

FORM APPROVED COUNTY COUNSEL
DATE 12/3/13
BY: PATRICIA MUNROE
Departmental Concurrence
NOV 26 2013
L. S. Madden
By: Scott Madden, Lieutenant - Program Manager
By: Positions Added
Change Order
A-30
4/5 Vote

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

820



FROM: Economic Development Agency / Facilities Management

SUBMITTAL DATE:
December 23, 2013

SUBJECT: Fourth Amendment to Lease – Sheriff, CAL-ID Division, Riverside, 3 – Year Lease
Renewal, District 1, CEQA Exempt, [\$348,009], CAL-ID Budget

RECOMMENDED MOTION: That the Board of Supervisors:

1. Ratify the attached Fourth Amendment to Lease Agreement;
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)

FISCAL PROCEDURES APPROVED
PAUL ANGUILO, CPA, AUDITOR-CONTROLLER
BY: [Signature] 12/18/13

[Signature] for
Robert Field
Assistant County Executive Officer/EDA
By: Lisa Brandl, Managing Director

FINANCIAL DATA	Current Fiscal Year:	Next Fiscal Year:	Total Cost:	Ongoing Cost:	POLICY/CONSENT (per Exec. Office)
COST	\$ 84,835	\$ 115,259	\$ 348,009	\$	Consent <input type="checkbox"/> Policy <input checked="" type="checkbox"/>
NET COUNTY COST	\$	\$	\$	\$	
SOURCE OF FUNDS: 100% CAL-ID Budget				Budget Adjustment: No	
				For Fiscal Year: 2013/14	

C.E.O. RECOMMENDATION:

APPROVE

BY:

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: January 7, 2014
xc: EDA
100 JUL 31 10:01

Kecia Harper-Ihem
Clerk of the Board

By: [Signature]
Deputy

Prev. Agn. Ref.: 3.26 of 9/127/2005

District: 1/1

Agenda Number:

3-22

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

Economic Development Agency/Facilities Management

FORM 11: Fourth Amendment to Lease – Sheriff, CAL-ID Division, Riverside, 3 – Year Lease Renewal,
District 1, CEQA Exempt, [\$348,009], CAL-ID Budget

DATE: December 23, 2013

Page 2 of 3

BACKGROUND: (Summary)

On September 27, 2005, the Board of Supervisors approved agenda item 3.26 authorizing the Economic Development Agency (EDA), Real Estate Division, to amend the lease and to extend the term of the lease for five more years. This office continues to meet the requirements for the Sheriff's CAL-ID Division.

In an effort to assist the Sheriff in achieving their goals and keeping the office as cost effective as possible, the Real Estate Division has negotiated a three year lease. This will offset a square footage reduction of 3,720 square feet, and will provide the Sheriff the affordability to continue to remain in the office space and plan for future relocation, or merging with other Sheriff Divisions.

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 with minor tenant improvements alterations and no expansion of an existing use will occur.

This Lease is summarized below:

Lessor:	1020 Iowa, Inc. P.O. Box 5198 Riverside, CA 92517								
Premises Location:	1260 Palmyrita, Suites A, B,C, D, Riverside								
Size:	<table><tbody><tr><td>Current</td><td>New</td></tr><tr><td>16,056 sq. ft.</td><td>12,336 sq. ft.</td></tr></tbody></table>	Current	New	16,056 sq. ft.	12,336 sq. ft.				
Current	New								
16,056 sq. ft.	12,336 sq. ft.								
Rent:	<table><tbody><tr><td>Current</td><td>New</td></tr><tr><td>\$.47 per sq. ft.</td><td>\$.62 per sq. ft.</td></tr><tr><td>\$ 7,546.32 per month</td><td>\$ 7,648.32 per month</td></tr><tr><td>\$90,555.84 per year</td><td>\$91,779.84 per year</td></tr></tbody></table>	Current	New	\$.47 per sq. ft.	\$.62 per sq. ft.	\$ 7,546.32 per month	\$ 7,648.32 per month	\$90,555.84 per year	\$91,779.84 per year
Current	New								
\$.47 per sq. ft.	\$.62 per sq. ft.								
\$ 7,546.32 per month	\$ 7,648.32 per month								
\$90,555.84 per year	\$91,779.84 per year								
Term:	Three year lease commencing October 1, 2013								
Annual Increase:	Three percent								
Custodial:	Landlord								
Maintenance:	Landlord								
RCIT:	None								
Improvements:	None								

The attached Lease has been reviewed and approved by County counsel as to legal form.

