

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

793



SUBMITTAL DATE:
August 16, 2012

FROM: Economic Development Agency / Facilities Management

SUBJECT: First Amendment to Lease – Environmental Health

RECOMMENDED MOTION: That the Board of Supervisors:

1. Approve the attached First Amendment to Lease;
2. Authorize the Chairman of the Board to execute the same on behalf of the County;
3. Approve and direct the Auditor–Controller to adjust the Economic Development Agency's FY 2012/13 budget as outlined on Schedule A; and

FORM APPROVED COUNTY COUNSEL
BY: Patricia Munoz 7/18/12
DATE: 7/18/12
PATRICIA MUNOZ, County Counsel

(Continued)

Robert Field

FISCAL PROCEDURES APPROVED
PAUL ANGULO, CPA, AUDITOR-CONTROLLER
BY: Samuel Wong 8/16/12
SAMUEL WONG

Robert Field
Assistant County Executive Officer/EDA

FINANCIAL DATA	Current F.Y. Total Cost:	\$ 48,992	In Current Year Budget:	No
	Current F.Y. Net County Cost:	\$ 0	Budget Adjustment:	Yes
	Annual Net County Cost:	\$ 0	For Fiscal Year:	2012/13

COMPANION ITEM ON BOARD AGENDA: No

SOURCE OF FUNDS: Environmental Health Department Budget Service Fees.	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

By: Steve Van Stockum Director of Environmental Health

Consent Policy
 Per Exec. Ofc. Policy

Prev. Agn. Ref.: 3.48 of 9/13/11

District: 2/2

Agenda Number:

3.45

ATTACHMENTS FILED
WITH THE CLERK OF THE BOARD

RECOMMENDED MOTION: (Continued)

4. Find that the project is exempt from the California Environmental Quality Act (CEQA) pursuant to CEQA Guidelines Section 15301, Existing Facilities.

BACKGROUND:

On September 13, 2011, the County entered into a Lease Agreement on behalf of Environmental Health for the premises located at 3880 Lemon Street, Suite 200. This First Amendment represents an expansion into an additional 1,171 square feet to be used for file storage. Occupancy is anticipated to commence in August 2012. All other terms and conditions of the Lease Agreement remain in full force and effect.

Pursuant to the California Environmental Quality Act (CEQA), the Lease Amendment was reviewed and determined to be categorically exempt from CEQA Guidelines 15301, Class 1 – Existing facilities and not expansion of an existing use will occur.

Lessor: Nomel Ventures, LLP
6011 Bristol Parkway
Culver City, California

Location: 3880 Lemon Street, 2nd Floor
Riverside, California 92501

Size: Expanding 1,171 sq. ft. from 6,594 sq. ft. to 7,765 sq. ft.

Rent:	Current	New
	\$1.58 per sq. ft.	\$1.58 per sq. ft.
	\$10,418.52 per month	\$12,268.70 per month
	\$125,022.24 per year	\$147,224.40 per year

Improvements: Not to exceed \$25,300.00 which includes a 15% contingency for any work requested not included in the original scope of work.

RCIT: \$1,000.00

This First Amendment has been reviewed and approved by County Counsel as to legal form.

FINANCIAL DATA:

All associated costs for this lease will be fully funded through the Department of Environmental Health's budget. While EDA will front the costs for the First Amendment to Lease with the property owners, Environmental Health will reimburse EDA for all associated lease costs.

Attachments:
First Amendment
Schedule A
Exhibit A

SCHEDULE A

Increase Appropriations:

47220-7200400000-526700	Rent-Lease Buildings	\$48,992
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Increase Estimated Revenue:

47220-7200400000-777330	Leasing Services	\$48,992
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Exhibit A

Environmental Health Lease Cost Analysis FY 2012/13 3880 Lemon Street, Suite 200

Total Square Footage to be Leased:

EXPECTED AMOUNTS

Current office: 6,594 sq. ft. SQFT
Total Expected Lease Cost for FY 2012/13 \$ 125,022.24

ACTUAL AMOUNTS

Current Office: 6,594 SQFT
Proposed Office: 7,765 SQFT

Approximate Cost per SQFT (July) \$ 1.58
Approximate Cost per SQFT (Aug -June) \$ 1.58

Lease Cost per Month (July) \$ 10,418.52
Lease Cost per Month (Aug - June) \$ 12,268.70

Total Lease Cost (July) \$ 10,418.52
Total Lease Cost (Aug - June) \$ 134,955.70
Total Actual Lease Cost for FY 2012/13 \$ 145,374.22
Total Lease Cost Variance for FY 2012/13 \$ 20,351.98

Estimated Additional Costs:

EXPECTED AMOUNTS

Utility Cost per Square Foot \$ 0.12
Estimated Utility Costs per Month (July - June) \$ 791.28

Total Estimated Utility Cost for FY 2012/13 \$ 9,495.36

RCIT \$ 1,000.00

Tenant Improvements \$ -

EDA Lease Management Fee (Based @ 3.93%) \$ 4,913.37
Total Estimated Expected Cost for FY 2012/13 \$ 15,408.73

