

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

213



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

**SUBMITTAL DATE:**  
March 15, 2012

**SUBJECT:** Fifth Amendment to Lease – Probation Department, San Jacinto

**RECOMMENDED MOTION:** That the Board of Supervisors:

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

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

*[Signature]*  
**Christopher Hans**

*[Signature]*  
**Robert Field**

FISCAL PROCEDURES APPROVED  
PAUL ANGULO, CPA, AUDITOR-CONTROLLER  
BY *[Signature]* 3/13/12  
SAMUEL WONG

**Robert Field**  
Assistant County Executive Officer/EDA

<b>FINANCIAL DATA</b>	Current F.Y. Total Cost:	\$ 245,101	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> State 100%	Positions To Be Deleted Per A-30	<input type="checkbox"/>
	Requires 4/5 Vote	<input type="checkbox"/>

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

**MINUTES OF THE BOARD OF SUPERVISORS**

On motion of Supervisor Benoit, seconded by Supervisor Tavaglione 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:** March 27, 2012  
**xc:** EDA, CIP, Auditor, Probation

**Kecia Harper-Ihem**  
Clerk of the Board  
By: *[Signature]*  
Deputy

**Prev. Agn. Ref.:** 3.15 of 2/21/95; 3.23 of 8/15/00; 3.47 of 8/23/05; 3.44 of 2/27/07; 3.35 of 8/31/10

**District:** 3/3

**Agenda Number:**

**3.23**

ATTACHMENTS FILED  
WITH THE CLERK OF THE BOARD

FORM APPROVED COUNTY COUNSEL  
BY: *[Signature]* 3-8-12  
SYNTHIA M. GUNZEL  
Departmental Concurrence

By: *[Signature]*  
Alan M. Crogan, Chief Probation Officer  
Riverside County Probation Department

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

**BACKGROUND:**

On February 21, 1995, the Board of Supervisors entered into a lease for 5,000 square feet of office space at 1330 South State Street, Suite "A," in San Jacinto, California. The facility is occupied by the Probation Department. This Fifth Amendment to Lease represents a request from the Probation Department, to expand their office space by 5,000 square feet, the current office space does not accommodate the program staff needed to serve the caseload in the region, nor do the office layouts meet current functional design.

Pursuant to the California Environmental Quality Act (CEQA), the Lease was reviewed and determined to be categorically exempt from CEQA under CEQA Guidelines 15301, Class 1- Existing Facilities. The proposed project, the Lease, is the letting of property involving existing facilities and no expansion of an existing use will occur.

This Fifth Amendment to Lease is summarized below:

Lessor:	Brotherton Family Trust, dba San Jacinto Business Park 1057 Ridge Heights Drive Fallbrook, California 92028	
Premises Location:	1330 South State Street, Suite "A" San Jacinto, California 92583	
Term:	June 1, 2012 through May 31, 2015	
Size:	<u>Current</u>	<u>New</u>
	5,000 square feet	10,000 square feet
Rent:	<u>Current</u>	<u>New</u>
	\$ 1.38 per square foot	\$ 1.28 per square foot
	\$ 6,885.00 per month	\$ 12,800.00 per month
	\$82,620.00 per year	\$153,600.00 per year
Rental Adjustments:	Two percent (2%) annual increase	
Utilities:	County pays electric, Lessor pays all others	
Improvements:	Total cost for improvements \$193,000.00, County shall pay upon completion	
RCIT Cost:	\$38,390.00	

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

**FINANCIAL DATA:** (Commences on Page 3)

**FINANCIAL DATA:**

The associated costs for this Fifth Amendment will be fully funded through the Probation Department budget. The Probation Department has budgeted these costs in FY 2011/12. While the Economic Development Agency (EDA) will front the costs for the Fifth Amendment to Lease with the property owners, the Probation Department will reimburse EDA for all associated costs. EDA has sufficient budget within its Tenant Improvement (TI) expense account to cover this TI; therefore, no budget adjustment is needed.

