140,400.00</b>
<b>TOTAL LEASE COSTS FOR FY 2010/11</b>			<u>\$</u>	<b>(10,800.00)</b>

**Estimated Additional Costs:**

**BUDGETED AMOUNTS**

Utility Cost per Square Foot	\$	0.12		
Estimated Utility Costs per Month			\$	1,080.00
<b>Total Estimated Utility Cost for FY 2010/11</b>			<u>\$</u>	<b>12,960.00</b>
<b>EDA Lease Management Fee (Based @ 3.79%)</b>			<u>\$</u>	<b>5,730.48</b>
<b>Total Estimated Additional Costs included in Budget for FY 2010/11</b>			<u>\$</u>	<b>18,690.48</b>

**ACTUAL AMOUNTS**

Utility Cost per Square Foot	\$	0.12		
Estimated Utility Costs per Month			\$	1,080.00
Total Additional Estimated Utility Cost for FY 2010/11			<u>\$</u>	12,960.00
<b>EDA Lease Management Fee (Based @ 3.79%)</b>			<u>\$</u>	<b>5,321.16</b>
<b>Total Estimated Additional Costs for FY 2010/11</b>			<u>\$</u>	<b>18,281.16</b>
<b>TOTAL ESTIMATED ADDITIONAL COSTS FOR FY 2010/11</b>			<u>\$</u>	<b>(409.32)</b>
<b>TOTAL LEASE COST FY 2010/11</b>			<u>\$</u>	<b>(11,209.32)</b>



1 shall have the right to terminate this Lease for any reason giving Lessor ninety (90) days  
2 advance written notice.

3 **6. Notices.** Section 20.17 of the Lease shall be amended as follows. Any  
4 notices required or desired to be served by either party upon the other shall be addressed to  
5 the respective parties as set forth below:

6 **COUNTY:**

7 Economic Development Agency  
8 County of Riverside  
9 3403 Tenth Street, Suite 500  
10 Riverside, California 92501

11 **LESSOR:**

12 B.H. Properties, LLC  
13 a California Limited Liability  
14 11111 Santa Monica Blvd., #600  
15 Los Angeles, California 90025


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

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19 ///  
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1           8.       This Second Amendment to Lease shall not be binding or consummated until  
2 its approval by the Board of Supervisors of Riverside County.

3 Dated: \_\_\_\_\_

4                           **B.H. PROPERTIES, LLC.,**  
5                           a California Limited Liability Company

6                           *cl*  
By:  \_\_\_\_\_

7  
8 By: \_\_\_\_\_

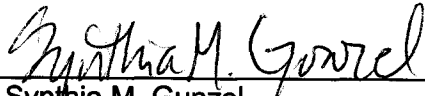
9  
10                           **COUNTY OF RIVERSIDE**

11  
12 By: \_\_\_\_\_  
13                           Marion Ashley, Chairman  
                              Board of Supervisors

