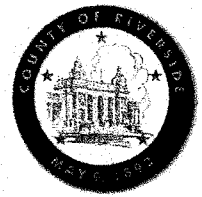


**SUBMITTAL TO THE BOARD OF SUPERVISORS
COUNTY OF RIVERSIDE, STATE OF CALIFORNIA**

842



SUBMITTAL DATE:
June 6, 2013

FROM: Economic Development Agency / Facilities Management

SUBJECT: First Amendment to Lease, Department of Mental Health, Corona

RECOMMENDED MOTION: That the Board of Supervisors:

1. Approve the attached First Amendment to Lease;
2. Authorize the Chairman of the Board to execute 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)

FISCAL PROCEDURES APPROVED
PAUL ANGULO, CPA, AUDITOR-CONTROLLER
BY Samuel Wong 6/4/13
SAMUEL WONG

Robert Field
Assistant County Executive Officer/EDA

FINANCIAL DATA	Current F.Y. Total Cost:	\$ (16,052)	In Current Year Budget:	Yes
	Current F.Y. Net County Cost:	\$ 0	Budget Adjustment:	No
	Annual Net County Cost:	\$ 0	For Fiscal Year:	2013/14

COMPANION ITEM ON BOARD AGENDA: No

SOURCE OF FUNDS: State 60%, Federal 40%

Positions To Be Deleted Per A-30	<input type="checkbox"/>
Requires 4/5 Vote	<input type="checkbox"/>

C.E.O. RECOMMENDATION:

APPROVE

County Executive Office Signature Jennifer L. Sargent

MINUTES OF THE BOARD OF SUPERVISORS

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

Ayes: Jeffries, Tavaglione, Stone, Benoit and Ashley
Nays: None
Absent: None
Date: June 18, 2013
xc: EDA, Auditor, Mental Health

Kecia Harper-Ihem
Clerk of the Board

By: Kecia Harper-Ihem
Deputy

3-22

Prev. Agn. Ref.: 3.24 of 10/30/2007

District: 2/2

Agenda Number:

APPROVED COUNTY COUNSEL
BY: PATRICIA UNROE
5/13/13
Departmental Concurrence

By: Samuel Wong
Jeffrey Wengert
Riverside County Department of Mental Health

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

RECEIVED BY BOARD ALONGS
MODIFIED BY RESIDUAL COUNSEL

BACKGROUND:

This First Amendment to Lease represents a request from the Department of Mental Health (DOMH) to extend the lease for its office located at 629 N. Main Street, Suite C-3, Corona, extending the term through July 31, 2018. The Lessor, at its sole cost and expense, shall patch and paint the entire facility, replace baseboard in lobby, and replace carpet after the 30th month of the new lease term. This facility continues to meet the requirements of the department.

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 First Amendment to Lease is summarized below:

Lessor:	CJP, Ltd. Summit Team 17165 Newhope Street, Suite H Fountain Valley, California 92708		
Premises Location:	629 N. Main Street, Suite C-3, Corona		
Size:	8,000 Square Feet		
Rent:	Current		New
	\$ 2.19 per sq. ft.		\$ 2.02 per sq. ft.
	\$ 17,557.94 per month		\$ 16,153.30 per month
	\$210,695.28 per year		\$193,839.60 per year
Savings:	Per Sq. Ft.	\$.17	
	Per Month	\$ 1,404.64	
	Per Year	\$16,855.68	
Term:	August 1, 2013 through July 31, 2018		
Rent Adjustment:	Two percent annual increase		
Utilities:	County pays for telephone and electrical services, Landlord pays for all others services.		
Custodial Services:	Landlord		
Maintenance:	Landlord		
Option to Terminate:	Termination for any reason after thirty-six months with ninety day notice.		

The attached First Amendment to Lease 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 First Amendment to Lease will be fully funded through the DOMH budget. The DOMH has budgeted these costs in FY 2013/14. While the Economic Development Agency (EDA) will front the costs for the First Amendment to Lease with the property owners, the DOMH will reimburse EDA for all associated costs.

Attachments:

Exhibit A

First Amendment to Lease

Exhibit A

Department of Mental Health Lease Cost Analysis FY 2013/14 629 N. Main Street, Suites C-3, Corona, California

Total Square Footage to be Leased:

EXPECTED AMOUNTS

Current office: 8,000 SQFT
Total Expected Lease Cost for FY 2013/14 \$ 210,695.28

ACTUAL AMOUNTS

Current Office: 8,000 SQFT
Proposed Office: 8,000 SQFT

Approximate Cost per SQFT (July) \$ 2.19
Approximate Cost per SQFT (Aug - June) \$ 2.02

Lease Cost per Month (July) \$ 17,557.94
Lease Cost per Month (Aug - June) \$ 16,153.30

Total Lease Cost (July) \$ 17,557.94
Total Lease Cost (Aug - June) \$ 177,686.30
Total Actual Lease Cost for FY 2013/14 \$ 195,244.24
Total Lease Cost Variance for FY 2013/14 \$ (15,451.04)

Estimated Additional Costs:

EXPECTED AMOUNTS

Utility Cost per Square Foot \$ 0.12
Estimated Utility Costs per Month \$ 960.00

Total Expected Additional Cost for FY 2013/14 \$ 11,520.00

RCIT \$ -

Tenant Improvements \$ -

EDA Lease Management Fee (Based @ 3.89%) \$ 8,196.05
Total Estimated Expected Cost for FY 2013/14 \$ 19,716.05

ACTUAL AMOUNTS

Utility Cost per Square Foot \$ 0.12

Costs per Month (July) \$ 960.00
Costs per Month (Aug - June) \$ 10,560.00

Total Estimated Actual Utility Cost for FY 2013/14 \$ 11,520.00

RCIT \$ -

Tenant Improvements \$ -

EDA Lease Management Fee (Based @ 3.89%) \$ 7,595.00
Total Estimated Actual Cost for FY 2013/14 \$ 19,115.00

Total Estimated Cost Variance for FY 2013/14 \$ (601.05)

TOTAL ESTIMATED COST FOR FY 2013/14 \$ (16,052.09)

1 **FIRST AMENDMENT TO LEASE**

2 **629 N. Main Street, Suite C-3, Corona, California**

3
4 This **FIRST AMENDMENT TO LEASE** ("First Amendment"), dated as of
5 June 18, 2013, is entered by and between the **COUNTY OF RIVERSIDE**, a political
6 subdivision of the State of California, ("Lessee"), and **CJP, Ltd., a California limited**
7 **partnership** ("Lessor"), sometimes collectively referred to as the "Parties."

8 **RECITALS**

9 a. Lessor and County entered into a lease dated October 30, 2007, pursuant to
10 which Lessor has agreed to lease to County and County has agreed to lease from Lessor a
11 portion of that certain building located at 629 N. Main Street, Suite C-3, Corona, California (the
12 "Building"), as more particularly described in the lease.

13 b. The Original Lease, together with the First Amendment, is collectively referred to
14 hereinafter as the "Lease."

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

17 1. **TERM.** Section 4, subsection 4.1 of the Lease is deleted and replaced with
18 the following language: The term of this lease shall be extended for five years commencing on
19 August 1, 2013 and shall expire on July 31, 2018.

20 2. **RENT.** Section 5, subsection 5.1 of the Lease is hereby amended by adding
21 the following: Commencing August 1, 2013 rent shall be \$16,153.30 per month with a two (2%)
22 percent annual increase.

23 3. **IMPROVEMENTS.** Lessor, at its sole cost and expense, shall paint Room
24 127, break room and patch and paint throughout the facility, replace baseboard in lobby, and
25 replace the carpet after the 30th month of the new lease term, if tenant selects out a carpet in
26 excess of \$16.00 per yard, the County will pay the difference. The carpet shall be replaced once
27 County confirms that they will occupy the space until the end of the lease term.

28 ///

1 4. **COUNTY'S RIGHT TO EARLY TERMINATION.** Section 6.4 is hereby
2 deleted and replaced with the following:

3 County shall have the right to terminate this Lease for any reason after thirty-six (36)
4 months by providing Lessor ninety (90) days advance written notice.

5 5. **FIRST AMENDMENT TO PREVAIL.** The provisions of this First Amendment
6 shall prevail over any inconsistency or conflicting provisions of the Lease. Any capitalized
7 terms shall have the meaning defined in the Lease, unless defined herein or context requires
8 otherwise.

9 6. **MISCELLANEOUS.** Except as amended or modified herein, all terms of the
10 Lease shall remain in full force and effect. If any provisions of this Amendment shall be
11 determined to be illegal or unenforceable, such determination shall not affect any other
12 provision of the Lease. Neither this Amendment nor the Lease shall be recorded by the
13 Lessee.

14 7. **EFFECTIVE DATE.** This First Amendment to Lease shall not be binding or
15 consummated until its approval by the Riverside County Board of Supervisors and fully
16 executed by the Parties.

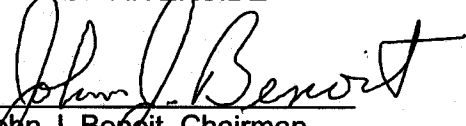
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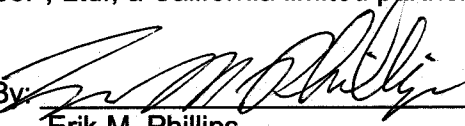
1 WITNESS WHEREOF, the parties have executed this First Amendment as of
2 the date first written above.

3 Dated: JUN 18 2013

4
5 LESSEE:
6 COUNTY OF RIVERSIDE

LESSOR:
CJP, Ltd., a California limited partnership

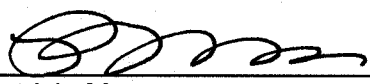
7 By: 
8 John J. Benoit, Chairman
Board of Supervisors

By: 
Erik M. Phillips
General Partner

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

12 By: 
13 Deputy

14
15
16 APPROVED AS TO FORM:
17 Pamela J. Walls
County Counsel

18 By: 
19 Patricia Munroe
20 Deputy County Counsel