

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

924



**SUBMITTAL DATE:**  
March 1, 2012

**FROM:** Economic Development Agency / Facilities Management

**SUBJECT:** Fourth Amendment to Lease – Treasurer/Tax Collector

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

1. Approve the attached Fourth Amendment to Lease and authorize the Chairman of the Board to execute the same on behalf of the County; and
2. Find that the project is exempt from the California Environmental Quality Act (CEQA) pursuant to Section 15301, Existing Facilities.

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

FISCAL PROCEDURES APPROVED  
PAUL ANGULO, CPA, AUDITOR-CONTROLLER  
BY Samuel Wong 2/29/12  
SAMUEL WONG

Robert Field  
Assistant County Executive Officer/EDA

<b>FINANCIAL DATA</b>	Current F.Y. Total Cost:	\$ 21,272	In Current Year Budget:	Yes
	Current F.Y. Net County Cost:	\$ 21,272	Budget Adjustment:	No
	Annual Net County Cost:	\$ 63,816	For Fiscal Year:	2011/12

**COMPANION ITEM ON BOARD OF DIRECTORS AGENDA:** No

<b>SOURCE OF FUNDS:</b> 100% Treasurer/Tax Collector Budget	<b>Positions To Be Deleted Per A-30</b>	<input type="checkbox"/>
	<b>Requires 4/5 Vote</b>	<input type="checkbox"/>

**C.E.O. RECOMMENDATION:**

APPROVE

County Executive Office Signature Jennifer K. Sargent

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

**Prev. Agn. Ref.:** 3.17 of 1/15/02, 3.24 of 8/13/02, 3.10 of 2/8/05, 3.32 of 3/16/10 | **District:** 4/4 | **Agenda Number:** 3.17

ATTACHMENTS FILED  
WITH THE CLERK OF THE BOARD

**BACKGROUND:**

The County of Riverside entered into a lease agreement on January 15, 2002, for the Treasurer/Tax Collector for the facility located at 997 E. Tahquitz Canyon Way, Suite A, in Palm Springs. This Fourth Amendment to Lease will extend the Lease for a period of three years effective as of March 1, 2012. This facility continues to meet the department's office space requirements.

Pursuant to the California Environmental Quality Act (CEQA), the Lease Amendment was reviewed and determined to be categorically exempt from CEQA under CEQA Guidelines Section 15301, Class 1-Existing Facilities. The proposed project, the Fourth Amendment to Lease, is the letting of property involving existing facilities with minor tenant improvement alterations and no expansion of an existing use will occur.

Lessor:	Suitt Family Trust C/O Suitt Properties 2700 E. Mesquite Avenue #E-28 Palm Springs, California 92264
Premises Location:	997 E. Tahquitz Canyon Way Palm Springs, California 92262
Term:	Three year lease extension effective as of March 1, 2012
Size:	2,670 square feet
Rent:	\$4,532.16 per month, no rental adjustment
Utilities:	County pays electric, Lessor pays all others
Maintenance:	Provided by Lessor
Custodial:	Provided by Lessor
Improvements:	N/A
RCIT:	N/A

The attached Fourth 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 Fourth Amendment to Lease will be fully funded through the Treasurer/Tax Collector budget. The Treasurer/Tax Collector has budgeted these costs in FY 2011/12. While Economic Development Agency (EDA) will front the costs for the Fourth Amendment with the property owners, the Treasurer/Tax Collector will reimburse EDA for all associated costs. EDA has sufficient budget within its Rent-Lease Buildings expense account to cover this Lease; therefore, no budget adjustment is needed.

Attachments:

Exhibit A  
Exhibit B  
Fourth Amendment to Lease

# Exhibit A

## Treasurer/Tax Collector Lease Cost Analysis FY 2011/12 997 E. Tahquitz Way, Palm Springs, California

**Total Square Footage to be Leased:**

**EXPECTED AMOUNTS**

Current office:	2,670 SQFT	
<b>Total Expected Lease Cost for FY 2011/12</b>		<b>\$ 35,201.28</b>

**ACTUAL AMOUNTS**

Current Office:	2,670 SQFT	
Approximate Cost per SQFT (July - Feb)	\$ 1.65	
Approximate Cost per SQFT (March -June)	\$ 1.70	
Lease Cost per Month (July - Feb)	\$ 4,400.16	
Lease Cost per Month (March - June)	<u>\$ 4,532.16</u>	
Total Lease Cost (July - Feb)	\$ 35,201.28	
Total Lease Cost (March - June)	<u>\$ 18,128.64</u>	
<b>Total Actual Lease Cost for FY 2011/12</b>		<b>\$ 53,329.92</b>
<b>Total Lease Cost Variance for FY 2011/12</b>		<b>\$18,128.64</b>

**Estimated Additional Costs:**

**EXPECTED AMOUNTS**

Utility Cost per Square Foot	\$ 0.23	
Estimated Utility Costs per Month	<u>\$ 614.10</u>	
<b>Total Expected Additional Cost for FY 2011/12</b>		<b>\$ 4,912.80</b>

EDA Lease Management Fee (Based @ 3.79%)	<u>\$ 1,334.13</u>	
<b>Total Expected Additional Cost Included in Budget for FY 2011/12</b>		<b>\$ 6,246.93</b>

