

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



215

**FROM:** Economic Development Agency

**SUBMITTAL DATE:**  
July

**SUBJECT:** Sixth Amendment to Lease, Department of Public Social Services, Temecula, 31 Month Lease Renewal; CEQA Exempt, District 3 [\$ 609,744] Federal 63.8%; State 33.4%; County 2.8%

**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 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 attached Notice of Exemption with the County Clerk for posting within five working days.

**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	\$ 19,169	\$ 232,133	\$ 609,744	\$ 0	Consent <input type="checkbox"/> Policy <input checked="" type="checkbox"/>
NET COUNTY COST	\$ 537	\$ 6,500	\$ 17,073	\$ 0	
SOURCE OF FUNDS: Federal 63.8%; State 33.4%; County 2.8%				Budget Adjustment: No	
				For Fiscal Year:	2015/16- 2017/18

**C.E.O. RECOMMENDATION:**

APPROVE

BY:   
Rohini Dasika

County Executive Office Signature

**MINUTES OF THE BOARD OF SUPERVISORS**

On motion of Supervisor Ashley, 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: July 26, 2016  
xc: EDA, DPSS

Kecia Harper-Ihem  
Clerk of the Board

By:   
Deputy

Prev. Agn. Ref.: 3.5 of 3/13/95; 3.15 of 3/10/15

District: 3

Agenda Number:

3-15

FORM APPROVED COUNTY COUNSEL  
DATE  
BY: GREGORY P. PRIAMOS  
Ivan M. Chand 7/20/2016

REVIEWED BY CIP  
Susan von Zabern

By: Susan von Zabern  
Susan von Zabern, Director  
Department of Public Social Services

☐ 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:** Sixth Amendment to Lease, Department of Public Social Services, Temecula, 31 Month Lease Renewal; CEQA Exempt, District 3 [\$609,744] Federal 63.8%; State 33.4%; County 2.8%

**DATE:** July 26, 2016

**PAGE:** 2 of 3

## **BACKGROUND:**

### **Summary**

The Department of Public Social Services (DPSS) Self Sufficiency Division has occupied the office located at 43264 Business Park Drive since June, 1995. The office space will continue to be utilized for providing Self Sufficiency program services to the community, and this proposed Sixth Amendment to Lease extends the lease term 2.5 years.

Lessor:	Alas Company, LLC 3317 W. Beverly Blvd. #105 Montebello, CA 90640								
Location:	43264 Business Park Drive Temecula, CA 92591								
Size:	10,142 square feet								
Term:	Thirty-one months commencing June 1, 2016, and expiring December 31, 2018								
Rent:	<table><thead><tr><th><u>Current</u></th><th><u>New</u></th></tr></thead><tbody><tr><td>\$1.63 per sq. ft.</td><td>\$1.70 per sq. ft.</td></tr><tr><td>\$16,574.66 per month</td><td>\$17,241.40 per month</td></tr><tr><td>\$198,895.92 per year</td><td>\$206,896.80 per year</td></tr></tbody></table>	<u>Current</u>	<u>New</u>	\$1.63 per sq. ft.	\$1.70 per sq. ft.	\$16,574.66 per month	\$17,241.40 per month	\$198,895.92 per year	\$206,896.80 per year
<u>Current</u>	<u>New</u>								
\$1.63 per sq. ft.	\$1.70 per sq. ft.								
\$16,574.66 per month	\$17,241.40 per month								
\$198,895.92 per year	\$206,896.80 per year								
Increases:	2.5% annually								
Interior/Exterior Maintenance:	Provided by Lessor								
Utilities:	County pays electric. Lessor pays all others.								
Custodial:	Provided by Lessor.								

Pursuant to the California Environmental Quality Act (CEQA) the Sixth Amendment to Lease 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 common sense exemption. The proposed project is the letting of property involving existing facilities.

### **Impact on Citizens and Businesses**

DPSS presence at this location will continue to serve the needs of the community with Self Sufficiency program services.

## **SUPPLEMENTAL:**

### **Additional Fiscal Information**

See attached Exhibit A, B, & C.

DPSS will budget these costs in FY 2015/16 thru FY 18/19 and will reimburse EDA for all lease costs on a monthly basis.

(Continued)

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

Economic Development Agency

**FORM 11:** Sixth Amendment to Lease, Department of Public Social Services, Temecula, 31 Month Lease  
Renewal; CEQA Exempt, District 3 [\$609,744] Federal 63.8%; State 33.4%; County 2.8%

**DATE:** July 26, 2016

**PAGE:** 3 of 3

**Contract History and Price Reasonableness**

The rent continues as obligated under the terms of the lease and the extended term is deemed market acceptable.

