

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

948



FORM APPROVED COUNTY COUNSEL
DATE 6/18/14
BY: PATRICIA MUNROE
Departmental Concurrence

FROM: Economic Development Agency/Facilities Management

SUBMITTAL DATE:

July 2, 2014

SUBJECT: Fourth Amendment to Lease – Human Resources Department – Three Year Renewal, CEQA Exempt, District 2/District 2, [\$467,443]; [2% Annual Increase], 100% Internal Service Fund

RECOMMENDED MOTION: That the Board of Supervisors:

1. Find the project is exempt from the California Environmental Quality Act (CEQA) pursuant to CEQA Guidelines Section 15301, Existing Facilities; and
2. Approve the attached Fourth Amendment to lease and authorize the Chairman of the Board to execute the same on behalf of the County.

BACKGROUND:

Summary (Commences on Page 2)

FISCAL PROCEDURES APPROVED
PAUL ANGULO, CPA, AUDITOR-CONTROLLER
BY: Esteban Hernandez 7/2/14

[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	\$ 0	\$ 76,454	\$ 467,443	\$ 0	Consent <input type="checkbox"/> Policy <input checked="" type="checkbox"/>
NET COUNTY COST	\$ 0	\$ 0	\$ 0	\$ 0	

SOURCE OF FUNDS: 100% Internal Service Fund

Budget Adjustment: No
For Fiscal Year: 2014/15-2018/19

C.E.O. RECOMMENDATION:

APPROVE

BY: Rohini Dasika
Rohini Dasika

County Executive Office Signature

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: Jeffries, Tavaglione, Stone, Benoit and Ashley
Nays: None
Absent: None
Date: July 15, 2014
xc: EDA

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

Prev. Agn. Ref.: 3.15 of 3/15/05; 3.46 of 9/13/11

District: 2/2

Agenda Number:

3-23

By: [Signature]
Michael Stock
Assistant CEO/HR Director

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

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

Economic Development Agency / Facilities Management

FORM 11: Fourth Amendment to Lease – Human Resources Department – Three Year Renewal, CEQA Exempt, District 2/District 2, [\$467,443]; [2% Annual Increase], 100% Internal Service Fund

DATE: July 2, 2014

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BACKGROUND:

Summary

On March 15, 2005 the County of Riverside entered into a lease agreement on behalf of the Human Resources Department for the facility located at 3600 Lime Street, Suites 314, 315, 316, 715, 716, Riverside. This facility continues to meet the needs and requirements of the Department and this Fourth Amendment to Lease represents a thirty six month extension. There will be no change in the monthly rent for the initial year of this extension. The Landlord has also agreed to provide requested improvements to the space which includes installation of additional insulation on the interior walls of the reception area at landlords sole cost and expense.

Lessor: M.P. Property Partners, LLC
a California limited liability company and
Greenleaf Whittier, LLC, a California
limited liability company
1601 Sepulveda #364
Manhattan Beach, California 90266

Premises: 3600 Lime Street, Suites 314, 315, 316, 715, 716
Riverside, California 92501

Term: Extending an additional three years commencing January 1, 2016
expiring December 31, 2018.

Size: 5,943 square feet

Rent: \$1.91 per sq. ft.
\$11,351.74 per month
\$136,220.88 per year

Rental Adjustment: Two percent annually

Utilities: Provided by Landlord

Maintenance: Provided by Landlord

Custodial: Provided by Landlord

Tenant Improvements: Install additional insulation in interior walls of reception area at Landlord's
sole cost and expense.

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

Impact on Residents and Businesses

Employee Assistance Services and the Wellness Program occupy this facility which is located in the downtown business district. In addition to providing health and wellness programs to Riverside County employees, the occupancy of this building provides a positive economic impact for the residents and businesses of the area. County employees who work in this facility frequent downtown businesses and help to sustain local business which equates to revenue and jobs for the local economy and its residents.

(Continued)

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SUPPLEMENTAL:

Additional Fiscal Information

See attached Exhibits A, B & C

Contract History and Price Reasonableness

The original lease agreement was executed on March 15, 2005, and subsequent amendments executed thereafter. The lease rate is a competitive fair market rental rate.

Attachments:

Exhibits A, B & C

Fourth Amendment to Lease

Exhibit A

FY 2014/15

Human Resources Department

3600 Lime Street, Suites 314, 315, 316, 715, 716, Riverside

ESTIMATED AMOUNTS

Total Square Footage to be Leased:

Current Office: 5,943 SQFT

Approximate Cost per SQFT (July - Dec) 3rd Amendment \$ 1.91

Approximate Cost per SQFT (Jan - June) 3rd Amendment \$ 1.95

Lease Cost per Month (July - Dec) 3rd Amendment \$ 11,351.74

Lease Cost per Month (Jan - June) 3rd Amendment \$ 11,578.77

Total Lease Cost (July - Dec) 3rd Amendment \$ 68,110.44

Total Lease Cost (Jan - June) 3rd Amendment \$ 69,472.65

Total Estimated Lease Cost for FY 2014/15 \$ 137,583.09

Estimated Additional Costs:

Utility Cost per Square Foot \$ 0.12

Estimated Utility Costs per Month (July - June) \$ 713.16

Total Estimated Utility Cost \$ 8,557.92

RCIT \$ -

Tenant Improvement \$ -

EDA Lease Management Fee - 3.89% \$ 5,351.98

TOTAL ESTIMATED COST FOR FY 2014/15 \$ 151,492.99

Amount Previously approved in 3rd Amendment \$ 151,492.99

Amount of FY14/15 for 4th Amendment \$ -

TOTAL COUNTY COST 0.00% \$ -

Exhibit B

FY 2015/16

Human Resources Department

3600 Lime Street, Suites 314, 315, 316, 715, 716, Riverside

ESTIMATED AMOUNTS

Total Square Footage to be Leased:

Current Office:	5,943 SQFT		
Approximate Cost per SQFT (July - Dec) 3rd Amendment	\$	1.95	
Approximate Cost per SQFT (Jan - June) 4th Amendment	\$	1.95	
Lease Cost per Month (July - Dec) 3rd Amendment	\$	11,578.77	
Lease Cost per Month (Jan - June) 4th Amendment	\$	11,578.77	
Total Lease Cost (July - Dec) 3rd Amendment	\$		69,472.65
Total Lease Cost (Jan - June) 4th Amendment	\$		69,472.62
Total Estimated Lease Cost for FY 2015/16	\$		138,945.27

Estimated Additional Costs:

Utility Cost per Square Foot	\$	0.12	
Estimated Utility Costs per Month (July - June)			<u>\$ 713.16</u>
Total Estimated Utility Cost	\$		8,557.92
RCIT	\$		-
Tenant Improvement	\$		-
EDA Lease Management Fee - 3.89%	\$		<u>5,404.97</u>
TOTAL ESTIMATED COST FOR FY 2015/16	\$		<u>152,908.16</u>
Amount Previously approved in 3rd Amendment	\$		76,454.09
Amount of FY15/16 for 4th Amendment	\$		<u>76,454.06</u>
TOTAL COUNTY COST 0.00%	\$		-

1 **FOURTH AMENDMENT TO LEASE**

2
3 **THIS FOURTH AMENDMENT TO LEASE** ("Fourth Amendment"), dated as of
4 May 13, 2014, is entered into by and between the **COUNTY OF**
5 **RIVERSIDE**, a political subdivision of the State of California, County, and **M. P.**
6 **PROPERTY PARTNERS, LLC** a California limited liability company and **GREENLEAF**
7 **WHITTIER, LLC**, a California limited liability company, ("Lessor".)

8 **RECITALS**

9 a. Lessor and County have entered into that certain Lease dated March 15,
10 2005, pursuant to which Lessor has agreed to lease to County and County has agreed
11 to lease from Lessor that certain building located at 3600 Lime Street, Suites 314, 315,
12 316, 715, 716 Riverside, as more particularly described in the Lease.

13 b. The amendments of the Lease are summarized as follows:

14 1. The First Amendment to Lease dated May 6, 2008 by and
15 between County of Riverside and M.P. Property Partners LLC, and Greenleaf Whittier,
16 LLC.

17 2. The Second Amendment to Lease dated February 8, 2011 by and
18 between County of Riverside and M.P. Property Partners, LLC and Greenleaf Whittier
19 LLC.

20 3. The Third Amendment to Lease dated September 13, 2011 by and
21 between M.P. Property Partners, LLC and Greenleaf Whittier, LLC.

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

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

25 2. **LEASED PREMISES.** Section 3 of the Lease is amended by
26 adding the following new Section (c):

27 Lessee may vacate Suite 715 comprised of 1,979 square feet and
28 Suite 716 comprised of 1,199 square feet for a total of 3,178 square feet effective

JUL 15 2014 3:23

1 December 31, 2015 reducing the total square footage of the premises from 5,943
2 square feet to 2,765 square feet. Rent will be reduced to reflect the change in square
3 footage.

4 3. TERM. Section 3 (a) of the Lease is hereby amended by adding
5 the following:

6 The term of this lease shall be extended thirty six (36) months
7 commencing on January 1, 2016 and shall expire on December 31, 2018.

8 4. TENANT IMPROVEMENTS. At Lessors sole cost and expense,
9 Lessor shall install additional insulation in the interior walls of the reception area; walls
10 will be patched and painted to match existing.

11 5. FOURTH AMENDMENT TO PREVAIL. The provisions of this
12 Fourth Amendment shall prevail over any inconsistency or conflicting provisions of the
13 Lease. Any capitalized terms shall have the meaning defined in the Lease, unless
14 defined herein or context requires otherwise.

15 6. MISCELLANEOUS. Except as amended or modified herein, all
16 terms of the Lease shall remain in full force and effect. If any provisions of this
17 Amendment shall be determined to be illegal or unenforceable, such determination
18 shall not affect any other provision of the Lease. Neither this Amendment nor the
19 Lease shall be recorded by the County.

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

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25 ///

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1 IN WITNESS WHEREOF, the parties have executed this Fourth Amendment to Lease
2 as of the date first written above.

3 LESSEE:
4 COUNTY OF RIVERSIDE

LESSOR:
M.P. Property Partners, LLC, a
California limited liability company and
Greenleaf Whittier LLC, a California
limited liability company
It's Authorized Signatory

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6
7
8
9 By: Jeff Stone
10 Jeff Stone, Chairman
Board of Supervisors

By: John McDonnell
John McDonnell, Manager

11
12
13 ATTEST:
14 Kecia Harper-Item
Clerk of the Board

15
16 By: Kecia Harper-Item
17 Deputy

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

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

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26 TW:ra/042414/RV083/16.830 S:\Real Property\TYPING\Docs-16.500 to 16.999\16.830.doc

