

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

819



**SUBMITTAL DATE:**  
November 29, 2012

**FROM:** Economic Development Agency / Facilities Management  
**SUBJECT:** Third Amendment to Lease - Sheriff, Mountain Center

FORM APPROVED COUNTY COUNSEL  
BY: [Signature] 10/10/12  
PATRICIA MUNROE, Principal Counsel/Finance DATE

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

1. Ratify the attached Third Amendment to Lease;
2. Authorize the Chairman of the Board to execute the same on behalf of the County; and
3. Find that the project is exempt from the California Environmental Quality Act (CEQA) pursuant to CEQA Guidelines Section 15301, Existing Facilities.

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

[Signature]

Robert Field  
Assistant County Executive Officer/EDA

FISCAL PROCEDURES APPROVED  
PAUL ANGULO, CPA, AUDITOR-CONTROLLER  
BY: [Signature] 11/28/12  
SAMUEL WONG

<b>FINANCIAL DATA</b>	Current F.Y. Total Cost:	\$ (1,110)	In Current Year Budget:	Yes
	Current F.Y. Net County Cost:	\$ (1,110)	Budget Adjustment:	No
	Annual Net County Cost:	\$ 22,133	For Fiscal Year:	2012/13

**COMPANION ITEM ON BOARD AGENDA:** No

<b>SOURCE OF FUNDS:</b> 100% General Fund	<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: [Signature]  
County Executive Office Signature Jennifer L. Sargent

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

**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:** December 11, 2012  
**xc:** EDA, Sheriff, Auditor

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

**BACKGROUND:**

On August 11, 2003 the County entered into a lease agreement for the facility located at 56550 Highway 74, Mountain Center, California. This facility is utilized as a Sub-Station for the Sheriff's Department and continues to meet the needs and requirements of the department. The Economic Development Agency's Real Estate Division (EDA) has negotiated a three year extension commencing September 1, 2012, terminating August 31, 2015, in addition to a reduction in rent from \$1,846.81 to \$1,740.00 per month, which represents a 5.78% savings.

Pursuant to the California Environmental Quality Act (CEQA), the Lease Amendment was reviewed and determined to be categorically exempt from CEQA Guidelines 15301, Class 1 – Existing Facilities. The proposed project, the Lease Amendment, is the letting of property involving existing facilities and not expansion of an existing use will occur.

Lessor: Lake Hemet Municipal Water District  
2480 E. Florida Avenue  
Hemet, California 92544

Premises Location: 56550 Highway 74  
Mountain Center, California

Term: Three years commencing September 1, 2012 and terminating August 31, 2015.

Size: 1,360 square feet

Rent:	Current	New
	\$1.36 per sq. ft.	\$1.28 per sq. ft.
	\$1,846.81 per month	\$1,740.00 per month
	\$22,161.72 per year	\$20,880.00 per year

Rental Adjustment: Two percent annually

Utilities: County pays gas and telephone, Lessor to pay all others.

Custodial: Provided by Lessor.

Maintenance: Provided by Lessor.

Improvements: N/A

RCIT: N/A

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

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

**FINANCIAL DATA:**

All associated costs for this lease will be fully funded through the Sheriff's Department budget. While EDA will front the costs for the Third Amendment to Lease with the property owners, the Sheriff's Department will reimburse EDA for all associated costs. The amount of the cost decrease is not material; therefore, Sheriff and EDA are not requesting a budget adjustment at this time.

Attachments:  
Third Amendment  
Exhibit A  
Exhibit B

# Exhibit A

## Sheriff Lease Cost Analysis FY2012/13 56550 Highway 74, Mountain Center

### Total Square Footage to be Leased:

#### **EXPECTED AMOUNTS**

Current office:	1,360 SQFT	
<b>Total Expected Lease Cost for FY 2012/13</b>		<b>\$ 22,161.72</b>

#### **ACTUAL AMOUNTS**

Current Office:	1,360 SQFT
Proposed Office:	1,360 SQFT

Approximate Cost per SQFT (July-Aug)	\$ 1.36
Approximate Cost per SQFT (Sept-June)	\$ 1.28

Lease Cost per Month (July-Aug)	\$ 1,846.81
Lease Cost per Month (Sept-June)	<u>\$ 1,740.00</u>

Total Lease Cost (July-Aug )	\$ 3,693.62	
Total Lease Cost (Sept-June)	<u>\$ 17,400.00</u>	
<b>Total Actual Lease Cost for FY 2012/13</b>		<b>\$ 21,093.62</b>
<b>Total Lease Cost Variance for FY 2012/13</b>		<b>\$ (1,068.10)</b>

### Estimated Additional Costs:

#### **EXPECTED AMOUNTS**

EDA Lease Management Fee (Based @ 3.93%)	<u>\$ 870.96</u>	
<b>Total Estimated Expected Cost for FY 2012/13</b>		<b>\$ 870.96</b>

#### **ACTUAL AMOUNTS**

EDA Lease Management Fee (Based @ 3.93%)	<u>\$ 828.98</u>	
<b>Total Estimated Actual Cost for FY 2012/13</b>		<b>\$ 828.98</b>

