

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

838



FOR THE APPROVED COUNTY COUNSEL
 BY: [Signature] 11/14/13
 DEPARTMENTAL CONCURRENCE

FROM: Economic Development Agency/Facilities Management

SUBMITTAL DATE:
December 20, 2013

SUBJECT: Eighth Amendment to Lease – Department of Public Social Services, One Year Renewal, CEQA Exempt, District 5, [\$381,671]

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. Ratify the attached Eighth Amendment to Lease and authorize the Chairman of the Board to execute the same on behalf of the County

BACKGROUND:
Summary

(Commences on Page 2)
 FISCAL PROCEDURES APPROVED
 PAUL ANGULO, CPA, AUDITOR-CONTROLLER
 BY: [Signature] 12/20/13

[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	\$ 381,671	\$ 0	\$ 381,671	\$ 0	Consent <input type="checkbox"/> Policy <input checked="" type="checkbox"/>
NET COUNTY COST	\$ 11,755	\$ 0	\$ 11,755	\$ 0	
SOURCE OF FUNDS: Federal 50.69%, State 46.23%, County 3.08%				Budget Adjustment: No	
				For Fiscal Year: 2013/14	

C.E.O. RECOMMENDATION:

APPROVE

BY: [Signature]
 Rohini Dasika

County Executive Office Signature

MINUTES OF THE BOARD OF SUPERVISORS

By: [Signature]
 Susan Loew
 Director of Public Social Services

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

Prev. Agn. Ref.: 3.9 of 1/31/12

District: 5/5

Agenda Number:

3-20

BACKGROUND:

Summary

On May 26, 1992, the County entered into a lease agreement on behalf of the Department of Public Social Services (DPSS) for the facility located at 2055 N. Perris Blvd., Suite B1 – C5, Perris. At the request of DPSS, the Real Estate Division of the Economic Development Agency (EDA) has negotiated a twelve month extension effective July 1, 2013. DPSS will eventually be relocating staff to a new office facility located at 201 Redlands Avenue, Perris, which is currently under construction.

Lessor: Juhns Rialto Investment, LLC
9030 E. Blair Street
Rosemead, California 92770

Premises: 2055 N. Perris Blvd., Suites B1 – C5
Perris, California

Term: Twelve months

Size: 16,250 square feet

Rent:

Current	New
\$1.75 per sq. ft.	\$1.79 per sq. ft.
\$28,453.59 per month	\$29,022.50 per month
\$341,443.08 per year	\$348,270.00 per year

New rent commences January 1, 2014

Rental Adjustment: Two percent

Utilities: County pays electricity and telephone, Lessor pays all others

Maintenance: Provided by Lessor

Custodial: Provided by Lessor

This Eighth Amendment to Lease has been reviewed and approved by County Counsel as to legal form.

Impact on Residents and Businesses

There will be no foreseeable impact on residents and local businesses.

SUPPLEMENTAL:

Additional Fiscal Information

See Exhibit A

The Department of Public Social Services has budgeted these costs in FY 2013/14 and will reimburse EDA for all lease costs on a monthly basis.

(Continued)

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

Economic Development Agency/Facilities Management

FORM 11: Eighth Amendment to Lease – Department of Public Social Services, One Year Renewal, CEQA Exempt, District 5, [\$381,671]

DATE: December 20, 2013

Page 3 of 3

Contract History and Price Reasonableness

The original lease was executed May 26, 1992, and subsequent amendments executed thereafter. The lease rate is a competitive fair market rental rate.

