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Per Exec.

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



FROM: Economic Development Agency / Facilities Management

SUBJECT: Public Safety Enterprise Communications Project Ground Lease, Timoteo

RECOMMENDED MOTION: That the Board of Supervisors:

- 1. Consider the attached Addendum along with the Final Program Environmental Report (SCH 2008021126) for the County of Riverside's Public Safety Enterprise Communication (PSEC) Project;
- 2. Find that use of the lease area referenced herein will not result in any new significant environmental effects, will not substantially increase the severity of previously identified significant

	effects, and will not necessitate new mitigation measures;							
chnology		ne attached ground lease and of the County of Riverside; and		airman of the Boa	ard to execute	the sar	me	
Riverside County Information Technology	(Continued) FISCAL PROCEDURES APPROVED		MA tiel					
	PAUL ANGULO, CPA, AUDITOR-CONTROLLER		Robert Field					
	BY SAMUEL WONG 4/4/11		Assistant County Executive Officer/EDA					
Ī	FINANCIAL DATA	Current F.Y. Total Cost:	\$ 15,000	In Current Year B	udget:	Yes	;	
Lafrity		Current F.Y. Net County Cost:	\$ 0	Budget Adjustme	∍nt:	No)	
Ž		Annual Net County Cost:	\$ O	For Fiscal Year:	· · · · · · · · · · · · · · · · · · ·	2010/	/11	
) 	COMPANION ITEM ON BOARD OF DIRECTORS AGENDA: No							
/ersid	SOURCE OF FUNDS: PSEC Budget			Positions Deleted P				
逶	,				Requires 4/5	Vote [
	C.E.O. RECOMM	ENDATION: APPROVE	11.171.	j				
Policy	BY: MM Pyn							
	County Executive Office Signature / Jennifer L. Sargent							
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Consent	S.							

Prev. Agn. Ref.: 3.37 of 12/18/07; 3.52 of 9/2/08 ATTACHMENTS FILED District: 1 WITH THE CLERK OF THE BOARD Agenda Nun

Economic Development Agency / Facilities Management Public Safety Enterprise Communications Project Ground Lease, Timoteo March 31, 2011 Page 2

RECOMMENDED MOTION: (Continued)

4. Authorize the Assistant County Executive Officer/EDA, or designee, to execute any other documents and administer all actions necessary to complete this transaction.

BACKGROUND:

The County of Riverside's existing law enforcement and emergency first responder voice communication network is lacking in coverage and functionality. As currently configured, the county's system of approximately 20 communication sites provides voice coverage to only about 60% of the county. The PSEC project will construct approximately 65 new communication sites to remedy this deficiency, and will ultimately provide communication coverage to approximately 95% of the county. The new system is urgently needed to ensure the safety of the public, Sheriff's deputies, and firefighters.

The Board of Supervisors approved a Program Environmental Impact Report (PEIR) for the project on September 2, 2008. The PEIR imposed a number of standard mitigation measures that were applicable to all of the sites. However, at the time of the PEIR's adoption, certain design details and a final location for a number of the sites had not been finalized. To provide for such a contingency, the PEIR prescribed mitigation measures to be implemented if a site or its supporting components (access roads, power alignments, etc.) were to be relocated to an area that had not been assessed and/or surveyed as part of the PEIR. This programmatic approach was adopted to allow modifications and expansion of the project's design without the need for recirculation of the PEIR. Specific measures prescribed in the PEIR required the county to determine if the impacts associated with the proposed modification/addition were consistent with the analysis and findings of the PEIR. Specific performance measures were adopted to identify the analysis necessary to make this determination.

Since adoption of the PEIR in September 2008, it has been determined that two sites that had been evaluated in the PEIR had to be relocated due to acquisition issues and communication coverage deficiencies. As such, the county undertook to implement the mitigation prescribed in the PEIR that was required in the event of site relocation and/or network expansion. Pursuant to CEQA Section 15164, an addendum to the PEIR was prepared.

The addendum (included as Attachment A) evaluates two relocated sites: one of which is Timoteo. This site was not specifically evaluated in the PEIR. The purpose and need of this site is summarized below, and is presented in greater detail in the attached addendum. The analysis for this site is also presented in the attached addendum, and incorporates the findings from the biological and cultural resources studies that were required as per the PEIR mitigation measures.

Since adoption of the PEIR in September 2008, it has been determined that the originally proposed Timoteo Communication Site location is not available for acquisition. As such, the proposed Timoteo site had to be relocated to an area that could still meet the site's critical radio coverage objectives. The alternative site is located approximately 0.25 miles south of the original proposed Timoteo site. The site is located on the eastern side of Redlands Boulevard. This proposed site would provide emergency services communication coverage to areas in Moreno Valley and along Redlands Boulevard. Emergency responders working in this area currently do so without reliable communication coverage to summon backup or needed resources. The construction of the Timoteo Communication Site is intended to supplement the coverage in this area and remedy the deficiency.

