

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

606



**FROM:** Economic Development Agency / Facilities Management

**SUBMITTAL DATE:**  
January 19, 2012

**SUBJECT:** Third Amendment to Lease – Department of Public Social Services

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

**BACKGROUND:** (Commences on Page 2)

By: Susan Loew  
Susan Loew, Director  
Dept. of Pub. Soc. Svc.

FORM APPROVED COUNTY COUNSEL  
BY: SYLVIA M. GUNZ  
Departmental Counsel

FISCAL PROCEDURES APPROVED  
PAUL ANGULO, CPA, AUDITOR-CONTROLLER  
BY: Samuel Wong 1/18/12  
SAMUEL WONG

*Robert Field*

Robert Field  
Assistant County Executive Officer/EDA

|                       |                               |          |                         |         |
|-----------------------|-------------------------------|----------|-------------------------|---------|
| <b>FINANCIAL DATA</b> | 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:       | \$ 1,598 | For Fiscal Year:        | 2011/12 |

**COMPANION ITEM ON BOARD OF DIRECTORS AGENDA:** No

|  |   |                          |
|--|---|--------------------------|
| <b>SOURCE OF FUNDS:</b> Federal 52.46%, State 43.85%, County 3.69% | <b>Positions To Be Deleted Per A-30</b> | <input type="checkbox"/> |
|  | <b>Requires 4/5 Vote</b>                | <input type="checkbox"/> |

**C.E.O. RECOMMENDATION:** APPROVE  
BY: Jennifer L. Sargent  
**County Executive Office Signature**

Dept's Recomm.:  Consent  Policy  
Per Exec. Ofc.:  Consent  Policy

**MINUTES OF THE BOARD OF SUPERVISORS**

On motion of Supervisor Stone, seconded by Supervisor Benoit 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: January 31, 2012  
xc: EDA, DPSS, Auditor

Kecia Harper-Ihem  
Clerk of the Board  
By: Kecia Harper-Ihem  
Deputy

**Prev. Agn. Ref.:** 3.1 of 5/24/04, 3.14 of 2/6/07, 3.18 of 10/30/07, 3.33 of 5/4/10 | **District:** 5 | **Agenda Number:** 3.11

ATTACHMENTS FILED  
WITH THE CLERK OF THE BOARD

**BACKGROUND:**

The County of Riverside entered into a lease agreement on May 25, 2004, on behalf of the Department of Public Social Services (DPSS) for the facility located at 2055 N. Perris Blvd., Suites A10 – A11, Perris, California. At the request of DPSS, the Real Estate Division of the Economic Development Agency (EDA) has negotiated an eighteen month extension effective January 1, 2012. DPSS is considering relocating staff in the Perris area and this short term extension will provide the necessary time to complete an evaluation of the proposed relocation.

Lessor: Juhn Rialto Investment, LLC  
9030 E. Blair Street  
Rosemead, California 91770

Premises Location: 2055 N. Perris Blvd., Suites A-10 – A-11  
Perris, California

Term: Eighteen months

Size: 1,880 square feet

|       |                      |                      |
|-------|----------------------|----------------------|
| Rent: | Current              | New                  |
|       | \$1.68 per sq. ft.   | \$1.72 per sq. ft.   |
|       | \$3,161.04 per month | \$3,227.32 per month |
|       | \$37,932.48 per year | \$38,727.83 per year |

Rental Adjustment: Two percent

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

Maintenance: Provided by Lessor

Custodial: Provided by Lessor

Termination: County shall have the right to terminate the Lease at any time with sixty days written notice.

Improvements: N/A

RCIT: N/A

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

**FINANCIAL DATA:**

All associated costs for this Third Amendment to Lease will be fully funded through the DPSS budget. The DPSS has budgeted these costs in FY 2011/12. While EDA will front the costs for the Third Amendment with the property owners, the DPSS will reimburse EDA for all associated costs.

