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

FORM APPROVED COUNTY COUNSEL
BY: PATRICIA MUNROE 6/26/13
DATE
Departmental Concurrence

FROM: Economic Development Agency / Facilities Management

SUBMITTAL DATE:

August 28, 2013

SUBJECT: First Amendment to Lease – Sheriff’s Department, Perris Storage Facility

RECOMMENDED MOTION: That the Board of Supervisors:

1. Ratify the attached First Amendment to Lease and authorize the Chairman of the Board to execute the 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: Tanya S. Harris
TANYA S. HARRIS, CPA

Robert Field
Robert Field
Assistant County Executive Officer/EDA

FINANCIAL DATA	Current F.Y. Total Cost:	\$36,947	In Current Year Budget:	Yes
	Current F.Y. Net County Cost:	\$36,947	Budget Adjustment:	No
	Annual Net County Cost:	\$ 0	For Fiscal Year:	2013/14

COMPANION ITEM ON BOARD AGENDA: No

SOURCE OF FUNDS: 100% Sheriff’s Patrol Organization	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

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

Prev. Agn. Ref.: 3.53 of 1/10/12; 3.21 of 6/12/12

District: 5/5

Agenda Number: 3-33

ATTACHMENTS FILED
WITH THE CLERK OF THE BOARD

BACKGROUND:

On June 12, 2012, the Board of Supervisors approved a Lease and Form 11 for Sheriff's to store 359 Ford Crown Victoria replacement patrol vehicles in a portion of a 125,140 square foot warehouse located on Daytona Cove in Perris, consisting of 67,110 square feet for months 1-12, then downsizing in square footage in months 13-24 to 47,110 square feet as the vehicles were distributed into service through FY 2013/14.

The Daytona Cove warehouse continues to support the needs for storing and securing the Sheriff's remaining 211 Crown Victoria Patrol vehicles. However, Sheriff's have recognized that as patrol units were put into service, it allowed space to store Sheriff's Department specialty vehicles, i.e., Sheriff's Emergency Response Team (SERT), Investigation Bureau (SIB), Hazardous response Team (HDT) and Dive Team units. This warehouse space will allow bureau's requesting equipment to access the warehouse at any time. These units valued at more than \$6.5M must be stored inside a secured centralized location. The Daytona warehouse site provides the secured storage space for the Sheriff's requirements.

Furthermore, this site will also serve as storage space for Emergency Preparedness Equipment to support individual bureau supplies. The supplies consist of water barrels, emergency food, heating sources, cooking and serving supplies. In addition, this site will serve as a secondary location for feeding personnel should a facility not be available. Therefore, Sheriff's need to remain in the larger portion of the warehouse consisting of 67,110 square feet through the remainder of the lease term for months 13 - 24.

To assist the Sheriff's Department with their requirement, the Real Estate Division negotiated a longer term for the larger portion of warehouse space consisting of 67,110 square feet, at the rate of \$.32 per square foot. In addition, Landlord has agreed to round down the rent from \$21,475.20 to \$21,000.00 per month, to assist the Sheriff's with the affordability to remain in the larger portion of the warehouse at a lower cost. Landlord continues to pay for water and electricity.

Pursuant to the California Environmental Quality Act (CEQA), the Lease was reviewed and determined to be categorically exempt from CEQA under CEQA Guidelines 15301, Class 1-Existing Facilities. The proposed project, the Lease, is the letting of property involving existing facilities with minor tenant improvement alterations and no expansion of an existing use will occur.

The Lease terms are summarized below:

Lessor:	Perris Citrus Avenue Storage, LP
Premises Location:	Daytona Business Park 24312 Daytona Cove Perris, CA
Size:	67,110 square feet
Term:	One year, June 12, 2013 through June 11, 2014

(Continued)

BACKGROUND: (Continued)

Rental Adjustments: None

Utilities: County pays for security alarm and trash, Lessor pays for water and electricity

Rent:	Current:	New:
	\$.27 per sq. ft.	\$.32 per sq. ft.
	\$ 18,119.70 per month	\$ 21,000.00 per month
	\$216,436.40 per year	\$ 252,000.00 Per year

* Landlord has agreed to round down the monthly rent from \$21,475.20 to \$21,000.00 per month. The new rent shown above will be the actual amount of rent to be paid going forward

Custodial: None, custodial is not required in warehouse space

Maintenance: Lessor shall provide and pay for maintenance services

Option to terminate: None

Improvements: None

RCIT costs: None

The attached First Amendment to Lease has been reviewed and approved by County Counsel as to form.

