

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

504



FROM: Economic Development Agency/Facilities Management

SUBMITTAL DATE:

November 14, 2013

SUBJECT: First Amendment to Lease, Department of Mental Health, Riverside, One Year Lease, CEQA Exempt, District 2, [\$314,640], State 75%, Federal 25%

RECOMMENDED MOTION: That the Board of Supervisors:

1. Ratify the attached First 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:

Summary

(Commences on Page 2)

FISCAL PROCEDURES APPROVED
PAUL ANGULO, CPA-AUDITOR-CONTROLLER
BY: [Signature] 11/14/13

[Signature]

Robert Field
Assistant County Executive Officer/EDA

FINANCIAL DATA	Current Fiscal Year:	Next Fiscal Year:	Total Cost:	Ongoing Cost:	POLICY/CONSENT (per Exec. Office)
COST	\$ 209,760	\$ 104,880	\$ 314,640	\$ 0	Consent <input type="checkbox"/> Policy <input checked="" type="checkbox"/>
NET COUNTY COST	\$ 0	\$ 0	\$ 0	\$ 0	
SOURCE OF FUNDS: State 75%, Federal 25%				Budget Adjustment: No	
				For Fiscal Year: 2013/14	

C.E.O. RECOMMENDATION:

APPROVE

BY:

Rohini Dasika
Rohini Dasika

County Executive Office Signature

MINUTES OF THE BOARD OF SUPERVISORS

On motion of Supervisor Ashley, seconded by Supervisor Benoit 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: December 3, 2013
xc: EDA

Kecia Harper-Ihem
Clerk of the Board

By: [Signature]
Deputy

Prev. Agn. Ref.: 3.25 of 2/5/08

District: 2/2

Agenda Number:

3-7

ARMED PROSECUTION COUNTY COUNSEL
BY: [Signature] 11/14/13
DATE

Departmental Concurrence

By: [Signature]
Jerry Wengert
Director

Positions Added ☐ Change Order ☐
A-30 ☐ 4/5 Vote ☐

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

Economic Development Agency Facilities Management

FORM 11: First Amendment to Lease, Department of Mental Health, Riverside, One Year Lease, CEQA Exempt, District 2, [\$314,640]

DATE: November 14, 2013

Page 2 of 3

BACKGROUND:

Summary:

This First Amendment to Lease represents a request from the Department of Mental Health (DOMH) to extend the lease for its office located at 10182, 10190 and 10228 Indiana Avenue, Riverside, extending the term from November 1, 2013 through October 31, 2014. 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:	Cyrus G. Etemad Nakissa C. Etemad 333 Grand Avenue, Suite 709 San Francisco, California 94108								
Premises Location:	10182, 10190 and 10228 Indiana Avenue, Riverside, CA 92503								
Size:	12,522 Square Feet								
Rent:	<table><thead><tr><th>Current</th><th>New</th></tr></thead><tbody><tr><td>\$ 2.36 per sq. ft.</td><td>\$ 1.90 per sq. ft.</td></tr><tr><td>\$ 29,590.92 per month</td><td>\$ 23,791.80 per month</td></tr><tr><td>\$355,091.04 per year</td><td>\$285,501.60 per year</td></tr></tbody></table>	Current	New	\$ 2.36 per sq. ft.	\$ 1.90 per sq. ft.	\$ 29,590.92 per month	\$ 23,791.80 per month	\$355,091.04 per year	\$285,501.60 per year
Current	New								
\$ 2.36 per sq. ft.	\$ 1.90 per sq. ft.								
\$ 29,590.92 per month	\$ 23,791.80 per month								
\$355,091.04 per year	\$285,501.60 per year								
Savings:	<table><tbody><tr><td>Per Sq. Ft.</td><td>\$.46</td></tr><tr><td>Per Month</td><td>\$ 5,799.12</td></tr><tr><td>Per Year</td><td>\$69,589.44</td></tr></tbody></table>	Per Sq. Ft.	\$.46	Per Month	\$ 5,799.12	Per Year	\$69,589.44		
Per Sq. Ft.	\$.46								
Per Month	\$ 5,799.12								
Per Year	\$69,589.44								
Term:	November 1, 2013 through October 31, 2014								
Utilities:	County pays for telephone and electrical services, Landlord pays for all others services.								
Custodial Services:	Landlord								
Maintenance:	Landlord								

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

(Continued)

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Impact on Residents and Businesses

There will be no foreseeable impact on residents and local businesses.

SUPPLEMENTAL:

Additional Fiscal Information

See attached Exhibit A & B

The DOMH has budgeted these costs in FY 2013/14 and will reimburse Economic Development Agency for all lease costs on a monthly basis.

Contract History and Price Reasonableness

This is a one year renewal with a 20% rental rate reduction. This contract has been in place since February 5, 2008.

