

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

103



SUBMITTAL DATE:
December 30, 2010

FROM: Economic Development Agency

SUBJECT: Fifth Amendment to Lease, Department of Child Support Services

RECOMMENDED MOTION: That the Board of Supervisors:

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

BACKGROUND: The County of Riverside entered into a Lease Agreement on November 4, 1997, on behalf of the Department of Child Support Services, for the facility located at 1370 South State Street, San Jacinto, California.

(Continued)
FISCAL PROCEDURES APPROVED
ROBERT E. BYRD, AUDITOR-CONTROLLER
BY Samuel Wong 12/1/10
SAMUEL WONG

Lisa Brandl
Robert Field
Assistant County Executive Officer/EDA
By Lisa Brandl, Managing Director

FINANCIAL DATA	Current F.Y. Total Cost:	\$ (92,434)	In Current Year Budget:	Yes
	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: 66% Federal, 34% State	Positions To Be Deleted Per A-30	<input type="checkbox"/>
	Requires 4/5 Vote	<input checked="" type="checkbox"/>

C.E.O. RECOMMENDATION:

APPROVE

County Executive Office Signature

BY Jennifer L. Sargent
Jennifer L. Sargent

FORM APPROVED COUNTY COUNSEL
BY: Synthia M. Donizelle 11/18/10
SYNTHIA M. DONIZELLE, Concurrence DATE

By: John Replögle
John Replögle, Director
Department of Child Support Services

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

Prev. Agn. Ref.: 11/4/97 3.14, 2/2/99 3.16, 11/20/01 3.38, 9/27/05 3.23, 2/27/07 3.45

District: 3

Agenda Number: 3.25

ATTACHMENTS FILED
WITH THE CLERK OF THE BOARD

BACKGROUND: (Continued)

This fifth amendment to lease represents a five year extension of the term of the lease and a reduction in square footage. The square footage has been decreased by 7,313 square feet from 15,883 square feet to 8,570 square feet.

The decrease in square footage was due to a reduction and relocation of staff.

Lessor: Brotherton Family Trust dba
San Jacinto Business Park
1057 Ridge Heights Drive
Fallbrook, California

Premises Location: 1370 South State Street
San Jacinto, California

Term: Five (5) years commencing October 1, 2010 – September 30, 2015.

Size: Decreased from 15,883 square feet to 8,570 square feet

Rent:

Current	New
\$1.26 per sq. ft.	\$1.29 per sq. ft.
\$20,105.20 per month	\$11,055.30 per month
\$241,262.40 per year	\$132,663.60 per year

Rent Adjustment: Two percent (2%) annually

Custodial: Provided by Landlord

Utilities: County pays for telephone and electric, Landlord provides all others.

Maintenance: Provided by Landlord.

Tenant Improvements: New carpet installed, provided by Landlord

Parking: Sufficient to meet County needs:

This fifth amendment has been approved as to legal form by County Counsel.

FINANCIAL DATA:

All associated costs for this fifth amendment to lease will be fully funded through the Department of Child Support Services's (DCSS) budget. DCSS has budgeted these costs in FY 2010/11. While the Economic Development Agency (EDA) will front the costs for the fifth amendment to lease with the property owners, DCSS will reimburse EDA for all associated lease costs.

Schedule A and Exhibit A attached.

Schedule A

Decrease Appropriations:

10000-7200600000-529540 – Utilities	\$ 7,898
10000-7200600000-573800 – Intra – Utilities	(\$ 7,898)

Decrease Appropriations:

47220-7200400000-526700 – Rent/Lease Buildings	\$81,449
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Decrease Estimated Revenue:

47220-7200400000-777330 – Leasing Services	\$81,449
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Exhibit A

DCSS Lease Cost Analysis FY 2010/11 1370 S. State Street San Jacinto, California

Total Square Footage to be Leased:

BUDGETED AMOUNTS

Current office:	15,883	SQFT	
Cost Per Sq. Ft:	\$	1.26	
Lease Cost per Month		\$ 20,105.20	
Total Lease Cost included in Budget for FY 2010/11		<u>\$</u>	241,262.40

ACTUAL AMOUNTS

Current office:	15,883	SQFT	
Approximate Cost per SQFT (July - Sept.)	\$	1.26	
Proposed office:	8570	SQFT	
Approximate Cost per SQFT (Oct. - June)	\$	1.29	
Base rent cost per Month (July - Sept.)	\$	20,105.20	
Base rent cost per Month (Oct. - June)	\$	11,055.30	
Total Base Rent cost (July - Sept.)	\$	60,315.60	
Total Base Rent cost (Oct - June)	\$	99,497.70	
Total Base Rent for FY 2010/11		<u>\$</u>	159,813.30