Attachments: Exhibit A, Exhibit B, Third Amendment to Lease

# Exhibit A

## DPSS Lease Cost Analysis FY 2011/12 2055 N. Perris Blvd, Suites A-10/A-11, Perris, California

### Total Square Footage to be Leased:

#### **EXPECTED AMOUNTS**

Current office: 1,880 SQFT  
Total Expected Lease Cost for FY 2011/12 \$ 38,330.16

#### **ACTUAL AMOUNTS**

Current Office: 1,880 SQFT

|  |              |              |
|--|--------------|--------------|
| Approximate Cost per SQFT (July - Dec)   | \$ 1.68      |              |
| Approximate Cost per SQFT (Jan -Jun)     | \$ 1.72      |              |
| Lease Cost per Month (July - Dec)        | \$ 3,161.04  |              |
| Lease Cost per Month (Jan - Jun)         | \$ 3,227.32  |              |
| Total Lease Cost (July - Dec)            | \$ 18,966.24 |              |
| Total Lease Cost (Jan - Jun)             | \$ 19,363.92 |              |
| Total Actual Lease Cost for FY 2011/12   |              | \$ 38,330.16 |
| Total Lease Cost Variance for FY 2011/12 |              | \$0          |

### Estimated Additional Costs:

#### **BUDGETED AMOUNTS**

|   |             |             |
|---|-------------|-------------|
| Utility Cost per Square Foot                                      | \$ 0.12     |             |
| Estimated Utility Costs per Month                                 | \$ 225.60   |             |
| Total Budgeted Additional Cost for FY 2011/12                     | \$ 2,707.20 |             |
| EDA Lease Management Fee (Based @ 3.79%)                          | \$ 1,452.71 |             |
| Total Estimated Additional Cost Included in Budget for FY 2011/12 |             | \$ 4,159.91 |

#### **ACTUAL AMOUNTS**

|   |             |             |
|---|-------------|-------------|
| Utility Cost per Square Foot                          | \$ 0.12     |             |
| Costs per Month (July -Jun)                           | \$ 225.60   |             |
| Total Estimated Actual Utility Cost for FY 2011/12    | \$ 2,707.20 |             |
| EDA Lease Management Fee (Based @ 3.79%)              | \$ 1,452.71 |             |
| Total Estimated Additional Actual Cost for FY 2011/12 |             | \$ 4,159.91 |

Total Estimated Additional Cost Variance for FY 2011/12 \$0

TOTAL ESTIMATED COST FOR FY 2011/12 \$0

TOTAL COUNTY COST 3.69% \$0

# Exhibit B

## DPSS Lease Cost Analysis FY 2012/13 2055 N. Perris Blvd., Suite A-11 / A-10, Perris, California

### Current Square Feet Occupied:

|  |            |           |                  |
|--|------------|-----------|------------------|
| Office:  | 1,880 SQFT |           |                  |
| Cost per Square Foot: (July 1, 2012 - Dec 31, 2012) \$ | 1.72       |           |                  |
| Cost per Square Foot: (Jan 1, 2013 - June 30, 2013) \$ | 1.75       |           |                  |
| Lease Cost per Month (July 1, 2012 - Dec 31, 2012)     | \$         | 3,227.32  |                  |
| Lease Cost per Month (Jan 1, 2013 - June 30, 2013)     | \$         | 3,291.86  |                  |
| Lease Cost (July - Dec)                                |            | \$        | 19,363.92        |
| Lease Cost (Jan - Jun)                                 |            | \$        | 19,751.16        |
| <b>Total Estimated Lease Cost for FY 2012/13</b>       |            | <b>\$</b> | <b>39,115.08</b> |

### Estimated Utility Costs:

|  |    |           |                  |
|--|----|-----------|------------------|
| Utility Cost per Square Foot                                     | \$ | 0.12      |                  |
| Estimated Utility Costs per Month (July 1, 2012 - June 30, 2013) |    | \$        | 225.60           |
| Total Estimated Additional Cost for FY 2012/13                   |    | \$        | 2,707.20         |
| EDA Lease Management Fee (Based @ 3.79%)                         |    | \$        | 1,482.46         |
| <b>TOTAL ESTIMATED COST FOR FY 2012/13</b>                       |    | <b>\$</b> | <b>43,304.74</b> |
| <b>TOTAL COUNTY COST 3.69%</b>                                   |    | <b>\$</b> | <b>1,597.94</b>  |