FINANCIAL DATA:

The Sheriff's department and the Economic Development Agency (EDA) anticipated the lease extension and budgeted these costs in FY 2013/14. The Sheriff's department will reimburse EDA for all lease costs on a monthly basis.

Attachments:

Lease

Exhibit A

Sheriff's Department Lease Cost Analysis FY 2013/14 24312 Daytona Cove, Perris

Total Square Footage to be Leased:

EXPECTED AMOUNTS

Current office:	67,110 SQFT	
Total Expected Lease Cost for FY 2013/14		\$ 216,436.40

ACTUAL AMOUNTS

New Office:	67,110 SQFT	
	SQFT	
Approximate Cost per SQFT (July-June)	\$ 0.32	
Lease Cost per Month (July-June)	<u>\$ 21,000.00</u>	
Total Lease Cost (July-June)	\$ 252,000.00	
Total Actual Lease Cost for FY 2013/14		\$ 252,000.00
Total Lease Cost Variance for FY 2013/14		\$ 35,563.60

Estimated Additional Costs:

EXPECTED AMOUNTS

Utility Cost per Square Foot	\$ -	
Estimated Utility Costs per Month (July - June)	\$ -	
Total Estimated Utility Cost for FY 2013/14	\$ -	
RCIT	\$ -	
Tenant Improvements	\$ -	
EDA Lease Management Fee (Based @ 3.89%)	\$ 8,419.38	
Total Estimated Expected Cost for FY 2013/14		\$ 8,419.38

ACTUAL AMOUNTS

Utility Cost per Square Foot	\$ -	
Costs per Month (June-May)	\$ -	
Total Estimated Actual Utility Cost for FY 2013/14	\$ -	
RCIT	\$ -	
Tenant Improvements	\$ -	
EDA Lease Management Fee (Based @ 3.89%)	\$ 9,802.80	
Total Estimated Actual Cost for FY 2013/14		\$ 9,802.80
Total Estimated Cost Variance for FY 2013/14		\$ 1,383.42
TOTAL ESTIMATED COST FOR FY 2013/14		\$ 36,947.02
TOTAL COUNTY COST	100%	\$ 36,947.02

1 **FIRST AMENDMENT TO LEASE**

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3 **THIS FIRST AMENDMENT TO LEASE** ("First Amendment") dated as of
4 _____, is entered by and between **COUNTY OF RIVERSIDE**, a political
5 subdivision of the State of California "County" and, **PERRIS CITRUS STORAGE LP**, a
6 California limited partnership hereinafter referred to as "Lessor". County and Lessor
7 are hereinafter collectively referred to as the "Parties."

8 **RECITALS**

9 County and Lessor have entered into a lease, dated June 12, 2012, (the
10 "Lease" pursuant to which County has agreed to lease and Lessor has agreed to lease
11 to County that certain building located at 24312 Daytona Cove, Perris, CA., as more
12 particularly described in Exhibit "A" of the Lease.

13 **First Amendment to Prevail.** The provisions of this First Amendment shall
14 prevail over any inconsistency or conflicting provisions of the Lease. Any capitalized
15 terms shall have the meaning defined in the Lease, unless defined herein or context
16 requires otherwise.

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

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

- 24 1. **PREMISES.** Section 2.2 of the Lease is hereby amended as follows: The
25 Premises shall consist of approximately 67,110 square feet of ground level warehouse
26 space for months twelve (12) through (24) twenty four.
- 27 2. **RENT.** Section 5.1 of the Lease is hereby amended as follows: County shall
28 pay the sum of \$21,000.00 per month for months twelve (12) through twenty-four (24).

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Per Month Year

\$21,000.00 June 12, 2013 through June 11, 2014

3. Approval of Supervisors. Anything to the contrary notwithstanding, this Lease shall not be binding or effective until its approval and execution by the Chairman of the Riverside County Board of Supervisors.

LESSOR:
COUNTY OF RIVERSIDE

LESSEE:
PERRIS CITRUS STORAGE LP, a California limited partnership

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

By: *M. Chacon*
District Manager
Laurie Mattson, Vice President
as Agent for lessor

ATTEST:
Kecia Harper-Ihem
Clerk of the Board

TORREY CHACON
DISTRICT MANAGER
PLATINUM STORAGE GROUP

By: _____
Deputy

APPROVED AS TO FORM:
Pamela J. Walls
County Counsel

By: *[Signature]*
Patricia Munroe
Deputy County Counsel