

404



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

FORM APPROVED COUNTY COUNSEL
BY: GREGORY P. PRIAMOS DATE 6/11/15

FROM: Economic Development Agency

SUBMITTAL DATE:
June 24, 2015

SUBJECT: Sixth Amendment to Lease, Probation Department, San Jacinto, 5 Year Lease Renewal, District 3, CEQA Exempt, [\$955,184 Total] [\$184,025 Annually]; 35% State, 65% Net County Cost

RECOMMENDED MOTION: That the Board of Supervisors:

1. Find that the project is exempt from the California Environmental Quality Act (CEQA) pursuant to CEQA Guidelines Section 15301 and Section 15061(b)(3);
2. Ratify the attached Sixth Amendment to the Lease and authorize the Chairman of the Board to execute the same on behalf of the County; and
3. Direct the Clerk of the Board to file the Notice of Exemption with the County Clerk within 5 days of approval by the Board.

BACKGROUND:

FISCAL PROCEDURES APPROVED
PAUL ANGULO, CPA
COUNTY AUDITOR-CONTROLLER

Summary
(Commences on Page 2)

BY Misley Wang

Robert Field

Robert Field
Assistant County Executive Officer/EDA

Departmental Concurrence

FINANCIAL DATA	Current Fiscal Year:	Next Fiscal Year:	Total Cost:	Ongoing Cost:	POLICY/CONSENT (per Exec. Office)
COST	\$ 15,312	\$ 184,400	\$ 955,184	\$ 0	Consent <input type="checkbox"/> Policy <input checked="" type="checkbox"/>
NET COUNTY COST	\$ 9,953	\$ 119,860	\$ 620,870	\$ 0	

SOURCE OF FUNDS: State 35%, Net County Cost 65%

Budget Adjustment: No
For Fiscal Year: 2014/15-2019/20

C.E.O. RECOMMENDATION:

APPROVE

BY: Rohini Dasika
Rohini Dasika

County Executive Office Signature

MINUTES OF THE BOARD OF SUPERVISORS

By: Mark A. Hake
for Chief Probation Officer

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

Prev. Agn. Ref.: 3.15 of 2/21/95; 3.23 of 3/27/2012

District: 3

Agenda Number:

3-7

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

Economic Development Agency

FORM 11: Sixth Amendment to Lease, Probation Department, San Jacinto, 5 Year Lease Renewal, District 3, CEQA Exempt, [\$955,184 Total] [\$184,025 Annually]; 35% State, 65% Net County Cost

DATE: June 24, 2015

PAGE: 2 of 3

BACKGROUND:

Summary

The County entered into a Lease Agreement on February 21, 1995, for the purpose of providing office space for the Probation Department for the facility located at 1330 South State Street, Suite A, in San Jacinto, California. This Sixth Amendment to the Lease will extend the Lease for an additional 5 years, terminating as of May 31, 2020. Lessor shall paint the common areas of the existing facility at his sole cost and expense. The County agrees to take over the utility expense for gas services. This facility continues to meet the needs and requirements for the Probation Department.

Pursuant to the California Environmental Quality Act (CEQA), the Lease Amendment was reviewed and determined to be categorically exempt from CEQA under CEQA Guidelines Section 15301 Class 1-existing facilities and Section 15061 (b)(3) Common Sense Exemption. The proposed project is the extension of letting of property involving existing facilities with minor tenant improvement alterations and negligible expansion of an existing use will occur.

The Sixth Amendment to Lease is summarized as follows:

- Location: 1330 South State Street, Suite A, San Jacinto, California 92583
- Lessor: Brotherton Family Trust, dba
San Jacinto Business Park
1057 Ridge Heights Drive
Fallbrook, California 92028
- Size: 10,000 square feet
- Improvements: At Lessor's sole cost and expense shall paint the lobby and restrooms (common areas)
- Term: Five years, commencing June 1, 2015 and terminating May 31, 2020
- Rent Adjustment Two percent annually
- Rent:

Current	New
\$ 1.33 PSF.	\$ 1.36 PSF.
\$ 13,317.12 Per Month	\$13,583.46 Per Month
\$159,805.44 Per Year	\$163,001.52 Per Year
- Utilities: County shall take over payments for gas services

Impact on Citizens and Businesses

The Probation Department's continued occupancy at this location continues to provide an important public benefit to the community by serving their clients residing in the area and effectively improving public safety. Remaining in this location provides consistency for clients and eliminates any impacts to area residents that may be caused as a result of any relocation into a new area of the community.

SUPPLEMENTAL:

Additional Fiscal Information

See attached Exhibits A, B, & C. Probation budgeted these costs in FY 2014/15 and will reimburse EDA for all lease costs on a monthly basis.

Contract History and Price Reasonableness (Commences on Page 3)

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

Economic Development Agency

FORM 11: Sixth Amendment to Lease, Probation Department, San Jacinto, 5 Year Lease Renewal, District 3, CEQA Exempt, [\$955,184 Total] [\$184,025 Annually]; 35% State, 65% Net County Cost

DATE: June 24, 2015

PAGE: 3 of 3

Contract History and Price Reasonableness

This is a five year lease extension. The lease rate is deemed competitive based upon the current market.

Attachments:

Exhibits A, B & C

Sixth Amendment to Lease

Notice of Exemption

Exhibit A

FY 2014/15

Probation Department

1330 S. State Street, Suite A & B, San Jacinto

ESTIMATED AMOUNTS

Total Square Footage to be Leased:

Current Office:	10,000	SQFT		
Approximate Cost per SQFT (July -May)	\$	1.33		
Approximate Cost per SQFT (June)	\$	1.36		
Lease Cost per Month (July -May)			\$	13,317.12
Lease Cost per Month (June)			\$	13,583.46
Total Lease Cost (July -May)			\$	146,488.32
Total Lease Cost (June)			\$	13,583.46
Total Estimated Lease Cost for FY 2014/15			\$	160,071.78

Estimated Additional Costs:

Utility Cost per Square Foot	\$	0.12		
Estimated Utility Costs per Month (July - May)			\$	13,200.00
Estimated Utility Costs per Month (June)			\$	1,200.00
Total Estimated Utility Cost			\$	14,400.00
RCIT			\$	-
Tenant Improvement			\$	-
EDA Lease Management Fee - 3.89% - 5th Amendment			\$	5,698.40
EDA Lease Management Fee - 3.89% - 6th Amendment			\$	528.40
Total EDA Lease Management Fee			\$	6,226.79
TOTAL ESTIMATED COST FOR FY 2014/15			\$	180,698.57
Amount Previously approved in 5th Amendment			\$	165,386.72
Amount of FY14/15 for 6th Amendment			\$	15,311.86
F11: Net County Cost			\$	9,952.71

Exhibit B

FY 2015/16

Probation Department

1330 S. State Street, Suite A & B, San Jacinto

ESTIMATED AMOUNTS

Total Square Footage to be Leased:

Current Office:	10,000	SQFT	
Approximate Cost per SQFT (July -May)	\$	1.36	
Approximate Cost per SQFT (June)	\$	1.39	
Lease Cost per Month (July -May)		\$	13,583.46
Lease Cost per Month (June)		\$	13,855.13
Total Lease Cost (July -May)		\$	149,418.06
Total Lease Cost (June)		\$	13,855.13
Total Estimated Lease Cost for FY 2015/16		\$	163,273.19

Estimated Additional Costs:

Utility Cost per Square Foot	\$	0.12	
Estimated Utility Costs per Month (July - June)		\$	1,200.00
Total Estimated Utility Cost		\$	14,400.00
RCIT		\$	-
Tenant Improvement		\$	-
EDA Lease Management Fee - 4.12%		\$	6,726.86
TOTAL ESTIMATED COST FOR FY 2015/16		\$	184,400.04
F11: Net County Cost		\$	119,860.03

Exhibit C

FY 2016/17 to FY 2018/19
Probation Department
1330 S. State Street, Suite A & B, San Jacinto

ESTIMATED AMOUNTS

Total Square Footage to be Leased:

Current Office:

10,000 SQFT

	FY 2016/17	FY 2017/18	FY 2018/19	FY 2019/20	
Approximate Cost per SQFT (July -May)	\$ 1.39	\$ 1.41	\$ 1.44	\$ 1.47	
Approximate Cost per SQFT (June)	\$ 1.41	\$ 1.44	\$ 1.47	\$ -	
					Annual increase 2.5%
Lease Cost per Month (July -May)	\$ 13,855.13	\$ 14,132.23	\$ 14,414.88	\$ 14,703.18	
Lease Cost per Month (June)	\$ 14,132.23	\$ 14,414.88	\$ 14,703.18	\$ -	2%
					# of Months
Total Lease Cost (July -May)	\$ 152,406.42	\$ 155,454.55	\$ 158,563.64	\$ 161,735.02	11
Total Lease Cost (June)	\$ 14,132.23	\$ 14,414.88	\$ 14,703.18	\$ -	1
Total Estimated Lease Cost for FY 2016/17 to FY 2018/19	\$ 166,538.65	\$ 169,869.43	\$ 173,266.82	\$ 161,735.02	

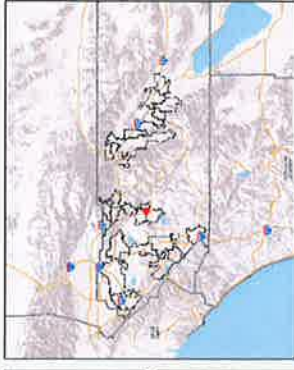
Estimated Additional Costs:

Utility Cost per Square Foot	\$ 0.12	\$ 0.12	\$ 0.12	\$ 0.12	
Estimated Utility Costs per Month (July - May)	\$ 1,200.00	\$ 1,200.00	\$ 1,200.00	\$ 1,200.00	
Total Estimated Utility Cost	\$ 14,400.00	\$ 14,400.00	\$ 14,400.00	\$ 13,200.00	
RCIT	\$ -	\$ -	\$ -	\$ -	
Tenant Improvement	\$ -	\$ -	\$ -	\$ -	
EDA Lease Management Fee - 4.12%	\$ 6,861.39	\$ 6,998.62	\$ 7,138.59	\$ 6,663.48	4.12%
TOTAL ESTIMATED COST FOR FY 2016/17 to FY 2018/19	\$ 187,800.05	\$ 191,268.05	\$ 194,805.42	\$ 181,598.51	
	\$ 122,070.03	\$ 124,324.23	\$ 126,623.52	\$ 118,039.03	

\$ 955,183.92 F11: Cost - Total Cost
 \$ 620,869.55 F11: Net County Cost - Total Cost

1330 S. State Street, San Jacinto

District 3



- Legend**
- RCLIS Parcels
 - City Boundaries
 - Cities
 - roads
 - highways
 - HWY
 - INTERCHANGE
 - INTERSTATE
 - OFFRAMP
 - ONRAMP
 - USHWY
 - counties
 - cities
 - hydrographylines
 - waterbodies
 - Lakes
 - Rivers

Notes
 Probation 6th Amendment to Lease

IMPORTANT Maps and data are to be used for reference purposes only. Map features are approximate, and are not necessarily accurate to surveying or engineering standards. The County of Riverside makes no warranty or guarantee as to the content (the source is often third party), accuracy, timeliness, or completeness of any of the data provided, and assumes no legal responsibility for the information contained on this map. Any use of this product with respect to accuracy and precision shall be the sole responsibility of the user.



0 364 727 Feet

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NOTICE OF EXEMPTION

June 3, 2015

Project Name: Sixth Amendment to Lease, Probation Department, San Jacinto

Project Number: FM042642001100

Project Location: 1330 South State Street, Suite "A," San Jacinto, California 92583;
Assessor Parcel Number: 435-190-037 (See attached exhibit)

Description of Project: County of Riverside (County) on behalf of the Probation Department, proposes to amend and extend the term of the lease with Brotherton Family Trust, dba San Jacinto Business Park (Lessor), from June 1, 2015 through May 31, 2020. The premises consists of an existing building located at 1330 South State Street, Suite "A," San Jacinto, California, providing an important public benefit to the community by serving Probation Department clients and effectively improving public safety. Remaining in this location provides consistency for clients and eliminates any impacts to area residents that may be caused as a result of any relocation into a new area of the community. The original lease, dated February 21, 1995, has been amended by that certain First Amendment to Lease dated August 15, 2000 by and between County and Ranel Development Company, a California general partnership and predecessor to Lessor; the Second Amendment to Lease dated August 23, 2005 by and between County and Lessor; the Third Amendment to Lease dated February 27, 2007 by and between County and Lessor; the Fourth Amendment to Lease dated August 31, 2010 by and between Lessor; and the Fifth Amendment to Lease dated March 27, 2012 by and between the County and Lessor (collectively the Lease). The parties now desire to amend the Lease to extend the term five years, amend the rent, adjust the utility payments, and do some minor improvements to the premises. Lessor at its sole cost and expense shall paint the lobby and the restrooms. The existing structure consists of approximately 10,000 square feet and is located in a developed portion of the City of San Jacinto. The project does not involve any changes to land use, the existing building, or the physical environment and the tenant improvements are limited to the interior of the structure. The proposed project is the letting of property involving existing facilities; no expansion of an existing use will occur.

Name of Public Agency Approving Project: County of Riverside, Economic Development Agency

Name of Person or Agency Carrying Out Project: County of Riverside, Economic Development Agency

Exempt Status: State California Environmental Quality Act (CEQA) Guidelines, Section 15301, Class 1, Existing Facilities Exemption; Section 15061(b)(3), General Rule or "Common Sense" Exemption.

Reasons Why Project is Exempt: The Project is exempt from the provisions of CEQA specifically by the State CEQA Guidelines as identified below. The Project will not result in any specific or general exceptions to the use of the categorical exemption as detailed under State CEQA Guidelines Section 15300.2. The Project will not cause any

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impacts to scenic resources, historic resources, or unique sensitive biological environments. Further, no unusual circumstances or potential cumulative impacts would occur that may reasonably create an environmental impact. The extension of the term of the lease and minor tenant improvement alterations is not anticipated to result in any significant physical environmental impacts.

- Section 15301 – Class 1 Existing Facilities Exemption. This exemption includes the operation, repair, maintenance, leasing, or minor alteration of existing public or private structures or facilities, provided the exemption only involves negligible or no expansion of the previous site’s use. The Project as proposed is the extension to the term of an existing lease with minor tenant improvements. Any proposed or additional future improvement made would not involve any changes to land use, the existing building, or environment. The option to extend the lease will not increase or expand the use of the site, and merely allows for the continued use of the site in a similar capacity; therefore, the Project meets the scope and intent of the Class 1 Exemption.
- Section 15061 (b)(3) – “Common Sense” Exemption. In accordance with CEQA, the use of the Common Sense Exemption is based on the “general rule that CEQA applies only to projects which have the potential for causing a significant effect on the environment.” State CEQA Guidelines, Section 15061(b)(3). The use of this exemption is appropriate if “it can be seen with certainty that there is no possibility that the activity in question may have a significant effect on the environment.” *Ibid*. This determination is an issue of fact and if sufficient evidence exists in the record that the activity cannot have a significant effect on the environment, then the exemption applies and no further evaluation under CEQA is required. See *Muzzy Ranch Co. v Solano County Airport Land Use Comm’n* (2007) 41 Cal.4th 372. With certainty, there is no possibility that the Project may have a significant effect on the environment. The proposed extension to the term of the lease and minor tenant improvements will not have an effect on the environment. The use and operation of the facility will be substantially similar to the existing uses and will not create any new environmental impacts to the surrounding area. Additionally, any upgrades to the site would only entail minor tenant improvements which would not result in any direct or indirect physical environmental impacts. Therefore, in no way would the Project as proposed have the potential to cause a significant environmental impact and the Project is exempt from further CEQA analysis.

Based upon the identified exemptions above, the County of Riverside, Economic Development Agency hereby concludes that no physical environmental impacts are anticipated to occur and the Project as proposed is exempt under CEQA. No further environmental analysis is warranted.

Signed:  Date: 6/3/15

John Alfred, Acting Senior Environmental Planner
County of Riverside, Economic Development Agency



1330 South State Street, Suite "A," San Jacinto, California 92583
Assessor Parcel Number: 435-190-037

RIVERSIDE COUNTY CLERK & RECORDER

**AUTHORIZATION
TO BILL
BY JOURNAL VOUCHER**

Project Name: Sixth Amendment to Lease, Probation Department, San Jacinto

Accounting String: **Fund: 524830-47220-7200400000- FM042642001100**

DATE: June 3, 2015

AGENCY: Riverside County Economic Development Agency

THIS AUTHORIZES THE COUNTY CLERK & RECORDER TO BILL FOR FILING AND HANDLING FEES FOR THE ACCOMPANYING DOCUMENT(S).

NUMBER OF DOCUMENTS INCLUDED: One (1)

AUTHORIZED BY: John Alfred, Acting Senior Environmental Planner, Economic Development Agency

Signature:  _____

PRESENTED BY: Candice Etter, Real Property Agent I, Economic Development Agency

-TO BE FILLED IN BY COUNTY CLERK-

ACCEPTED BY: -

DATE: -

RECEIPT # (S) -



Date: June 3, 2015
To: Mary Ann Meyer, Office of the County Clerk
From: John Alfred, Acting Senior Environmental Planner, Project Management Office
Subject: **County of Riverside Economic Development Agency Project # FM042642001100**
Sixth Amendment to Lease, Probation Department, San Jacinto

The Riverside County's Economic Development Agency's Project Management Office is requesting that you post the attached Notice of Exemption. Attached you will find an authorization to bill by journal voucher for your posting fee.

After posting, please return the document to Mail Stop #1330 Attention: John Alfred, Acting Senior Environmental Planner, Economic Development Agency, 3403 10th Street, Suite 400. Riverside, CA 92501. If you have any questions, please contact John Alfred at 955-4844.

Attachment

cc: file

1 Park and Lessee (3rd Amendment), whereby the Parties amended the Lease to provide
2 terms and conditions for the Custodial Services Requirements for Leased Facilities as
3 described in Exhibit E of the Lease.

4 4. That certain Fourth Amendment to Lease dated
5 August 31, 2010, by and between Brotherton Family Trust dba San Jacinto Business
6 Park and Lessee (4th Amendment), whereby the Parties amended the Lease to, among
7 other things, extend the term period, amend the rental amounts and annual increases,
8 do improvements to the premises, indicate the new building address under Notices and
9 the new Assistant County Executive Office of the Economic Development Agency
10 under County Representative.

11 5. That certain Fifth Amendment to Lease dated March
12 27, 2012, by and between Brotherton Family Trust dba San Jacinto Business Park and
13 Lessee (5th Amendment), whereby the Parties amended the Lease to expand the
14 rentable space from 5,000 square feet to 10,000 square feet (2nd Expansion Space),
15 amend the rental amounts, and to provide terms for tenant improvements.

16 C. The Original Lease together with the Amendments are collectively
17 referred to hereinafter as the "Lease."

18 D. The Parties now desire to extend the lease term, amend the rental
19 amounts, adjust the utility payments, and to provide terms for minor tenant
20 improvements to the Premises.

21 **NOW THEREFORE**, for good and valuable consideration the receipt and
22 adequacy of which is hereby acknowledged, the parties agree as follows:

23 **2. Term** Section 3 subsection (a) of the Lease is hereby amended as
24 follows:

25 (a) The term of this Lease shall be extended for a period of five (5) years
26 effective as of June 1, 2015, and expiring on May 31, 2020.

27 **3. Rent.** Section 5 subsection (a) of the Lease is hereby amended by the
28 following:

1 (a) County shall pay to Lessor the monthly sums as rent for the leased
2 premises during the term of this Lease as indicated below:

3 <u>Monthly Amount</u>	<u>Year</u>
4 \$13,583.46	June 1, 2015 to May 31, 2016
5 \$13,855.13	June 1, 2016 to May 31, 2017
6 \$14,132.23	June 1, 2017 to May 31, 2018
7 \$14,414.88	June 1, 2018 to May 31, 2019
8 \$14,703.18	June 1, 2019 to May 31, 2020

9
10 **4. Improvements by Lessor.** Section 9 subsection (a) of the Lease is
11 hereby deleted in its entirety and replaced with the following:

12 (a) Lessor, at its sole cost and expense, shall paint the lobby and the
13 restrooms.

14 **5. Utilities.** Section 7 of the Original Lease is hereby amended by the following:

15 County shall pay for all telephone, electrical, and gas services used in
16 connection with the leased premises. Lessor shall provide, or cause to be provided,
17 and pay for all other utility services, included, but not limited to, water, refuse collection
18 and sewer services, as may be required in the maintenance, operation and use of the
19 leased premises.

20 **6. Sixth Amendment to Prevail.** The provisions of this Sixth Amendment
21 shall prevail over any inconsistency of conflicting provisions of the Lease, as heretofore
22 amended, and shall supplement the remaining provisions thereof.

23 **7. Miscellaneous.** Except as amended or modified herein, all the terms of
24 the Original Lease shall remain in full force and effect and shall apply with the same
25 force and effect. This is of the essence in this Amendment and the Lease and each
26 and all of their respective provisions. Subject to the provisions of the Lease as to
27 assignment, the agreements, conditions and provisions herein contained shall apply to
28 and bind the heirs, executors, administrators, successors and assigns of the parties

1 hereto. If any provision of this Amendment or the Lease shall be determined to be
2 illegal or unenforceable, such determination shall not affect any other provision of the
3 Lease and all such other provisions shall remain in full force and effect. The language
4 in all parts of the Lease shall be construed according to its normal and usual meaning
5 and not strictly for or against either Lessor or Lessee. Neither this Amendment, nor the
6 Original Lease, nor any notice nor memorandum regarding the terms hereof, shall be
7 recorded by County.

8 **8. Effective Date.** This Sixth Amendment to Lease shall not be binding or
9 consummated until its approval by the Riverside County Board of Supervisors and fully
10 executed by the Parties.

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

3 Dated: _____
4

5 LESSEE:
6 COUNTY OF RIVERSIDE

LESSOR:
7 BROTHERTON FAMILY TRUST, dba SAN
8 JACINTO BUSINESS PARK
(Sucessor in Interest to Ranel Development
Company, a California general partnership)

9 By: _____
10 Marion Ashley, Chairman
11 Board of Supervisors

By: 
Trustee

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

15 By: _____
16 Deputy

17 APPROVED AS TO FORM:
18 Gregory P. Priamos, County Counsel

19 By: 
20 SYNTHIA M. GUNZEL
21 Deputy County Counsel

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