SUBTOTAL LEASE COST SAVINGS FOR FY 2010/11 **\$ (81,449.10)**

Estimated Additional Costs:

BUDGETED AMOUNTS

Utility Cost per Square Foot	\$	0.12	
Estimated Utility Costs per Month		\$ 1,905.96	
Total Estimated Utility Cost for FY 2010/11		<u>\$</u>	22,871.52

ACTUAL AMOUNTS

Utility Cost per Square Foot	\$	0.12	
Cost per Month (July - Sept.)	\$	1,905.96	\$ 5,717.88
Cost per Month (Oct. - June)	\$	1,028.40	\$ 9,255.60
Total Actual Estimated Utility Cost for FY 2010/11 (July - June):		<u>\$</u>	14,973.48
TOTAL UTILITY COSTS SAVINGS FOR FY 2010/11:		<u>\$</u>	(7,898.04)

EDA Budgeted Lease Management Fee (Based @ 3.79%)	\$	9,143.84	
EDA Lease Management Fee (Based @ 3.79%)	\$	6,056.92	<u>\$ (3,086.92)</u>

TOTAL LEASE COST SAVINGS for FY 2010/11: **\$ (92,434.07)**

1 **FIFTH AMENDMENT TO LEASE**
2 **(1370 S. State Street, San Jacinto, California)**

3 This **FIFTH AMENDMENT TO LEASE** ("Fifth Amendment") is made as of
4 _____, 2010 by and between the **COUNTY OF RIVERSIDE**, a political
5 subdivision of the State of California ("County"), and **BROTHERTON FAMILY TRUST, dba**
6 **SAN JACINTO BUSINESS PARK**, ("Lessor").

7 **1. Recitals.**

8 a. County and Ranel Development, c/o John Burnham Company,
9 ("Landlord") entered into that certain lease dated November 4, 1997, (the "Original Lease")
10 pursuant to which County leased a portion of that certain building located at 1370 South State
11 Street, San Jacinto, California (the "Building"), as more particularly shown on Exhibit "A",
12 attached hereto and made a part hereof.

13 b. The Original Lease has been amended by:

14 i. That certain First Amendment to Lease dated February 2, 1999,
15 by and between Ranel Development, c/o John Burnham Company and County (the "First
16 Amendment").

17 ii. That certain Second Amendment to Lease dated November 20,
18 2001, by and between Ranel Development Company, a California General Partnership as
19 successor in interest to Ranel Development, c/o John Burnham Company and County (the
20 "Second Amendment").

21 iii. That certain Third Amendment to Lease dated September 27,
22 2005 by and between Brotherton Family Trust dba San Jacinto Business Park as successor in
23 interest to Ranel Development Company, a California General Partnership and County (the
24 "Third Amendment").

25 iv. That certain Fourth Amendment to Lease dated February 27,
2007, by and between Brotherton Family Trust dba San Jacinto Business Park and County
(the "Fourth Amendment").

c. the Original Lease, as heretofore, currently, or hereafter amended, shall
hereafter be referred to as 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: Fifth 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 Fifth 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 Fifth Amendment.

1 **3. Premises.** Section 1 (a) & (b) of the Second Amendment is hereby
2 amended as follows:

3 (a) The square footage of the leased premises shall be reduced by 7,313
4 square feet from 15,883 square feet to 8,570 square feet as more particularly shown on
5 Exhibit A-1 attached hereto and made a part of this Lease.

6 (b) Parking shall be reduced from 52 unreserved parking spaces to 24
7 unreserved parking spaces.

8 **4. Term.** Section 1 of the Third Amendment to Lease is hereby amended as
9 follows: The term of this lease shall be extended for an additional five (5) years commencing
10 on October 1, 2010 and expiring on September 30, 2015.

11 **5. Rent.** Section 2 of the Third Amendment to Lease is hereby amended as
12 follows: County shall pay to Lessor the monthly sums as rent for the Leased Premises during
13 the extended term of this Lease as indicated below:

14	October 1, 2010 – September 30, 2011	\$11,055.30
15	October 1, 2011 – September 30, 2012	\$11,276.40
16	October 1, 2012 – September 30, 2013	\$11,501.92
17	October 1, 2013 – September 30, 2014	\$11,731.97
18	October 1, 2014 – September 30, 2015	\$11,966.58

19 **6. Improvements by Lessor.** Lessor shall replace the existing carpet with carpet
20 tiles at his sole cost and expense.