Attachments:  
Fifth Amendment to Lease  
Exhibit A

# Exhibit A

## Probation Department Lease Cost Analysis FY 2011/12 1330 South State Street, Suite A, San Jacinto, California

### Total Square Footage to be Leased:

#### **EXPECTED AMOUNTS**

Current office:	5,000 SQFT		
Approximate Cost per SQFT (July - May)	1.38		
<b>Total Expected Lease Cost for FY 2011/12</b>		\$	82,950.00

#### **ACTUAL AMOUNTS**

Current Office:	5,000 SQFT		
Proposed Office:	10,000 SQFT		
Approximate Cost per SQFT (July - May)	\$	1.38	
Approximate Cost per SQFT ( June)	\$	1.28	
Lease Cost per Month (July -May)	\$	6,885.00	
Lease Cost per Month (June)	\$	<u>12,800.00</u>	
Total Lease Cost (July - May)	\$	75,735.00	
Total Lease Cost (June)	\$	<u>12,800.00</u>	
<b>Total Actual Lease Cost for FY 2011/12</b>		\$	<u>88,535.00</u>
<b>Total Lease Cost Savings for FY 2011/12</b>			\$ 5,585.00

### Estimated Additional Costs:

#### **EXPECTED AMOUNTS**

Utility Cost per Square Foot	\$	0.12	
Estimated Utility Costs per Month	\$	<u>600.00</u>	
<b>Total Expected Additional Cost for FY 2011/12</b>		\$	7,200.00
RCIT		\$	-
Tenant Improvements		\$	-
EDA Lease Management Fee (Based @ 3.79%)		\$	<u>3,143.81</u>
<b>Total Expected Additional Cost Included in Budget for FY 2011/12</b>		\$	10,343.81

#### **ACTUAL AMOUNTS**

Utility Cost per Square Foot	\$	0.12	
Costs per Month (July - May)	\$	600.00	
Costs per Month (June)	\$	1,200.00	
Total Estimated Actual Utility Cost for FY 2011/12		\$	7,800.00
RCIT		\$	38,390.00
Tenant Improvements		\$	193,000.00
EDA Lease Management Fee (Based @ 3.79%)		\$	<u>10,670.18</u>
<b>Total Estimated Additional Actual Cost for FY 2011/12</b>		\$	<u>249,860.18</u>
<b>Total Estimated Additional Cost Variance for FY 2011/12</b>			<u>\$ 239,516.38</u>
<b>TOTAL ESTIMATED COST FOR FY 2011/12</b>			<u><u>\$ 245,101.38</u></u>

1 **FIFTH AMENDMENT TO LEASE**

2 1330 South State Street, Suite A, San Jacinto, California

3  
4 This **FIFTH AMENDMENT TO LEASE** (Fifth Amendment), dated as of  
5 3/27/12, is entered by and between the **COUNTY OF RIVERSIDE**, a political  
6 subdivision of the State of California, (Lessee), and **BROTHERTON FAMILY TRUST dba SAN**  
7 **JACINTO BUSINESS PARK**, (Lessor), sometimes collectively referred to as the "Parties".

8 **1. Recitals.**

9 a. Ranel Development Company, a California general partnership, predecessor to  
10 Brotherton Family Trust dba San Jacinto Business Park, as Lessor, and County as Lessee,  
11 have entered into that certain Lease dated February 21, 1995, (the "Original Lease") pursuant  
12 to which Lessee has agreed to lease from Lessor a portion of that certain building located at  
13 1330 South State Street, Suite A, San Jacinto, California (Building), as more particularly  
14 described in the Original Lease.

15 b. The Original Lease has been amended by:

16 i. That certain First Amendment to Lease dated August 15, 2000,  
17 by and between Ranel Development Company and Lessee (1<sup>st</sup> Amendment), whereby the  
18 Parties amended the Lease to, among other things, extend the term period, amend the rental  
19 amounts and do improvements to the premises ("1<sup>st</sup> Expansion Space").

20 ii. That certain Second Amendment to Lease dated August 23,  
21 2005, by and between Brotherton Family Trust dba San Jacinto Business Park and Lessee (2<sup>nd</sup>  
22 Amendment), whereby the Parties amended the Lease to extend the term period and amend  
23 the rental amounts.

