

FORM APPROVED COUNTY COUNSEL
DATE 3/13/13
BY: PATRICIA MURPHY
Deputy

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

112



FROM: Economic Development Agency / Facilities Management

SUBMITTAL DATE:
April 11, 2013

SUBJECT: Fourth Amendment to Lease – Cooperative Extension, Moreno Valley

RECOMMENDED MOTION: That the Board of Supervisors:

1. Approve and ratify the attached Fourth Amendment to Lease and authorize the Chairman of the Board to execute the same on behalf of the County of Riverside; 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: Lissette Rose 4/9/13

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:	\$ 77,871	For Fiscal Year:	2012/13

COMPANION ITEM ON BOARD AGENDA: No

SOURCE OF FUNDS: 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 Sargent
County Executive Office Signature

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

By: Etaterahu Takele, Director
Cooperative Extension

13 050 12 0010: 30

Prev. Agn. Ref.: 3.12 of 2/24/04; 3.18 of 1/25/05; 3.9 of 4/15/08; 3.31 of 12/9/08 **District:** 5/5 **Agenda Number:** 3-13

BACKGROUND:

The County of Riverside entered into a Lease Agreement on February 24, 2004, on behalf of Cooperative Extension Program for the facility located at 21150 Box Springs Road, Suite 202, in Moreno Valley. This Fourth Amendment to Lease represents a two year extension effective January 1, 2013. This facility continues to meet Cooperative Extension's space requirements.

The Lease was reviewed and determined to be categorically exempt from CEQA Guidelines Section 15301, Class 1 – Existing Facilities. The proposed project, the Lease, is the letting of property involving existing facilities. No expansion of an existing use will occur. A summary of the Lease is as follows:

Lessor:	Riverside County Farm Bureau 21160 Box Springs Road Moreno Valley, California	
Premises Location:	21150 Box Springs Road, Suite 202 Moreno Valley, California	
Size:	6,000 square feet	
Term:	Two years commencing January 1, 2013	
Rent:	Current	New
	\$.90 per sq. ft.	\$.92 per sq. ft.
	\$5,388.34 per month	\$5,496.11 per month
	\$64,660.08 per year	\$65,953.32 per year
Rental Adjustments:	Two percent annually	
Utilities:	County pays for electricity and telephone, Lessor pays all others	
Improvements:	Lessor to replace all blinds within the suite at their sole cost.	

The attached Fourth 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 Cooperative Extension's budget. While the Economic Development Agency (EDA) will front the costs for the Fourth Amendment to Lease with the property owners, Cooperative Extension will reimburse EDA for all associated costs. Cooperative Extension and EDA anticipated the lease extension and budgeted these costs in FY 2012/13.

Attachments:
Fourth Amendment
Exhibit A & Exhibit B

Exhibit A

Cooperative Extension Lease Cost Analysis FY 2012/13 21150 Box Springs Drive, Moreno Valley, California

Total Square Footage to be Leased:

EXPECTED AMOUNTS

Current office: 6,000 SQFT
Total Expected Lease Cost for FY 2012/13 \$ 65,306.70

ACTUAL AMOUNTS

Current Office: 6,000 SQFT

Approximate Cost per SQFT (July - Dec)	\$ 0.90	
Approximate Cost per SQFT (Jan - June)	\$ 0.92	
Lease Cost per Month (July - Dec)	\$ 5,388.34	
Lease Cost per Month (Jan - June)	\$ 5,496.11	
Total Lease Cost (July - Dec)	\$ 32,330.04	
Total Lease Cost (Jan - June)	\$ 32,976.66	
Total Actual Lease Cost for FY 2012/13		\$ 65,306.70
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)	\$ 720.00	
Total Estimated Utility Cost for FY 2012/13	\$ 8,640.00	

EDA Lease Management Fee (Based @ 3.93%)	\$ 2,566.55	
Total Estimated Expected Cost for FY 2012/13		\$ 11,206.55

ACTUAL AMOUNTS

Utility Cost per Square Foot	\$ 0.12	
Costs per Month (July - June)	\$ 720.00	
Total Estimated Actual Utility Cost for FY 2012/13	\$ 8,640.00	

EDA Lease Management Fee (Based @ 3.93%)	\$ 2,566.55	
Total Estimated Actual Cost for FY 2012/13		\$ 11,206.55

Total Estimated Cost Variance for FY 2012/13		\$ -
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TOTAL ESTIMATED COST FOR FY 2012/13		\$ -
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Exhibit B

Cooperative Extension Lease Cost Analysis FY 2013/14 21150 Box Springs Road, Moreno Valley, California

Current Square Feet Occupied:

Current Office:	6,000	SQFT	
Approximate Cost per SQFT (July - Dec)	\$	0.92	
Approximate Cost per SQFT (Jan - June)	\$	0.93	
Lease Cost per Month (July - Dec)		\$	5,496.11
Lease Cost per Month (Jan - June)		\$	5,606.03
Total Lease Cost (July - Dec)		\$	32,976.66
Total Lease Cost (Jan - June)		\$	33,636.19
Total Expected Lease Cost for FY 2013/14		\$	66,612.85

Estimated Additional Costs:

Utility Cost per Square Foot	\$	0.12	
Estimated Utility Costs per Month (July - June)		\$	720.00
Total Estimated Utility Cost for FY 2013/14		\$	8,640.00
EDA Lease Management Fee (Based @ 3.93%)		\$	2,617.89
TOTAL ESTIMATED COST FOR FY 2013/14		\$	77,870.74

1 **FOURTH AMENDMENT TO LEASE**

2
3 **THIS FOURTH AMENDMENT TO LEASE** ("Fourth Amendment"), dated as of
4 _____, 2013, is entered into by and between the **COUNTY OF**
5 **RIVERSIDE**, a political subdivision of the State of California, as Lessor, and
6 **RIVERSIDE COUNTY FARM BUREAU**, a (501(c) (S) non-profit California corporation,
7 as Lessee.

8 **RECITALS**

9 a. Lessor and Lessee have entered into that certain Lease dated February
10 24, 2004, the ("Lease") pursuant to which Lessor has agreed to lease to Lessee and
11 Lessee has agreed to lease from Lessor that certain building located at 21150 Box
12 Springs Road, Suite 202, Moreno Valley (the "Building"), as more particularly described
13 in the Lease (the "Original Premises").

14 b. The amendments of the Lease are summarized as follows:

15 1. The First Amendment to Lease dated January 25, 2005 by and
16 between County of Riverside, and Riverside County Farm Bureau.

17 2. The Second Amendment to Lease dated April 15, 2008 by and
18 between County of Riverside, and Riverside County Farm Bureau.

19 3. The Third Amendment to Lease dated December 9, 2008 by and
20 between County of Riverside, and Riverside County Farm Bureau.

21 c. The Parties now desire to amend the Lease to extend the term.

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

24 2. TERM. Section 3 (a) of the Lease is hereby amended by adding
25 the following:

26 The term of this lease shall be extended twenty four (24) months
27 commencing on January 1, 2013 and shall expire on December 31, 2014.
28

1 3. **RENT.** Section 5 of the Lease is hereby amended by adding the
2 following: Commencing January 1, 2013 rent shall be \$5,496.11 per month.

3 4. **IMPROVEMENTS.** Lessor, at its sole cost and expense, shall
4 replace and/or repair as needed the blinds throughout the suite within thirty (30) days
5 of final execution of this Fourth Amendment.

6 5. **OPTION TO EXTEND** Section 4 of the Lease is amended by
7 adding the following: Lessor grants to Lessee two (2) options to extend the Lease for
8 two separate one year periods commencing January 1, 2015. County shall give Lessor
9 notice of its election thereof, in writing, no later than sixty (60) days prior to the
10 expiration of the term of the Lease.

11 6. **FOURTH AMENDMENT TO PREVAIL.** The provisions of this
12 Fourth Amendment shall prevail over any inconsistency or conflicting provisions of the
13 Lease. Any capitalized terms shall have the meaning defined in the Lease, unless
14 defined herein or context requires otherwise.

15 7. **MISCELLANEOUS.** Except as amended or modified herein, all
16 terms of the Lease shall remain in full force and effect. If any provisions of this
17 Amendment shall be determined to be illegal or unenforceable, such determination
18 shall not affect any other provision of the Lease. Neither this Amendment nor the
19 Lease shall be recorded by the Lessee.

20 8. **EFFECTIVE DATE.** This Fourth Amendment to Lease shall not be
21 binding or consummated until its approval by the Riverside County Board of
22 Supervisors and fully executed by the Parties.

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

3 LESSEE:
4 COUNTY OF RIVERSIDE

5 By: _____
6 John J. Benoit, Chairman
7 Board of Supervisors

LESSOR:
RIVERSIDE COUNTY FARM BUREAU

By: 
Richard A. Schmid, Jr.,
President

By: 
Steve Pastor, Executive Director
/Corporate Secretary

10 ATTEST:
11 Kecia Harper-Ihem
12 Clerk of the Board

By: _____
Deputy

14 **APPROVED AS TO FORM:**
15 Pamela J. Walls
16 County Counsel

By: 
Patricia Munroe
Deputy County Counsel