

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

832



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

**SUBMITTAL DATE:**  
February 15, 2012

**SUBJECT:** Fourth Amendment to Lease – Riverside County Information Technology

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

**BACKGROUND:** The County of Riverside entered into a Lease Agreement on June 5, 2001, on behalf of Riverside County Information Technology (RCIT), for the facility located at 6147 Rivercrest, Suite A, Riverside, California. This facility continues to meet the needs and requirements of RCIT and the Real Estate Division of the Economic Development Agency (EDA) has negotiated an extension. This Fourth Amendment represents a six month extension effective January 1, 2012.

(Continued)

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:	\$ 0	For Fiscal Year:	2011/12

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

<b>SOURCE OF FUNDS:</b> RCIT Budget	<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**

**MINUTES OF THE BOARD OF SUPERVISORS**

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

**Ayes:** Buster, Tavaglione, Stone and Benoit  
**Nays:** None  
**Absent:** Ashley  
**Date:** February 28, 2012  
**xc:** EDA, RCIT

Kecia Harper-Ihem  
Clerk of the Board  
By: Deputy

3.35

**Prev. Agn. Ref.:** 3.33 of 6/5/01, 3.34 of 6/5/01, 3.24 of 5/17/02, 3.20 of 11/28/06

**District:** 1 / 1

**Agenda Number:**

FORM APPROVED COUNTY COUNSEL  
BY: CYNTHIA M. GUNZEL  
DATE: 2-20-12  
Departmental Concurrence

BY: 30 Jan 12  
Kevin Crawford, Chief Information Officer  
Riverside County Information Technology

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

**BACKGROUND:** (Continued)

This extension is only for six months as EDA is working with RCIT to relocate and consolidate staff into one facility at Mission Grove.

<b>Lessor:</b>	MEF Realty, ILLC c/o Muller Company 23521 Paseo De Valencia, Suite 20 Laguna Hills, California 92653
<b>Premises Location:</b>	6147 Rivercrest, Suite A Riverside, California
<b>Term:</b>	Six months
<b>Rent:</b>	\$2.19 per sq. ft. \$61,483.50 per month \$737,802.00 per year
<b>Rental Adjustment:</b>	Three percent
<b>Utilities:</b>	County pays electric and telephone, Lessor pays all others.
<b>Maintenance:</b>	Provided by Lessor
<b>Custodial:</b>	Provided by Lessor
<b>Improvements:</b>	N/A
<b>RCIT:</b>	N/A

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

**FINANCIAL DATA:**

All associated costs for this Fourth Amendment to Lease will be fully funded through RCIT's budget. RCIT has budgeted these costs in FY2011/12. While EDA will front the costs for the Fourth Amendment with the property owners, RCIT will reimburse EDA for all associated costs.

# Exhibit A

## RCIT Lease Cost Analysis FY 2011/12 6147 Rivercrest, Suite A, Riverside, CA

**Total Square Footage to be Leased:**

**EXPECTED AMOUNTS**

Current office:	28,014 SQFT	
<b>Total Budgeted Lease Cost for FY 2011/12</b>		<b>\$ 737,802.00</b>

**ACTUAL AMOUNTS**

Current Office:	28,014 SQFT	
Approximate Cost per SQFT (July - Jun)	\$ 2.19	
Lease Cost per Month (July - Jun)	\$ 61,483.50	
Total Lease Cost July - Jun)	\$ 737,802.00	
<b>Total Actual Lease Cost for FY 2011/12</b>		<b><u>\$ 737,802.00</u></b>
<b>Total Lease Cost Variance for FY 2011/12</b>		<b>\$0</b>

**Estimated Additional Costs:**

**BUDGETED AMOUNTS**

Utility Cost per Square Foot	\$ 0.12	
Estimated Utility Costs per Month	<u>\$ 3,361.68</u>	
<b>Total Budgeted Additional Cost for FY 2011/12</b>	<b>\$ 40,340.16</b>	
EDA Lease Management Fee (Based @ 3.79%)	<u>\$ 27,962.69</u>	
<b>Total Estimated Additional Cost Included in Budget for FY 2011/12</b>		<b>\$ 68,302.85</b>

