

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



246

FROM: Economic Development Agency

SUBMITTAL DATE:

June 4, 2015

SUBJECT: Second Amendment to Revenue Lease, Christian Schools of the Desert, Bermuda Dunes, 5 Year Lease Extension, 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 and Section 15061(b)(3);
2. Approve the attached Second Amendment to 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 upon 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: N/A

Budget Adjustment: No

For Fiscal Year: 2014/15-2019/20

C.E.O. RECOMMENDATION:

APPROVE

BY:
Rohini Dasika

County Executive Office Signature

MINUTES OF THE BOARD OF SUPERVISORS

On motion of Supervisor Washington, seconded by Supervisor Benoit 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: June 16, 2015
 xc: EDA, Recorder

Kecia Harper-Ihem
Clerk of the Board

By:
Deputy

Prev. Agn. Ref.: 3.37 of 7/29/08; 3.14 of 4/24/2012

District: 4

Agenda Number:

3-24

FORM APPROVED COUNTY COUNSEL
BY: GREGORY P. PRIAMOS DATE 5/19/15

- 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: Second Amendment to Revenue Lease, Christian Schools of the Desert, Bermuda Dunes, 5 Year Lease Extension, CEQA Exempt, District 4 [\$0]

DATE: June 4, 2015

PAGE: 2 of 2

BACKGROUND:

Summary

In August 2008 the County of Riverside (County) purchased property from Christian Schools of the Desert (CSD) located at 40700 Yucca Lane, Bermuda Dunes, for the future County use of the existing facilities. At the same time, the County also entered into a revenue lease with CSD in order for the school to remain and operate on the property during its pursuit of the construction of a new site in Palm Desert. The existing property includes K-12 classrooms, including an auditorium, gymnasium, pool and ball fields.

During the course of the lease term, multiple unforeseen setbacks in the entitlement and development process have occurred. Project schedule delays included development revisions required to satisfy conditions imposed by the future Coachella Valley Water District Flood Control Project. In April, 2014, entitlement was granted for the new campus and a revised project schedule and design work was completed and shared with the County.

As a result, CSD has requested an extension to their lease agreement and as the County does not have any conflicting time constraints for development of the property, the County seeks to modify the lease to further accommodate CSD's updated schedule of development. CSD will continue to maintain, secure and pay all operating costs at the current facility which provides value to the County and will provide CSD with the necessary time to complete their new campus. The attached document represents a five-year extension of their current term.

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 15061(b)(3), General Rule or "Common Sense" Exemption. The proposed project is the extension of letting of property involving existing facilities with no alterations or expansion of an existing use will occur.

The revenue lease is summarized as follows:

Location: 40700 Yucca Lane
Bermuda Dunes, CA 92203

Lessee: Christian Schools of the Desert
40700 Yucca Lane
Bermuda Dunes, CA 92203

Term: Extended five years commencing August 26, 2014 through August 25, 2019.

Rent: One dollar per year.

Maintenance: Provided by Christian Schools of the Desert

Custodial: Provided by Christian Schools of the Desert

Utilities: Provided by Christian Schools of the Desert

Taxes & Insurance: Provided by Christian Schools of the Desert

Campus Security: Provided by Christian Schools of the Desert

Attachments:

Second Amendment to Lease, Notice of Exemption



Original Negative Declaration/Notice of
Determination was routed to County
Clerks for posting on. 6/16/15 KB
Date Initial

NOTICE OF EXEMPTION

April 15, 2015

Project Name: County of Riverside, Second Amendment to Lease, Christian Schools of the Desert, Bermuda Dunes

Project Number: FM047132000200

Project Location: 40700 Yucca Lane, Bermuda Dunes, California 92203; Assessor Parcel Number: 607-040-069 (see attached exhibits)