24 iii. That certain Third Amendment to Lease dated February 27,  
25 2007, by and between Brotherton Family Trust dba San Jacinto Business Park and Lessee (3<sup>rd</sup>  
26 Amendment), whereby the Parties amended the Lease to make reference to the Custodial  
27 specs, Exhibit "E".

1                   iv. That certain Fourth Amendment to Lease dated August 31, 2010,  
2 by and between Brotherton Family Trust dba San Jacinto Business Park and Lessee (4<sup>th</sup>  
3 Amendment), whereby the Parties amended the Lease to, among other things, extend the term  
4 period, amend the rental amounts and annual increases, do improvements to the premises,  
5 indicate the new building address under Notices and the new Assistant County Executive  
6 Office of the Economic Development Agency under County Representative.

7                   c. In addition to the Original Premises, Lessee desires to lease from Lessor and  
8 Lessor desires to lease to Lessee additional space in the Building, consisting of 5,000 rentable  
9 square feet totaling 10,000 square feet located within the building ("2<sup>nd</sup> Expansion Space) on  
10 the terms and conditions set forth herein.

11                   d. The Parties now desire to amend the rental amounts, increase the rentable  
12 square footage, and do some improvement to the Premises.

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

15                   **2. Rent.** Section 3 of the Fourth Amendment to Lease is hereby amended by the  
16 following:

17 County shall pay to Lessor the monthly sums as rent for the leased premises during the term of  
18 this Lease as indicated below:

<u>Monthly Amount</u>	<u>Year</u>
\$12,800.00	June 1, 2012 to May 31, 2013
\$13,056.00	June 1, 2013 to May 31, 2014
\$13,317.12	June 1, 2014 to May 31, 2015

23                   **3. Improvements by Lessor.** Section 5 of the Fourth Amendment to Lease is  
24 hereby amended by the following:

25                   (a) Lessor, at its sole cost and expense, shall construct certain tenant  
26 improvements, as set forth in Exhibit "A", attached to this amendment, and incorporated herein  
27 by reference.

1 (b) Lessor understands and agrees not to make any modifications to the  
2 specifications as set forth in Exhibit "A", without first obtaining written approval from County.  
3 Any changes to these specifications without first acquiring written approval will be at the  
4 expense of the Lessor and not the County of Riverside.

5 (c) The cost of the tenant improvements as paid for by County shall not  
6 exceed \$193,000. Lessor shall provide an itemized statement of the actual cost of the tenant  
7 improvements, upon completion. The Probation Department shall reimburse Lessor within  
8 thirty (30) days or as soon thereafter as a warrant can be issued in the normal course of  
9 County's business.

10 (d) Lessor shall submit to County a complete set of approved "As-Built"  
11 drawings.

12 **4. Description.** Section 1 of the Original Lease is hereby amended by the  
13 following:

14 (a) The term "Premises" shall mean the Rentable Area in the Building  
15 consisting of 10,000 square feet in the Building, as outlined in Exhibit "A", attached hereto and  
16 incorporated herein.

17 (b) Exhibit "A" of the Original Lease is hereby deleted in its entirety and  
18 replaced with Exhibit A attached hereto and incorporated herein by this reference.

19 **5. Capitalized Terms:** Fifth Amendment to Prevail. Unless defined herein or the  
20 context requires otherwise, all capitalized terms herein shall have the meaning defined in the  
21 Lease, as heretofore amended. The provisions of this Fifth Amendment shall prevail over any  
22 inconsistency or conflicting provisions of the Lease, as heretofore amended, and shall  
23 supplement the remaining provisions thereof.

