

819



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

**SUBMITTAL DATE:**  
November 29, 2012

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

**SUBJECT:** Third Amendment to Lease - Sheriff, Mountain Center

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

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

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

FISCAL PROCEDURES APPROVED  
PAUL ANGULO, CPA, AUDITOR-CONTROLLER  
BY: Samuel Wong 11/28/12  
SAMUEL WONG

Robert Field  
Assistant County Executive Officer/EDA

<b>FINANCIAL DATA</b>	Current F.Y. Total Cost:	\$ (1,110)	In Current Year Budget:	Yes
	Current F.Y. Net County Cost:	\$ (1,110)	Budget Adjustment:	No
	Annual Net County Cost:	\$ 22,133	For Fiscal Year:	2012/13

**COMPANION ITEM ON BOARD AGENDA:** No

**SOURCE OF FUNDS:** 100% General Fund

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**

Policy  Policy

Consent  Consent

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

**Prev. Agn. Ref.:** 3.32 of 8/11/92; 3.28 of 9/12/06; 3.22 of 2/23/10 **District:** 3/3

**Agenda Number** **3.6**

ATTACHMENTS FILED WITH THE CLERK OF THE BOARD

By: Stan Sniff, Sheriff  
Riverside County Sheriff's Department

FORM APPROVED COUNTY COUNSEL  
BY: Patricia Munroe 11/10/12  
DATE

**BACKGROUND:**

On August 11, 2003 the County entered into a lease agreement for the facility located at 56550 Highway 74, Mountain Center, California. This facility is utilized as a Sub-Station for the Sheriff's Department and continues to meet the needs and requirements of the department. The Economic Development Agency's Real Estate Division (EDA) has negotiated a three year extension commencing September 1, 2012, terminating August 31, 2015, in addition to a reduction in rent from \$1,846.81 to \$1,740.00 per month, which represents a 5.78% savings.

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. The proposed project, the Lease Amendment, is the letting of property involving existing facilities and not expansion of an existing use will occur.

Lessor:	Lake Hemet Municipal Water District 2480 E. Florida Avenue Hemet, California 92544	
Premises Location:	56550 Highway 74 Mountain Center, California	
Term:	Three years commencing September 1, 2012 and terminating August 31, 2015.	
Size:	1,360 square feet	
Rent:	Current	New
	\$1.36 per sq. ft.	\$1.28 per sq. ft.
	\$1,846.81 per month	\$1,740.00 per month
	\$22,161.72 per year	\$20,880.00 per year
Rental Adjustment:	Two percent annually	
Utilities:	County pays gas and telephone, Lessor to pay all others.	
Custodial:	Provided by Lessor.	
Maintenance:	Provided by Lessor.	
Improvements:	N/A	
RCIT:	N/A	

This Third Amendment 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 lease will be fully funded through the Sheriff's Department budget. While EDA will front the costs for the Third Amendment to Lease with the property owners, the Sheriff's Department will reimburse EDA for all associated costs. The amount of the cost decrease is not material; therefore, Sheriff and EDA are not requesting a budget adjustment at this time.

Attachments:  
Third Amendment  
Exhibit A  
Exhibit B

# Exhibit A

## Sheriff Lease Cost Analysis FY2012/13 56550 Highway 74, Mountain Center

### Total Square Footage to be Leased:

#### **EXPECTED AMOUNTS**

Current office: 1,360 SQFT  
**Total Expected Lease Cost for FY 2012/13** \$ 22,161.72

#### **ACTUAL AMOUNTS**

Current Office: 1,360 SQFT  
Proposed Office: 1,360 SQFT

Approximate Cost per SQFT (July-Aug) \$ 1.36  
Approximate Cost per SQFT (Sept-June) \$ 1.28

Lease Cost per Month (July-Aug) \$ 1,846.81  
Lease Cost per Month (Sept-June) \$ 1,740.00

Total Lease Cost (July-Aug) \$ 3,693.62  
Total Lease Cost (Sept-June) \$ 17,400.00  
**Total Actual Lease Cost for FY 2012/13** \$ 21,093.62  
**Total Lease Cost Variance for FY 2012/13** \$ (1,068.10)

### Estimated Additional Costs:

#### **EXPECTED AMOUNTS**

EDA Lease Management Fee (Based @ 3.93%) \$ 870.96  
**Total Estimated Expected Cost for FY 2012/13** \$ 870.96

#### **ACTUAL AMOUNTS**

EDA Lease Management Fee (Based @ 3.93%) \$ 828.98  
**Total Estimated Actual Cost for FY 2012/13** \$ 828.98

**Total Estimated Cost Variance for FY 2012/13** \$ (41.98)

**TOTAL ESTIMATED COST FOR FY 2012/13** \$ (1,110.08)

**TOTAL COUNTY COSTS: 100%** \$ (1,110.08)

**Exhibit B**  
**Sheriff Lease Cost Analysis FY2012/13**  
**56550 Highway 74, Mountain Center**

**Current Square Feet Occupied:**

Current Office:	1,360	SQFT	
Approximate Cost per SQFT (July-Aug)	\$	1.28	
Approximate Cost per SQFT (Sept-June)	\$	1.31	
Lease Cost per Month (July-Aug)	\$	1,740.00	
Lease Cost per Month (Sept-June)	\$	1,781.60	
Total Lease Cost (July-Aug)			\$ 3,480.00
Total Lease Cost (Sept-June)			\$ 17,816.00
<b>Total Expected Lease Cost for FY 2013/14</b>			<b>\$ 21,296.00</b>

