

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

128



FROM: Economic Development Agency / Facilities Management

SUBMITTAL DATE:
June 16, 2011

SUBJECT: Revenue Sublease – Economic Development Agency, Riverside, California

RECOMMENDED MOTION: That the Board of Supervisors ratify the attached Revenue Sublease and authorize the Chairman of the Board to execute the same on behalf of the County.

BACKGROUND: The County of Riverside (County) holds a leasehold interest as lessee under a lease between the County and Spruce Street Professional Building, LLC, for the facility located at 1325 Spruce Street, Riverside, California. The County's Workforce Development Center (WDC) occupies a total of 51,511 square feet for the purpose of providing workforce services to the community. As a mandated partner with the County's Workforce Development Center, the State of California Employment Development Department (EDD) occupies 10,251 square feet within the WDC office. The attached Revenue Sublease prepared by the State, for the County Board of Supervisor's approval, is the conclusion of negotiations between the County and State for shared use and operating expenses of the Workforce Development Center.

(Continued)

Robert Field
Assistant County Executive Officer/EDA

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

COMPANION ITEM ON BOARD OF DIRECTORS AGENDA: No

SOURCE OF FUNDS: N/A	Positions To Be Deleted Per A-30	<input type="checkbox"/>
	Requires 4/5 Vote	<input type="checkbox"/>

C.E.O. RECOMMENDATION: APPROVE

BY:
Jennifer L. Sargent

County Executive Office Signature

By: *Felicia Flournoy*
Felicia Flournoy, Assistant Director
Economic Development Agency

FORM APPROVED COUNTY COUNSEL
BY: *Synthia M. Gunzel*
DATE: 5-26-11
SYNTHIA M. GUNZEL
Departmental Concurrence

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

Prev. Agn. Ref.: 3.20 of 9/13/05; 3.13 of 6/13/06; District: 1
3.10 of 12/12/06; 3.12 of 7/3/07; 3.24 of 2/9/10

Agenda Number: **3.54**

ATTACHMENTS FILED
WITH THE CLERK OF THE BOARD

BACKGROUND: (Continued)

Location: 1325 Spruce Street
Riverside, CA 92507

Size: 10,251 square feet

Term: Four (4) years commencing April 1, 2010 through March 31, 2014.

Rent Revenue: \$26,288.50 per month - April 1, 2010 – March 31, 2011.
\$28,236.19 per month - April 1, 2011 – March 31, 2012
\$28,953.76 per month - April 1, 2012 – March 31, 2013.
\$29,773.84 per month - April 1, 2013 – March 31, 2014.

Total revenue over term: \$1,359,027.48.

Utilities: Provided by Lessor and County under the master lease.

Custodial: Provided by Lessor under the master lease.

Maintenance: Provided by Lessor under the master lease.

Termination: State may terminate after March 31, 2012, with 30-day written notice.

Pursuant to the California Environmental Quality Act (CEQA), the Sublease is categorically exempt from CEQA under CEQA Guidelines 15301, Class 1- Existing Facilities. The proposed project, the Sublease, is the subletting of property involving existing facilities and no expansion of an existing use will occur.

The attached Revenue Sublease has been reviewed and approved by County Counsel as to legal form.

FINANCIAL DATA: There are no costs associated with this Form 11.

Attachments:

Sublease Agreement