

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

113



SUBMITTAL DATE:
March 28, 2013

FROM: Economic Development Agency / Facilities Management

SUBJECT: First Amendment to Lease – Department of Public Social Services

RECOMMENDED MOTION: That the Board of Supervisors:

1. Approve the attached First Amendment to Lease and authorize the Chairman of the Board to Execute same on behalf of the County; and
2. 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: Lisette Rose 3/27/13
Lisette Rose

Lisa Brandl for

Robert Field
Assistant County Executive Officer/EDA
By: Lisa Brandl, Managing Director

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:	\$ 6,441	For Fiscal Year:	2012/13

COMPANION ITEM ON BOARD AGENDA: No

SOURCE OF FUNDS: 50.69% Federal; 46.23% State; 3.08% County

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

FORM APPROVED COUNTY COUNSEL
 BY: Patricia Munroe 3/18/13
 Patricia Munroe Concurrence DATE

By: Susan Loew
 Susan Loew, Director
 Department of Public Social Services

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

Prev. Agn. Ref.: 3.81 of 7/31/07; 3.11 of 5/06/08

District: 1/1

Agenda Number: 3-16

ATTACHMENTS FILED
WITH THE CLERK OF THE BOARD

BACKGROUND:

The County holds a leasehold interest, as Lessee, under a lease between the County and Mission Grove Office Park 11, L.P. for the facility located at 7888 Mission Grove Parkway South, Suite 120, Riverside.

The Department of Public Social Services (DPSS) has occupied this location for use by MediCal staff since 2008. This First Amendment to Lease extends the term one year under the same terms and conditions while waiting completion of the new Perris Self Sufficiency District office where it will be relocated.

Location: 7888 Mission Grove Parkway South, Suite 120
Riverside, CA 92508

Lessor: Mission Grove Office Park 11, L.P.
1875 Century Park East, Suite 1350
Los Angeles, CA 90067

Size: 7,086 square feet.

Rent: \$2.25 per sq. ft.
\$15,950.70 per month
\$191,408.40 per year

Term: One year commencing June 9, 2013.

The attached First Amendment to Lease 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 DPSS budget. While EDA will front the costs for this lease with the property owner, DPSS will reimburse EDA for all associated lease costs. DPSS and EDA anticipated the lease extension and budgeted these costs in FY 2012/13.

Attachments
Exhibit A
Exhibit B
First Amendment to Lease

Exhibit A

DPSS Lease Cost Analysis FY 2012/13 7888 Mission Grove Parkway South, Suite 120, Riverside, California

Total Square Footage to be Leased:

EXPECTED AMOUNTS

Current office:	7,086 SQFT	
Total Expected Lease Cost for FY 2012/13		\$ 191,408.40

ACTUAL AMOUNTS

Current Office:	7,086 SQFT	
Approximate Cost per SQFT (July - May)	\$ 2.25	
Approximate Cost per SQFT (June)	\$ 2.25	
Lease Cost per Month (July - May)	\$ 15,950.70	
Lease Cost per Month (June)	<u>\$ 15,950.70</u>	
Total Lease Cost (July - May)	\$ 175,457.70	
Total Lease Cost (June)	<u>\$ 15,950.70</u>	
Total Actual Lease Cost for FY 2012/13		\$ 191,408.40
Total Lease Cost Variance for FY 2012/13		\$ -

Estimated Additional Costs:

EXPECTED AMOUNTS

Utility Cost per Square Foot	\$ 0.12	
Estimated Utility Costs per Month (July - June)	\$ 850.32	
Total Estimated Utility Cost for FY 2012/13	\$ 10,203.84	
RCIT	\$ -	
Tenant Improvements	\$ -	
EDA Lease Management Fee (Based @ 3.93%)	<u>\$ 7,522.35</u>	
Total Estimated Expected Cost for FY 2012/13		\$ 17,726.19

ACTUAL AMOUNTS

Utility Cost per Square Foot	\$ 0.12	
Costs per Month (July - June)	\$ 850.32	
Total Estimated Actual Utility Cost for FY 2012/13	\$ 10,203.84	
RCIT		
Tenant Improvements		
EDA Lease Management Fee (Based @ 3.93%)	<u>\$ 7,522.35</u>	
Total Estimated Actual Cost for FY 2012/13		\$ 17,726.19
Total Estimated Cost Variance for FY 2012/13		\$ (0.00)
TOTAL ESTIMATED COST FOR FY 2012/13		\$ (0.00)
TOTAL COUNTY COST: 3.08%		\$ (0.00)

Exhibit B

DPSS Lease Cost Analysis FY 2013/14

7888 Mission Grove Parkway South, Suite120, Riverside, California

Current Square Feet Occupied:

