

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

570



FROM: Economic Agency Development

SUBMITTAL DATE:

April 8, 2010

SUBJECT: Third Amendment to Lease – Department of Mental Health, Corona

RECOMMENDED MOTION: That the Board of Supervisors ratify the attached Third Amendment to Lease and authorize the Chairman of the Board to execute same on behalf of the County.

BACKGROUND: (Commences on Page 2)

Robert Field

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:	\$-0-	For Fiscal Year:	09/10

SOURCE OF FUNDS: Federal 31.16%, State 67.60%, Third Party 1.24%	Positions To Be Deleted Per A-30	<input type="checkbox"/>
	Requires 4/5 Vote	<input type="checkbox"/>

C.E.O. RECOMMENDATION:

County Executive Office Signature

MINUTES OF THE BOARD OF SUPERVISORS

On motion of Supervisor Stone, seconded by Supervisor Buster and duly carried by unanimous vote, IT WAS ORDERED that the above matter is approved as recommended.

Ayes: Buster, Tavaglione, Stone, Benoit and Ashley

Nays: None

Absent: None

Date: April 20, 2010

xc: EDA, DMH

Kecia Harper-Ihem

Clerk of the Board

By: *Kecia Harper-Ihem*
Deputy

Prev. Agn. Ref.: 3.10 10/1/96; 3.24 11/25/03; 3.22 8/9/05

District: 2

Agenda Number:

3.37

ATTACHMENTS FILED
WITH THE CLERK OF THE BOARD

FORM APPROVED COUNTY COUNSEL
BY: *Synthia M. Gunzel* 3-31-10
DATE: *3-31-10*
SYNTHIA M. GUNZEL Department Concurrence

Maria T. Mabey
MARIA T. MABEY/ASST DIRECTOR
RIVERSIDE COUNTY DMH

Dep't Recomm.: Policy
Per Exec. Ofc.: Policy

BACKGROUND:

This Third Amendment to Lease represents a request from Mental Health to extend the lease for its office located at 1195 Magnolia Avenue, Corona, California, commencing on February 1, 2010, through January 31, 2015. This facility continues to meet the requirements of the department.

Lessor: Temescal Village Partners, Ltd.
5505 Garner Grove Blvd., Suite 150
Westminster, California 92683

Premises Location: 1195 Magnolia Avenue, Corona, Ca 91720

Size: 4,800 sq. ft.

Term: Five (5) years, February 1, 2010 through January 31, 2015

Rent:	<u>Current</u>		<u>New</u>	
	\$ 1.54	per sq. ft.	\$ 1.54	per sq. ft.
	\$ 7,385.72	per month	\$ 7,385.72	per month
	\$88,628.64	per year	\$ 88,628.64	per year

Rental Adjustments: 3% annual increase

Utilities: County pays for electricity and phone, Landlord pays for all others services.

Custodial Services: Lessor

Maintenance: Lessor

Option to Terminate: Termination for any reason with sixty days notice

Termination Penalty: None

Improvements: None

RCIT Costs: None

Market Data: 1881 California Avenue, Corona \$1.50
2280 Griffin Way Unit 107, Corona \$2.00

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

Economic Agency Development
Third Amendment to Lease – Department of Mental Health, Corona
April 8, 2010
Page 3

FINANCIAL DATA:

All associated costs for this Third Amendment to Lease will be fully funded through the Department of Mental Health budget. The Department of Mental Health has budgeted these costs in FY 09/2010. While the Economic Development Agency (EDA) will front the costs for the Third Amendment to Lease with the property owners, the Department of Mental Health will reimburse EDA for all association lease costs.

Exhibit A

Department of Mental Health Lease Cost Analysis FY 2009/10 1195 Magnolia Avenue, Corona, California

Total Square Footage to be Leased:

BUDGETED AMOUNTS

Current office:	4,800	SQFT		
Cost Per Sq. Ft:	\$	1.54		
Lease Cost per Month		\$	7,385.72	
Total Lease Cost included in Budget for FY 2009/10				\$ 88,628.64

ACTUAL AMOUNTS

Current office:	4,800	SQFT		
Approximate Cost per SQFT (July- Jan)	\$	1.54		
Approximate Cost per SQFT (Feb - June)	\$	1.54		
Lease Cost per Month (July -Jan)	\$	7,385.72		
Lease Cost per Month (Feb- June)	\$	7,385.72		
Total Lease Cost (July - Jan)		\$	51,700.04	
Total Lease Cost (Feb - June)		\$	36,928.60	
Total Lease Cost for FY 2009/10				\$ 88,628.64
TOTAL ADDITIONAL LEASE COSTS FOR FY 2009/10				\$ -

Estimated Additional Costs:

BUDGETED AMOUNTS

Utility Cost per Square Foot	\$	0.12		
Estimated Utility Costs per Month			\$ 576.00	
Total Estimated Utility Cost for FY 2009/10				\$ 6,912.00
EDA Lease Management Fee (Based @ 3.79%)				\$ 3,359.03
Total Estimated Additional Costs included in Budget for FY 2009/10				\$ 10,271.03