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

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8. This Fifth Amendment to Lease shall not be binding or consummated until its approval by the Board of Supervisors of Riverside County.

Dated: _____

**BROTHERTON FAMILY TRUST, dba
SAN JACINTO BUSINESS PARK**

By: *Luella Jane Brotherton* ^{owner} *Trustee*
Luella Jane Brotherton, Owner, Trustee

COUNTY OF RIVERSIDE

By: _____
Marion Ashley, Chairman
Board of Supervisors

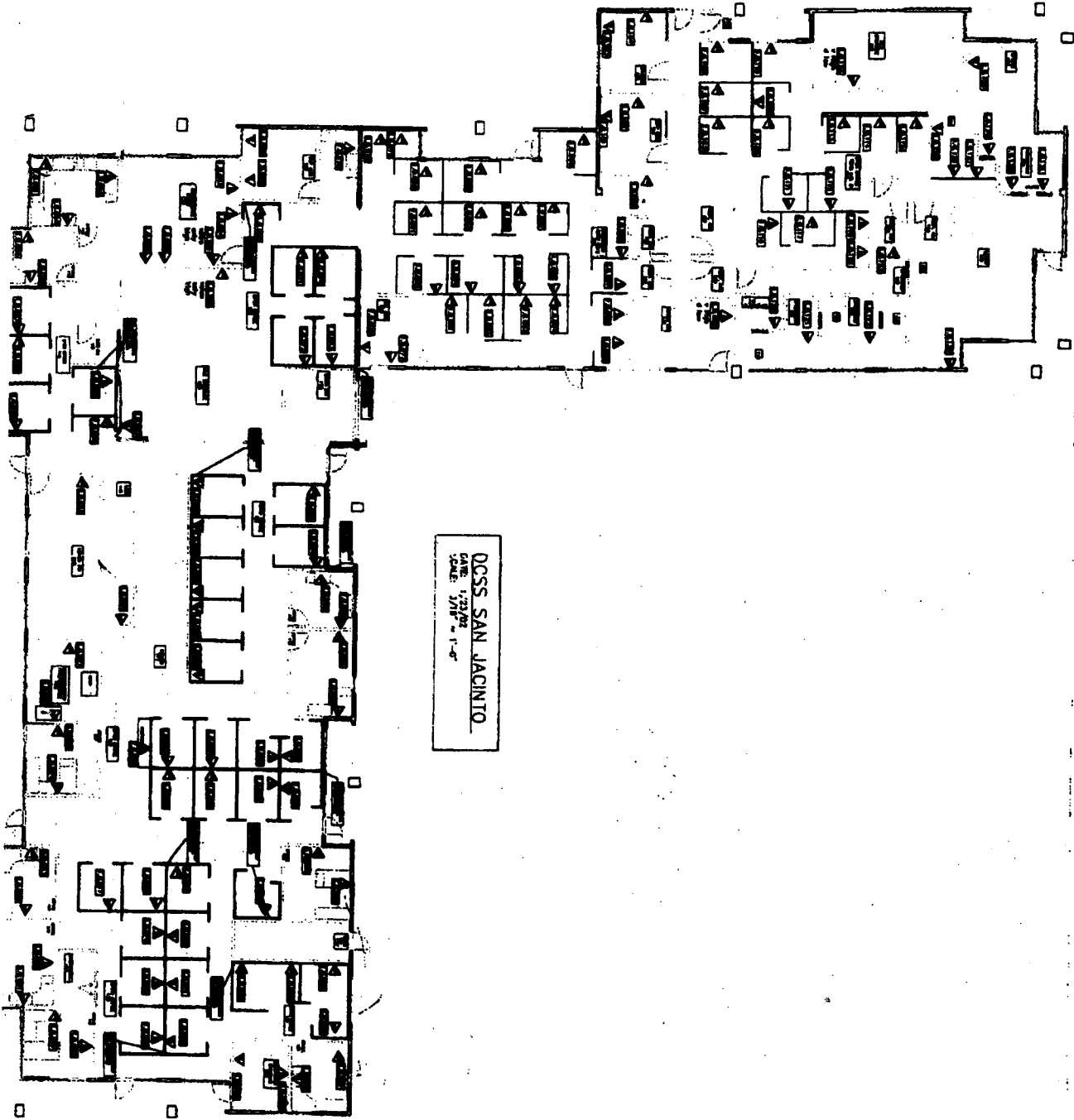
ATTEST:
Kecia Harper-Ihem
Clerk of the Board