**Estimated Additional Costs:**

EDA Lease Management Fee (Based @ 3.93%)			\$ 836.93
<b>TOTAL ESTIMATED COST FOR FY 2013/14</b>			<b>\$ 22,132.93</b>
<b>TOTAL COUNTY COST: 100%</b>			<b>\$ 22,132.93</b>

1 **THIRD AMENDMENT TO LEASE**

2  
3 THIS **THIRD AMENDMENT TO LEASE** ("Third Amendment"), dated as of  
4 \_\_\_\_\_, is entered by and between the **COUNTY OF RIVERSIDE**, a  
5 political subdivision of the State of California, as Lessee, and **HEMET MUNICIPAL**  
6 **WATER DISTRICT**, as Lessor, sometimes collectively referred to as the "Parties."

7  
8 **RECITALS**

9  
10 A. Lessor and Lessee have entered into that certain Lease, dated August 11, 2003  
11 and its subsequent amendments, ("Lease") pursuant to which Lessor has agreed to  
12 lease to Lessee and Lessee has agreed to lease from Lessor that certain building  
13 located at 56550 Highway 74, Mountain Center, (the "Building"), as more particularly  
14 described in the Lease (the "Original Premises").

15 B. The amendments of the Lease are summarized as follows:

16 1. The First Amendment to Lease dated September 12, 2006, the Parties  
17 amended the Lease to extend the term period and modify the rent, as well as other  
18 minor modifications.

19 2. The Second Amendment to Lease dated February 23, 2010, the Parties  
20 amended the Lease to extend the term period, modify the rent and limit parking area,  
21 as well as other minor modifications.

22 C. The Parties now desire to amend the Lease to extend the lease term.

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

25 1. **TERM.** Section 3 (a) of the Lease is hereby amended by adding the  
26 following:

27 The term of this Lease shall be extended for thirty six (36) months commencing  
28 on September 1, 2012 and terminating on August 31, 2015.

1           2.     **RENT.** Section 4 of the Lease is hereby deleted in its entirety and  
2 replaced with the following:

3           Commencing on September 1, 2012 the monthly rent shall be \$1,740.00. The  
4 monthly rent shall be increased on each anniversary of this Lease by an amount equal  
5 to two percent (2%) of such monthly rent.

6           3.     **CUSTODIAL.** Section 5 of the Lease is hereby deleted in its entirety and  
7 replaced with the following:

8           Lessor shall provide custodial service one day per week commencing  
9 September 1, 2012. Services provided shall consist of vacuuming and cleaning of all  
10 floors, dusting, trash removal, restroom cleaning and supplying all paper products.

11          4.     **THIRD AMENDMENT TO PREVAIL.** The provisions of this Third  
12 Amendment shall prevail over any inconsistency or conflicting provisions of the Original  
13 Lease.

14          5.     **MISCELLANEOUS.** Except as amended or modified herein, all the terms  
15 of the Lease shall remain in full force and effect and shall apply with the same force  
16 and effect. Time is of the essence in the Lease and each and all of its respective  
17 provisions. If any provisions of the Lease shall be determined to be illegal or  
18 unenforceable, such determination shall not affect any other provision of the Lease and  
19 all such other provisions shall remain in full force and effect. The language in all parts  
20 of the Lease shall be construed according to its normal and usual meaning and not  
21 strictly for or against either Lessor or Lessee. Neither this Third Amendment, nor the  
22 Lease, nor any notice nor memorandum regarding the terms hereof, shall be recorded  
23 by Lessee.

24          6.     **EFFECTIVE DATE.** This Third Amendment to Lease shall not be binding  
25 or consummated until its approval by the Riverside County Board of Supervisors and  
26 fully executed by the Parties.

27  
28

1 WITNESS WHEREOF, the parties have executed this Third Amendment as of  
2 the date first written above.

3 LESSOR:

4 LAKE HEMET MUNICIPAL WATER  
5 DISTRICT

6 By: Thomas W. Wagoner  
7 Thomas Wagoner, General Manager

8  
9 **ATTEST:**  
10 Kecia Harper-Ihem  
11 Clerk of the Board

LESSEE:

COUNTY OF RIVERSIDE

12 By: \_\_\_\_\_  
13 Deputy

14 By: \_\_\_\_\_  
15 John Tavaglione, Chairman  
16 Board of Supervisors

17 **APPROVED AS TO FORM:**  
18 Pamela J. Walls  
19 County Counsel

20 By: Patricia Munroe  
21 Patricia Munroe  
22 Deputy County Counsel

23  
24  
25  
26  
27 TW:ra/101012/MC001/15.302 S:\Real Property\TYPING\Docs-15.000 to 15.499\15.302.doc

28