

FORM APPROVED COUNTY COUNSEL
DATE 2/19/15
BY: GREGORY P. PRIMOS
Department of Public Social Services

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

257



FROM: Economic Development Agency/Facilities Management

SUBMITTAL DATE:
February 26, 2015

SUBJECT: Exercise of Lease Option Rights – Department of Public Social Services, Temecula, 1-year lease extension, District 3, [\$412,632 total] 57.93% Federal; 38.72% State; 3.35% County DPSS budget – ICEQA

RECOMMENDED MOTION: That the Board of Supervisors approve the attached Exercise of Lease Option Rights Notice and authorize the Chairman to execute the same on behalf of the County.

BACKGROUND: The County has been under lease at 43264 Business Park Drive, Temecula, since 1995. The facility, occupied by the Department of Public Social Services' Temporary Assistance MediCal Division, will continue to be utilized by the Department to provide services program service to the community.

(Continued)

FISCAL PROCEDURES APPROVED
PAUL ANGULO, CPA, AUDITOR-CONTROLLER
BY: Esteban Hernandez 2/25/15

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	\$ 213,545	\$ 199,087	\$ 412,632	\$ 0	Consent <input type="checkbox"/> Policy <input checked="" type="checkbox"/>
NET COUNTY COST	\$ 7,154	\$ 6,669	\$ 13,823	\$ 0	
SOURCE OF FUNDS: 57.93% Federal; 38.72% State; 3.35% County DPSS budget				Budget Adjustment: No	
				For Fiscal Year:	2014/15-2015/16

C.E.O. RECOMMENDATION:

APPROVE

BY:

Rohini Dasika

County Executive Office Signature

MINUTES OF THE BOARD OF SUPERVISORS

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

Ayes: Jeffries, Tavaglione, Washington, Benoit and Ashley
Nays: None
Absent: None
Date: March 10, 2015
xc: EDA, DPSS

Kecia Harper-Ihem
Clerk of the Board
By:
Deputy

Prev. Agn. Ref.: 3.28 of 6/5/07; 3.31 of 6/18/13

District: 3

Agenda Number:

3-15

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

SUBMITTAL TO THE BOARD OF SUPERVISORS, COUNTY OF RIVERSIDE, STATE OF CALIFORNIA
Economic Development Agency/Facilities Management

FORM 11: Exercise of Lease Option Rights – Department of Public Social Services, Temecula, 1-year lease extension, District 3, [\$412,632 total] 57.93% Federal; 38.72% State; 3.35% County DPSS budget - CEQA

DATE: February 26, 2015

PAGE: 2 of 2

BACKGROUND:

Summary

On June 18, 2013, the board approved the Fifth Amendment to the original lease which provided an option to extend the lease for an additional year. In connection with this Fifth Amendment, the board made a finding that the project was exempt from CEQA pursuant to CEQA guidelines Section 15301 which is applicable to Existing Facilities. Thus, no further CEQA action is required. This Option to Extend will be exercised upon execution of the attached notification letter.

Lessor: Alas Company, L.L.C.
3317 Beverly Blvd., Suite 105
Montebello, CA 90640

Premises Location: 43264 Business Park Drive
Temecula, CA

Size: 10,142 square feet

Rent:	<u>Current</u>	<u>New</u>
	\$1.57 per sq. ft. modified gross	\$1.60 per sq. ft. modified gross
	\$15,931.05 per month	\$16,249.67 per month
	\$191,172.60 per year	\$194,996.04 per year

Term: Extended one year commencing June 1, 2015 through May 30, 2016.

Rent Adjustment: 2%

Utilities: County to pay electric. Lessor to pay all other utilities.

Custodial: Included in rent.

Interior/Exterior
Maintenance: Included in rent.

Impact on Citizens and Businesses

The public benefit continues with this location serving clients in the Region with temporary assistance.

SUPPLEMENTAL:

Additional Fiscal Information

See attached Exhibits A & B

DPSS will budget these costs in FY2015/16 and will reimburse EDA for all lease costs on a monthly basis.

Contract History and Price Reasonableness

This is a 1 year lease extension. The lease rate is competitive based on the current market.

Attachments:
Exhibits A & B
Amendment

Exhibit A

FY 2014/15

DPSS Lease Cost Analysis

43264 Business Park Drive, Temecula, California

ESTIMATED AMOUNTS

Total Square Footage to be Leased:

Current Office: 10,142 SQFT

Approximate Cost per SQFT (July - May) \$ 1.57

Approximate Cost per SQFT (June) \$ 1.60

Lease Cost per Month (July - May) \$ 15,931.05

Lease Cost per Month (June) \$ 16,249.67

Total Lease Cost (July - May) \$ 175,241.55

Total Lease Cost (June) \$ 16,249.67

Total Estimated Lease Cost for FY 2014/15 **\$ 191,491.22**

Estimated Additional Costs:

Utility Cost per Square Foot \$ 0.12

Estimated Utility Costs per Month (July - June) \$ 1,217.04

Total Estimated Utility Cost \$ 14,604.48

RCIT \$ -

Tenant Improvement \$ -

EDA Lease Management Fee - 3.89% \$ 7,449.01

TOTAL ESTIMATED COST FOR FY 2014/15 **\$ 213,544.71**

TOTAL COUNTY COST 3.35% **\$ 7,153.75**

Exhibit B

FY 2015/16

DPSS Lease Cost Analysis

43264 Business Park Drive, Temecula, California

ESTIMATED AMOUNTS

Total Square Footage to be Leased:

Current Office: 10,142 SQFT

Approximate Cost per SQFT (July - May) \$ 1.60

Lease Cost per Month (July - May) \$ 16,249.67

Total Lease Cost (July - May) \$ 178,746.38

\$ -

Total Estimated Lease Cost for FY 2015/16 **\$ 178,746.38**

Estimated Additional Costs:

Utility Cost per Square Foot \$ 0.12

Lease Cost per Month (July - May) \$ 1,217.04

Total Estimated Utility Cost \$ 13,387.44

RCIT \$ -

Tenant Improvement \$ -

EDA Lease Management Fee - 3.89% \$ 6,953.23

TOTAL ESTIMATED COST FOR FY 2015/16 **\$ 199,087.06**

TOTAL COUNTY COST 3.35% **\$ 6,669.42**



January 29, 2015

Mr. Emanuel Glemkstein
Alas Company, LLC
3317 W. Beverly Blvd., #105
Montebello, CA 90640

RE: Exercise of Lease Option rights – Fifth Amendment to Lease dated June 18, 2013
43264 Business Park Drive, Suite B-1, Temecula, Department of Public Social
Services

Dear Mr. Glemkstein:

Please consider this letter formal written notice pursuant to paragraph two (2) of the above-referenced Fifth Amendment to Lease agreement by and between the County of Riverside and Alas Company, LLC, that the County of Riverside formally exercises its option to extend the term of said lease one (1) year, commencing June 1, 2015, through May 31, 2016.

We look forward to our continued tenancy with Alas Company, LLC.

County of Riverside

By: Marion Ashley
Marion Ashley, Chairman
Board of Supervisors

Attest:
Kecia Harper-Ihem
Clerk of the Board

By: Kelli Bayton
Deputy

FORM APPROVED COUNTY COUNSEL

BY: Patricia Munroe 2/6/15
PATRICIA MUNROE DATE

HR:hr
File Copy: TM013

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