24 **6. Miscellaneous.** Except as amended or modified herein, all the terms of the  
25 Original Lease shall remain in full force and effect and shall apply with the same force and  
26 effect. This is of the essence in this Amendment and the Lease and each and all of their  
27 respective provisions. Subject to the provisions of the Lease as to assignment, the  
28 agreements, conditions and provisions herein contained shall apply to and bind the heirs,

1 executors, administrators, successors and assigns of the parties hereto. If any provision of this  
2 Amendment or the Lease shall be determined to be illegal or unenforceable, such  
3 determination shall not affect any other provision of the Lease and all such other provisions  
4 shall remain in full force and effect. The language in all parts of the Lease shall be construed  
5 according to its normal and usual meaning and not strictly for or against either Lessor or  
6 Lessee. Neither this Amendment, nor the Original Lease, nor any notice nor memorandum  
7 regarding the terms hereof, shall be recorded by County.

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1           **7. Effective Date.** This Fifth Amendment to Lease shall not be binding or  
2 consummated until its approval by the Riverside County Board of Supervisors and fully  
3 executed by the Parties.

4 IN WITNESS WHEREOF, the parties have executed this Amendment as of the date first  
5 written above.


6 Dated:           MAR 27 2012          

**LESSOR:**

**BROTHERTON FAMILY TRUST, dba SAN  
JACINTO BUSINESS PARK**  
(Sucessor in Interest to Ranel Development  
Company, a California general partnership)

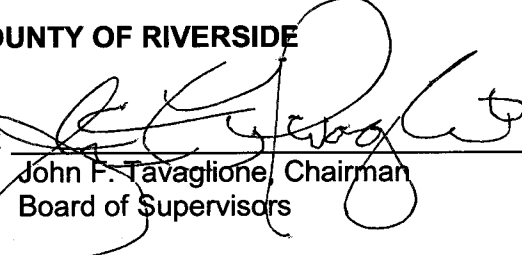
By:   
Trustee

**ATTEST:**  
Kecia Harper-Ihem  
Clerk of the Board

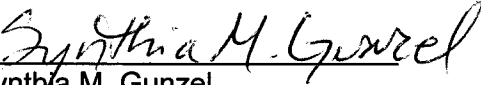
By:   
Deputy

**LESSEE:**

**COUNTY OF RIVERSIDE**

By:   
John F. Tavaglione, Chairman  
Board of Supervisors

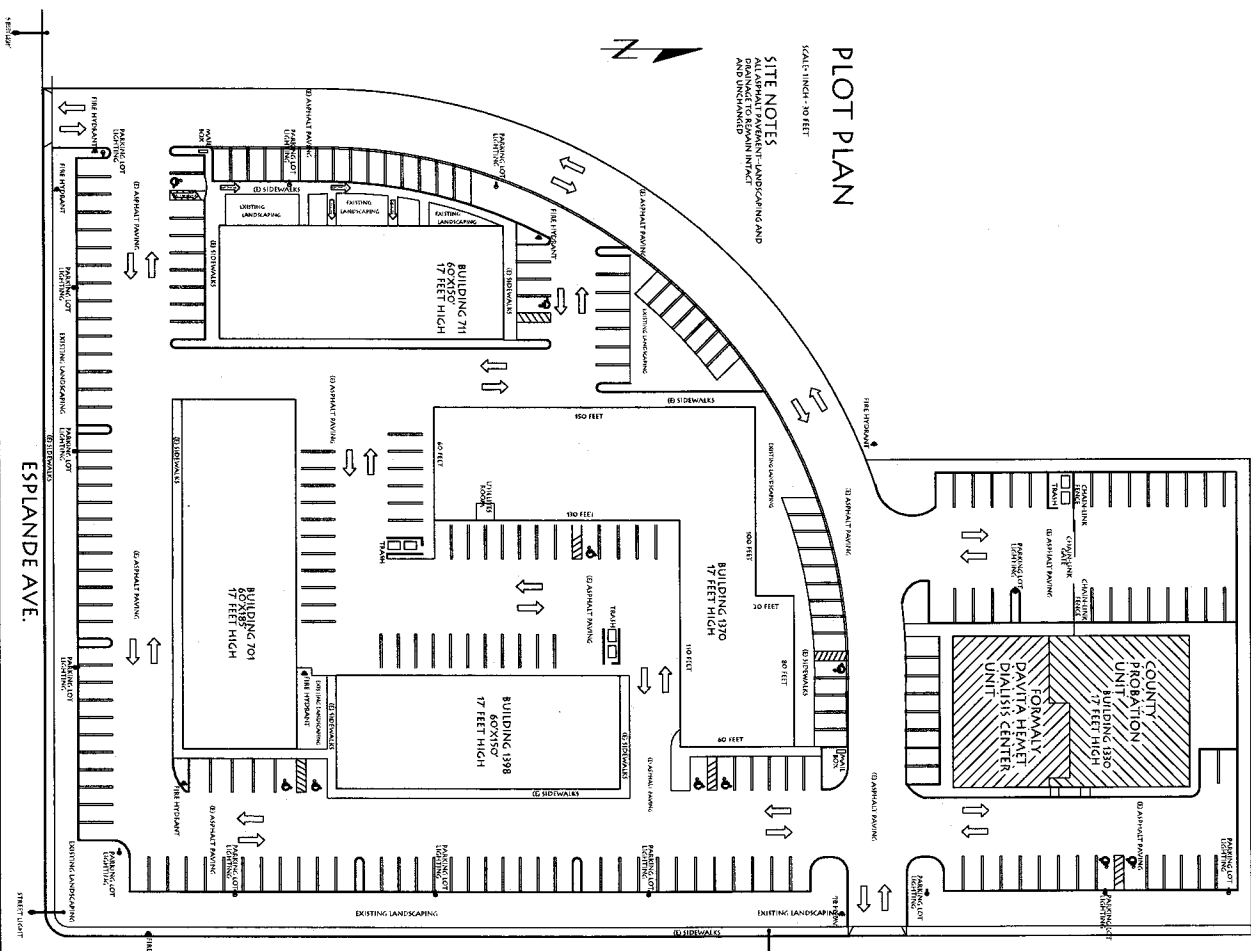
**APPROVED AS TO FORM:**  
Pamela J. Walls  
County Counsel