**ACTUAL AMOUNTS**

Utility Cost per Square Foot	\$ 0.23	
Costs per Month (July - Feb)	\$ 614.10	
Costs per Month (March - June)	<u>\$ 614.10</u>	
<b>Total Estimated Actual Utility Cost for FY 2011/12</b>		<b>\$ 7,369.20</b>

EDA Lease Management Fee (Based @ 3.79%)	<u>\$ 2,021.20</u>	
<b>Total Estimated Additional Actual Cost for FY 2011/12</b>		<b>\$ 9,390.40</b>

<b>Total Estimated Additional Cost Variance for FY 2011/12</b>		<u><b>\$3,143.47</b></u>
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<b>TOTAL ESTIMATED COST FOR FY 2011/12</b>		<u><b>\$21,272.11</b></u>
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<b>TOTAL COUNTY COST 100%</b>		<b>\$21,272.11</b>
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## Exhibit B

### Treasurer/Tax Collector Lease Cost Analysis FY 2012/13 997 E. Tahquitz Way, Palm Springs, California

#### Current Square Feet Occupied:

Office:	2,670	SQFT		
Cost per Square Foot: (July 1, 2012 - Feb, 28 2013)	\$	1.70		
Cost per Square Foot: (March 1, 2013 - June 30, 2013)	\$	1.70		
Lease Cost per Month (July 1, 2012 - Feb 28, 2013)	\$		4,532.16	
Lease Cost per Month (March 1, 2013 - June 30, 2013)	\$		4,532.16	
Lease Cost (July - Feb)			\$	36,257.28
Lease Cost (March - June)			\$	18,128.64
<b>Total Estimated Lease Cost for FY 2012/13</b>			\$	<b>54,385.92</b>

#### Estimated Utility Costs:

Utility Cost per Square Foot	\$	0.23		
Estimated Utility Costs per Month (July 1, 2012 - June 30, 2013)			\$	614.10
Total Estimated Additional Cost for FY 2012/13			\$	7,369.20
EDA Lease Management Fee (Based @ 3.79%)			\$	2,061.23
<b>TOTAL ESTIMATED COST FOR FY 2012/13</b>			\$	<b>63,816.35</b>
<b>TOTAL COUNTY COST 100%</b>			\$	<b>63,816.35</b>

1 **FOURTH AMENDMENT TO LEASE**

2 **(997 E. Tahquitz Canyon Way, Suite A, Palm Springs, California)**

3  
4 This **FOURTH AMENDMENT TO LEASE** (Fourth Amendment) is made as of  
5 \_\_\_\_\_, 2012, by and between the **COUNTY OF RIVERSIDE**, on behalf of  
6 the Treasurer - Tax Collector, a political subdivision of the State of California, (County), and  
7 Jacqueline H. Suitt, Trustee of **SUITT FAMILY TRUST**, dated October 19, 1990, (Lessor).

8 **1. Recitals.**

9 a. Lessor and County entered into that certain Lease dated January 15,  
10 2002 (Original Lease) pursuant to which County leased the premises located at 997 E.  
11 Tahquitz Canyon Way, Suite A, Palm Springs, California (Leased Premises), as more  
12 particularly described in the Lease.

13 b. The Original Lease has been amended by:

14 i. That certain First Amendment to Lease dated August 13, 2002,  
15 (First Amendment), whereby the County and Lessor amended the Lease to increase the leased  
16 premises and change the formula for calculating the cost of utilities billed to the County.

17 ii. The Original Lease has been amended by that certain First  
18 Amendment of Lease dated February 8, 2005, although incorrectly titled First Amendment to  
19 Lease, is in fact the Second Amendment to this Lease and hereinafter will be referred to as  
20 such, by and between Lessor and County (Second Amendment), whereby the County and  
21 Lessor amended the Lease to extend the term period and provide new rental amounts for the  
22 extended term period.

23 iii. That certain Third Amendment to Lease dated March 16, 2010,  
24 (Third Amendment), whereby the County and Lessor amended the Lease to among other  
25 things, extend the term period and provide new rental amounts for the extended term period.

26 c. County and Lessor now desire to amend the Lease to extend the term  
27 period, provide an option to extend and new rental amounts for the extended term.  
28

1           d.       The Original Lease, as heretofore, currently, or hereafter amended,  
2 together with this Fourth Amendment, shall hereafter be referred to as the Lease.

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

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

11           **3. Extension of Term.** Section 2 of the Third Amendment is hereby amended by  
12 the following: The term of this Lease shall be extended for three (3) years commencing on  
13 March 1, 2012 and terminating February 28, 2015.

14           **4. Rent During Extended Term.** Section 4 of the Third Amendment to Lease is  
15 hereby amended by the following: County shall pay to the Lessor the monthly sum of  
16 \$4,532.16 for the period of March 1, 2012 through February 28, 2015.

17           **5. Option to Extend.** Section 3 of the Third Amendment is hereby amended by  
18 the following: Lessor grants to County one (1) option to extend the Lease term (Extension  
19 Option) with this Fourth Amendment. Extension Option shall be for a period of one (1) year.  
20

21           **5.1 Exercise of Option, Rent.** The Extension Option shall be exercised by  
22 County delivering to Lessor a written notice thereof, no later than sixty (60) days prior to the  
23 expiration of the Original Term or any extension thereof. The monthly rent during the option  
24 period shall be \$4,532.16.

25           **6.** Except as modified or supplemented by this Fourth Amendment to Lease, all  
26 provisions of this Lease shall remain in full force and effect.

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