ACTUAL AMOUNTS

Utility Cost per Square Foot \$ 0.12
Costs per Month (July) \$ 791.28
Costs per Month (Aug - June) \$ 931.80
Total Estimated Actual Utility Cost for FY 2012/13 \$ 11,041.08

RCIT \$ 1,000.00

Tenant Improvements \$ 25,300.00

EDA Lease Management Fee (Based @ 3.93%) \$ 6,707.50
Total Estimated Actual Cost for FY 2012/13 \$ 44,048.58

Total Estimated Cost Variance for FY 2012/13 \$ 28,639.85

TOTAL ESTIMATED COST FOR FY 2012/13 \$ 48,991.83

1 **FIRST AMENDMENT TO LEASE**
2 **3880 Lemon Street, Suite 200**
3 **Riverside, California**
4

5 This **FIRST AMENDMENT TO LEASE** ("First Amendment") is made as of
6 _____, 2012 by and between the **COUNTY OF RIVERSIDE**, a
7 political subdivision of the State of California ("County") and **NOMEL VENTURES, L.P.**
8 a California limited partnership, ("Lessor").

9 **1. Recitals.**

10 (a) County and Lessor entered into a lease dated September 13,
11 2011, (the "Original Lease") pursuant to which County leased a portion of that certain
12 building located at 3880 Lemon Street, Suite 200, Riverside, California, as more
13 particularly described in the Original Lease "Original Premises."

14 (b) In addition to the Original Premises, County desires to lease from
15 Lessor and Lessor desires to lease to County Suite 290, consisting of 1,171 rentable
16 square feet located on the 2nd floor of the Building (the "Expansion Space") on the
17 terms and conditions set forth herein. The Original Premises and the Expansion Space
18 are collectively referred to herein as the "Premises." The Original Lease together with
19 this Amendment are collectively referred to herein as the "Lease."

20 (c) The Parties now desire to amend the Lease to provide for an
21 expansion in space, adjustment in rental amount and completion of tenant
22 improvements to accommodate additional staff.

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

25 **2.** Section 2.2 of the Original Lease is hereby replaced in its entirety by the
26 following:

27 The Premises shall consist of that certain portion of the Project, as
28 defined herein, including all improvements therein or to be provided by Lessor under

1 the terms of this Lease and commonly known as 3880 Lemon Street, Suite 290,
2 Riverside, comprised of 1,171 square feet (expansion area of 1,171 square feet as
3 indicated on the attached Exhibit J, attached hereto and incorporated herein), and
4 Suite 200 comprised of 6,594 square feet for a total of 7,765 square feet. It is
5 understood that the Premises include all appurtenances and easements thereto and
6 the non-exclusive right of ingress and egress at all times to and from the public streets
7 and highways for County, its employees and invitees. The Premises, the building, the
8 Common Areas, the land upon which they are located, along with all other buildings
9 and improvements thereon, are herein collectively referred to as the "Project."

10 **3.** Section 4.1 of the Original Lease is hereby amended by the following:

11 The term on the lease of the Expansion Space shall commence on the
12 Expansion Commencement Date (as hereinafter defined) and unless sooner
13 terminated in accordance with the terms of the Lease, shall terminate on January 31,
14 2017 (the "Expansion Term"). In no event shall the Expansion Term extend beyond the
15 termination of the Original Lease. As used herein the "Expansion Commencement
16 Date" shall be defined as August 15, 2012, provided however that the Expansion
17 Commencement Date shall be extended for not more than thirty (30) day if the
18 expansion Space is not Ready for Occupancy (as hereinafter defined) on or before
19 August 15, 2012. If the Expansion Space is not Ready for Occupancy on or before
20 August 15, 2012, due to delays caused by Lessor, Lessee shall have the right to
21 terminate this Amendment without penalty. If the Expansion Space is not ready for
22 Occupancy on or before August 15, 2012, due to delays caused by Lessee, Lessor
23 shall have the right to terminate this Amendment. If the Expansion Space is not Ready
24 for Occupancy on or before August 15, 2012, due to force majeure the commencement
25 Date shall be extended as necessary to allow the Expansion Space to become Ready
26 for Occupancy. As used herein, "Ready for Occupancy" shall mean the substantial
27 completion of construction of the improvements described in Exhibit "B", attached
28 hereto and by reference incorporated herein.