(Continued)

SUBMITTAL TO THE BOARD OF SUPERVISORS, COUNTY OF RIVERSIDE, STATE OF CALIFORNIA
Economic Development Agency/Facilities Management
FORM 11: Fourth Amendment to Lease – Sheriff, CAL-ID Division, Riverside, 3 – Year Lease Renewal,
District 1, CEQA Exempt, [\$348,009], CAL-ID Budget
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Page 3 of 3

Impact on Residents and Businesses

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

SUPPLEMENTAL:

Additional Fiscal Information

See attached Exhibit A, B, & C

Sheriff's CAL-ID Division has budgeted these costs in FY 2013/14 and will reimburse EDA for all lease costs on a monthly basis.

Contract History and Price Reasonableness

This is a three year lease renewal. The lease rate is below fair market rental value.

Attachment:
Exhibit A, B, & C
Lease

1 **FOURTH AMENDMENT TO LEASE**
2 **(COUNTY OF RIVERSIDE,**
3 **SHERIFF'S CAL-ID DIVISION, 1260 PALMYRITA AVENUE**
4 **SUITES A-D, RIVERSIDE)**
5

6 **THIS FOURTH AMENDMENT TO LEASE** ("Fourth Amendment"), dated as of
7 November 22, 2013, is entered into by and between **1020 IOWA AVENUE INC.**,
8 a California Corporation, "Lessor" and **COUNTY OF RIVERSIDE**, a political subdivision
9 of the State of California, "County" on behalf of the Sheriff Department Cal-ID Division.

10 **RECITALS**

11 a. Lessor and County have entered into that certain Lease dated September
12 1, 1998, pursuant to which Lessor has agreed to lease to County and County has
13 agreed to lease from Lessor that certain building located at 1260 Palmyrita, Riverside,
14 consisting of approximately 12,336 square feet (the "Building"), as more particularly
15 described in the Lease (the "Original Premises").

16 b. The Amendments of the Lease are summarized as follows:

17 1. The First Amendment to Lease dated October 24, 2001 by and
18 between 1020 Iowa Avenue, Inc., a California Corporation, successors to Iowa
19 Corporate Center, LTD and County (the "First Amendment").

20 2. The Second Amendment to Lease dated August 18, 2005 by and
21 between 1020 Iowa Avenue Inc., a California Corporation, and County (the "Second
22 Amendment").

23 3. The Third Amendment to Lease dated October 19, 2010 by and
24 between 1020 Iowa Avenue Inc., a California Corporation, and County (the "Third
25 Amendment").

26 c. The Parties now desire to amend the Lease to extend the term.

27 1. NOW THEREFORE, for good and valuable consideration the
28 receipt and adequacy of which is hereby acknowledged, the Parties agree as follows:

1 2. **TERM.** Section 3 of the Lease is hereby amended by adding the
2 following:

3 The term of this lease shall be extended thirty sixty (36) months
4 commencing on October 1, 2013 and shall expire on September 30, 2016.

5 3. **RENT.** Section 5 of the Lease is hereby amended by adding the
6 following:

7 Effective October 1, 2013 the monthly rent shall be \$7,648.32 per month.
8 The monthly rent shall be increased on each anniversary of this Lease by an amount
9 equal to three percent (3%) of such monthly rental.

10 4. **Options to Terminate.** Section 13 (c) of the Lease is deleted and
11 replaced as follows:

12 The parties hereto recognize and understand that the rental consideration hereunder
13 originates from county, state and/or federal sources and therefore, if such funding is
14 reduced to a point where the County cannot economically operate out of the leased
15 premises or otherwise becomes unavailable, based on the County's annual fiscal
16 budget, County shall have the right to terminate this lease in year two of lease. In the
17 event County terminates lease in year two of lease, County shall provide Lessor with
18 one hundred eighty (180) days written notice, and shall pay a termination fee equal to
19 Two hundred dollars (\$200.00) per month to mitigate loss of unpaid rent. The
20 termination fee shall not exceed thirty-six hundred dollars (\$3,600.00).

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

25 6. **MISCELLANEOUS.** Except as amended or modified herein, all
26 terms of the Lease shall remain in full force and effect. If any provisions of this
27 Amendment shall be determined to be illegal or unenforceable, such determination
28

1 shall not affect any other provision of the Lease. Neither this Amendment nor the
2 Lease shall be recorded by the Lessee.

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

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

8 LESSEE:
9 COUNTY OF RIVERSIDE

10
11 By: Jeff Stone
12 Jeff Stone, Chairman
13 Board of Supervisors
14

LESSOR:
1020 IOWA AVENUE, INC., a
California corporation

By: Gary Spanner
Gary Spanner, President

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

18 By: Raquel Rose
19 Deputy

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

23 By: Patricia Munroe
24 Patricia Munroe
25 Deputy County Counsel
26