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

FORM APPROVED COUNTY COUNSEL
BY: Synthia M. Gunzel 1-20-12
DATE
SYNTHIA M. GUNZEL

FROM: Economic Development Agency / Facilities Management

SUBMITTAL DATE:
January 26, 2012

SUBJECT: Third Amendment to Lease – Department of Mental Health, Moreno Valley

RECOMMENDED MOTION: That the Board of Supervisors approve the attached Third Amendment to Lease and authorize the Chairman of the Board to execute same on behalf of the County.

BACKGROUND: (Commences on Page 2)

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:	2011/12

COMPANION ITEM ON BOARD OF DIRECTORS AGENDA: No

SOURCE OF FUNDS: Federal 42.12%, State 56.12%, 3 rd Party 1.76%	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
Jennifer L. Sargent

County Executive Office Signature

By: Nancy J. Poley
Nancy J. Poley, Director
Department of Mental Health

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

Prev. Agn. Ref.: 3.8 of 12/2/1997; 3.20 of 5/11/04; 3.20 of 4/17/07 | **District:** 5/5 | **Agenda Number:** 3.8

ATTACHMENTS FILED
WITH THE CLERK OF THE BOARD

BACKGROUND:

This Third Amendment to Lease represents a request from the Department of Mental Health (DOMH) to extend the lease for its office located at 23119 Cottonwood Avenue, Building A, Moreno Valley, California, commencing on March 1, 2012 through February 28, 2017. This facility continues to meet the program's location and space requirements. This renewal will extend the term 5 years and the rent will remain the same for FY 2011/12. The annual increase has been reduced from five percent to four percent and will take effect in FY 2012/13. In addition, the Lessor, at his sole cost and expense, will touch up and paint throughout, paint office 104 and replace carpet throughout, during year three of the lease term at no cost to the County. This Third Amendment to Lease is summarized below:

Lessor: Bel Air Plaza, LTD
1875 Century Park East, Suite 1350
Los Angeles, California 90067

Location: 23119 Cottonwood Avenue, Building A
Moreno Valley, California 92553

Term: Extended five years effective March 1, 2012

Size: 6,193 square feet

Rent: \$1.82 per square foot
\$11,291.45 per month
\$135,497.40 per year

Annual Increase: Four percent

Improvement Cost: At Lessors sole cost and expense

Utilities: County pays for telephone and electrical services, Lessor pays for all other

Custodial Services: Lessor

Maintenance: Lessor

RCIT: None

Option to Terminate: Termination for any reason with ninety day notice.

The attached Third 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 this Third Amendment to Lease will be fully funded through the DOMH budget. The DOMH has budgeted these costs in FY 2011/12. While the Economic Development Agency (EDA) will front the costs for the Third Amendment to Lease with the property owners, the DOMH will reimburse EDA for all associated costs.

Attachment:
Third Amendment to Lease

Exhibit A

Department of Mental Health Lease Cost Analysis FY 2011/12 23119 Cottonwood Avenue, Moreno Valley, California

Total Square Footage to be Leased:

EXPECTED AMOUNTS

Current office:		6,193 SQFT	
Cost Per Sq. Ft:	\$	1.82	
Lease Cost per Month		\$ 11,291.45	
Total Lease Cost included in Budget for FY 2011/12		\$ 11,291.45	\$ 135,497.40

ACTUAL AMOUNTS

Current office:		6,193 SQFT	
Approximate Cost per SQFT (July - Feb)	\$	1.82	
Approximate Cost per SQFT (March - June)	\$	1.82	
Lease Cost per Month (July - Feb)	\$	11,291.45	
Lease Cost per Month (March- June)	\$	11,291.45	
Total Lease Cost (July -Feb)		\$ 90,331.60	
Total Lease Cost (March - June)		\$ 45,165.80	
Total Lease Cost for FY 2011/12		\$ 45,165.80	\$ 135,497.40
TOTAL LEASE COST FOR FY 2011/12			

Estimated Additional Costs:

BUDGETED AMOUNTS

Utility Cost per Square Foot	\$	0.12	
Estimated Utility Costs per Month	\$	743.16	
Total Estimated Utility Cost for FY 2011/12		\$ 8,917.92	
EDA Lease Management Fee (Based @ 3.79%)		\$ 5,135.35	
Total Estimated Additional Costs included in Budget for FY 2011/12		\$ 5,135.35	\$ 14,053.27