Attachments:

Exhibit A

Eighth Amendment

Exhibit A

FY 2013/14

Department of Public Social Services Lease Cost Analysis
2055 N. Perris Blvd., Suite B1 - C5, Perris, California

ESTIMATED AMOUNTS

Total Square Footage to be Leased:

Current Office:	16,250	SQFT	
Approximate Cost per SQFT (July - Dec)	\$	1.75	
Approximate Cost per SQFT (Jan - Jun)	\$	1.79	
Lease Cost per Month (July - Dec)		\$	28,453.59
Lease Cost per Month (Jan- June)		\$	29,022.50
Total Lease Cost (July - Dec)		\$	170,721.54
Total Lease Cost (Jan - June)		\$	174,135.00
Total Estimated Lease Cost for FY 2013/14		\$	344,856.54

Estimated Additional Costs:

Utility Cost per Square Foot	\$	0.12	
Estimated Utility Costs per Month (July - June)		\$	<u>1,950.00</u>
Total Estimated Utility Cost		\$	23,400.00
EDA Lease Management Fee (Based @ 3.89%)		\$	<u>13,414.92</u>
TOTAL ESTIMATED COST FOR FY 2013/14		\$	<u>381,671.46</u>
TOTAL COUNTY COST 3.08%		\$	11,755.48

1 **EIGHTH AMENDMENT TO LEASE**

2
3 **THIS EIGHTH AMENDMENT TO LEASE** ("Eighth Amendment"), dated as of
4 _____, 2013, is entered into by and between **JUHNS RIALTO**
5 **INVESTMENTS, LLC**, as Lessor, and the **COUNTY OF RIVERSIDE**, a political
6 subdivision of the State of California, as Lessee.

7 **RECITALS**

8 a. Lessor and Lessee have entered into that certain Lease dated May 26,
9 1992, pursuant to which Lessor has agreed to lease to Lessee and Lessee has agreed
10 to lease from Lessor that certain building located at 2055 N. Perris Blvd., Suites B1-C5,
11 Perris, as more particularly described in the Lease.

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

13 1. The First Amendment to Lease dated November 10, 1992 by and
14 between County of Riverside, and Winston Perris, LP.

15 2. The Second Amendment to Lease dated March 22, 1994 by and
16 between County of Riverside and Winston Perris, LP.

17 3. The Third Amendment to Lease dated August 26, 2003 by and
18 between County of Riverside and 2055 N. Perris Blvd. Trust as successor in interest to
19 Winston Perris, LP.

20 4. The Fourth Amendment to Lease dated May 25, 2004 by and
21 between County of Riverside and 2055 N. Perris Blvd. Trust.

22 5. The Fifth Amendment to Lease dated February 6, 2007 by and
23 between County of Riverside and Missouri Plaza, LLC as successor in interest to 2055
24 N. Perris Blvd. Trust.

25 6. The Sixth Amendment to Lease dated May 4, 2010 by and
26 between County of Riverside and Juhns Rialto Investments, LLC as successor in
27 interest to Missouri Plaza, LLC.

28

1 7. The Seventh Amendment to Lease dated January 31, 2012 by and
2 between County of Riverside and Juhns Rialto Investments, LLC.

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

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

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

8 The term of this lease shall be extended twelve (12) months commencing
9 on July 1, 2013 and shall expire on June 30, 2014.

10 3. RENT. Section 5 of the Lease is hereby amended by adding the
11 following:

12 The monthly rent shall be paid as follows:

13 July 1, 2013 through December 31, 2013 \$28,453.59

14 January 1, 2014 through June 30, 2014 \$29,022.50

15 4. EIGHTH AMENDMENT TO PREVAIL. The provisions of this
16 Eighth Amendment shall prevail over any inconsistency or conflicting provisions of the
17 Lease. Any capitalized terms shall have the meaning defined in the Lease, unless
18 defined herein or context requires otherwise.

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

24 6. EFFECTIVE DATE. This Eighth Amendment to Lease shall not be
25 binding or consummated until its approval by the Riverside County Board of
26 Supervisors and fully executed by the Parties.

27 ///

28 ///

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

3 LESSEE:
4 COUNTY OF RIVERSIDE

LESSOR:
JUHNS RIALTO INVESTMENT
TRUST, LLC

6 By: _____
7 Jeff Stone, Chairman
8 Board of Supervisors

By: H. Y. Juhn
Juhn Hyunyoung, Manager

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

13 By: _____
14 Deputy

16 APPROVED AS TO FORM:
17 Pamela J. Walls
18 County Counsel

18 By: [Signature]
19 Patricia Munroe
20 Deputy County Counsel