Economic Development Agency/Facilities Management Public Safety Enterprise Communications Project Ground Lease, Timoteo March 31, 2011 Page 3

BACKGROUND: (Continued)

The Public Safety Enterprise Communications (PSEC) project utilizes long-term ground leases in those situations where the site owner will not sell the small land parcel required for the wireless communication site. The proposed site called Timoteo is situated adjacent to Redlands Boulevard between Moreno Valley and Timoteo Canyon Road, providing coverage to areas flanking the Badlands.

The Ground Lease is summarized below:

Location:

Located on Assessor's Parcel Numbers 473-120-009

Lessor:

The Frank Paul Elardi Separate Property Trust Dated July 1, 2010

Size:

25.49 acres

Term:

Twenty five years commencing February 1, 2011

Rent:

Paid monthly, starting at \$3,000 per month, fixed for five years.

Rent Adjustments:

Beginning in the 6th year, increases 3% annually

Utilities:

By County

Interior/Exterior

Maintenance:

By County

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

FINANCIAL DATA:

All associated costs for this Ground Lease will be fully funded through the PSEC budget. Riverside County Information Technology's (RCIT) annual budget will carry operating costs. RCIT will reimburse the Economic Development Agency for all associated lease costs. Any necessary budget adjustments will come under separate cover to the Board.

The county will be responsible for weed abatement and property taxes/assessments. The current annual property taxes are less than \$300.00.

COMMUNICATIONS SITE LEASE

This Lease is made this ____ day of _____, 2011 by and between the County of Riverside, a political subdivision of the State of California (hereinafter "Lessee"), and FRANK PAUL ELARDI, Trustee of THE FRANK PAUL ELARDI SEPARATE PROPERTY TRUST DATED JULY 1, 2010, hereinafter "Lessor".

RECITALS

- A. Lessor is the owner of that certain real property consisting of 25.49 acres of vacant land (hereinafter "the Property") situated near the City of Moreno Valley, County of Riverside, State of California, identified as Assessor's Parcel Number 473-120-009, more particularly depicted on Exhibit "A" (assessors' parcel map), attached hereto and incorporated herein.
- B Lessee desires to lease the Property from Lessor, for the purpose of constructing, installing, operating, and maintaining a communications facility, tower and related equipment and structures to house such facilities and equipment.

NOW, THEREFORE, the parties agree as follows:

- 1. <u>Recitals</u>. The Recitals set forth hereinabove are an integral part of this Lease and they are therefore, incorporated herein by this reference thereto.
- 2. <u>Premises</u>. Subject to the following terms and conditions, Lessor hereby leases to Lessee exclusive use of the Property to construct a communication facility and install certain equipment and fixtures (hereinafter "the Leased Premises").
- 3. <u>Initial Term</u>. The Term of this Lease shall be for a period of twenty five years, commencing on February 1, 2011 ("Commencement Date"). Any holding over by Lessee after the expiration of said term shall be deemed a month to month tenancy upon the same terms and conditions in this Lease.
- 4. Rent. Lessee shall pay the sum of Three Thousand Dollars (\$3,000.00) per month to Lessor as rent. Rent shall be due on the 1st day of each month and considered late, if not received by the 10th day of each month. Lessor and Lessee agree that the rental rate shall remain at \$3,000.00 per month for the first five (5) years (the first 60 months) of the lease. Thereafter, the rental rate shall increase by 3% per annum for the remaining life of this Lease.
- 5. <u>Use.</u> The Leased Premises shall be used by Lessee for the purpose of installing operating electronic communication equipment by the Riverside County Information Technology Department (RCIT) County Fire and/or County Sheriff. Lessee shall have exclusive possession of the Leased Premises.
- 6. <u>Utilities</u>. Lessor shall grant any necessary utility easements across the Property to the appropriate utility company, at no cost to either Lessee or the utility company, so long as the easement is reasonably necessary for Lessee's performance of this Lease. Lessee shall be responsible for paying for all utilities it establishes under this Lease.

