

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



15

FROM: Economic Development Agency

SUBMITTAL DATE:
April 16, 2015

SUBJECT: First Amendment to Revenue Lease, Department of Mental Health, Indio, Three Year Lease, CEQA Exempt, District 4, [\$0]

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, Existing Facilities;
2. Approve the attached First Amendment to Revenue 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 five (5) days of approval by the Board.

BACKGROUND:

Summary

(Commences on Page 2)

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	\$ 0	\$ 0	\$ 0	Consent <input type="checkbox"/> Policy <input checked="" type="checkbox"/>
NET COUNTY COST	\$ 0	\$ 0	\$ 0	\$ 0	

SOURCE OF FUNDS: Revenue Lease	Budget Adjustment: No
	For Fiscal Year: 2014/15

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 Tavaglione 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: April 28, 2015
xc: EDA, Recorder

Kecia Harper-Ihem
Clerk of the Board
By:
Deputy

Prev. Agn. Ref.: 3.11 of 11/2/2010 | District: 4 | Agenda Number:

3-16

FORM APPROVED COUNTY COUNSEL
DATE: 3/12/15
BY: GREGORY P. PRAMOS

Departmental Concurrence

By:
Jerry Wengert, 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

FORM 11: First Amendment to Revenue Lease, Department of Mental Health, Indio, Three Year Lease, CEQA Exempt, District 4, [\$0]

DATE: April 16, 2015

PAGE: 2 of 2

BACKGROUND:

Summary

The County, on behalf of The Department of Mental Health (DMH), desires to enter into a First Amendment to the Lease with Anka Behavioral Health, Inc., ("Anka"), to extend the term period from July 1, 2015 through June 30, 2018 and amend the operating costs terms in the Lease.

The proposed project, the First Amendment to the Lease, is the extension of the term period for the letting of real property under an existing lease and existing facilities where no or negligible expansion of use and alterations will occur.

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 improvement alterations and no expansion of an existing use will occur.

The First Amendment to Revenue Lease is summarized as follows:

- Location: 47-915 Oasis Street
Indio, California
- Lessee: Anka Behavioral Health, Inc.
1850 Gateway Blvd., Suite 900
Concord, CA 94520
- Size: Approximately 7,518 square feet
- Term: Three years, commencing July 1, 2015 and ending June 30, 2018.
- Rent: \$22,883.16 to be paid monthly to the Department of Mental Health.

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

Impact on Citizens and Businesses

The residential treatment program will continue to provide services to adults experiencing emotional and/or behavioral issues.

SUPPLEMENTAL:

Additional Fiscal Information

DMH has contracted with Anka, to provide services in this facility relative to Mental Health's residential program. Through the lease, the DMH will receive rent revenue from lessee for use of the facility. The rent will be applied to the actual operating cost of the facility. Thus, no net county cost will be incurred as a result of this transaction.

Contract History and Price Reasonableness

This is a three year extension. DMH will continue to receive rent revenue from Lessee.

Attachments:

First Amendment to Revenue Lease

Notice of Exemption



Original Negative Declaration/Notice of Determination was routed to County Clerk for posting on. 4/29/15 Date Kb Initial

NOTICE OF EXEMPTION

March 11, 2015

Project Name: County of Riverside, Department of Mental Health Indio Site Lease Amendment

Project Number: FM047341002500

Project Location: 47-915 Oasis Street, Indio, CA 92201; Assessor Parcel Number 614-150-033 (See attached exhibit)

Description of Project: The County of Riverside (County), on behalf of the Department of Mental Health (DMH), desires to amend and extend the term of the lease with Anka Behavioral Health, Inc. (Lessee), to extend the term period by five years and amend the operating costs terms in the lease. On November 2, 2010, the County and Lessee entered into the original lease pursuant to which County agreed to lease to Lessee and Lessee agreed to lease from County a portion of the building located at 47-915 Oasis Street, Indio, California (premises) to provide a residential treatment program to adults experiencing emotional and/or behavioral issues. The term of that lease expires on July 1, 2015. This office space continues to meet the requirements for DMH, who has contracted with Lessee to provide services in this facility relative to DMH's residential program. The premise currently consists of an existing building providing approximately 7,518 square feet of office space. The First Amendment to the original lease (Project) is the extension of the term for the lease for the use by DMH of the existing facilities in a similar manner as provided under the original lease. The Project does not involve any changes to land use, the existing building, or the physical environment. No tenant improvements are authorized as part of the Project and no physical changes or upgrades would occur to the existing site.

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; Anka Behavioral Health, Inc.

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 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 period for an existing lease and existing facilities, where no negligible expansion of use or alterations to the facility will occur, is not anticipated to result in any significant physical environmental impacts.

- Administration, Aviation, Business Intelligence, Cultural Services, Community Services, Custodial, Housing, Housing Authority, Information Technology, Maintenance, Marketing, Economic Development, Edward-Dean Museum, Environmental Planning, Fair & National Date Festival, Foreign Trade, Graffiti Abatement, Parking, Project Management, Purchasing Group, Real Property, Redevelopment Agency, Workforce Development

- 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 of the term period for an existing lease of an existing office space. No tenant improvements, interior, or exterior alterations would occur and the facility will continue to operate in a similar use, capacity, and intensity. No expansion of use of the site is involved. 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 proposed project may have a significant effect on the environment. The extension of the term for an existing lease for an already existing office space 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. No alterations will occur and no impacts beyond the ongoing use of the site are anticipated. 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: 3/11/15

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

RIVERSIDE COUNTY CLERK & RECORDER

**AUTHORIZATION
TO BILL
BY JOURNAL VOUCHER**

Project Name: Department of Mental Health Indio Site Lease Amendment

Accounting String: 524830-47220-7200400000- FM047341002500

DATE: March 11, 2015

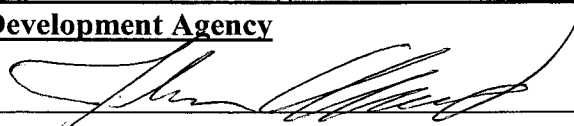
AGENCY: Riverside County Economic Development Agency

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: Cindy Campos, Real Property Agent, Economic Development Agency

-TO BE FILLED IN BY COUNTY CLERK-

ACCEPTED BY: _____

DATE: _____

RECEIPT # (S) _____

RIVERSIDE COUNTY GIS



Selected parcel(s):
614-150-033

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.

REPORT PRINTED ON...Fri Mar 06 12:18:02 2015
Version 131127



Date: March 11, 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 # FM047341002500**
Department of Mental Health Indio Site Lease Amendment - 47-915 Oasis Street, Indio, CA 92201
Assessor Parcel Number: 614-150-033

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 **FIRST AMENDMENT TO REVENUE LEASE**

2 Department of Mental Health

3 47-915 Oasis Street, Indio, California

4
5 This **FIRST AMENDMENT TO REVENUE LEASE** (First Amendment), dated as of
6 April 28, 2015, is entered by and between the **COUNTY OF RIVERSIDE**, a political
7 subdivision of the State of California, (County), and **ANKA BEHAVIORAL HEALTH, INC.**, a
8 California corporation, (Lessee), County and Lessee collectively referred to as the "Parties."

9 **1. Recitals.**

10 a. County and Lessee entered into that certain Lease dated November 2, 2010,
11 ("Original Lease") pursuant to which County agreed to lease to Lessee and Lessee agreed to
12 lease from County a portion of that certain building located at 47-915 Oasis Street, Indio,
13 California, (the "Building"), as more particularly described in the Lease (the "Original Lease").

14 b. The Original Lease, together with the First Amendment, is collectively referred to
15 hereinafter as the "Lease."

16 c. The Parties now desire to amend the Lease to extend the term period and to
17 amend the terms for the operating costs.

18 **NOW THEREFORE**, for good and valuable consideration the receipt and adequacy of
19 which is hereby acknowledged, the parties agree to amend the Lease as follows:

20 **2. Term.** Section 4 of the Lease is hereby deleted in its entirety and amended by the
21 following:

22 The term of this lease shall be extended for three years commencing on July 1,
23 2015 and shall expire on June 30, 2018 ("Extended Term"). Lessee may thereafter be
24 renewed for one (1) year, subject to the availability of funds and adherence of the lease terms
25 and conditions.

26 **3. Operating Cost.** Section 5 of the Lease is hereby deleted in its entirety and
27 amended by the following:

APR 28 2015 3-16

1 Lessee shall pay the sum of \$22,883.16 monthly to the Department of Mental
2 Health. Mental Health shall apply the monthly payments of \$22,883.16 to the actual operating
3 cost of the facility.

4 **4. FIRST AMENDMENT TO PREVAIL.** The provisions of this First Amendment shall
5 prevail over any inconsistency or conflicting provisions of the Lease. Any capitalized terms
6 shall have the meaning defined in the Lease, unless defined herein or context requires
7 otherwise.

8 **5. MISCELLANEOUS.** Except as amended or modified herein, all terms of the Lease
9 shall remain in full force and effect. If any provisions of this Amendment shall be determined to
10 be illegal or unenforceable, such determination shall not affect any other provision of the
11 Lease. Neither this Amendment nor the Lease shall be recorded by the Lessee.

12
13 (Remainder of Page Intentionally Left Blank)

1 **6. Effective Date.** This First Amendment to Revenue Lease shall not be binding or
2 consummated until its approval by the Riverside County Board of Supervisors and fully
3 executed by the Parties.

4 WITNESS WHEREOF, the parties have executed this Amendment as of the date first
5 written above.

6 Dated: APR 28 2015

7
8 **COUNTY:**
9 COUNTY OF RIVERSIDE, a political
10 Subdivision of the State of California

LESSEE:
ANKA BEHAVIORAL HEALTH, INC., a California
Corporation

11 By: Marion Ashley By: Chris Withrow
12 Marion Ashley, Chairman Chris Withrow, President & C.E.O
13 Board of Supervisors

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

17 By: Gregory P. Priamos
18 Deputy

19 **APPROVED AS TO FORM:**
20 Gregory P. Priamos, County Counsel

21 By: Synthia M. Gunzel
22 **SYNTHIA M. GUNZEL**
23 Deputy County Counsel

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25
26
27 MH:tg/030515/IN025/17.382 S:\Real Property\TYPING\Docs-17.000 to 17.499\17.382.doc