**ACTUAL AMOUNTS**

Utility Cost per Square Foot	\$ 0.12	
Costs per Month (Jan - Jun)	\$ 3,361.68	
Total Estimated Actual Utility Cost for FY 2011/12	\$ 20,170.08	
EDA Lease Management Fee (Based @ 3.79%)	<u>\$ (13,981.34)</u>	
<b>Total Estimated Additional Actual Cost for FY 2011/12</b>		<b><u>\$ 6,188.74</u></b>
<b>Total Estimated Additional Cost Variance for FY 2011/12</b>		<b><u>\$0</u></b>
<b>TOTAL ESTIMATED COST FOR FY 2011/12</b>		<b><u><u>\$0</u></u></b>

1 **FOURTH AMENDMENT TO LEASE**

2 **6147 Rivercrest, Suite A, Riverside, California**

3  
4 This **FOURTH AMENDMENT TO LEASE** (Fourth Amendment) is made as of  
5 February 28, 2012, by and between the **COUNTY OF RIVERSIDE**, a political  
6 subdivision of the State of California (County), and MEF REALTY, LLC as successor in interest  
7 to Rivercrest Plaza, LLC, (Lessor).

8 **1. Recitals.**

9 a. County and Fata Hunter, Inc., a Delaware Corporation, entered into that  
10 certain lease dated June 5, 2001, (the Original Lease) pursuant to which County leased a  
11 portion of that certain building located at 6147 Rivercrest Drive, Suite A, Riverside, California  
12 (the Building), as more particularly shown on Exhibit A, attached hereto and made a part  
13 hereof.

14 b. The Original Lease has been amended by:

15 i. That certain First Amendment to Lease dated June 5, 2001, by  
16 and between Fata Hunter, Inc., and County (the First Amendment).

17 ii. That certain Second Amendment to Lease dated May 7, 2002, by  
18 and between F-H Rivercrest, LP, et al, as successor in interest to Fata Hunter, Inc., a Delaware  
19 Corporation, and County (the Second Amendment).

20 iii. That certain Third Amendment to Lease dated November 28,  
21 2006, by and between Rivercrest Plaza, LLC as successor in interest to F-H Rivercrest, LP, et  
22 al, and County (the Third Amendment).

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

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

27 **2. Capitalized Terms:** Fourth Amendment to Prevail. Unless defined herein or  
28 the context requires otherwise, all capitalized terms herein shall have the meaning defined in

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

5 **3. Lease Term.** Section 1 of the Third Amendment to Lease shall be amended as  
6 follows: The term of this Lease shall be extended six months commencing on January 1, 2012  
7 and terminating on June 30, 2012.

8 **4. Rent.** Section 3 of the Third Amendment to Lease shall be amended as  
9 follows: Monthly rent shall be paid as follows through the extended term:

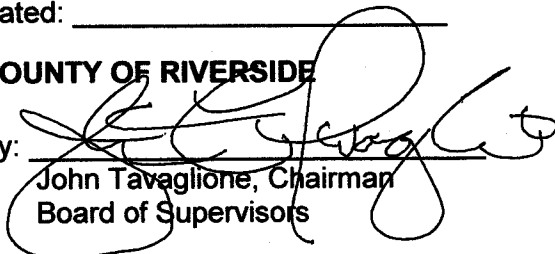
10 January 1, 2012 to June 30, 2012 - \$61,483.50

11 **5.** Except as modified or supplemented by this Fourth Amendment to Lease, all  
12 provisions of this Lease shall remain in full force and effect.

13 **6.** This Fourth Amendment to Lease shall not be binding or consummated until its  
14 approval by the Board of Supervisors of Riverside County.

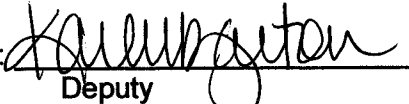
15 Dated: \_\_\_\_\_

16 **COUNTY OF RIVERSIDE**

17 By:   
18 John Tavaglione, Chairman  
19 Board of Supervisors

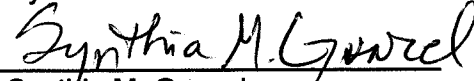
20 **ATTEST:**

21 Kecia Harper-Ihem  
22 Clerk of the Board

23 By:   
24 Deputy

25 **APPROVED AS TO FORM:**

26 Pamela J. Walls  
27 County Counsel

28 By:   
Cynthia M. Gunzel  
Deputy County Counsel

**LESSOR:**

MEF REALTY, LLC, a Delaware limited liability company

By: MULLER EQUITY FUND, LLC,  
a Delaware limited liability company,  
its sole member

By: MEF PARTNERS, LLC,  
a California limited liability company,  
its Managing Member

By:   
Jon Muller, Manager

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