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**THIRD AMENDMENT TO LEASE**  
**2055 N. Perris Blvd, Suites A10-A11, Perris, California**

This **THIRD AMENDMENT TO LEASE** (Second Amendment) is made as of January 31, 2012 by and between the **COUNTY OF RIVERSIDE**, a political subdivision of the State of California (County), and **JUHNS RIALTO INVESTMENTS, LLC**, (Lessor) as successor in interest to **MISSOURI PLAZA, LLC, a MISSOURI LIMITED LIABILITY COMPANY**.

**1. Recitals.**

a. County and Missouri Plaza, LLC, a Missouri Limited Partnership, entered into that certain lease dated May 25, 2004, (the Original Lease) pursuant to which County leased a portion of that certain building located at 2055 N. Perris Blvd., Suites A10-A11, Perris, California (the Building), as more particularly shown on Exhibit A, attached hereto and made a part hereof.

b. The Original Lease has been amended by:

i. That certain First Amendment to Lease dated February 6, 2007 by and between Missouri Plaza, LLC, a Missouri Limited Liability Company and County (the First Amendment).

ii. That certain Second Amendment to Lease dated May 4, 2010 by and between Juhn's Rialto Investments, LLC, as successor in interest to Missouri Plaza, LLC, a Missouri limited liability company (the Second Amendment).

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

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

**2. Capitalized Terms:** Third Amendment to Prevail. Unless defined herein or the context requires otherwise, all capitalized terms herein shall have the meaning defined in the Lease, as heretofore amended. The provisions of this Third Amendment shall prevail over any

1 inconsistency or conflicting provisions of the Lease, as heretofore amended, and shall  
2 supplement the remaining provisions thereof. The Lease remains in full force and effect except  
3 to the extent amended by this Third Amendment.

4       **3. Lease Term.** Section 3 of the Second Amendment to Lease shall be amended  
5 as follows: The term of this Lease shall be extended eighteen months commencing on  
6 January 1, 2012, and terminating on June 31, 2013.

7       **4. Rent.** Section 4 of the Second Amendment to Lease shall be amended as  
8 follows: Monthly rent shall be paid as follows through the extended term:

9  
10                   January 1, 2012 through December 31, 2012 \$3,227.32

11                   January 1, 2013 through June 30, 2013 \$3,291.86

12  
13       **5. Options to Terminate.** Section 5 the First Amendment to Lease shall be  
14 deleted in its entirety and replaced with the following: County shall have the right to terminate  
15 this lease by providing Lessor with sixty days written notice. Rent shall be paid through the  
16 termination date.

17       **6.** Except as modified or supplemented by this Second Amendment to Lease, all  
18 provisions of this Lease shall remain in full force and effect.

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1 7. This Second Amendment to Lease shall not be binding or consummated until its  
2 approval by the Board of Supervisors of Riverside County.

3  
4 Dated: \_\_\_\_\_

5 **JUHNS RIALTO INVESTMENT, LLC**

6  
7  
8 By: H. Y. Juhn  
9 Juhn Hyunyoung, Single Member

10 **COUNTY OF RIVERSIDE**

11  
12  
13 By: [Signature]  
14 John Tavaglione, Chairman  
15 Board of Supervisors

16 **ATTEST:**  
17 Kecia Harper-Ihem  
18 Clerk of the Board

19 By: [Signature]  
20 Deputy

21 **APPROVED AS TO FORM:**  
22 Pamela J. Walls  
23 County Counsel

24  
25 By: Synthia M. Gunzel  
26 Synthia M. Gunzel  
27 Deputy County Counsel

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