By: _____
Deputy

APPROVED AS TO FORM:
Pamela J. Walls
County Counsel

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

TW:ra
101910
SJ014
13.700



DCSS SAN JACINTO
DATE: 1/23/82
SCALE: 3/8" = 1'-0"

EXHIBIT A – 15,883 Square Feet

**1370 South State Street
San Jacinto, California**

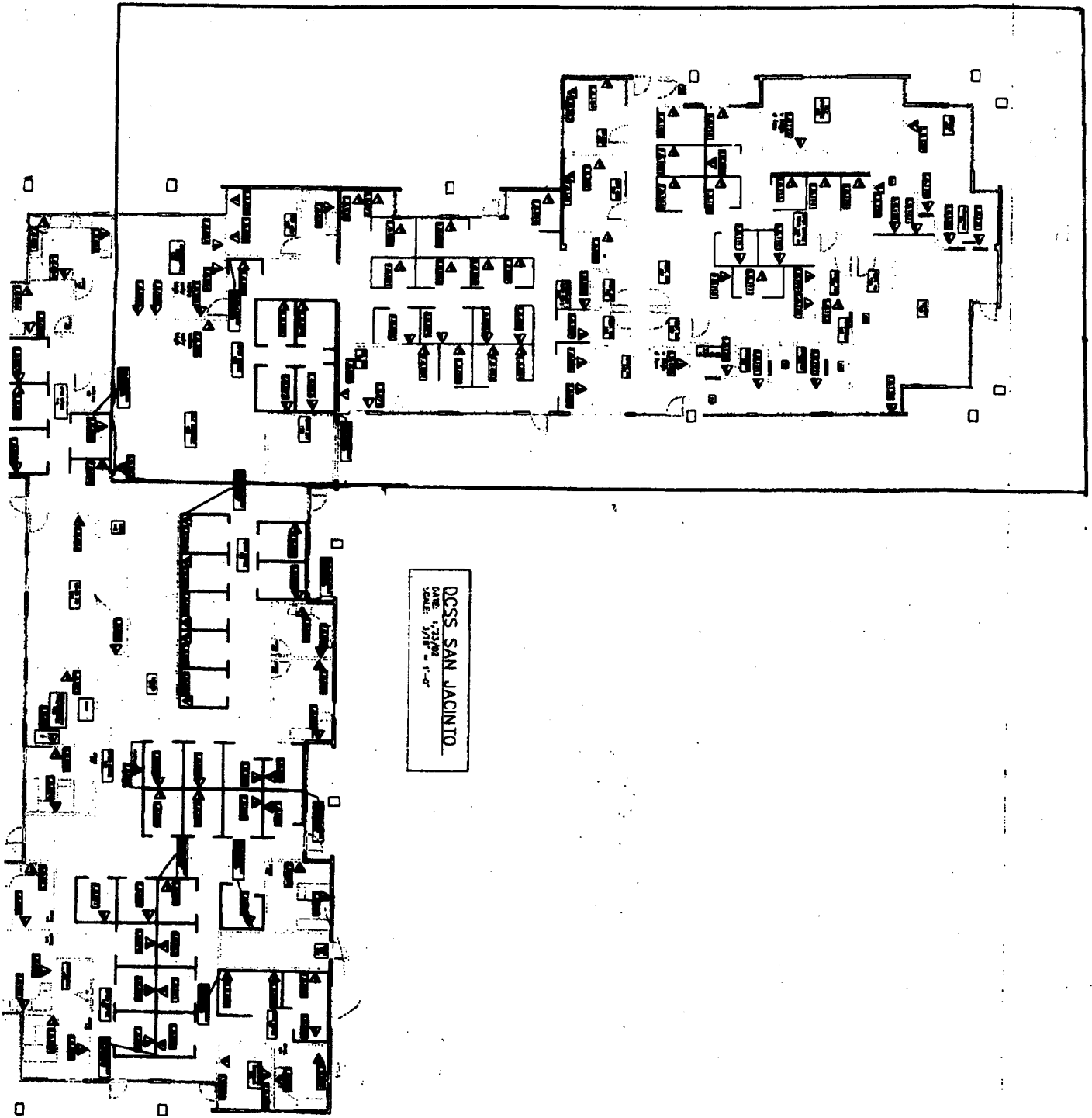


EXHIBIT A-1 – 8,570 Square Feet

**1370 South State Street
San Jacinto, California**