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- Acceptance of Premises. Lessor hereby leases the Premises in its "as-is, where-is" condition, and Lessee shall make all determinations regarding the conditions of the Premises including whether or not it has hazardous substances, whether or not it is suitable for the Lessee's use, whether or not there are any material defects, faults, or issues in any way associated with the condition of the Property or in its use caused by adjoining landowners as all shall be the sole responsibility of Lessee to determine. To the best of Lessor's actual knowledge, without any duty of inquiry, there have been no hazardous material spills or underground fuel storage tanks on the Property, nor does he have knowledge of septic or drain fields or buried wastes on or within the Leased Premises or Property. Lessee, at Lessee's option and sole cost, may conduct a Phase I Hazardous materials study and Lessor agrees to cooperate in completion of such study. Lessor shall inform Lessee of any present or future underground utilities placed by Lessor or Lessor's tenants so that Lessee may protect such improvements during construction and operation. Otherwise, Lessee accepts the Leased Premises "as is" and acknowledges that Lessor has made no representation whatever concerning the fitness of the Leased Premises for the use intended by Lessee. Lessee agrees to keep the Leased Premises free of hazardous materials contamination and shall store and use fuels, lubricants, batteries and other similar materials in a safe and code complaint manner and assumes full responsibilities for such materials use within the Leased Premises. Lessee further agrees to remove any hazardous material contaminant produced by Lessee's operations at the Leased Premises in a legally acceptable manner.
- Improvements by Lessee. Upon the full execution of this Lease Lessor's acceptance of Lessee's program of self-insurance as described in Section 9 herein, Lessee shall have the right (but not the obligation) at any time following the full execution of this Lease and prior to the Commencement Date, to enter the Leased Premises for the purpose of making necessary inspections and engineering surveys (and soil tests where applicable) and other reasonably necessary tests (collectively "Tests") to determine the suitability of the Leased Premises for Lessee's Facilities (as defined herein) and for the purpose of preparing for the construction of Lessee's Facilities. Lessee has the right to construct, maintain, install, repair and operate on the Leased Premises radio and microwave communications facilities, including but not limited to, radio frequency transmitting and receiving equipment, batteries, backup generators, utility lines, transmission lines, radio and microwave frequency transmitting and receiving antennae and supporting structures and improvements ("Lessee's Facilities") as shown on Exhibit "A" attached hereto and incorporated herein. In connection therewith, Lessee has the right to do all work necessary to prepare, add, maintain and alter the Leased Premises for Lessee's communications operations and to install utility lines and transmission lines connecting antennas to transmitters and receivers. Lessee shall have the right to install any warning signs on or about the Leased Premises required by federal, state or local law. All of Lessee's construction and installation work shall be performed at Lessee's sole cost and expense and in a good and workmanlike manner in accordance with all laws and regulations required by any governmental authority or entity.

Any subsequent alterations, improvements or installation of fixtures shall require prior written consent of Lessor, which consent shall not be unreasonably withheld, conditioned or delayed, however written notice of such improvement or upgrade shall be provided to Lessor prior to commencement of construction, and Lessor shall have thirty (30) days after confirmed receipt thereof, to submit any comments, suggestions, criticisms or questions and any such improvement or upgrade shall comply with Section 12 and Lessor's reasonable requests

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related thereto. Lessee may install additional radio or electronic equipment in its structure, on the Leased Premises or on its tower without consent of the Lessor. All alterations and improvements made and fixtures installed by Lessee shall remain Lessee's property and may be removed by Lessee at or prior to the expiration of this Lease; provided, however, that such removal does not cause injury or damage to the Leased Premises, or in the event it does, Lessee shall restore the Leased Premises to good condition. Lessee hereby agrees that it has the obligation to restore the Leased Premises to as good or better condition than it was before the lease commenced.

- 9. <u>Insurance</u>. Lessee is a local government entity created under the laws of the State of California, and maintains a program of self-insurance for any third party liability loss. Lessee shall cause Lessor to be treated as additional insured's under Lessee's self-insurance program, as if an insurance policy had been issued to Lessee for this Lease, shall maintain its self-insurance program in full force during the term, and shall provide proof of self-insurance if requested by Lessor.
- 10. <u>Hold Harmless</u>. Lessee shall indemnify, defend and hold Lessor, harmless from and against any loss, liability, claim, damage or expense (including attorneys' fees) arising from or in any manner related to the use or occupancy of the Leased Premises or the access thereto, except to the extent such loss, liability, claim, damage or expense is caused by the sole negligence or willful misconduct of the Lessor.
- 11. Option to Terminate. Lessee shall have the right to terminate this Lease with twelve months advance written notice to Lessor. Upon termination of this Lease, Lessee at its sole cost shall remove all improvements from the Leased Premises and leave the site free of debris in as a good a condition as it was before the term of the Lease started.
- 12. <u>Interference</u>. Lessee shall operate the Leased Premises in compliance with all Federal Communications Commission ("FCC") requirements and in a manner that will not cause interference to Lessor or other tenants of the Property. In the event interference occurs Lessee agrees to use best efforts to eliminate such interference within a reasonable time period.
- 13. <u>Notices</u>. Any notices required or desired to be served by either party upon the other shall be addressed to the respective parties as set forth below or to such other addresses as from time to time shall be designated by the respective parties:

Lessee:

County of Riverside Economic Development Agency 3403 10th Street, Suite 500 Riverside, California 92501

Lessor:

Frank P. Elardi 2780 Mountain Avenue Upland, CA 91784

14. <u>Taxes.</u> Notice is hereby given pursuant to Revenue and Taxation Code section 107.6 that this Communications Site Lease may create a taxable possessory interest in the Leased Premises. If personal property taxes are assessed, Lessee shall pay any portion of such taxes directly attributable to Lessee's facilities. Lessee shall pay all real property taxes, assessments and deferred taxes on the Property.