14 **ATTEST:**  
15 Kecia Harper-Ihem  
16 Clerk of the Board

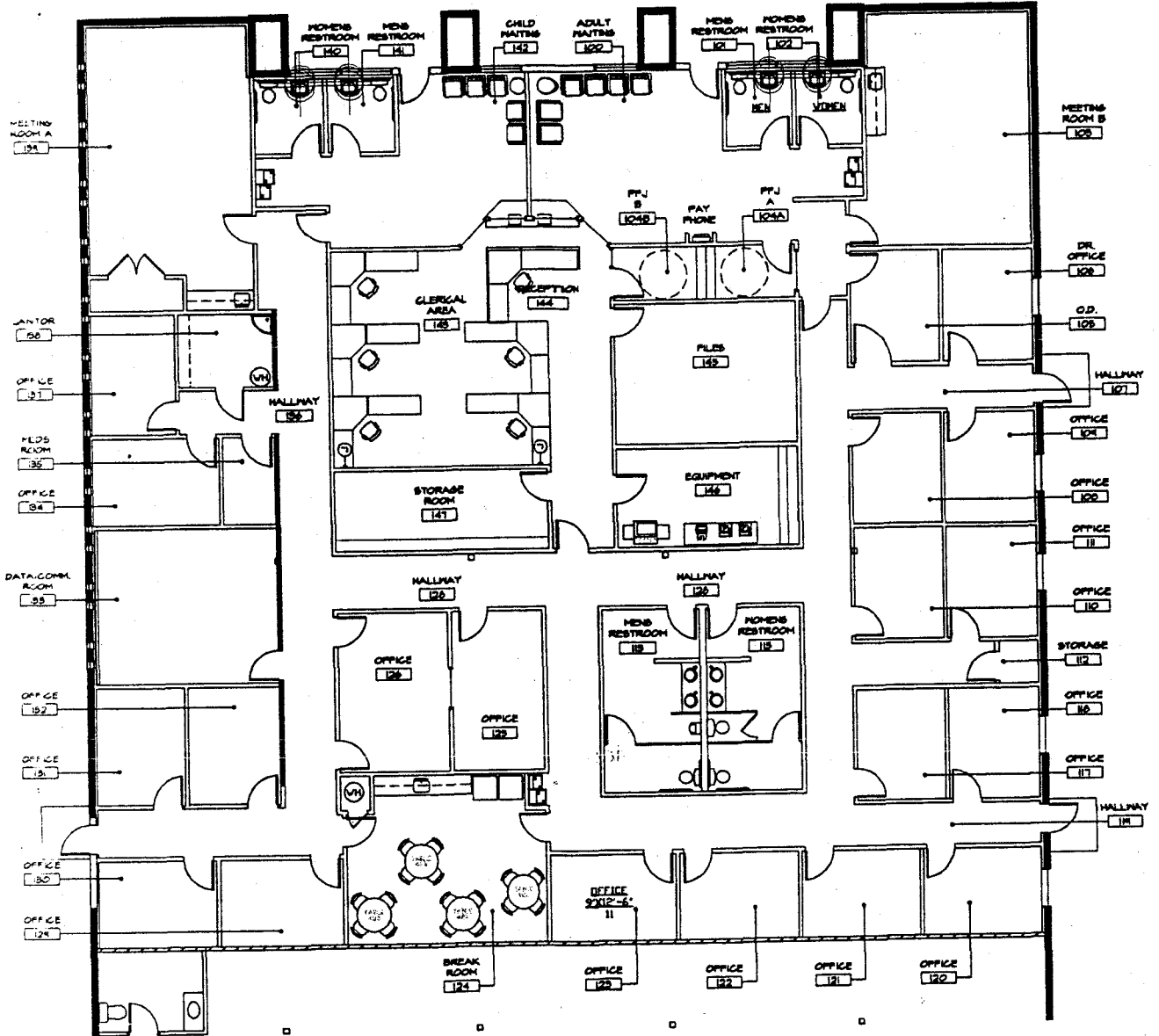
17 By: \_\_\_\_\_  
                              Deputy

18 **APPROVED AS TO FORM:**  
19 Pamela J. Walls  
20 County Counsel

21 By:   
22                           Cynthia M. Gunzel  
                              Deputy County Counsel

MH:ra  
090110  
13.523





**LEGEND**

- NEW CEILING HEIGHT PARTITION
- EXISTING PARTITION TO REMAIN
- NEW DEMISING PARTITION
- NEW 1/4" TEMPERED GLASS IN PAINTED ALUMINUM FRAME. SEE ELEVATIONS FOR SPECIFICATION.
- NEW BLDG. STD. DOOR FRAME AND LEVER HARDWARE. SEE NOTES FOR SPECIFICATION
- WALL MOUNTED DUPLEX
- WALL-MOUNTED FOUR-PLEX
- WALL MOUNTED SEPARATE CIRCUIT
- WALL MOUNTED TELE/DATA/TV OUTLET
- WALL MOUNTED J-BOX OUTLET FOR FURNITURE HOOK-UP

**PLAN SPECIFIC NOTES**

- ① DEMO EXISTING WALLS, CEILING AND FINISHES THROUGHOUT, UNLESS NOTED OTHERWISE ON PLAN.
- ② INSTALL NEW CEILING HEIGHT PARTITIONS AS INDICATED. PROVIDE COST TO INSTALL R-11 INSULATION IN WALLS OF OFFICES & GROUP ROOMS. INSTALL R-11 INSULATION IN RESTROOM WALLS AND ABOVE CEILINGS.
- ③ REMOVE EXISTING WINDOW ASSEMBLY AND REPLACE WITH DUAL PANE LOW-E REFLECTIVE GLASS.
- ④ PROVIDE NEW BIRCH 3'-0"x6'-8"x1-3/4" STAIN GRADE SOLID CORE BIRCH DOORS WITH ANODIZED TIMELY FRAMES.
- ⑤ REPLACE EXISTING SLIDING DOOR WITH NEW HOLLOW METAL FRAME AND DOOR WITH VISION PANEL.
- ⑥ FURR AND FILL IN OPENINGS WHERE DOOR ASSEMBLIES ARE BEING REMOVED. FINISH TO MATCH EXISTING BLDG. FINISH AND COLOR.
- ⑦ PROVIDE NEW OPENING AND INSTALL NEW HOLLOW METAL DOOR ASSEMBLY WITH PANIC HARDWARE.
- ⑧ PROVIDE NEW 2'x4' SECOND LOOK ARMSTRONGS TILE WITH APPROXIMATELY (126) 2'x4' FLUORESCENT LIGHT FIXTURES WITH PRISMATIC LENSES. NOTES FIXTURES TO HAVE ENERGY SAVING BALLASTS AND T8 LAMPS.
- ⑨ CUT IN NEW OPENINGS AND PROVIDE EXTERIOR CLERESTORY WINDOWS IN PAINTED HOLLOW METAL FRAMES. SEE TYPICAL ELEVATION.

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