ACTUAL AMOUNTS

Utility Cost per Square Foot	\$	0.12	
Estimated Utility Costs per Month	\$	743.16	
Total Additional Estimated Utility Cost for FY 2011/12 (July - June)		\$ 8,917.92	
EDA Lease Management Fee (Based @ 3.79%)		\$ 5,135.35	
Total Estimated Additional Costs for FY 2011/12		\$ 5,135.35	\$ 14,053.27
TOTAL ESTIMATED ADDITIONAL COST FOR FY 2011/12			\$0

Exhibit B

Department of Mental Health Lease Cost Analysis for FY 2012/13 23119 Cottonwood Avenue, Moreno Valley, California

Current Square Feet Occupied:

Office:		6,193	SQFT		
Cost per Square Foot:	\$	1.90			
Lease Cost per Month			\$	11,743.11	
Total Estimated Lease Cost for FY 2012/13					\$ 140,917.32

Estimated Utility Costs:

Utility Cost per Square Foot	\$	0.12			
Estimated Utility Costs			\$	743.16	
Total Estimated Utility Cost for FY 2012/13					\$ 8,917.92

EDA Lease Management Fee (Based @ 3.79%) \$ 5,340.77

Total Estimated Lease Cost FY 2012/13: \$ 155,176.01

1 **THIRD AMENDMENT TO LEASE**

2 (Department of Mental Health

3 23119 Cottonwood Avenue, Building A, Moreno Valley, California)

4
5 This **Third Amendment to Lease** (Third Amendment) is made as of _____,
6 2012 by and between the **COUNTY OF RIVERSIDE**, a political subdivision of the State of
7 California (County), and **BEL AIR PLAZA, LTD.**, a California limited partnership (Lessor).

8 **1. Recitals.**

9 a. Lessor and County entered into that certain Lease December 2, 1997,
10 (Original Lease) pursuant to which County leased a portion of that certain building located at
11 23119 Cottonwood Avenue, Building A, Moreno Valley, California (Building), as more
12 particularly described in the Original Lease.

13 b. The Original Lease has been amended by:

14 i. That certain First Amendment to Lease dated May 11, 2004,
15 (First Amendment).

16 ii. That certain Second Amendment to Lease dated April 17, 2007,
17 (Second Amendment).

18 c. The Original Lease, as heretofore, currently, or hereafter amended,
19 together with this Third Amendment, shall hereafter be referred to as the Lease.

20 **NOW THEREFORE**, for good and valuable consideration the receipt and adequacy of
21 which is hereby acknowledged, the parties agree as follows:

22 **2. Capitalized Terms:** Third Amendment to Prevail. Unless defined herein or the
23 context requires otherwise, all capitalized terms herein shall have the meaning defined in the
24 Lease, as heretofore amended. The provisions of this Third Amendment shall prevail over any
25 inconsistency or conflicting provisions of the Lease, as heretofore amended, and shall
26 supplement the remaining provisions thereof. The Lease remains in full force and effect except
27 to the extent amended by this Third Amendment.

28

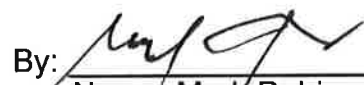
1 **8. County's Representative.** Section 19 of the Lease shall be amended as
2 follows: County hereby appoints the Assistant County Executive Officer of the
3 Economic Development Agency as its authorized representative to administer this
4 Lease.

5 **9.** Except as modified or supplemented by this Third Amendment to Lease,
6 all other provisions of the Lease remain the same and shall remain in full force and
7 effect.

8 **10.** This Third Amendment to Lease shall not be binding or consummated
9 until its approval by the Board of Supervisors for the County of Riverside.

10 Dated: 1-10-12

BEL AIR PLAZA, LTD., a California limited partnership

11
12
13 By: 
14 Name: Mark Rubin
15 Title: Pres.