Attachments:

Exhibits A, B, & C

Aerial Image

Sixth Amendment to Lease

Notice of Exemption

# Exhibit A

FY 2015/16

## DPSS Lease Cost Analysis

43264 Business Park Drive, Temecula, California

### **ESTIMATED AMOUNTS**

#### **Total Square Footage to be Leased:**

Current Office:	10,142	SQFT	
Approximate Cost per SQFT (June)	\$	1.70	
Lease Cost per Month (June)		\$	17,241.40
Total Lease Cost (June)			\$ 17,241.40
<b>Total Estimated Lease Cost for FY 2015/16</b>			<b>\$ 17,241.40</b>

#### **Estimated Additional Costs:**

Utility Cost per Square Foot	\$	0.12	
Estimated Utility Cost per Month (June)		\$	1,217.04
Total Estimated Utility Cost			\$ 1,217.04
EDA Lease Management Fee - 4.12%		\$	710.35
Total EDA Lease Management Fee			\$ 710.35
<b>TOTAL ESTIMATED COST FOR FY 2015/16</b>			<b>\$ 19,168.79</b>
<b>TOTAL COUNTY COST 2.80%</b>			<b>\$ 536.73</b>

# Exhibit B

FY 2016/17

## DPSS Lease Cost Analysis

43264 Business Park Drive, Temecula, California

### **ESTIMATED AMOUNTS**

#### **Total Square Footage to be Leased:**

Current Office:	10,142	SQFT	
Approximate Cost per SQFT (July - May)	\$	1.70	
Approximate Cost per SQFT (June)	\$	1.74	
Lease Cost per Month (July - May)	\$	17,241.40	
Lease Cost per Month (June)	\$	17,672.44	
Total Lease Cost (July - May)			\$ 189,655.40
Total Lease Cost (June)			\$ 17,672.44
<b>Total Estimated Lease Cost for FY 2016/17</b>			<b>\$ 207,327.84</b>

#### **Estimated Additional Costs:**

Utility Cost per Square Foot	\$	0.12	
Estimated Utility Cost per Month (July - June)			<u>\$ 1,217.04</u>
Total Estimated Utility Cost			\$ 14,604.48
EDA Lease Management Fee - 4.92%			<u>\$ 10,200.53</u>
<b>TOTAL ESTIMATED COST FOR FY 2016/17</b>			<b><u>\$ 232,132.84</u></b>
<b>TOTAL COUNTY COST 2.80%</b>			<b>\$ 6,499.72</b>

# Exhibit C

**FY 2017/18-2018/19**  
**DPSS Lease Cost Analysis**  
**43264 Business Park Drive, Temecula, California**

**ESTIMATED AMOUNTS**

**Total Square Footage to be Leased:**

Current Office: 10,142 SQFT

	<b>FY 2017/18</b>	<b>FY2018/19</b>
Approximate Cost per SQFT (July - May)	\$ 1.74	\$ 1.79
Approximate Cost per SQFT (June)	\$ 1.79	
Lease Cost per Month (July - May)	\$ 17,672.44	\$ 18,114.25
Lease Cost per Month (June)	\$ 18,114.25	
Total Lease Cost (July - May)	\$ 194,396.79	\$ 108,685.48
Total Lease Cost (June)	\$ 17,672.44	
<b>Total Estimated Lease Cost for FY 2017/18-2018/19</b>	<b>\$ 212,069.22</b>	<b>\$ 108,685.48</b>
<b><u>Estimated Additional Costs:</u></b>		
Utility Cost per Square Foot	\$ 0.12	\$ 0.12
Estimated Utility Cost per Month (June)	\$ 1,217.04	\$ 1,217.04
Total Estimated Utility Cost	\$ 14,604.48	\$ 7,302.24
EDA Lease Management Fee - 4.92%	\$ 10,433.81	\$ 5,347.33
<b>TOTAL ESTIMATED COST FOR FY 2017/18-2018/19</b>	<b>\$ 237,107.51</b>	<b>\$ 121,335.04</b>
<b>TOTAL COUNTY COST 2.80%</b>	<b>\$ 6,639.01</b>	<b>\$ 3,397.38</b>

F11: Cost - Total Cost \$ 609,744.18  
F11: Net County Cost - Total Cost \$ 17,072.84

Department of Public Social Services

43264 Business Park Drive, Temecula



\*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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Legend

- roadsanno
- highways
- hwy
- INTERCHANGE
- INTERSTATE
- OFFRAMP
- ONRAMP
- USHWY
- counties
- cities
- hydrographylines
- waterbodies
- Lakes
- Rivers

Notes

District 3  
921-020-054

1 **SIXTH AMENDMENT TO LEASE**

2 43264 Business Park Drive

3 Temecula, California

4  
5 This SIXTH AMENDMENT to Lease ("Sixth Amendment") is made as of  
6 July 26, 2016 by and between the **COUNTY OF RIVERSIDE**, a  
7 political subdivision of the State of California ("County"), as Lessee, and **ALAS**  
8 **COMPANY, LLC**, a California limited liability company ("Lessor") and, sometimes  
9 collectively referred to as the Parties.

10 **RECITALS**

11 **A.** Westpark Industrial, LTD, as Lessor, predecessor-in-interest to Alas  
12 Company, LLC, and County, have entered into that certain Lease dated March 13,  
13 1995, ("Original Lease") pursuant to which Lessor has agreed to lease to County and  
14 County has agreed to lease from Lessor that certain building located at 43264  
15 Business Park Drive, Temecula, California, as more particularly described in the  
16 Original Lease.

