

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

741



SUBMITTAL DATE:
March 3, 2011

FROM: Economic Development Agency / Facilities Management

SUBJECT: Fifth Amendment to Lease – Community Health Agency, Banning

RECOMMENDED MOTION: That the Board of Supervisors:

1. Approve the attached Fifth Amendment to Lease and authorize the Chairman of the Board to execute the same on behalf of the county; and
2. Approve and direct the Auditor-Controller to make the budget adjustments as shown on Schedule A, attached.

BACKGROUND: (Commences on Page 2)

FISCAL PROCEDURES APPROVED
PAUL ANGULO, CPA, AUDITOR-CONTROLLER
BY Samuel Wong 3/2/11
SAMUEL WONG

Robert Field
Robert Field
Assistant County Executive Officer/EDA

FINANCIAL DATA	Current F.Y. Total Cost:	\$ (2,695)	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

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*
Jennifer L Sargent

County Executive Office Signature

FORM APPROVED COUNTY COUNSEL
 BY: *Susan Harrington*
 DATE: 2-10-11
 Department of Public Health
 Department of Public Health

Dept's Recomm.: Consent Policy
 Per Exec. Ofc.: Consent Policy

Prev. Agn. Ref.: 4.3 of 5/6/1986; 3.16 of 10/12/1996; 3.35 of 8/12/1997; 3.44 of 5/44/2004;

District: 5

Agenda Number:

3.26

ATTACHMENTS FILED
WITH THE CLERK OF THE BOARD

BACKGROUND:

This Fifth Amendment to Lease represents a request from Community Health Agency (CHA) to renew their lease agreement at 3055 W. Ramsey Street, Suites A & B, in Banning, California, commencing on February 1, 2011 through January 31, 2016. This facility continues to meet the requirements of the department.

The Real Estate Division has negotiated a five year lease renewal with a 4% rental rate reduction resulting in a savings for the department in the amount of \$2,596 per year. In addition the tenant improvements estimated at \$25,000 shall be at Lessor's sole cost and expense.

Lessor: Ramsey Street Building
5055 Canyon Crest Drive
Riverside, California 92507

Premises Location: 3055 W. Ramsey Street, Suites A & B
Banning, California 92220

Size: 8,000 square feet

Term: 5 years, February 1, 2011 through January 31, 2016.

Rent:

	<u>Current</u>	<u>New</u>
	\$ 1.72 per sq. ft.	\$ 1.66 per sq. ft.
	\$ 13,799.22 per month	\$ 13,280.00 per month
	\$165,590.64 per year	\$159,360.00 per year

Rent Adjustment: 3% percent annually

Custodial: County

Utilities: County pays for electricity and telephone. Lessor pays for gas, water, sewer and trash.

Maintenance: Lessor

Tenant Improvements: Tenant Improvements estimated at \$25,000, and shall be at Lessor's sole cost and expense.

RCIT Costs: None

Market Data:

235 Murray Street, Banning	\$1.91 psf
901 Ramsey, Banning	\$2.21 psf

The attached Fifth Amendment to Lease has been reviewed and approved by County Counsel as to legal form.

FINANCIAL DATA: (Commences on Page 3)

FINANCIAL DATA:

All associated costs for the Fifth Amendment to Lease will be fully funded through CHA's budget. CHA has budgeted these costs in the FY 2010/11. While Economic Development Agency (EDA) will front the costs for the Fifth Amendment to Lease with the property owners, CHA will reimburse EDA for all associated lease costs.

Attachments:

Schedule A
Exhibit A
Fifth Amendment to Lease

Schedule A

Decrease Appropriation:

47220-7200400000- 526700 - Rent/Lease Buildings	\$2,596.00
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Decrease Estimated Revenue:

47220-7200400000-777330 - Leasing Services	\$2,596.00
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Exhibit A

Community Health Agency Lease Cost Analysis FY 2010/11 3055 W. Ramsey, Banning, California

Square Footage-Current & New:

BUDGETED AMOUNTS

Current office:	8,000	SQFT	
Cost Per Sq. Ft:	\$	1.72	
Lease Cost per Month		<u>\$ 13,799.22</u>	
Total Lease Cost included in Budget for FY 2010/11			\$ 165,590.64

