

281



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

FROM: Economic Development Agency

SUBMITTAL DATE:
October 9, 2013

SUBJECT: Assessor-County Clerk-Recorder & Treasurer Tax Collector, 5-year lease, District 4, CEQA Exempt [\$2,665,605]

RECOMMENDED MOTION: That the Board of Supervisors:

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

BACKGROUND:

Summary

(Commences on Page 2)

FORM APPROVED COUNTY COUNSEL
BY: [Signature] 9/30/13
PATRICIA MUNROE DATE

[Signature]
Robert Field
Assistant County Executive Officer/EDA

FINANCIAL DATA	Current Fiscal Year:	Next Fiscal Year:	Total Cost:	Ongoing Cost:	POLICY/CONSENT (per Exec. Office)
COST	\$ 833,909	\$ 403,918	\$ 2,665,605	\$ 0	Consent <input type="checkbox"/> Policy <input checked="" type="checkbox"/>
NET COUNTY COST	\$ 507,597	\$ 403,918	\$ 2,339,293	\$ 0	

SOURCE OF FUNDS: FY 2013/14: County 60.87%, ECDC 39.13%
FY 2014/15 to FY 2018/19: County 100%

Budget Adjustment: No
For Fiscal Year: 2013/14

C.E.O. RECOMMENDATION:

APPROVE

County Executive Office Signature

BY: [Signature]
Jennifer L. Sargent

MINUTES OF THE BOARD OF SUPERVISORS

Reviewed by
CIP TEAM
Department of Finance 10/15/13

By: [Signature]
Don Kent
Treasurer Tax Collector

By: [Signature]
Larry Ward
Assessor County Clerk-Recorder

- A-30
- 4/5 Vote
- Positions Added
- Change Order

Prev. Agn. Ref.: 3-7 of 6/04/13; 3-64 of 7/16/13

District: 4/4

Agenda Number:

3-18

SEP 12 6H 3:57

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

Economic Development Agency

FORM 11: Assessor-County Clerk-Recorder & Treasurer Tax Collector, 5-year lease, District 4, CEQA

Exempt [\$2,665,605]

DATE: October 9, 2013

Page 2 of 3

BACKGROUND:

Summary

As part of the AB900 funding award from the Corrections Standards Authority accepted by the County of Riverside Board of Supervisors on March 12, 2012, plans have been underway to relocate County staff from the Indio County Administrative Center (CAC) to proceed with plans to construct a new jail on the CAC site. The Assessor Clerk-Recorder (ACR) is to be relocated permanently and will consolidate their CAC and Palm Springs offices for improved operating efficiencies. In addition, the Treasurer-Tax Collector (TTC) desires to relocate from an outgrown office space, both in size and function, and to collocate with the ACR to assist the public with improved access.

A current office under lease and occupied by the Transportation Land Management Agency is being vacated and has been determined to be cost effective and suitable for consolidation based on location, negotiated lease terms, and the near turn-key floor plan. The terms below further summarize the attached lease submitted for approval.

Location: 38-686 El Cerrito Road
Palm Desert, CA 92211

Lessor: DBP Office II, LLC
c/o Investco Financial Corporation
1302 Puyallup Street
Sumner, WA

Size: 21,372 square feet.

Term: Five years with anticipated commencement November, 2013.

Option to Renew: One, five year option to renew.

Rent: \$1.37 per sq. ft.
\$29,344.00 per month
\$352,128.00 per year

Rental Adjustments: Three percent annually.

Utilities: To be paid by County.

Custodial: Provided by Lessor.

Interior/Exterior Maintenance: Provided by Lessor.

Parking: 86 unreserved stalls.

Tenant Improvements: To be paid separately upon completion.
Not to exceed:
ACR-ECDC: \$278,382.00 ACR: \$49,714.00 TTC: \$122,003.00

(Continued)

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

Economic Development Agency

FORM 11: Assessor-County Clerk-Recorder & Treasurer Tax Collector, 5-year lease, District 4, CEQA

Exempt [\$2,665,605]

DATE: October 9, 2013

Page 3 of 3

BACKGROUND:

Summary (Continued)

RCIT: ACR-ECDC: \$47,930.00 ACR: \$42,240.00 TTC: \$11,730.00

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

Impact on Residents and Businesses

Consolidation will provide improved services to the community.

SUPPLEMENTAL:

Additional Fiscal Information

See Exhibit A, B, and C.

The ACR and TTC have budgeted these costs in FY 2013/14 and will reimburse the EDA for their lease costs on a monthly basis. The ACR's first floor tenant improvements, RCIT, and moving costs will be funded by the East County Detention Center project budget for an estimated total of \$326,312. EDA will need to request a budget adjustment during the first quarter of FY 2013/14.

Contract History and Price Reasonableness

This is a new lease at a competitive market rate.

