

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



FROM: Economic Development Agency / Facilities Management

SUBMITTAL DATE:
May 9, 2013

SUBJECT: Resolution No. 2013-113, Notice of Intention to Purchase Real Property, 3450 and 3478 14th Street, City of Riverside, California

RECOMMENDED MOTION: That the Board of Supervisors:

1. Approve Resolution No. 2013-113, Notice of Intention to Purchase Real Property known as Riverside County Assessor's Parcel Number 219-330-032, and adjacent parking areas situated on Assessor's Parcel Numbers 219-330-022 through 219-330-030; and
2. Authorize the Real Estate Division of the Economic Development Agency to negotiate the purchase of the office building for an estimated \$30,000,000 and to incur typical transaction costs including staff time, appraisal costs, title insurance, building condition audit, and other due diligence studies of the property at a cost not-to-exceed \$85,000.

BACKGROUND: (Commences on Page 2)

Robert Field
Assistant County Executive Officer/EDA

FINANCIAL DATA	Current F.Y. Total Cost:	\$ 85,000	In Current Year Budget:	Yes
	Current F.Y. Net County Cost:	\$ 0	Budget Adjustment:	No
	Annual Net County Cost:	\$ 0	For Fiscal Year:	2012/13

COMPANION ITEM ON BOARD AGENDA: No

SOURCE OF FUNDS: Bond Financing

Positions To Be Deleted Per A-30	<input type="checkbox"/>
Requires 4/5 Vote	<input checked="" type="checkbox"/>

C.E.O. RECOMMENDATION:

APPROVE

BY: Christopher M. Hans

County Executive Office Signature

Prev. Agn. Ref.: 3.27 of 3/3/09

District: 2/2

Agenda Number:

3-32

Departmental Concurrence

By: Kevin Crawford, Chief Information Officer
Riverside County Information Technology

Dept't Recomm.:	<input type="checkbox"/> Consent	<input checked="" type="checkbox"/> Policy
Per Exec. Ofc.:	<input type="checkbox"/> Consent	<input checked="" type="checkbox"/> Policy

BACKGROUND:

On behalf of Riverside County Information Technology (RCIT) and the Executive Office, the Real Estate Division for the Economic Development Agency (EDA) will pursue the purchase of a modern five story Class-A 140,000 square foot office building located in downtown Riverside subject to the necessary Board of Supervisor's approval. The property is located at 3450 and 3478 14th Street, Riverside. The Press Enterprise Building was constructed in 2007 and if acquired will serve to consolidate and house RCIT and its collective staff. The consolidation move will provide efficiencies in location and substantial savings in operational and lease costs over the lifetime of the building.

EDA issued a Request For Proposal in August of 2012, for the acquisition of an existing facility, or the acquisition of a build to suit facility to accommodate the needs of the RCIT Department. EDA held a Question and Answer Session for the RFP on August 27, 2012, and specified a deadline for responses to the RFP of September 27, 2012. On or before the deadline, EDA had received multiple responses to the Request for Proposal from area property owners and developers.

EDA conducted panel interviews of the respondents and, based upon the decision of the panel, recommended forwarding property acquisition documents to the Board of Supervisors for their review, consideration, and approval.

Justification for this new facility is as follows:

1. The new facility will provide space to consolidate the dispersed locations RCIT currently operates within: Mission Grove, Rivercrest Drive, and the downtown CAC 10th floor.
2. Both Mission Grove and Rivercrest Drive are leased facilities, with the Rivercrest Drive property rental increasing substantially due to its month to month tenancy. The savings in lease costs alone will cover most of the costs of the bonds to purchase the Press Enterprise Building.
3. A consolidated location for operations will provide much efficiency. RCIT staff spends a great deal of time traveling between locations for meetings, support, and maintenance.
4. The facility will allow for space to train County staff on new or upgraded systems.
5. The facility can incorporate new video services, which are included in the facility.

Operations being Consolidated by Location:

Rivercrest Drive, Riverside

- Network – Operations, Maintenance and Support
- Telephone – Operations, Maintenance and Support
- Data Center – Maintenance and Support
- Business Support Groups – Finance, HR, and Purchasing
- RCIT – Project Management Office
- Warehouse
- Fleet

Mission Grove Business Park, Riverside

- Data Center – Operations, Maintenance and Support
- Enterprise Solutions Support & Development (was OASIS)
- Enterprise Applications Support & Development – CRM, Web, etc.

Downtown CAC

- Data Center – Operations, Maintenance and Support
- County Technology Operations Center
- Help Desk & End-User Support
- Departmental Applications – Operations, Maintenance and Support
- GIS – Operations, Maintenance and Support
- Information Security Office

Other County Locations:

- Departmental Applications – Operations, Maintenance, Development and Support
- Data Center – Operations, Maintenance and Support

Number of Employees who will staff the new location:

- 450 employees will be located at the new facility
- Additional 150 staff will be co-located with the customers they support or in the field to support remote system locations.

As part of this potential acquisition the County will also acquire a contiguous and secondary building on the property of approximately 7,500 square feet located at 3478 14th Street, Riverside, with potential historic value and that can serve other County needs. The proposed purchase would serve to address the long-term needs and goals of both the County and RCIT to provide more efficient and effective services.

FINANCIAL DATA:

EDA/FM has already covered most of the costs for due diligence (appraisals, Phase I environmental report and preliminary title reports) and has been or will be reimbursed by Riverside County Information Technology.