ACTUAL AMOUNTS

Approximate Cost per SQFT (July - Jan)	\$	1.72	
Approximate Cost per SQFT (Feb - June)	\$	1.66	
Lease Cost per Month (July - Jan)	\$	13,799.22	
Lease Cost per Month (Feb - June)	\$	13,280.00	
Total Lease Cost (July - Jan)		<u>\$ 96,594.54</u>	
Total Lease Cost (Feb - June)		<u>\$ 66,400.00</u>	
Total Lease Cost for FY 2010/11			\$ 162,994.54
TOTAL LEASE COST SAVINGS FOR FY 2010/11			\$ (2,596.10)

Estimated Additional Costs:

BUDGETED AMOUNTS

Utility Cost per Square Foot	\$	0.12	
Estimated Utility Costs per Month	\$	<u>960.00</u>	
Total Estimated Utility Cost for FY 2010/11			\$ 11,520.00
EDA Lease Management Fee (Based @ 3.79%)		<u>\$ 6,275.89</u>	
Total Estimated Additional Costs included in Budget for FY 2010/11			\$ 17,795.89

ACTUAL AMOUNTS

Utility Cost per Square Foot	\$	0.12	
Estimated Utility Costs per Month	\$	<u>960.00</u>	
Total Estimated Utility Costs per Month		\$ 11,520.00	
EDA Lease Management Fee (Based @ 3.79%)		<u>\$ 6,177.49</u>	
Total Estimated Additional Costs for FY 2010/11			\$ 17,697.49
TOTAL ESTIMATED ADDITIONAL COST SAVINGS FOR FY 2010/11			\$ (98.40)
TOTAL LEASE COST SAVINGS FY 2010/11			<u>\$ (2,694.50)</u>

1 **FIFTH AMENDMENT TO LEASE**

2 **(Community Health Agency**

3 **3055 West Ramsey Street, Banning, California 92543-1474)**

4
5 This **FIFTH AMENDMENT TO LEASE** ("Fifth Amendment") is made as of
6 _____, by and between **RAMSEY STREET BUILDING**, a Joint Venture,
7 comprised of W.D. Bell, George Arzoo and Milton W. Stratford as "Lessor", and the
8 **COUNTY OF RIVERSIDE**, a Political Subdivision of the State of California, as
9 "County".

10 **1. Recitals**

11 a. Lessor and County have entered into that certain Lease, dated as
12 of February 13, 1987, ("Original Lease") pursuant to which Lessor has agreed to lease
13 that certain building located at 3055 West Ramsey Street, Banning California, in the
14 City of Banning, State of California, ("Building"), as more particularly shown on Exhibit
15 "A", attached hereto and made a part hereof.

16 b. The Original Lease has been amended by: That certain First
17 Amendment to Lease dated October 22, 1996, by and between County of Riverside,
18 and Ramsey Street Building (the "First Amendment").

19 c. The First Amendment has been amended by: That certain
20 Second Amendment to Lease dated August 12, 1997, by and between County of
21 Riverside, and Ramsey Street Building (the "Second Amendment").

22 d. The Second Amendment has been amended by: That certain
23 Third Amendment to Lease dated May 11, 2004, by and between County of Riverside,
24 and Ramsey Street Building (the "Third Amendment").

25 e. The Third Amendment has been amended by: That certain Fourth
26 Amendment to Lease dated August 24, 2004, by and between County of Riverside,
27 and Ramsey Street Building (the "Fourth Amendment").

28 ///

1 f. The Original Lease as heretofore, currently, or hereafter amended,
2 shall hereafter be referred to as the "Lease". NOW THEREFORE, for good and
3 valuable consideration the receipt and adequacy of which is hereby acknowledged, the
4 parties agree as follows:

5 **2. Capitalized Terms: Fifth Amendment to Prevail.** Unless defined
6 herein or the context requires otherwise, all capitalized terms herein shall have the
7 meaning defined in the Lease, as heretofore amended. The provision of this Fifth
8 Amendment shall prevail over any inconsistency or conflicting provision of the Lease,
9 as heretofore amended, and shall supplement the remaining provision thereof. The
10 Lease remains in full force and effect except to the extent amended by this Fifth
11 Amendment.

12 **3. Rent During Extended Term:** Section 1 of the Fourth Amendment to
13 Lease shall be amended as follows: County shall pay to Lessor the monthly sums as
14 rent for the Leased premises during the term of this Lease as indicated below:

<u>Amount</u>	<u>Year</u>
\$13,280.00	02/01/11 to 01/31/12
\$13,678.40	02/01/12 to 01/31/13
\$14,088.76	02/01/13 to 01/31/14
\$14,511.43	02/01/14 to 01/31/15
\$14,946.78	02/01/15 to 01/31/16

20
21 **4. Term:** Section 3 of the Fourth Amendment to Lease shall be amended
22 as follows: The term of this Lease shall be extended sixty (60) months commencing on
23 February 1, 2011 and terminating January 31, 2016 ("Extended Term"). January 31,
24 2016 shall hereafter be defined as the "Expiration Date".