<b>Total Estimated Cost Variance for FY 2012/13</b>		<b>\$ (41.98)</b>
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<b>TOTAL ESTIMATED COST FOR FY 2012/13</b>		<b>\$ (1,110.08)</b>
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<b>TOTAL COUNTY COSTS: 100%</b>		<b>\$ (1,110.08)</b>
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**Exhibit B**  
**Sheriff Lease Cost Analysis FY2012/13**  
**56550 Highway 74, Mountain Center**

**Current Square Feet Occupied:**

Current Office:	1,360	SQFT		
Approximate Cost per SQFT (July-Aug)	\$	1.28		
Approximate Cost per SQFT (Sept-June)	\$	1.31		
Lease Cost per Month (July-Aug)	\$	1,740.00		
Lease Cost per Month (Sept-June)	\$	1,781.60		
Total Lease Cost (July-Aug)	\$	3,480.00		
Total Lease Cost (Sept-June)	\$	17,816.00		
<b>Total Expected Lease Cost for FY 2013/14</b>	<b>\$</b>	<b>21,296.00</b>		

**Estimated Additional Costs:**

EDA Lease Management Fee (Based @ 3.93%)	\$	836.93		
<b>TOTAL ESTIMATED COST FOR FY 2013/14</b>	<b>\$</b>	<b>22,132.93</b>		
<b>TOTAL COUNTY COST: 100%</b>	<b>\$</b>	<b>22,132.93</b>		

1 **THIRD AMENDMENT TO LEASE**

2  
3 **THIS THIRD AMENDMENT TO LEASE** ("Third Amendment"), dated as of  
4 DEC. 11, 2012, is entered by and between the **COUNTY OF RIVERSIDE**, a  
5 political subdivision of the State of California, as Lessee, and **HEMET MUNICIPAL**  
6 **WATER DISTRICT**, as Lessor, sometimes collectively referred to as the "Parties."

7  
8 **RECITALS**

9  
10 A. Lessor and Lessee have entered into that certain Lease, dated August 11, 2003  
11 and its subsequent amendments, ("Lease") pursuant to which Lessor has agreed to  
12 lease to Lessee and Lessee has agreed to lease from Lessor that certain building  
13 located at 56550 Highway 74, Mountain Center, (the "Building"), as more particularly  
14 described in the Lease (the "Original Premises").

15 B. The amendments of the Lease are summarized as follows:

16 1. The First Amendment to Lease dated September 12, 2006, the Parties  
17 amended the Lease to extend the term period and modify the rent, as well as other  
18 minor modifications.

19 2. The Second Amendment to Lease dated February 23, 2010, the Parties  
20 amended the Lease to extend the term period, modify the rent and limit parking area,  
21 as well as other minor modifications.

22 C. The Parties now desire to amend the Lease to extend the lease term.

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

25 1. **TERM.** Section 3 (a) of the Lease is hereby amended by adding the  
26 following:

27 The term of this Lease shall be extended for thirty six (36) months commencing  
28 on September 1, 2012 and terminating on August 31, 2015.

1           2.     **RENT.** Section 4 of the Lease is hereby deleted in its entirety and  
2 replaced with the following:

3           Commencing on September 1, 2012 the monthly rent shall be \$1,740.00. The  
4 monthly rent shall be increased on each anniversary of this Lease by an amount equal  
5 to two percent (2%) of such monthly rent.

6           3.     **CUSTODIAL.** Section 5 of the Lease is hereby deleted in its entirety and  
7 replaced with the following:

8           Lessor shall provide custodial service one day per week commencing  
9 September 1, 2012. Services provided shall consist of vacuuming and cleaning of all  
10 floors, dusting, trash removal, restroom cleaning and supplying all paper products.

11          4.     **THIRD AMENDMENT TO PREVAIL.** The provisions of this Third  
12 Amendment shall prevail over any inconsistency or conflicting provisions of the Original  
13 Lease.

14          5.     **MISCELLANEOUS.** Except as amended or modified herein, all the terms  
15 of the Lease shall remain in full force and effect and shall apply with the same force  
16 and effect. Time is of the essence in the Lease and each and all of its respective  
17 provisions. If any provisions of the Lease shall be determined to be illegal or  
18 unenforceable, such determination shall not affect any other provision of the Lease and  
19 all such other provisions shall remain in full force and effect. The language in all parts  
20 of the Lease shall be construed according to its normal and usual meaning and not  
21 strictly for or against either Lessor or Lessee. Neither this Third Amendment, nor the  
22 Lease, nor any notice nor memorandum regarding the terms hereof, shall be recorded  
23 by Lessee.

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

27  
28

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

3 LESSOR:

4 LAKE HEMET MUNICIPAL WATER  
5 DISTRICT

6  
7 By: Thomas W. Wagoner  
8 Thomas Wagoner, General Manager

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

12 By: Kecia Harper-Ihem  
13 Deputy

LESSEE:

COUNTY OF RIVERSIDE

14  
15 By: John Favagione  
16 John Favagione, Chairman  
17 Board of Supervisors

18 APPROVED AS TO FORM:  
19 Pamela J. Walls  
20 County Counsel

21 By: Patricia Munroe  
22 Patricia Munroe  
23 Deputy County Counsel

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