Attachment:

Exhibit A & B

First Amendment to Lease

Exhibit A

Department of Mental Health Lease Cost Analysis FY 2013/14 10182, 10190 and 10228 Indiana Avenue, Riverside, CA

ESTIMATED AMOUNTS

Total Square Footage to be Leased:

Current office:	12,522 SQFT	
Approximate Cost per SQFT (July - Oct)		
Approximate Cost per SQFT (Nov - June)	\$ 1.90	
Lease Cost per Month (July - Oct)		
Lease Cost per Month (Nov - June)	\$ 23,791.80	
Total Lease Cost (July - Oct)		\$ -
Total Lease Cost (Nov - June)		\$ 190,334.40
Total Estimated Lease Cost for FY 2013/14		\$ 190,334.40

Estimated Additional Costs:

Utility Cost per Square Foot	\$ 0.12	
Total Estimated Actual Utility Cost per Month (July - June)	\$ 1,502.64	
Total Estimated Utility Cost		\$ 12,021.12
EDA Lease Management Fee (Based @ 3.89%)		\$ 7,404.01
TOTAL ESTIMATED COST FOR FY 2013/14		\$ 209,759.53

Exhibit B

Department of Mental Health Lease Cost Analysis FY 2014/15 10182, 10190 and 10228 Indiana Avenue, Riverside, CA

ESTIMATED AMOUNTS

Total Square Footage to be Leased:

Current office:	12,522 SQFT	
Approximate Cost per SQFT (July - Oct)	\$ 1.90	
Approximate Cost per SQFT (Nov - June)	\$ -	
Lease Cost per Month (July - Oct)	\$ 23,791.80	
Lease Cost per Month (Nov - June)	\$ -	
Total Lease Cost (July - Oct)		\$ 95,167.20
Total Lease Cost (Nov - June)		\$ -
Total Estimated Lease Cost for FY 2014/15		\$ 95,167.20

Estimated Additional Costs:

Utility Cost per Square Foot	\$ 0.12	
Total Estimated Actual Utility Cost per Month (July - June)	\$ 1,502.64	
Total Estimated Utility Cost		\$ 6,010.56
EDA Lease Management Fee (Based @ 3.89%)		\$ 3,702.00
TOTAL ESTIMATED COST FOR FY 2014/15		\$ 104,879.76

1 **FIRST AMENDMENT TO LEASE**

2 **10182, 10190 and 10228 Indiana Avenue, Riverside, California**

3 This **FIRST AMENDMENT TO LEASE** ("First Amendment") dated as of
4 December 3, 2013, is entered by and between the **COUNTY OF RIVERSIDE**, a political
5 subdivision of the State of California, ("Lessee") and **CYRUS G. ETEMAD AND NAKISSA C.**
6 **ETEMAD**, as tenants in common, hereinafter referred to as the "Lessor."

7 **RECITALS**

8 a. Lessor and County entered into a lease dated February 5, 2008, pursuant to
9 which Lessor has agreed to lease to County and County has agreed to lease from Lessor a
10 portion of that certain building located at 10182, 10190 and 10228 Indiana Avenue, Riverside,
11 California (the "Building"), as more particularly described in the lease.

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

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

16 1. **TERM.** Section 4, subsection 4.1 of the Lease is deleted and replaced with
17 the following language: The term of this lease shall be extended for one year commencing on
18 November 1, 2013 and shall expire on October 31, 2014.

19 2. **RENT.** Section 5, subsection 5.1 and 5.2 of the Lease are hereby amended
20 by adding the following: Commencing November 1, 2013, rent shall be \$23,791.80 per month.

21 3. **FIRST AMENDMENT TO PREVAIL.** The provisions of this First Amendment
22 shall prevail over any inconsistency or conflicting provisions of the Lease. Any capitalized
23 terms shall have the meaning defined in the Lease, unless defined herein or context requires
24 otherwise.

25 4. **MISCELLANEOUS.** Except as amended or modified herein, all terms of the
26 Lease shall remain in full force and effect. If any provisions of this Amendment shall be
27 determined to be illegal or unenforceable, such determination shall not affect any other
28

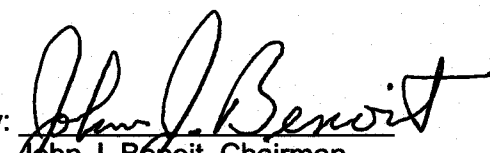
1 provision of the Lease. Neither this Amendment nor the Lease shall be recorded by the
2 Lessee.

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

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


8 Dated: DEC 03 2013

9
10 LESSEE:
11 COUNTY OF RIVERSIDE

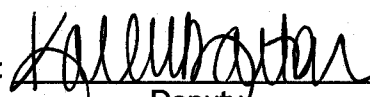
12 By: 
13 John J. Benoit, Chairman
14 Board of Supervisors

LESSOR:
CYRUS G. ETEMAD AND NAKISSA C. ETEMAD,
as tenant in common

By: 

By: 

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

18 By: 
19 Deputy

20
21 APPROVED AS TO FORM:
22 Pamela J. Walls
23 County Counsel

24 By: 
25 Patricia Munroe
26 Deputy County Counsel

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