Description of Project: In August 2008 the County of Riverside (County) purchased property from Christian Schools of the Desert (CSD) located at 40700 Yucca Lane, Bermuda Dunes, for the future public use of existing improvements, which may include a community center and park. At the same time, the County also entered into a revenue lease with CSD in order for the school to remain and operate on the property during its pursuit of the construction of a new site in Palm Desert. During the course of the lease term, multiple unforeseen setbacks in the entitlement and development process have occurred. Project schedule delays included development revisions required to satisfy conditions imposed by the future Coachella Valley Water District Flood Control Project. In April, 2014, entitlement was granted for the new campus and a revised project schedule was completed and shared with the County. As a result, CSD has requested an extension to their lease agreement and as the County does not have any conflicting time constraints for development of the property, the County has agreed to modify the lease to further accommodate CSD's updated schedule of development. The original lease, dated July 29, 2008, has been amended by the First Amendment to Lease dated April 24, 2012, by and between County and CSD, whereby the parties agreed to extend the term. The lease dated July 29, 2008, together with its amendments, shall collectively be referred to as the "Lease." County and CSD desire to further amend the Lease by extending the term five years and modifying the rent. The premises will continue to be utilized by CSD and shall not be used for any other purpose. CSD will continue to maintain, secure and pay all operating costs at the current facility which provides value to the County and will provide CSD with the necessary time to complete their project and begin operations at their new campus. The Project does not allow for any tenant improvements, internal/external upgrades, or substantive changes to the facility. The operation of the facility will continue to be similar to ongoing uses and will not result in an increase in the intensity of the use of the site. No additional direct or indirect physical environmental impacts are anticipated.

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.

JUN 16 2015 3-24

P.O. Box 1180 • Riverside, California • 92502 • T: 951.955.8916 • F: 951.955.6686

www.rivcoeda.org

Administration
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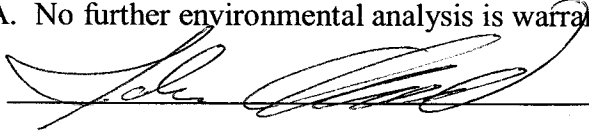
Economic Development
Edward-Dean Museum
Environmental Planning
Fair & National Date Festival
Foreign Trade
Graffiti Abatement

Parking
Project Management
Purchasing Group
Real Property
Redevelopment Agency
Workforce Development

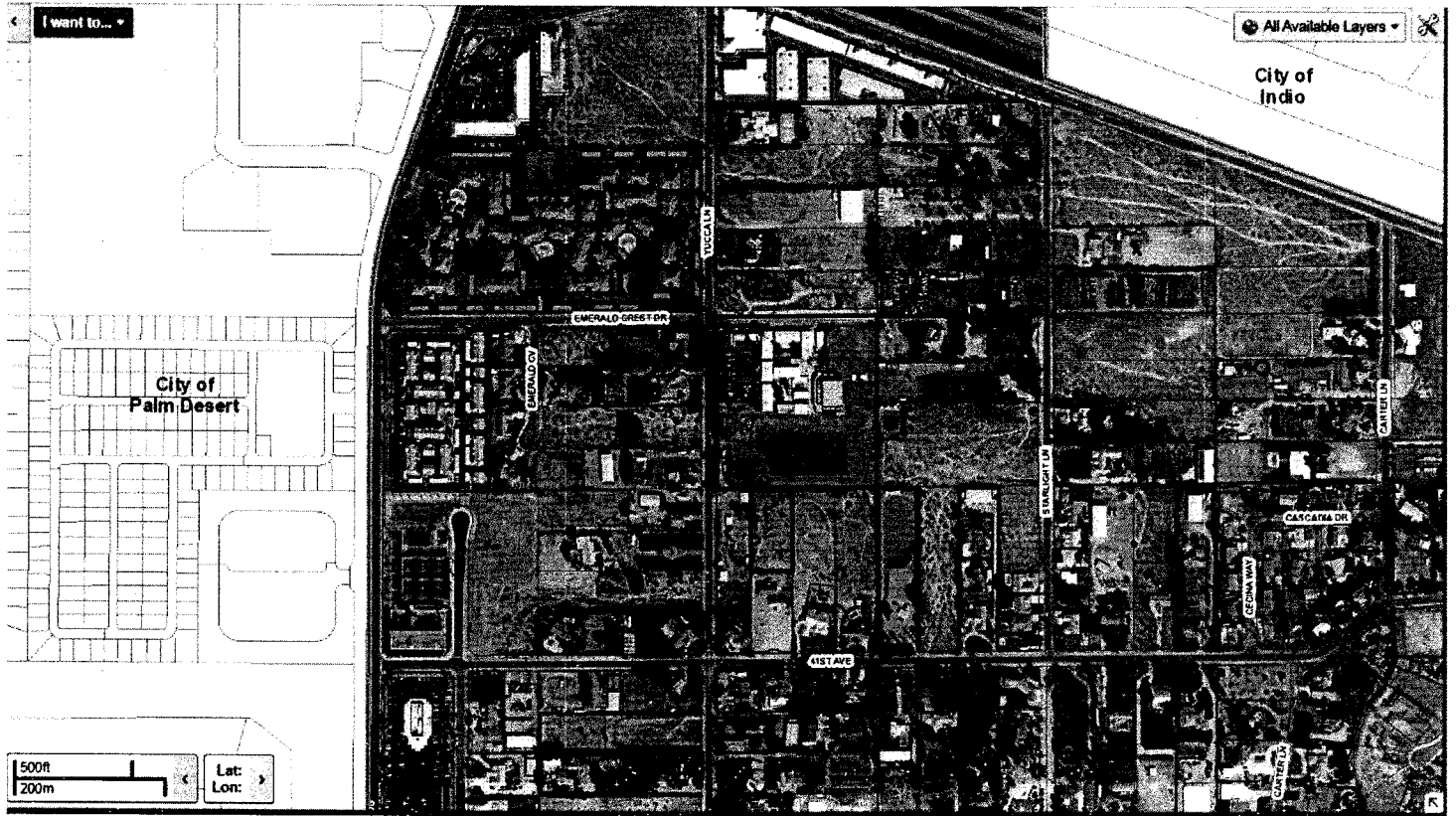
Reasons Why Project is Exempt: The Project is exempt from the provisions of CEQA specifically by the State CEQA Guidelines as identified below. The Project will not result in any specific or general exceptions to the use of the categorical exemption as detailed under State CEQA Guidelines Section 15300.2. 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 of the lease is not anticipated to result in any significant physical environmental impacts. The option to extend the lease 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. No physical upgrades, changes in usage or tenant improvements are included as part of the Project. The extension to the term of 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 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: 4/15/15

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



40700 Yucca Lane, Bermuda Dunes, California 92203

Assessor Parcel Number: 607-040-069

RIVERSIDE COUNTY CLERK & RECORDER

**AUTHORIZATION
TO BILL
BY JOURNAL VOUCHER**

Project Name: Second Amendment to Lease, Christian Schools of the Desert, Bermuda Dunes

Accounting String: Fund: 524830-47220-7200400000- FM047132000200

DATE: April 15, 2015

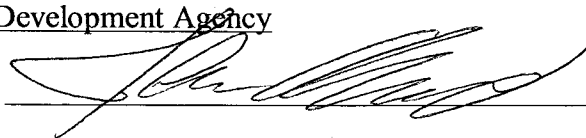
AGENCY: Riverside County Economic Development Agency

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: _____

 4/15/15

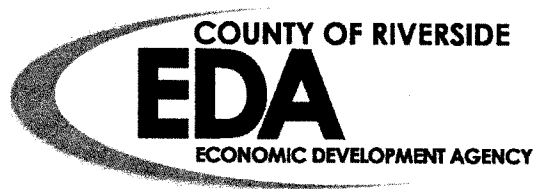
PRESENTED BY: Heidi Rigler, Senior Real Property Agent, Economic Development Agency

-TO BE FILLED IN BY COUNTY CLERK-

ACCEPTED BY: _____

DATE: _____

RECEIPT # (S) _____



Date: April 15, 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 # FM047132000200**
Second Amendment to Lease, Christian Schools of the Desert, Bermuda Dunes

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

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SECOND AMENDMENT TO LEASE
(CHRISTIAN SCHOOLS OF THE DESERT
40-700 Yucca Lane, Bermuda Dunes, California)

This Second Amendment to Lease ("Second Amendment") is made as of June 16, 2015, by and between the **COUNTY OF RIVERSIDE**, a political subdivision of the State of California ("County"), and **CHRISTIAN SCHOOLS OF THE DESERT**, a 501 (c) non-profit organization ("Lessee"), dba Desert Christian Academy, and sometimes collectively referred to as the Parties.

1. Recitals

a. County, and Christian Schools of the Desert, Lessee, entered into that certain Lease dated July 29, 2008, ("Original Lease") pertaining to the premises located at 40-700 Yucca Lane, Bermuda Dunes, California, as more particularly described in the Lease.

b. The Original Lease has been amended by:

i. That certain First Amendment to Lease dated, April 24, 2012, by and between County and Christian Schools of the Desert, ("First Amendment") whereby the Parties amended the Lease to, among other things, amend the leased premises description, the terms for use of the property and terms for the extension of the term period.

c. The Original Lease, together with the Amendments, shall hereafter be referred to as the "Lease."

d. County and Lessee desire to further amend the Lease by extending the term, and modifying the rent.

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

2. Term. Section 4 of the Lease is hereby amended by the following:

4.1. The Lease term shall be for a period of eleven (11) years commencing August 26, 2008, and expiring at midnight on August 25, 2019.

1 **4.2 Extension of Lease.** Section 4.2 of the Lease shall be deleted in
2 its entirety.

3 **4.3 Request for Extension.** Section 4.3 of the Lease shall be deleted
4 in its entirety.

5 **3. Rent.** Section 5 of the Original Lease is hereby amended as follows:

6 **5.1 Extended Term Rent.** Section 5.1 of the Lease shall be deleted
7 in its entirety.

8 **4. Notices.** Section 14 of the Lease is hereby amended by changing the
9 notification address of the parties to read as follows:

10 County's Notification Address.

11 County of Riverside
12 Economic Development Agency
13 Attn.: Deputy Director of Real Estate
14 3403 Tenth Street, Suite 400
15 Riverside, CA 92501

16 Lessee's Notification Address:

17 Christian Schools of the Desert
18 Attn.: David E. Fulton
19 40-700 Yucca Lane
20 Bermuda Dunes, CA 92203

21 **5. Second Amendment to Prevail.** The provisions of this Second
22 Amendment shall prevail over any inconsistency or conflicting provisions of the Lease
23 and shall supplement the remaining provisions thereof. Unless defined herein or the
24 context requires otherwise, all capitalized terms herein shall have the meaning defined
25 in the Lease.

26 **6. Miscellaneous.** Except as amended or modified herein, all the terms of
27 the Lease shall remain in full force and effect and shall apply with the same force and
28 effect. If any provisions of this Amendment or the Lease shall be determined to be

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

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

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

12 LESSOR:	LESSEE:
13 COUNTY OF RIVERSIDE	CHRISTIAN SCHOOLS OF THE DESERT, a
	501 (c) non-profit organization
14 By: <u>Marion Ashley</u>	By: <u>Deborah Scott</u>
15 Marion Ashley, Chairman	Deborah Scott, Desert Christian Academy
16 Board of Supervisors	Head of School

17 ATTEST:
18 Kecia Harper-Ihem
19 Clerk of the Board
20 By: Kecia Harper-Ihem
Deputy

21 APPROVED AS TO FORM:
22 Gregory P. Priamos, County Counsel
23 By: Synthia M. Gunzel
24 **SYNTHIA M. GUNZEL**
Deputy County Counsel