COUNTY OF RIVERSIDE, a political subdivision of the State of California

16
17
18 By: _____
19 John Tavaglione, Chairman
20 Board of Supervisors

19 **ATTEST:**
20 Kecia Harper-Ihem
21 Clerk of the Board

22 By: _____
23 Deputy

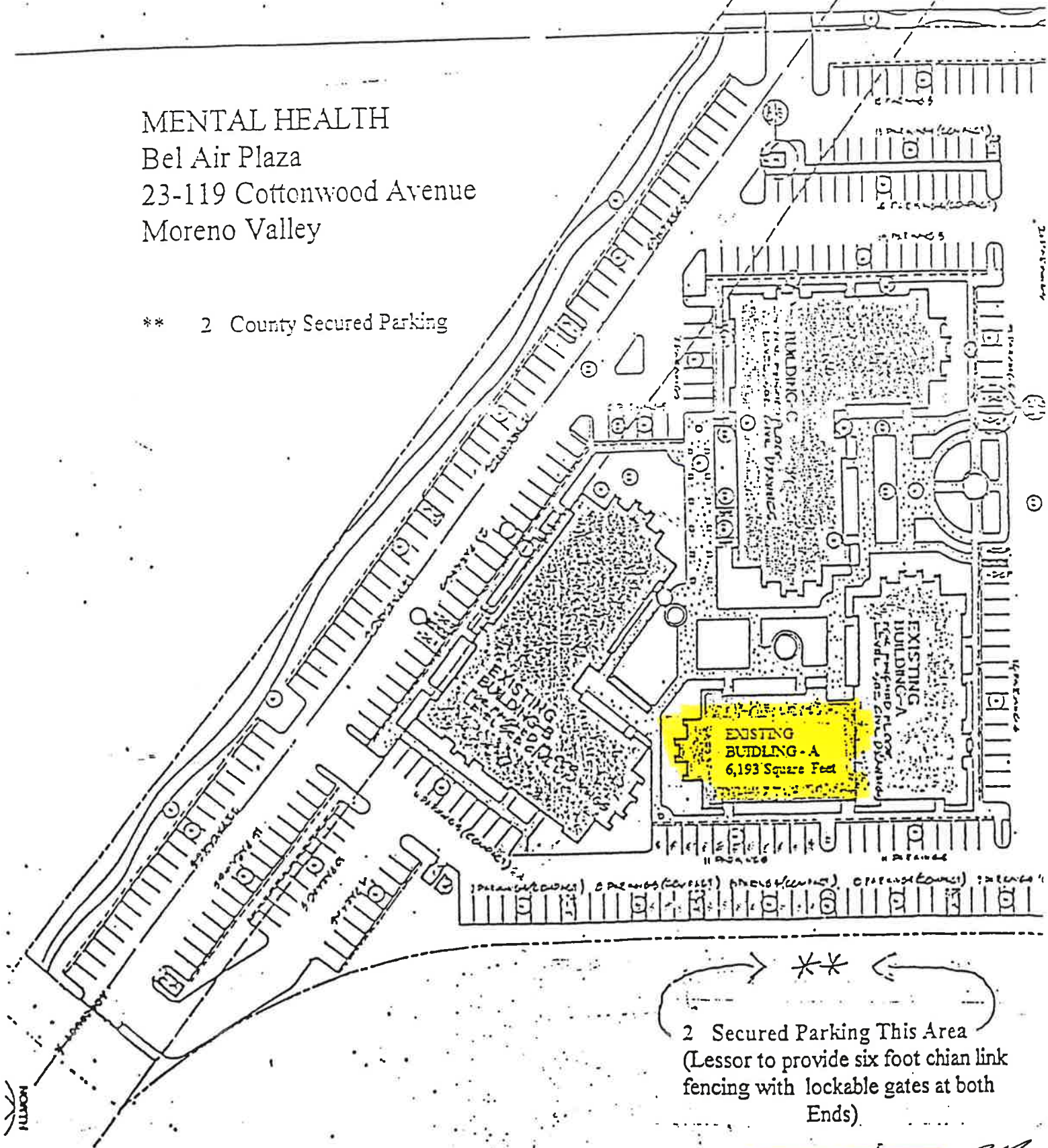
APPROVED AS TO FORM:
Pamela J. Walls
County Counsel

24
25
26 By: 
27 Cynthia M. Gunzel
28 Deputy County Counsel

FREDERICK STREET

MENTAL HEALTH
Bel Air Plaza
23-119 Cottonwood Avenue
Moreno Valley

** 2 County Secured Parking



2 Secured Parking This Area
(Lessor to provide six foot chain link
fencing with lockable gates at both
Ends)

Exhibit A