15. <u>Quiet Enjoyment</u>. Lessee hereby covenants that it has reviewed the Property and the general area around it and is fully aware of all operations, uses and easements related thereto; and that the existing condition of the Property is suitable for its use. Lessor covenants that Lessee shall at all time during the term of this Lease peaceably and quietly have, hold and enjoy the use of the Leased Premises so long as Lessee shall fully and faithfully perform the terms and conditions that it is required to perform under this Lease.

- 16. <u>Binding on Successors</u>. The terms and conditions herein contained shall apply to and bind the heirs, successors in interest, executors, administrators, representatives and assigns all of the parties hereto.
- 17. <u>Severability</u>. The invalidity of any provision in this Lease as determined by a court of competent jurisdiction shall in no way affect the validity of any other provision hereof.
- 18. <u>Venue</u>. Any action at law or in equity brought by either of the parties hereto for the purpose of enforcing a right or rights provided for by this Lease shall be tried in a court of competent jurisdiction in the County of Riverside, State of California, and the parties hereto waive all provision of law providing for a change of venue in such proceedings to any other county.
- 19. Attorneys' Fees. In the event of any litigation or arbitration between Lessor and Lessee to enforce any of the provisions of this Lease or any right of either party hereto, the unsuccessful party to such litigation or arbitration agrees to pay to the successful party all costs and expenses, including reasonable attorney's fees incurred therein by the successful party, all of which shall be included in and as a part of the judgment rendered in such litigation or arbitration.
- 20. <u>Entire Lease</u>. This Lease is intended by the parties hereto as a final expression of their understanding with respect to the subject matter hereof and as a complete and exclusive statement of the terms and conditions thereof and supersedes any and all prior and contemporaneous leases, agreements and understandings, oral or written, in connection therewith. This Lease may be changed or modified only upon the written consent of the parties hereto.
- 21. <u>Interpretation</u>. The parties hereto have negotiated this Lease at arm's length and with advice of their respective attorneys, and no provision contained herein shall be construed against either party solely because it prepared this Lease in its executed form.
- 22. <u>Right to Purchase</u>. Lessor shall not mortgage or encumber the Property without the written consent of Lessee, which shall not be unreasonably withheld, conditioned or delayed.

At any time after the fifteenth year of the term of this Lease, Lessee shall have the right to purchase the Property for the "appraised market value."

In the event of a bonafide written offer to purchase from a third party, that is acceptable to Lessor, Lessee shall have the option to purchase the Property at an amount equal to 105%

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of the offered price, provided Lessee exercises such option to do so within thirty days of receipt of notice from Lessor of such bonafide offer. Lessor agrees to provide reasonable notice to Lessee of any such written offers to purchase that Lessor is willing to accept.

In the event of the death of Frank Paul Elardi, Lessee shall have the option, to be exercised within 180 days of receipt of notice by the successor Lessor of such occurrence, to purchase the Property for the appraised market value.

In the event Lessor and Lessee disagree on the appraised market value, each party may choose their own appraiser and if the value conclusions of the two appraisals are substantially different (defined as a difference of 10% or more), the two appraisers shall agree on a referee (a third appraiser) to review the appraisals and rule on which appraisal is more appropriate. The cost of the third appraisal shall be split 50-50 between Lessee and Lessor. In the event the difference between the two appraisals is less than 10%, the purchase price shall be deemed to be that of the higher appraisal.

23. <u>Weed Abatement</u>. Lessee shall be responsible during the term of this Lease for any weed abatement or general cleanup of the Property.

24. <u>Approval</u> . Anything to the contrary notwithstanding, this Lease so or effective until its approval and execution by the Chairman of the Board	shall not be binding of Supervisors for
the County of Riverside.	
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LESSOR: THE FRANK PA SEPARATE PROPERTY T	•
5 JULY 1, 2010	[C]
By: Keule Oly Frank Paul Elardi, Trus	tee
7	-//
8 LESSEE: COUNTY OF RIV	/ERSIDE
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Bob Buster, Chairman Board of Supervisors	
ATTEST: Kecia Harper-Ihem	
Clerk of the Board	
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By: Deputy	
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APPROVED AS TO FORM:	
Pamela J. Walls County Counsel	
By: Synthia M. Gunzel	
Deputy County Counsel	
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JRF:ra	
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