1 4. Section 5.1 of the Lease Agreement shall be amended as follows: Upon
2 completion and acceptance of all tenant improvements in the Expansion Space, rent
3 for the entire Leased Premises shall be as follows due on the first day of the month:

4	Month	Amount	Months	Amount
5	8 – 30	\$12,268.70	37 – 48	\$15,064.10
6	31 – 36	\$14,520.55	49 – 60	\$15,607.65

7 In the event rent for any period during the term hereof is less than one (1) full calendar
8 month said rent shall be pro-rated upon the actual number of days

9 5. Section 11.1 of the Original Lease is hereby amended to add a new
10 Subsection 11.1.9 by the following:

11 Improvements by Lessor.

12 Lessor, at its sole cost and expense shall complete improvements to the
13 expansion area as specified on Exhibit K, attached hereto and incorporated herein.
14 Total cost of improvements to be paid by Lessor shall not exceed \$25,300.00 which
15 includes a 15% contingency to be utilized by County for any additional work requested
16 that is not included in the original scope of work.

17 6. **Capitalized Terms:** First Amendment to Prevail. Unless defined herein
18 or the context requires otherwise, all capitalized terms herein shall have the meaning
19 defined in the Lease. The provisions of this First Amendment shall prevail over any
20 inconsistency or conflicting provisions of the Lease, as heretofore amended, and shall
21 supplement the remaining provisions thereof. The Lease remains in full force and
22 effect except to the extent amended by this First Amendment.

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1 7. This First Amendment to Lease shall not be binding or consummated until its
2 approval by the Board of Supervisors of the County of Riverside.

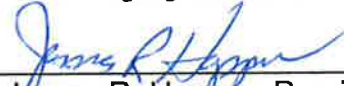
3 Dated: _____

4 **NOMEL VENTURES, L.P.**
5 **A California limited partnership**

6 By: AMC-Nomel, LLC,
7 a California limited liability company
8 Its General partner

9 By: The Watata Group, LLC,
10 a California limited liability company
11 Its Manager

12 By: Asset Management Consultants, Inc.,
13 a California corporation
14 Its Managing Member

15 By: 
16 James R. Hopper, President

17 **COUNTY OF RIVERSIDE, a political**
18 **subdivision of the State of California**

19 By: _____
20 John Tavaglione, Chairman
21 Board of Supervisors

22 **ATTEST:**
23 Kecia Harper-Ihem
24 Clerk of the Board

25 By: _____
26 Deputy

27 **APPROVED AS TO FORM:**
28 PAMELA J. WALLS, County Counsel

29 By: 
30 Patricia Munroe
31 Deputy County Counsel



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 www.sissondesign.com

COUNTY OF
 RIVERSIDE
 DEPARTMENT OF
 ENVIRONMENTAL
 HEALTH

3880 DEMON ST.
 SUITE 200
 RIVERSIDE, CA

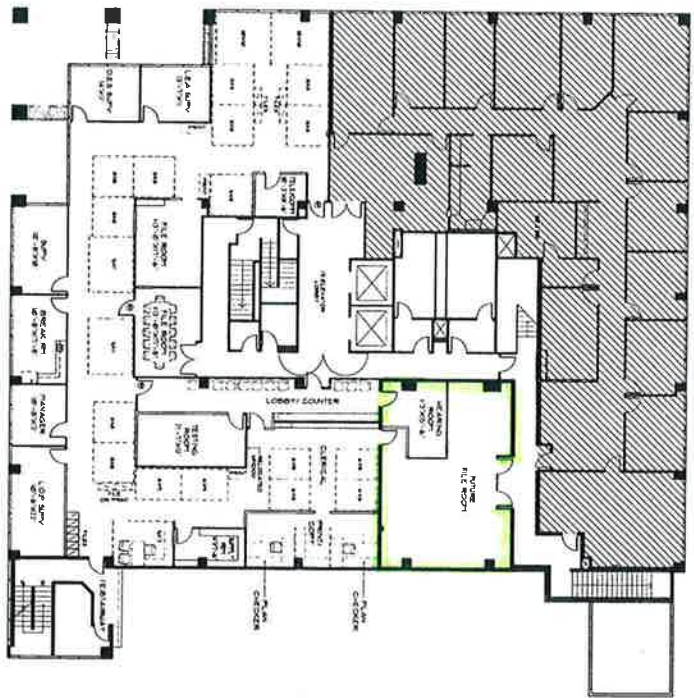
CONCEPTUAL
 PLAN
 SECOND FLOOR
 OPTION 2

DATE: 11/11/11
 DRAWN BY: [Name]
 CHECKED BY: [Name]
 APPROVED BY: [Name]

- PROGRESS SET
- PERMITS SET
- CONTRACT SET
- CONSTRUCTION SET
- AS-BUILT SET



CP-2



CONCEPTUAL SPACE PLAN
 SECOND FLOOR

Environmental Health
3880 Lemon Street, Suite 290
Riverside, California

Scope of Work

- Demolition: Remove flooring and cut in 1 door.
- Frame & Drywall: Repair walls throughout.
- Door & Frames: Install 1 re-used door, provide 4 new lock sets, remove security strikes, and plug holes in doors.
- Finish carpentry
- Electrical: Remove abandoned conduits, add 2 switches, reroute conduits at door cut-in.
- Acoustical Ceiling: Repair as needed.
- Paint: Paint all walls, touch up doors.
- Flooring: Carpet 4 rooms to match existing.