By:   
Synthia M. Gunzel  
Deputy County Counsel

MH:ra/022912/SJ011/14.590 S:\Real Property\TYPING\Docs-14.500 to 14.999\14.590.doc

# PLOT PLAN

SCALE: 1/8" = 1'-0" FEET  
 SITE NOTES:  
 ALL EXISTING LANDSCAPING AND  
 PLANTING TO REMAIN INTACT  
 AND UNOBTAINED



ESPLANDE AVE.

STATE ST.

EXHIBIT "A"

SHEET P-1 1 OF 4	PROPOSED TENANT IMPROVEMENT FOR	PLAN PREPARATION BY: <b>PLANS TO BUILD.NET</b> DRAFTING SERVICE GERRIE BEAUM 404 N. GARDEN ST. FALLBROOK, CA 92028 PHONE: (951) 529-7488	Undergound Service Alert Call: TOLL FREE <b>811</b> DIAL BEFORE YOU DIG THE UNDEGROUND HAS BECOME THE NEW A PUBLIC SERVICE BY UNDERGROUND SERVICE ALERT
	DATE 1-20-2012	DRAWN BY: SEAL	REVISIONS
	DATE 1-20-2012	DRAWN BY: SEAL	REVISIONS

COUNTY PROBATION UNIT

FORMERLY DAVITA DIALYSIS UNIT

REVISED 2/18/2012  
NEW FLOOR PLAN  
SCALE 1/4" = 1'-0"