Current Office:	7,086	SQFT	
Approximate Cost per SQFT (July - June)	\$	2.25	
Lease Cost per Month (July - June)		\$	15,950.70
		\$	-
Total Lease Cost (July - June)			<u>\$ 191,408.40</u>
Total Expected Lease Cost for FY 2013/14			\$ 191,408.40
 <u>Estimated Additional Costs:</u>			
Utility Cost per Square Foot	\$	0.12	
Estimated Utility Costs per Month (July - June)		<u>\$</u>	<u>850.32</u>
Total Estimated Utility Cost for FY 2013/14			\$ 10,203.84
EDA Lease Management Fee (Based @ 3.93%)			<u>\$ 7,522.35</u>
TOTAL ESTIMATED COST FOR FY 2013/14			<u>\$ 209,134.59</u>
TOTAL COUNTY COST: 3.08%			\$ 6,441.35

1 **FIRST AMENDMENT TO LEASE**

2 (Department of Public Social Services,
3 7888 Mission Grove Parkway, Suite 120
4 Riverside, California)

5
6 This FIRST AMENDMENT to Lease ("First Amendment") is made as of
7 _____, 2013 by and between the **COUNTY OF RIVERSIDE**, a
8 political subdivision of the State of California ("County"), as Lessee, and **MISSION**
9 **GROVE OFFICE PARK II, L.P.** ("Lessor") and, sometimes collectively referred to as
10 the Parties.

11 **Recitals**

12 a. Mission Grove Office Park II, L.P., as Lessor, and County entered
13 into that certain Lease dated May 6, 2008, ("Original Lease") pertaining to the premises
14 located at 7888 Mission Grove Parkway, Suite 120, Riverside, California, as more
15 particularly described in the Lease.

16 b. The Original Lease, as heretofore, currently, or hereafter
17 amended, shall hereafter be referred to as the "Lease."

18 c. County and Lessor desire to further amend the Lease by extending
19 the lease term and modifying the rent.

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

22 1. **Term.** Section 4.1 of the Lease shall be amended as follows: The term
23 of this Lease shall be extended for a period of one (1) year commencing June 9, 2013,
24 and expiring June 8, 2014 (the "Extension Term").

25 2. **Rent.** Section 5.1 of the Lease shall be amended as follows:
26 Commencing June 9, 2013, County shall pay the sum of \$15,950.70 per month to
27 Lessor as rent for the Leased Premises payable in advance, on the first day of the
28

1 month or as soon thereafter as a warrant can be issued in the normal course of
2 County's business.

3 **3. County's Representative.** Section 19.7 of the lease shall be amended
4 as follows: County hereby appoints the Assistant County Executive Officer of the
5 Economic Development Agency as its authorized representative to administer this
6 Lease.

7 **4. Notice.** Section 19.18 of the Lease shall be amended as follows:

8 County's Notification Address:	9 Lessor's Notification Address:
10 County of Riverside	10 Mission Grove Office Park II, L.P.
11 Economic Development Agency	11 9201 Wilshire Blvd., Suite 103
12 3403 Tenth Street, Suite 500	12 Beverly Hills, CA 90210
13 Riverside, CA 92501	13 Telephone: (310) 553-1776
14 Attn: Deputy Director of Real Estate	
15 Telephone: (951) 955-4876	

16 **5. Capitalized Terms.** First Amendment to Prevail. Unless defined herein
17 or the context requires otherwise, all capitalized terms herein shall have the meaning
18 defined in the Lease, as heretofore amended. The provisions of this First Amendment
19 shall prevail over any inconsistency or conflicting provisions of the Lease, as heretofore
20 amended, and shall supplement the remaining provisions thereof.

21 **6. Miscellaneous.** Except as amended or modified herein, all the terms of
22 the Original Lease shall remain in full force and effect and shall apply with the same
23 force and effect. If any provisions of this Amendment or the Lease shall be determined
24 to be illegal or unenforceable, such determination shall not affect any other provision of
25 the Lease and all such other provisions shall remain in full force and effect. The
26 language in all parts of the Lease shall be construed according to its normal and usual
27 meaning and not strictly for or against either Lessor or Lessee. Neither this
28 Amendment, nor the Original Lease, nor any notice nor memorandum regarding the
terms hereof, shall be recorded by Lessee.

1 **7. Effective Date.** This First Amendment to Lease shall not be binding or
2 consummated until its approval by the Riverside County Board of Supervisors and fully
3 executed by the Parties.

4 **IN WITNESS WHEREOF,** the Parties have executed this Amendment as
5 of the date first written above.

6 LESSEE:
7 COUNTY OF RIVERSIDE

LESSOR:
MISSION GROVE OFFICE PARK II, L.P., a
limited partnership

By: AMF Industries, Inc., a California
corporation

8
9
10
11 By: _____
12 John J. Benoit, Chairman
Board of Supervisors

By:  _____
Mark Rubin, President

13
14 ATTEST:
15 Kecia Harper-Ihem
Clerk of the Board

16 By: _____
17 Deputy

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

21 By:  _____
22 Patricia Munroe
Deputy County Counsel