25 **5. Tenant Improvements by Lessor:** Section 2 of the Fourth Amendment
26 shall be amended as follows: Lessor, at its sole cost and expense, shall complete the
27 Tenant Improvements, as more particularly shown on Exhibit "B" attached to the lease.

28 ///

1 6. Except as modified or supplemented by this Fifth Amendment to Lease,
2 all provisions of the Lease remain in full force and effect.

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

5
6 Dated: _____

7 **RAMSEY STREET BUILDING, a joint venture**

8
9 By: 
W.D. Bell, Managing Partner

10
11 By: 
George Arzoo

12
13 By: 
Carol A. Stratford, Trustee

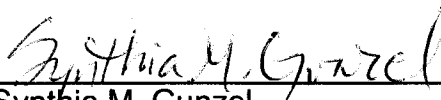
14 **COUNTY OF RIVERSIDE**

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

19
20 By: _____
Bob Buster, Chairman
Board of Supervisors

21
22 By: _____
Deputy

23 **APPROVED AS TO FORM:**
24 Pamela J. Walls
25 County Counsel

26 By: 
27 Synthia M. Gunzel
28 Deputy County Counsel

CC:ad 13.859 BA002 S:\Real Property\TYPING\Docs-13.500 to 13.999\13.859.doc

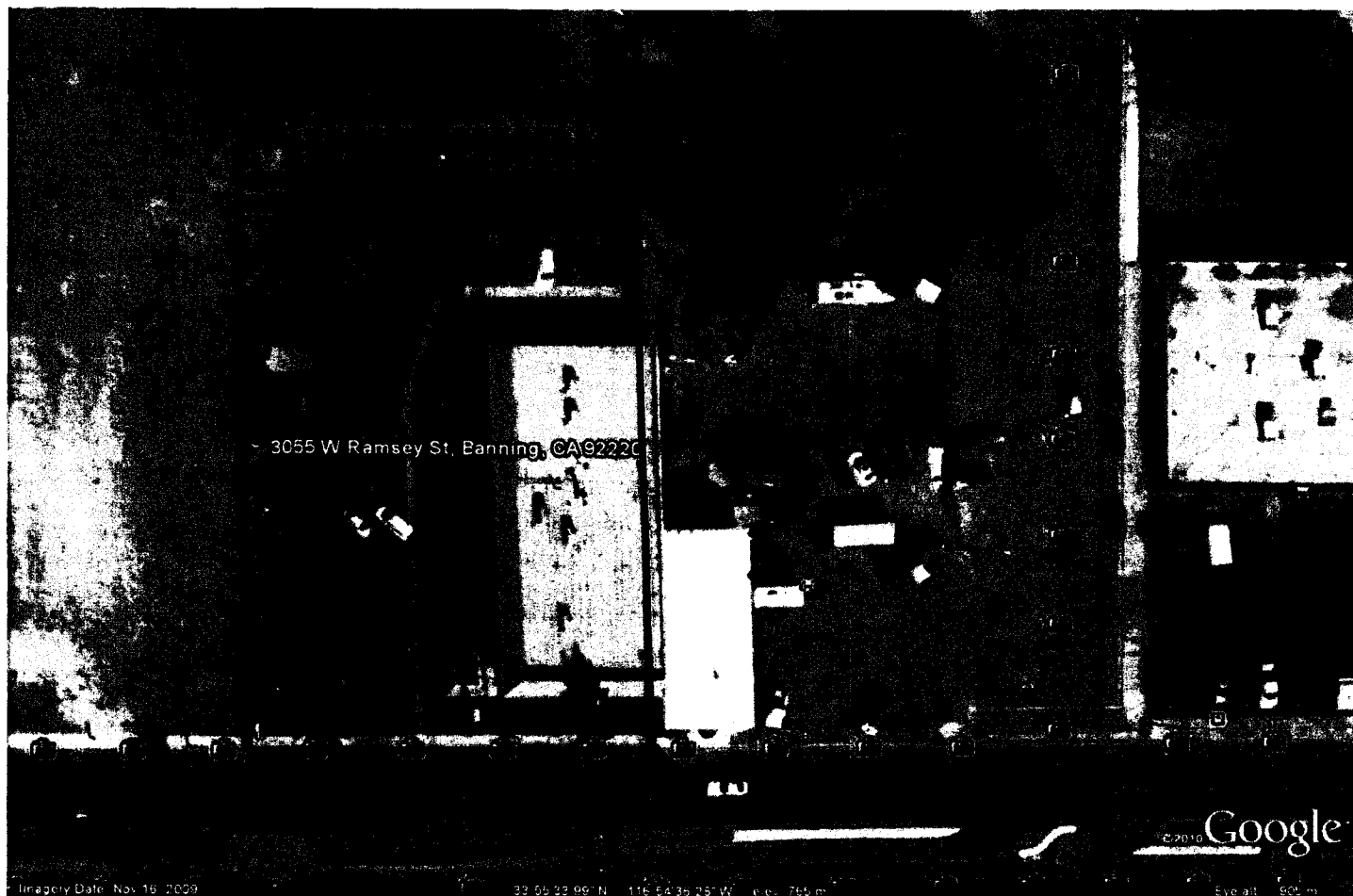


EXHIBIT "A"

1 **Exhibit "B"**

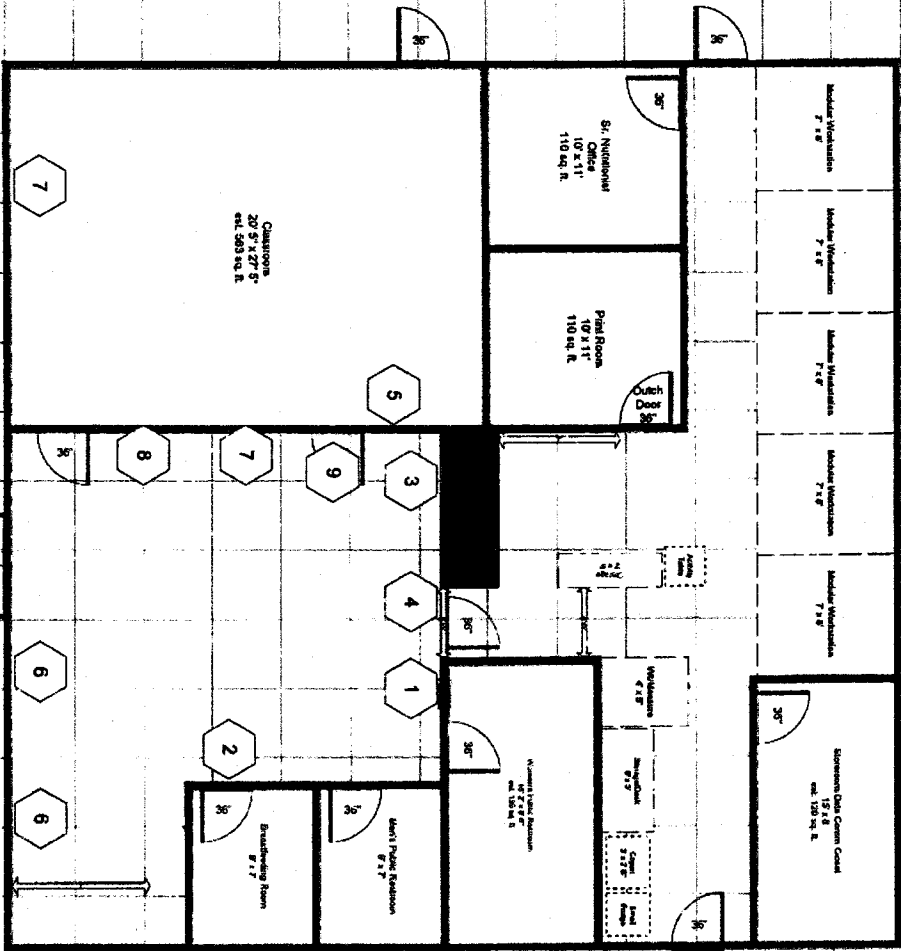
2 **(Tenant Improvements for 3055 Ramsey Street, Banning)**