Attachments:

Exhibit A

Exhibit B

Exhibit C

Lease

Exhibit A

Assessor-County Clerk-Recorder & Treasurer Tax-Collector Lease Cost Analysis FY 2013/14 38-686 El Cerrito Road, Palm Desert, California

ESTIMATED AMOUNTS

Total Square Footage to be Leased:

Current Office:	21,372	SQFT	
Approximate Cost per SQFT (Nov - Jun)	\$	1.37	
Lease Cost per Month (Nov - Jun)		\$	29,344.00
Total Lease Cost (Nov - Jun)			<u>\$ 234,752.00</u>
Total Estimated Lease Cost for FY 2013/14			\$ 234,752.00

Estimated Additional Costs:

Utility Cost per Square Foot Costs per Month (Nov - Jun)	\$	0.12	
Total Estimated Actual Utility Cost			<u>\$ 2,564.64</u>
			\$ 20,517.12
RCIT			\$ 101,900.00
Tenant Improvements			\$ 450,099.00
EDA Lease Management Fee (Based @ 3.89%)			<u>\$ 26,640.70</u>
TOTAL ESTIMATED COST FOR FY 2013/14			<u>\$ 833,908.82</u>
TOTAL COUNTY COST 60.87%			\$ 507,596.82

Exhibit B

Assessor Clerk-Recorder & Treasurer Tax-Collector Lease Cost Analysis FY 2014/15 38-686 El Cerrito Road, Palm Desert, California

ESTIMATED AMOUNTS

Total Square Footage to be Leased:

Current Office:	21,372	SQFT	
Approximate Cost per SQFT (July - Oct)	\$	1.37	
Approximate Cost per SQFT (Nov - Jun)	\$	1.41	
Lease Cost per Month (July - Oct)		\$	29,344.00
Lease Cost per Month (Nov - June)		\$	30,224.32
Total Lease Cost (July - Oct)		\$	117,376.00
Total Lease Cost (Nov - June)		\$	241,794.56
Total Estimated Lease Cost for FY 2014/15		\$	359,170.56

Estimated Additional Costs:

Utility Cost per Square Foot	\$	0.12	
Estimated Utility Costs per Month (July - June)		<u>\$</u>	<u>2,564.64</u>
Total Estimated Utility Cost		\$	30,775.68
EDA Lease Management Fee (Based @ 3.89%)		\$	<u>13,971.73</u>
TOTAL ESTIMATED COST FOR FY 2014/15		\$	<u>403,917.97</u>
TOTAL COUNTY COST 100%		\$	403,917.97

Exhibit C

Assessor Clerk-Recorder & Treasurer Tax-Collector Lease Cost Analysis FY15/16 to FY18/19 38-686 El Cerrito Road, Palm Desert, California

ESTIMATED AMOUNTS

Total Square Footage to be Leased:

Current Office:

21,372 SQFT

	FY 2015/16	FY 2016/17	FY 2017/18	FY 2018/19
Approximate Cost per SQFT (July - Oct)	\$ 1.41	\$ 1.46	\$ 1.50	\$ 1.55
Approximate Cost per SQFT (Nov - Jun)	\$ 1.46	\$ 1.50	\$ 1.55	\$ -
Lease Cost per Month (July - Oct)	\$ 30,224.32	\$ 31,131.05	\$ 32,064.98	\$ 33,026.93
Lease Cost per Month (Nov - June)	\$ 31,131.05	\$ 32,064.98	\$ 33,026.93	\$ -
Total Lease Cost (July - Oct)	\$ 120,897.28	\$ 124,524.20	\$ 128,259.92	\$ 132,107.72
Total Lease Cost (Nov - June)	\$ 249,048.40	\$ 256,519.85	\$ 264,215.44	\$ -
Total Estimated Lease Cost for FY 2015/16 to FY 2017/18	\$ 369,945.68	\$ 381,044.05	\$ 392,475.37	\$ 132,107.72

Estimated Additional Costs:

Utility Cost per Square Foot	\$ 0.12	\$ 0.12	\$ 0.12	\$ 0.12
Estimated Utility Costs per Month (July - June)	\$ 2,564.64	\$ 2,564.64	\$ 2,564.64	\$ 2,564.64
Total Estimated Utility Cost	\$ 30,775.68	\$ 30,775.68	\$ 30,775.68	\$ 10,258.56
EDA Lease Management Fee (Based @ 3.89%)	\$ 14,390.89	\$ 14,822.61	\$ 15,267.29	\$ 5,138.99
TOTAL ESTIMATED COST FOR FY 2015/16 to FY 2018/19	\$ 415,112.24	\$ 426,642.34	\$ 438,518.34	\$ 147,505.27
TOTAL COUNTY COST 100%	\$ 415,112.24	\$ 426,642.34	\$ 438,518.34	\$ 147,505.27
TOTAL ONGOING COST:				\$ 1,427,778.20