ACTUAL AMOUNTS

Utility Cost per Square Foot	\$	0.12		
Estimated Utility Costs per Month			\$ 576.00	
Total Additional Estimated Utility Cost for FY 2009/10 (July - June)				\$ 6,912.00
EDA Lease Management Fee (Based @ 3.79%)				\$ 3,359.03
Total Estimated Additional Costs for FY 2009/10				\$ 10,271.03
TOTAL ESTIMATED ADDITIONAL COSTS FOR FY 2009/10				\$ -
TOTAL LEASE COST FY 2009/10				\$ 98,899.67

1 **THIRD AMENDMENT TO LEASE**
2 **1195 Magnolia Avenue, Corona, California**

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4 This **THIRD AMENDMENT TO LEASE** ("Third Amendment") is made as of
5 April 20th, 2010 by and between the **COUNTY OF RIVERSIDE**, a political
subdivision of the State of California ("County"), and **TEMESCAL VILLAGE PARTNERS,**
LTD, a California Limited Partnership ("Lessor").

6 **1. Recitals.**

7 a. Lessor and County entered into that certain lease dated October 1,
8 1996, (the "Original Lease") pursuant to which County leased a portion of that certain building
9 located at 1195 Magnolia Avenue, Corona, California (the "Building"), as more particularly
shown on Exhibit "A", attached hereto and made a part hereof.

10 b. The Original Lease has been amended by:

11 i. That certain First Amendment to Lease dated November 25,
12 2003, by Temescal Village Partners, LTD., a California Limited Partnership and County (the
"First Amendment").

13 ii. That certain Second Amendment to Lease dated August 9, 2005,
14 between Temescal Village Partners, LTD., a California Limited Partnership, and County (the
"Second Amendment").

15 c. The Original Lease, as heretofore, currently, or hereafter amended,
shall hereafter be referred to as the "Lease".

16 **NOW THEREFORE**, for good and valuable consideration the receipt and adequacy of
17 which is hereby acknowledged, the parties agree as follows:

18 **2. Capitalized Terms:** Third Amendment to Prevail. Unless defined herein or the
19 context requires otherwise, all capitalized terms herein shall have the meaning defined in the
20 Lease, as heretofore amended. The provisions of this Third Amendment shall prevail over any
inconsistency or conflicting provisions of the Lease, as heretofore amended, and shall
supplement the remaining provisions thereof. The Lease remains in full force and effect
except to the extent amended by this Third Amendment.

21 **3. Lease Term.** Section 1 of the Second Amendment to Lease shall be amended
22 as follows: The term of this Lease shall be extended sixty (60) months commencing on
February 1, 2010 and terminating on January 31, 2015.

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1 **4. Rent.** County shall pay to Lessor the monthly sums as rent for the leased
premises during the term of this Lease as indicated below:

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<u>Monthly Amount</u>	<u>Year</u>
\$7,385.72	February 1, 2010 to January 31, 2011
\$7,607.29	February 1, 2011 to January 31, 2012
\$7,835.51	February 1, 2012 to January 31, 2013
\$8,070.58	February 1, 2013 to January 31, 2014
\$8,312.70	February 1, 2014 to January 31, 2015

5. Options to Terminate. Section 12 Subsection (d) of the Lease shall be amended in its entirety as follows:

(d) Following the execution and delivery of this Third Amendment, County shall have the right to terminate this Lease for any reason after (1) year by giving Lessor sixty (60) days advance written notice.

6. Notices. Section 13 of the Lease shall be amended as follows. Any notices required or desired to be served by either party upon the other shall be addressed to the respective parties as set forth below:

COUNTY"	LESSOR:
Economic Development Agency	Temescal Village Partners, LTD,.
County of Riverside	a California Limited Partnership
3403 Tenth Street, Suite 500	5505 Garden Grove Blvd., Ste. 150
Riverside, California 92501	Westminster, California 92683

7. Except as modified or supplemented by this Third Amendment to Lease, all provisions of this Lease shall remain in full force and effect.

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8. This Third Amendment to Lease shall not be binding or consummated until its approval by the Board of Supervisors of Riverside County.

Dated: _____

TEMESCAL VILLAGE PARTNERS, LTD.,
a California Limited Partnership

By: _____

By:  _____

COUNTY OF RIVERSIDE

By: 
Marion Ashley, Chairman
Board of Supervisors

ATTEST:
Kecia Harper-Ihem
Clerk of the Board

By:  _____
Deputy

APPROVED AS TO FORM:
Pamela J. Walls
County Counsel

By:  _____
Synthia M. Gunzel
Deputy County Counsel

MH:ra
020210
CR007
13.155

ATTACHMENTS FILED
WITH
THE CLERK OF THE BOARD