- 3
- 4 1. Patch and paint throughout the interior premises, including lobby, offices, rooms,
- 5 hallways, doors, moldings, etc.
- 6 2. Install new blinds in lobby.
- 7 3. Replace carpet throughout the clinic (where it was previously carpeted).
- 8 4. Add VCT flooring & carpet in back office. (As per flooring diagram).
- 9 5. Replace drinking fountain in lobby with new unit.
- 10 6. Build a hard wall breastfeeding room (BFR) in the lobby with door. (This will
- 11 replace the modular BFR).
- 12 7. Demo Built-in- counter & wall. Leave security door, demo 8' from wall to door and
- 13 replace built-in counter with Etho-space workstations (department will provide
- 14 workstations).
- 15 8. Add electrical strike for pass-through door, run pass-through button to each of the
- 16 (2) modular workstations.
- 17 9. Relocate fire extinguisher to opposite wall of classroom (new position to change
- 18 from exterior exit door)
- 19 10. Provide plywood backing to support LCD wall mounted TV-32" in Lobby, and 42"
- 20 in classroom. Department will provide TV's. Require electrical high on wall to
- 21 support each TV, may recess electrical in ceiling.
- 22 11. Provide electrical conduit data (3/4" pipe) for future kiosk in lobby.
- 23 12. Wall off door in lobby to classroom
- 24
- 25
- 26
- 27

EXHIBIT "B"

Banning WIC
Est. Sq. Footage
Measurements

Banning WIC - T.I.s
Build / Demo
BANBUDEM.VSD
12/7/2010



Build
Demo

1 Replace drinking fountain

2 Add Door

3 Demo Bulk-In Counter & Wall
Leave Security Door
Demo 8' from wall to door.



4 Replace built-in counter with
(2) Etno-space workstations.
Neek Minimum 21 Workstations.

5 Add Electrical Strike for pass-
through door, run pass-
through button to each of the
(2) modular reception
workstations.

6 Relocate fire extinguisher to
opposite wall of classroom
(new position to change from
exterior exit door)

7 New Blinds in the lobby

8 Plywood Backing to support
LCD Wall Mounted TV - 32"
Lobby, 42" Classroom
Require Electrical High on wall
to support each TV, may
recess electrical in ceiling.

9 Self-Service Kiosk
Confirm electrical - require
conduit for data (3/4" pipe)

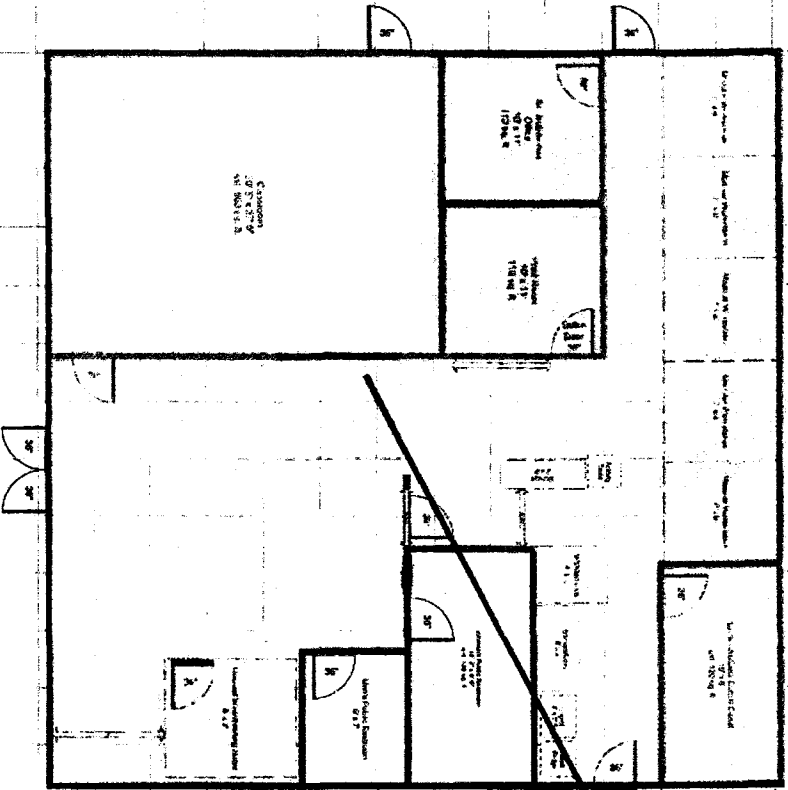
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EXHIBIT "B"

Flooring

Sanding VMC
1/4 Sq. Footage
Requirements

Banning VMC - T1s
Block Diagram
BANTS.VSD
12/9/2010



Reception/Intake
Modular Furniture
Carpet 8'D x 14'W

CARPET

VCT

Handwritten signature