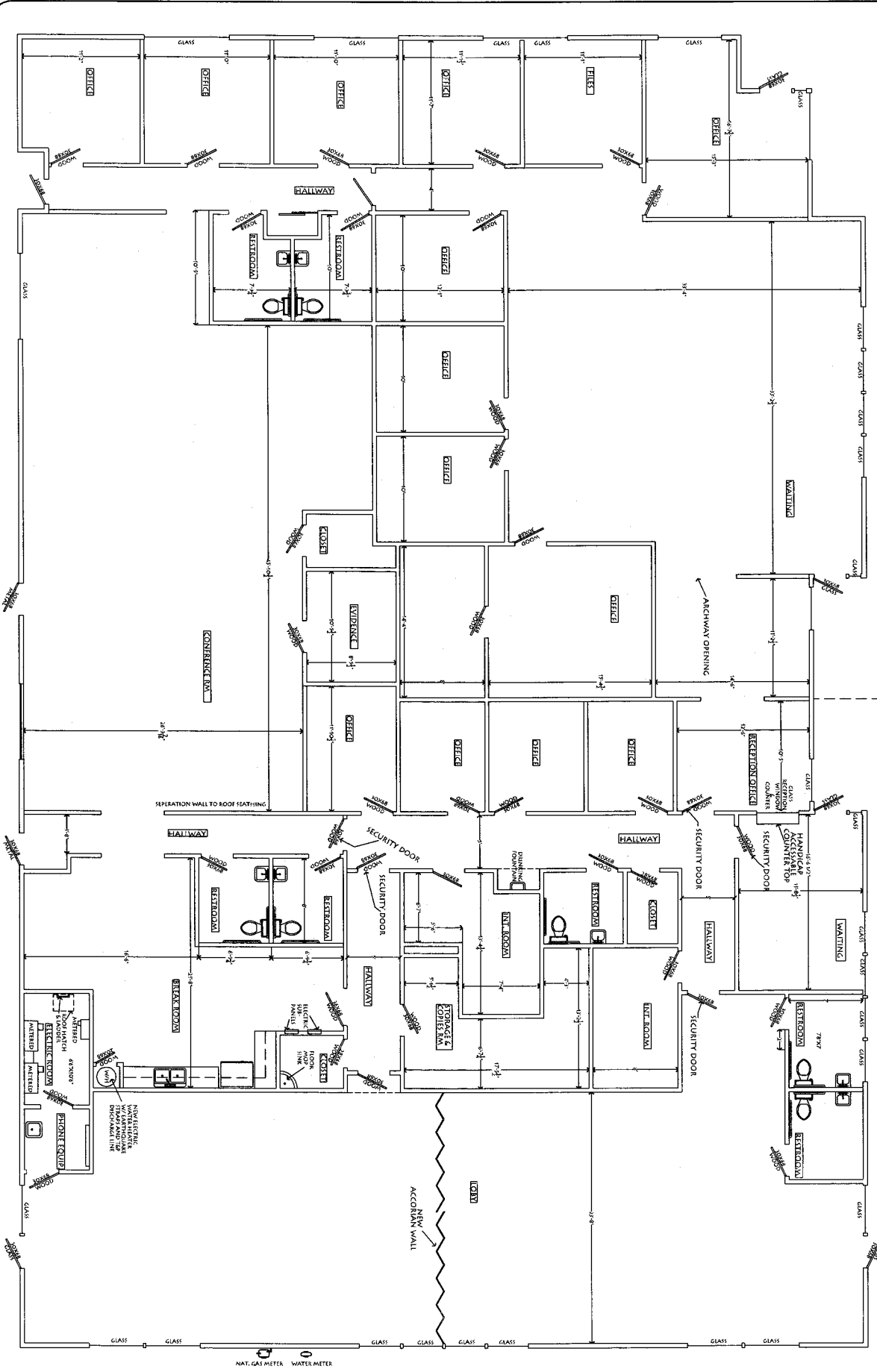


EXHIBIT "A"

DATE: 10-05-12 PREPARED BY: [Redacted] DRAWING BY: [Redacted]	PROPOSED TENANT IMPROVEMENT FOR SAN JACINTO BUSINESS PARK 1951 QUIET RANCH RD. FALLBROOK, CA 92028	PLAN PREPARATION BY: <b>PLANS TO BUILD</b> DRAFTING SERVICE GEORGE REAUS 15000 W. 15TH AVE. SUITE 100 FALLBROOK, CA 92028 PHONE: (951) 529-7488	Underground Service Alert Call: TOLL FREE <b>811</b> DIAL BEFORE YOU DIG <small>THIS WARNING DATE BEFORE YOU DIG          A PUBLIC SERVICE OF UNDERGROUND SERVICE ALERT</small>	SHEET <b>A-2</b> 1 OF 4
				REVISIONS: