

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

823



FROM: Economic Development Agency

SUBMITTAL DATE:

November 5, 2015

SUBJECT: Third Amendment to Lease, Department of Public Health and Health Care Systems in the City of Lake Elsinore, 10 Year Lease renewal, District 1, CEQA Exempt, [\$9,060,712], Source of Funds: 48% Federal, 49% State and 3% Local

RECOMMENDED MOTION: That the Board of Supervisors:

1. Find that the project is exempt from the California Environmental Quality Act (CEQA) pursuant to State CEQA Guidelines Section 15301, Existing Facilities, and Section 15061(b)(3), the common sense exemption;
2. Ratify the Third 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 of the project.

BACKGROUND:

Summary

Commences on Page 2

FISCAL PROCEDURES APPROVED
PAUL ANGULO, CPA, AUDITOR-CONTROLLER
BY: Susana Garcia-Bocanegra 11/5/15

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	\$ 761,917	\$ 831,182	\$ 9,060,712	\$ 0	Consent <input type="checkbox"/> Policy <input checked="" type="checkbox"/>
NET COUNTY COST	\$ 0	\$ 0	\$ 0	\$ 0	

SOURCE OF FUNDS: 48 % Federal, 49% State, 3% Local

Budget Adjustment: No

For Fiscal Year: 2015/16-2025/26

C.E.O. RECOMMENDATION:

APPROVE

BY: Rohini Dasika
Rohini Dasika

County Executive Office Signature

MINUTES OF THE BOARD OF SUPERVISORS

On motion of Supervisor Benoit, seconded by Supervisor Jeffries 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: November 17, 2015
xc: EDA, Recorder

Kecia Harper-Ihem
Clerk of the Board
By: [Signature]
Deputy

Prev. Agn. Ref.: 3.21 of 10/18/2005

District: 1

Agenda Number:

3-11

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

FORM 11: Third Amendment to Lease, Department of Public Health and Health Care Systems in the City of Lake Elsinore, 10 Year Lease renewal, District 1, CEQA Exempt, [\$9,060,712], 48% Federal, 49% State and 3% Local

DATE: November 5, 2015

PAGE: 2 of 3

BACKGROUND:

Summary

On October 18, 2005, the Board of Supervisors approved Agenda item 3.21 authorizing the Economic Development Agency (EDA) Real Estate Division to amend the Lease and to extend the term of the lease and provide improvements to the premises. This medical office space continues to meet the clinic requirements for the Department of Public Health for its WIC program and the Family Health Clinic for Ambulatory Care.

In an effort to assist Department of Public Health and Health Care Systems with their goals to retain a conservative rental rate and preserve the overall aesthetics of both clinics, the Real Estate Division has negotiated a new ten year Lease, including building improvements. The interior improvements shall be performed throughout both clinic's and consist of new carpet tiles, VCT flooring, paint, cove base, new laminate counter tops in both lobbies, nurses stations, exam rooms, and new foot pedals at sinks in exam and procedure rooms. The exterior improvements consist of a new storefront door at WIC clinic, ADA handicap slap plates at both clinic door entrances. The façade shall be repainted and light fixtures shall be replaced with new lights and panels. The improvements shall be at landlord's sole cost and expense and included in the rental rate over the term of the lease. In addition the annual increase escalator has been reduced from 3% to 2.5%, and no annual increase shall occur until August 1, 2017.

Pursuant to the California Environmental Quality Act (CEQA), the Lease amendment was reviewed and determined to be categorically exempt from CEQA pursuant to State CEQA Guidelines Section 15301, Class 1-Existing Facilities and Section 15061 (b) (3). The proposed project, the Lease amendment, is the letting of property involving existing facilities with minor tenant improvement alterations and no expansion of an existing use will occur.

The Third Amendment to Lease is summarized as follows:

Location: 2499 E. Lakeshore Drive, Lake Elsinore

Lessor: LEVC Group, LLC

Size: 32,368 sq. ft.

Improvements: At Lessor's Sole Cost and expense, and included in the rental rate

Term: Ten years, commencing August 1, 2015 and terminating July 31, 2025

Options: One, five year option to renew

Rent:	Current	New
	\$ 1.90 PSF.	\$ 1.94 PSF.
	\$ 61,382.66 Per Month	\$ 62,793.92 Per Month
	\$736,591.92 Per Year	\$753,527.04 Per Year

Annual Increase: Reduced from 3% to 2.5%. No annual increase shall occur until August 1, 2017.

RCIT: None

(Continued)

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

FORM 11: Third Amendment to Lease, Department of Public Health and Health Care Systems in the City of Lake Elsinore, 10 Year Lease renewal, District 1, CEQA Exempt, [\$9,060,712], 48% Federal, 49% State and 3% Local

DATE: November 5, 2015

PAGE: 3 of 3

BACKGROUND:

Summary (Continued)

Custodial: County

Maintenance: Lessor

Utilities: Lessor shall provide trash and sewer service, County shall pay for electricity and phone service

Impact on Citizens and Businesses

The continued and extended occupancy of the Department of Public Health and Health Care Systems will provide a positive overall economic impact to the community. The construction phase will provide important construction jobs through the completion of the project. The long term tenancy of Department of Public Health/WIC and Health Care Systems in this region will benefit the community by providing a positive impact to local residents and businesses.

SUPPLEMENTAL:

Additional Fiscal Information

See attached Exhibits A, B, & C. Department of Public Health and Health Care Systems have budgeted these costs in FY 2015/16 and will reimburse EDA for all lease costs on a monthly basis.

Contract History and Price Reasonableness

The lease rate is deemed competitive based upon the current market. This contract has been in place since December 2002.

Attachments:

Exhibits A, B & C

Third Amendment to Lease

Notice of Exemption

Aerial Image

Exhibit A

FY 2015/16

Department of Public Health/Ambulatory Care Lease Cost Analysis

2499B/2501 E. Lakeshore Drive, Lake Elsinore, CA 92530

ESTIMATED AMOUNTS

Total Square Footage to be Leased:

Current Office: 32,368 SQFT

Approximate Cost per SQFT (July) \$ 1.90

Approximate Cost per SQFT (August - June) \$ 1.94

Lease Cost per Month (July) \$ 61,382.66

Lease Cost per Month (August - June) \$ 62,793.92

Total Lease Cost (July) \$ 61,382.66

Total Lease Cost (August - June) \$ 690,733.12

Total Estimated Lease Cost for FY 2015/16 \$ 752,115.78

Estimated Additional Costs:

Utility Cost per Square Foot \$ 0.12

Estimated Utility Costs per Month (July) \$ 3,884.16

Estimated Utility Costs per Month (Aug - June) 42,725.76

Total Estimated Utility Cost \$ 46,609.92

RCIT \$ -

Tenant Improvement \$ -

EDA Lease Management Fee - 4.00% \$ 2,455.31

EDA Lease Management Fee - 4.12% \$ 28,458.20

Total Lease Management Fee \$ 30,913.51

TOTAL ESTIMATED COST FOR FY 2015/16 \$ 829,639.21

Less Amount Previously Approved in 2nd Amendment \$ 67,722.13

Amount of FY15/16 for 3rd Amendment \$ 761,917.08

Exhibit B

FY 2016/17

Department of Public Health/Ambulatory Care Lease Cost Analysis
2499B/2501 E. Lakeshore Drive, Lake Elsinore, CA 92530

ESTIMATED AMOUNTS

Total Square Footage to be Leased:

Current Office: 32,368 SQFT

Approximate Cost per SQFT (July) \$ 1.94

Approximate Cost per SQFT (August - June) \$ 1.94

Lease Cost per Month (July) \$ 62,793.92

Lease Cost per Month (August - June) \$ 62,793.92

Total Lease Cost (July) \$ 62,793.92

Total Lease Cost (August - June) \$ 690,733.12

Total Estimated Lease Cost for FY 2016/17 **\$ 753,527.04**

Estimated Additional Costs:

Utility Cost per Square Foot \$ 0.12

Estimated Utility Costs per Month (Aug - June) \$ 3,884.16

Total Estimated Utility Cost \$ 46,609.92

RCIT \$ -

Tenant Improvement \$ -

EDA Lease Management Fee - 4.12% \$ 31,045.31

TOTAL ESTIMATED COST FOR FY 2016/17 **\$ 831,182.27**

Less Amount Previously Approved in 2nd Amendment

Exhibit C

FY 2017/18 to FY 2025/26

Department of Public Health/Ambulatory Care Lease Cost Analysis

2499B/2501 E. Lakeshore Drive, Lake Elsinore, CA 92530

ESTIMATED AMOUNTS

Total Square Footage to be Leased:

Current Office: 32,368 SQFT

	FY 2017/18	FY 2018/19	FY 2019/20- 2025/26
Approximate Cost per SQFT (July)	\$ 1.94	\$ 1.99	
Approximate Cost per SQFT (August - June)	\$ 1.99	\$ 2.04	
Lease Cost per Month (July)	\$ 62,793.92	\$ 64,363.77	\$ 497,925.57
Lease Cost per Month (August - June)	\$ 64,363.77	\$ 65,972.86	\$ 431,952.71
Total Lease Cost (July)	\$ 62,793.92	\$ 64,363.77	\$ 497,925.57
Total Lease Cost (August - June)	\$ 708,001.45	\$ 725,701.48	\$ 4,751,479.78
Total Estimated Lease Cost for FY 2017/18 to FY 2025/26	\$ 770,795.37	\$ 790,065.25	\$ 5,249,405.34
<u>Estimated Additional Costs:</u>			
Utility Cost per Square Foot	\$ 0.12	\$ 0.12	\$ 0.12
Estimated Utility Costs per Month (Aug - June)	\$ 3,884.16	\$ 3,884.16	\$ 3,884.16
Total Estimated Utility Cost	\$ 46,609.92	\$ 46,609.92	\$ 283,543.68
RCIT	\$ -	\$ -	\$ -
Tenant Improvement	\$ -	\$ -	\$ -
EDA Lease Management Fee - 4.12%	\$ 31,756.77	\$ 32,550.69	\$ 216,275.50
TOTAL ESTIMATED COST FOR FY 2017/18 to FY 2025/26	\$ 849,162.06	\$ 869,225.86	\$ 5,749,224.52

F11: Net County Cost - Total Cost \$ 9,060,711.80

THIRD AMENDMENT TO LEASE
DEPARTMENT OF PUBLIC HEALTH AND FAMILY CARE CLINIC
2499 E. Lakeshore Drive, Lake Elsinore, California

THIS THIRD AMENDMENT TO LEASE ("Third Amendment",) dated as of November 17, 2015, is entered into by and between the COUNTY OF RIVERSIDE, a political subdivision of the State of California, ("County",) and LEVC Group, LLC, a California limited liability company, ("Lessor") the successor-in-interest to Tonto Corporation, a Nevada corporation, sometimes collectively referred to as the "Parties."

RECITALS

a. Tonto Corporation and County have entered into that certain Lease dated December 10, 2002, pursuant to which Lessor has agreed to lease to County and County has agreed to lease from Lessor that certain building located at 2501 Lakeshore Drive, Lake Elsinore, as more particularly described as Exhibit A attached hereto.

b. The Lease has been amended by:

i. The First Amendment to Lease dated April 27, 2004 by and between County of Riverside and Tonto Corporation (the 1st Amendment) whereby the Parties amended the Lease to provide improvements and recognize the building address change.

ii. The Second Amendment to Lease dated October 18, 2005 between County of Riverside and Tonto Corporation (the 2nd Amendment) whereby the Parties amended the Lease, among other things to extend the term, rent amounts and provide for tenant improvements.

c. The Original Lease together with this amendment are collectively referred to as the "Lease."

d. The County and LEVC Group, LLC, (Lessor) now desire to amend the Lease, among other things, to extend the term period an option to extend the term and provide for tenant improvements.

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

3 1. **Term.** Section 4.1 of the Original Lease is hereby deleted in its entirety and
4 replaced with the following:

5 The term of this lease shall be extended for ten (10) years commencing on August 1,
6 2015 and terminating on July 31, 2025.

7 2. **Rent.** Section 5.1 of the Original Lease is hereby amended by the following:

8 County shall pay the sum of \$62,793.92 per month to Lessor as rent for the leased
9 Premises, payable, in advance, on the first day of the month or as soon thereafter as a warrant
10 can be issued in the normal course of County's business.

11 3. **Annual Increase.** Section 5.2 of the Original Lease is hereby amended by the
12 following: Notwithstanding the provisions of Section 5.1 herein, the monthly rent shall increase
13 on each anniversary commencing on August 1, 2017 of this Amendment by an amount equal
14 to two and a half percent (2.5%) of such monthly rental.

15 4. **Option to Extend Term.** Section 6.1 of the Original Lease is hereby amended
16 by the following:

17 Lessor grants to County one (1) option to extend the Lease term ("Extension Option").
18 The Extension Option shall be for a period of five (5) years ("Extended Term").

19 5. **Exercise of Option.** Section 6.1.1 of the Original Lease is hereby amended by
20 the following:

21 The Extension Option shall be exercised by County delivering to Lessor written notice
22 thereof no later than 270 days but not more than 360 days prior to the expiration of the Original
23 term or any extension thereof.

24 6. **Option Rent.** Section 6.1.2 of the Original Lease is hereby amended by the
25 following:

26 Monthly Rent for all years of the Extension Option term shall be increased 3% annually
27 over the prior year.

28

1 7. **Satisfaction.** Section 6.4.2 of the Original Lease is hereby deleted in its
2 entirety.

3 8. **Improvements by Lessor.** Section 11.1 of the Original Lease is hereby
4 amended as follows:

5 Lessor, at its sole expense and included in the rental rate, shall provide the
6 improvements according to Exhibit(s) B and B-1 as defined and set forth and attached hereto
7 and by this reference made a part of this Lease. Improvements shall be performed after 5pm,
8 and over the weekends. A furniture jack or equivalent system shall be used to lift systems
9 furniture. The improvements shall be performed in stages which shall be mutually agreed upon
10 by Lessor and County on or before ninety (90) days from mutual execution of this Third
11 Amendment. Lessor shall provide a timeline for completion of improvements.

12 9. **Notice.** Section 19.18 of the Original Lease is hereby amended as follows:

13 **County's Notification Address:**

14 County of Riverside
15 Economic Development Agency
16 3403 Tenth Street, Suite 400
17 Riverside, CA 92501
18 Attention: Deputy Director of Real Estate

19 **Lessor's Notification Address:**

20 LEVC Group, LLC
21 C/O NewMark Merrill Companies, LLC
22 5850 Canoga Avenue, Suite 650
23 Woodland Hills, CA 91367
24 Attention: Mrs. Sandy Sigal

25 **With copy to:**

26 NewMark Merrill Companies – San Diego Division
27 427 College Boulevard
28 Oceanside, CA 92057
 Attention: Mr. John Hickman

 10. **CAPITALIZED TERMS.** Third Amendment to Prevail. Unless defined
herein or the context required otherwise, all capitalized terms herein shall have the
meaning defined in the Lease, as heretofore amended. The provisions of this Third

1 Amendment shall prevail over any inconsistency or conflicting provisions of the Lease,
2 as heretofore amended, and shall supplement the remaining provisions thereof.

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

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1 **EFFECTIVE DATE.** This Third Amendment to 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 IN WITNESS WHEREOF, the parties have executed this Amendment as of the
5 date first written above.

6
7 LESSEE:
8 COUNTY OF RIVERSIDE

7 LESSOR:
8 LEVC Group, LLC

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

9 By: Gary Jacobs
10 Gary Jacobs
11 Managing Member

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

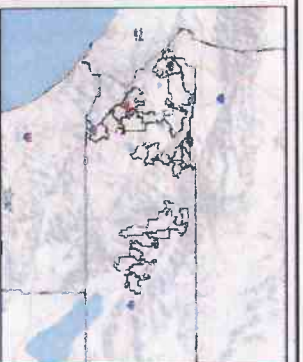
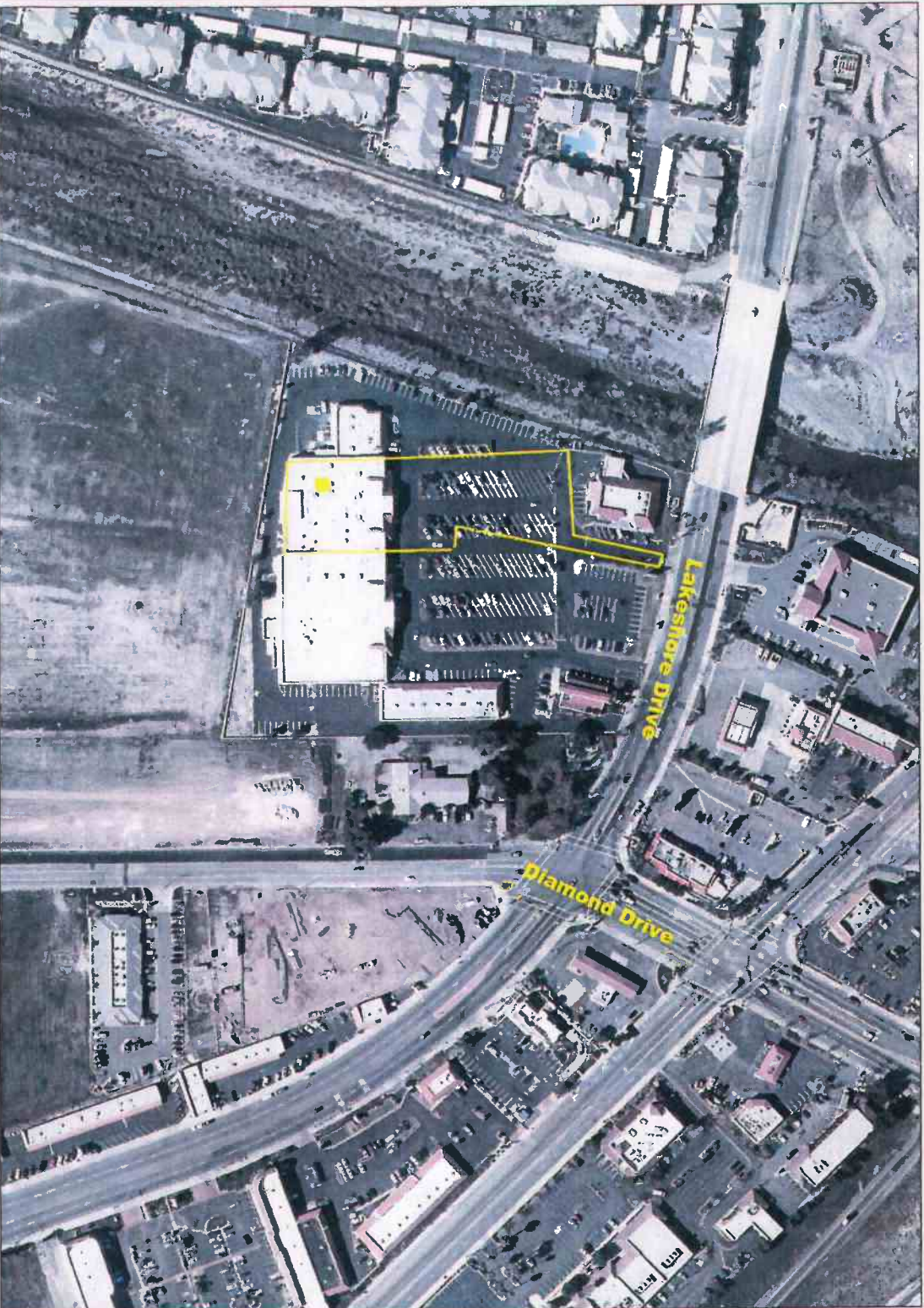
15 By: Kecia Harper-Ihem
16 Deputy
17

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

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

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Third Amendment to Lease, Department of Public Health and Family Health Care 2499B/2501 E. Lakeshore Drive, Lake Elsinore, California



Legend

EXHIBIT "A"

Notes

APN373210026, District 1

"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.

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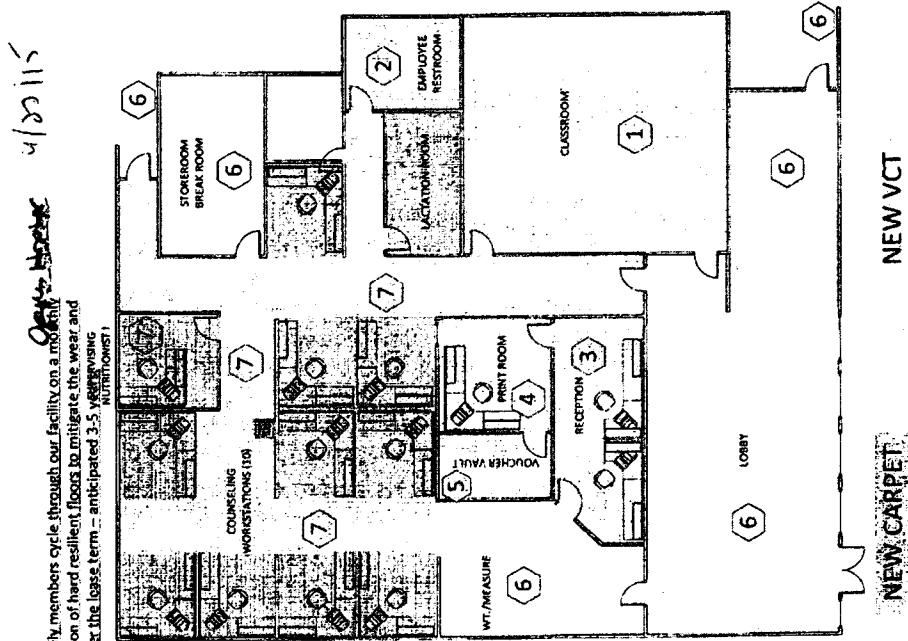
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579 Feet



EXHIBIT B
Unit 2499 B
Tenant Improvement



Lake Elsinore Tis, 3/2015 70,000 WIC participants and family members cycle through our facility on a monthly basis. We advocate the installation of hard resilient floors to mitigate the wear and tear on the surface over the long term - anticipated 3-5 years (SEE NUTRITIONIST)

Flooring

1. New VCT classroom flooring.
 - a. Concern: the cement foundation may be the cause of the ripples and bubbles. (Will new flooring be affected the same way as the existing product?)
2. New laminate tile in the employee restroom.

Due to age and the deteriorated condition of the existing carpet we would like to replace this flooring with VCT (vinyl composite tile).
3. New VCT in the receptionist area.

Due to age and the deteriorated condition of the existing carpet we would like to replace this flooring with VCT (vinyl composite tile).
4. New VCT in the print room.

Due to age and the deteriorated condition of the existing carpet we would like to replace this flooring with VCT (vinyl composite tile).
5. New VCT in the voucher vault.

Due to age and the deteriorated condition of the existing carpet we would like to replace this flooring with VCT (vinyl composite tile).
6. Replace damaged/warped/cracked/bubbled tiles in the lobby, weight measure area and storeroom.
 - a. Consideration should also be given to the common areas shared with FCC. Replace tiles where necessary:
 - i. The back sloped ramp by the WIC storeroom.
 1. The sloped transition needs to be fixed. It is a tipping hazard.
 - ii. The front sloped ramp that leads to the Public restrooms from the WIC lobby.
7. New carpet.
 - a. Counseling area and Supervising Nutritionist I office.

Due to age and the deteriorated condition of the existing carpet we would like to replace with carpet tiles/squares.

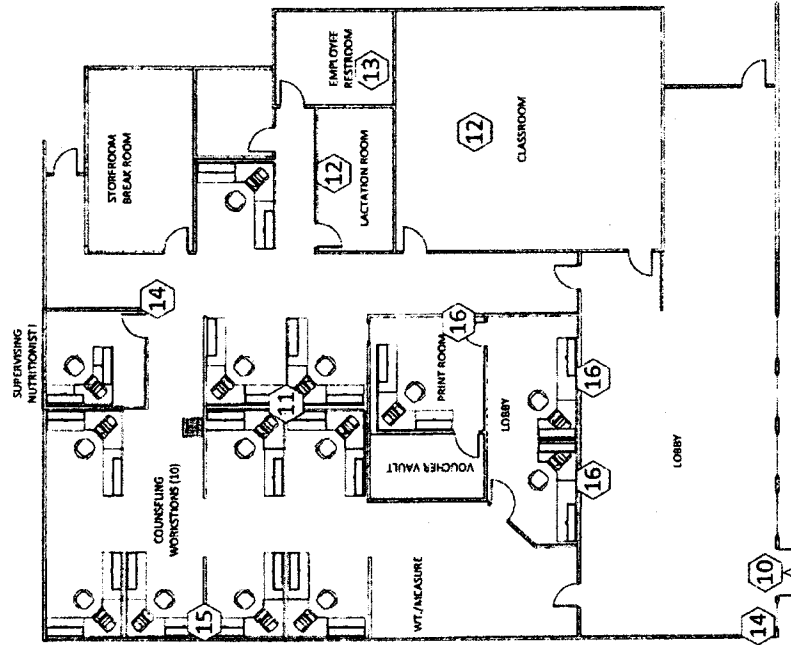
 - i. Type - Carpet tiles 24" x 24" in each of the cubicles and private office. The aisles in the cubicle area will be converted to VCT - transition strips separating the workstation carpet from the cubicle carpet squares.
 - ii. See diagram for new carpet & new tile areas.
 - iii. Carpet Installation - Raise the furniture in the counseling area and private office to add the carpet tiles.

EXHIBIT B

Unit 2499 B

Tenant Improvement cont'd

Opportunity 9/20/15



Lake Elsinore Tis, cont. <3/2015>

Paint

8. New paint throughout the WIC Suite.
 - a. Apply the same colors/patterns/textures. <keep the same finishes>
 - b. Also repaint the doors.
9. Add new cove base to each wall in suite (4"H). Cove base color TBD following selection of carpet tile.

Structural/Bldg. System Corrections

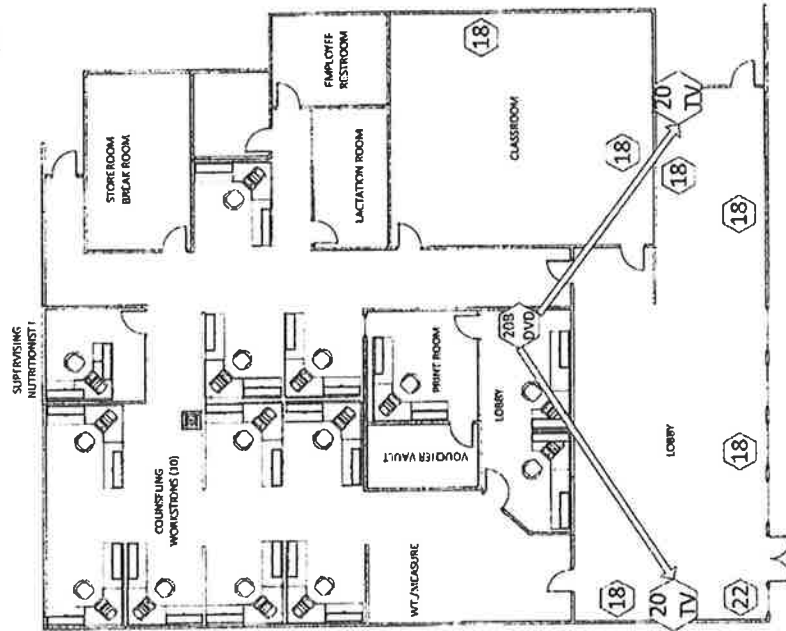
10. The main door (door frame) is skewed. It is difficult for staff to lock the door at night. The double doors need to close flush in order for staff to lock it without expending a lot of effort.
 - Numerous trouble tickets have been reported to Facilities Management to address problems originating with staff's inability to lock the front doors. The most recent trouble ticket was logged on 3/10/2015; Task number is: 1405548. Unable to fix replace door jam and if necessary double doors.
11. Replace the broken piece of plastic that makes up the sky dome in the counseling area.
 - a. Also remove dust and grime from sky dome.
12. Rebalance the air in the lactation room to compensate for a humid/stuffy environment. We need it to be much cooler & comfortable in the lactation room. Also include the classroom. If unable to satisfactorily cool the classroom add a ceiling fan.
13. Address frequent back-up plumbing issue in employee restroom.
14. Repair the damage to the wall outside our Supervising Nutritionist office and in the lobby by the main entrance.
15. Repair the crack in the wall. Above workstation in counseling area.
16. Replace chipped laminate; receptionist service counter and Dutch door shelf.
17. Check for evidence of roof leaks in WIC area.

EXHIBIT B

Unit 2499 B

Tenant Improvement cont'd

Opinion 4/20/15



Lake Elsinore Tis, cont. <3/2015>

Add-ons

18. Add a chair rail in the classroom and lobby. Provide samples.
Backing minimum 3" H.
19. Add clear corner guards to each exposed right angle wall.
Overlap 2" on either side of wall. Corner guard 4" H.
Corner Guards - Clear Acrylic
a. <http://www.globalindustrial.com/building-materials/handrails-and-wall-protection/corner-guards/polycarbonate-surface-mounted-135-corner-guard-2-1-2-inch-wing-4-foot-clear-tpd85>
"Prefer corner guard style that hides/covers screw heads."
20. Determine if plywood backing is necessary in the lobby to mount (2) 32" flat panel TVs; est. TV and bracket < 100lbs. The flat panel TVs will utilize the same wall electrical outlets.
a. Remove ceiling poles that currently support our existing CRT TVs that are mounted in the lobby.
i. Assess if the existing ceiling pole hardware may be reused to hang 32" flat panel TVs. May not be necessary for plywood backing.
b. Ascertain if 1/2" conduit is required to run HDMI cabling from TV to DVD player located in the receptionist area. Each of the two TVs will be connected to one DVD player utilizing a splitter to broadcast WIC videos.
21. Covers for all thermostats in public accessible areas.
22. Add a cover to the fire alarm keypad to prevent child access. Children have been none to play with the keypad.

Exhibit B-1
Family Care Clinic
Tenant Improvements (Interior)
(Improvements to be performed after working hours, or weekends)

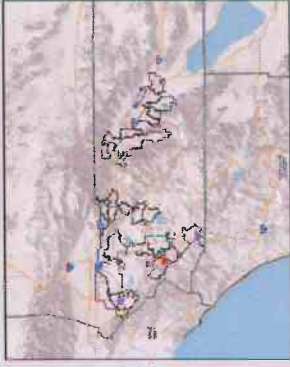
1. New paint and cove base throughout the entire interior of clinic, including restrooms, conference rooms, exam rooms, labs, reception lobby, back office lobby, nurses station and break room and common hallways shared with WIC clinic
2. Apply clear plastic corner guards to every exposed right angle wall to protect freshly painted walls: <http://www.globalindustrial.com/p/building-materials/handrails-and-wall-protection/corner-guards/polycarbonate-surface-mounted-135-corner-guard-2-1-2-ince-wing-4-foot-h-clear-taped>
 - a. Lessor to provide paint, flooring, and cove base samples for Clinic to select color scheme
3. Doors should be painted to match new color scheme
4. New Carpet throughout Clinic, including conference rooms, offices, suites, and any other rooms which are currently carpeted
 - a. Lessor to provide carpet samples for Clinic's selection
5. New VCT, or LVT throughout clinic including all common areas within clinic
 - a. VCT is bubbling up at various locations, uneven foundation may be the cause for rippling and bubbling effect on VCT
 - b. Lessor to provide VCT/LVT samples for Clinic to select color
6. Replace all Formica tops with new Formica throughout the clinic including reception area, exam, records, labs, women/men public restrooms/employee restrooms, nurses station and break room
 - a. Lessor to provide Formica color choices for Clinic's selection
 - b. Also replace side boards coming loose from various wall locations including nurses station, reception and public and employee restrooms
7. Install new sink in room #37
8. Replace all stained ceiling tiles with new; check for roof leaks, perhaps consider installing new roof membrane due to the significant amount of stained ceiling tiles
9. Add locks to Women's and Men's public restrooms
 - a. Locked restrooms will prevent vandalism and theft of paper products
 - b. Security will monitor the distribution of keys
10. Replace mirror in Men's restroom with new mirror
11. Replace flooring with new VCT or in back patient waiting area
12. Install counter in utility room #12
13. Install new foot pedals in procedure room #14

Exterior Tenant Improvements for 2499B/2501

1. Repaint Façade exterior for both clinics
2. Install 1 ADA slap plate to exterior building and interior lobby door at both clinics
3. Replace light fixtures with new, many missing bulbs or cover plates, or not working at both clinics
4. Install new store front doors at WIC clinic 2499B – Doors are ajar and pose a security issue when staff is not able to lock at end of business day.
5. Confirm that parking light standards are in good working condition

Third Amendment to Lease, Department of Public Health and Family Health Care

2499B/2501 E. Lakeshore Drive, Lake Elsinore, California



Legend



Notes
APN373210026, District 1

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Original Negative Declaration/Notice of
Determination was routed to County
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11/19/15
Date

KB
Initial

NOTICE OF EXEMPTION

September 2, 2015

Project Name: Third Amendment to Lease, Department of Public Health and Family Care Clinic, Lake Elsinore

Project Number: FM042431002100

Project Location: 2499B / 2501 E. Lakeshore Drive, Lake Elsinore, California, 92530;
Assessor Parcel Number: 373-210-026 (See attached exhibit)

Description of Project: County of Riverside (County) on behalf of the Department of Public Health (DOPH), proposes to amend the lease with LEVC Group, LLC ("Lessor"), as successor-in-interest to Tonto Corporation, to extend the term period and provide tenant improvements. The premises consists of an existing building located at 2499B / 2501 E. Lakeshore Drive, Lake Elsinore, California, providing medical office space for DOPH's Women, Infants and Children (WIC) program and the Family Health Clinic for Ambulatory Care. The original lease dated June 12, 2012 by and between County and Tonto Corporation, has been amended by the First Amendment to Lease dated April 27, 2004 by and between County and Tonto Corporation, whereby the parties amended the lease to provide improvements; and by the Second Amendment to Lease dated October 18, 2005, by and between County and Tonto Corporation, whereby the parties extended the term and provided improvements. The original lease together with its amendments shall collectively be referred to as the "Lease." The parties now desire to amend the Lease to extend the term ten years and include minor tenant improvements. At Lessor's sole cost and expense, the interior improvements shall be performed throughout both clinics and consist of new carpet tiles, vinyl composition tile flooring, paint, cove base, new laminate counter tops in both lobbies, nurses' stations, exam rooms, and new foot pedals at sinks in exam and procedure rooms. The exterior improvements consist of a new storefront door at WIC clinic and ADA handicap slap plates at both clinic door entrances. The façade shall be repainted and light fixtures shall be replaced with new lights and panels. The improvements shall be at landlords sole cost and expense and included in the rental rate over the term of the lease. In addition the annual increase escalator has been reduced from 3% to 2.5%, and no annual increase shall occur until August 1, 2017. The existing structure consists of approximately 32,368 square feet and is located in a developed portion of the City of Lake Elsinore. Further, the size and scale of such improvements will not change the existing use of the site. The proposed project is the letting of property involving existing facilities for the purpose of providing WIC programs and health care systems in this region and shall not be used for any other purpose.

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;
LEVC Group, LLC

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

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Purchasing Group
Real Property
Redevelopment Agency
Workforce Development

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 and tenant improvement alterations is not anticipated to result in any direct or reasonably foreseeable indirect 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. The proposed improvements 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. The majority of the tenant improvements are designated to the interior of the structure and the limited scope of the exterior improvements will not result in any noise, air quality, or traffic impacts. 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, upgrades to the site will primarily entail minor improvements which would not result in any direct or indirect physical environmental impacts. The site is highly developed and no impacts to biological, cultural, or historical resources would occur. 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.

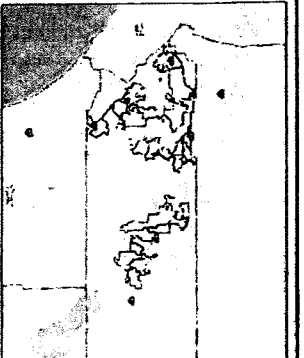
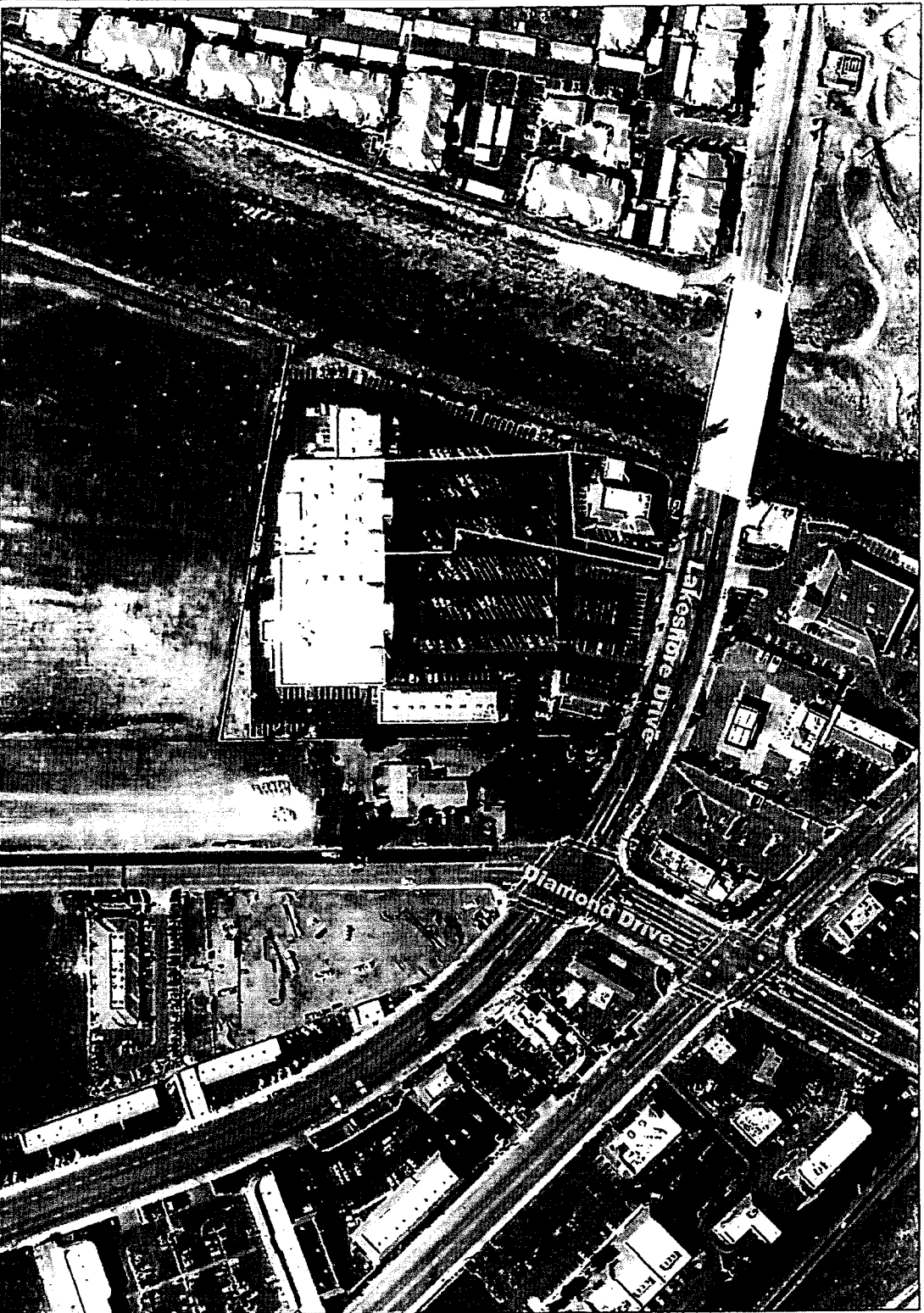
Based upon the identified exemptions above, the County of Riverside, Economic Development Agency hereby concludes that no physical environmental impacts are anticipated to occur and the Project as proposed is exempt under CEQA. No further environmental analysis is warranted.

Signed: _____

Date: _____

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

Third Amendment to Lease, Department of Public Health and Family Health Care
2499B/2501 E. Lakeshore Drive, Lake Elsinore, California



Legend

EXHIBIT "A"

Notes

APN373210026, District 1

"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.

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RIVERSIDE COUNTY CLERK & RECORDER

**AUTHORIZATION
TO BILL
BY JOURNAL VOUCHER**

Project Name: Department of Public Health and Family Care Clinic, Lake Elsinore Lease Amendment

Accounting String: 524830-47220-7200400000- FM042431002100

DATE: September 2, 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) -



Date: September 2, 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 # FM042431002100**
Department of Public Health and Family Care Clinic, Lake Elsinore

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