17 **B.** The Original Lease has been amended by:

18 1. The First Amendment to Lease dated August 13, 2002, by  
19 and between County of Riverside and Foothill Business Park Temecula, LLC, ("First  
20 Amendment") whereby the Parties amended the Lease to extend the term and modify  
21 the rent.

22 2. The Second Amendment to Lease dated March 11, 2003,  
23 by and between County of Riverside and Save Most Desert Rancho, LLC, ("Second  
24 Amendment") whereby the Parties amended the Lease to modify the premises with  
25 tenant improvements.

26 3. The Third Amendment to Lease dated June 5, 2007, by and  
27 between County of Riverside and Save Most Desert Rancho, LLC, ("Third  
28

1 Amendment") whereby the Parties amended the Lease to extend the term and modify  
2 the rent.

3                   4.     The Fourth Amendment to Lease dated September 28,  
4 2010, by and between County of Riverside and Save Most Desert Rancho, LLC,  
5 ("Fourth Amendment") whereby the Parties amended the Lease to extend the lease,  
6 modify the rent, and complete minor tenant improvements.

7                   5.     The Fifth Amendment to Lease dated June 18, 2013, by  
8 and between County of Riverside and Alas Company, LLC, ("Fifth Amendment")  
9 whereby the parties amended the Lease to extend the term of the Lease and modify  
10 the rent.

11           C.     The Original Lease, as amended, shall hereafter be referred to as the  
12 "Lease".

13           D.     County and Lessor desire to further amend the Lease by extending the  
14 lease term and modifying the rent.

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

17           1.     **Term.** Section 3(a) of the Lease shall be amended as follows: The term  
18 of this Lease shall be extended for a period of two and one half (2.5) years  
19 commencing June 1, 2016, and expiring December 31, 2018 (the "Extension Term").

20           2.     **Rent During Extended Term.** Section 5(a) of the Lease shall be  
21 amended as follows: Commencing June 1, 2016, County shall pay the sum of  
22 \$17,241.40 per month to Lessor as rent for the Leased Premises payable in advance,  
23 on the first day of the month or as soon thereafter as a warrant can be issued in the  
24 normal course of County's business. Rent shall be increased on June 1, 2017, by two  
25 and one half (2.5%) percent.

26 ///

27 ///

28 ///

1       **3. Notice.** Section 13 of the Lease shall be amended as follows:

2       **County's Notification Address:**       **Lessor's Notification Address:**

3       County of Riverside                               Alas Company, LLC

4       Economic Development Agency               c/o Grupo Glemka, Inc.

5       3403 Tenth Street, Suite 400               3317 W. Beverly Blvd., #105

6       Riverside, CA 92501                       Montebello, CA 90640

7       Attn: Deputy Director of Real Estate    Attn: Emanuel Glemkstein

8       Telephone: (951) 955-4876               (818) 363-0612

9       **4. Sixth Amendment to Prevail.** Unless defined herein or the context  
10 requires otherwise, all capitalized terms herein shall have the meaning defined in the  
11 Lease, as heretofore amended. The provisions of this Sixth Amendment shall prevail  
12 over any inconsistency or conflicting provisions of the Lease, as heretofore amended,  
13 and shall supplement the remaining provisions thereof.

14       **5. Miscellaneous.** Except as amended or modified herein, all terms of the  
15 Lease shall remain in full force and effect and shall apply with same force and effect. If  
16 any provisions of this Amendment or the Lease shall be determined to be illegal or  
17 unenforceable, such determination shall not affect any other provision of the Lease and  
18 all such other provisions shall remain in full force and effect. The language in all parts  
19 of the Lease shall be construed according to its normal and usual meaning and not  
20 strictly for or against either Lessor or Lessee. Neither this Amendment, nor the Lease,  
21 nor any notice nor memorandum regarding the terms hereof, shall be recorded by the  
22 County.

23       **6. Effective Date.** This Sixth Amendment to Lease shall not be binding or  
24 consummated until its approval by the County's Board of Supervisors and fully  
25 executed by the Parties.

26       ///


27       ///

28       ///

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

3  
4 Dated: JUL 26 2016

5  
6 **LESSEE:**  
7 **COUNTY OF RIVERSIDE**

8  
9 By:   
10 John J. Benoit, Chairman  
Board of Supervisors

**LESSOR:**  
**ALAS COMPANY LLC**

By:   
Emanuel Glemkstein, Manager

11  
12 **ATTEST:**  
13 Kecia Harper-Ihem  
14 Clerk of the Board

15 By:   
Deputy

16  
17 **APPROVED AS TO FORM:**  
18 Gregory P. Priamos, County Counsel

19 By:   
20 R. Todd Frahm  
21 Deputy County Counsel

22  
23  
24  
25  
26  
27 HR:tg/061516/TM013/18.267 S:\Real Property\TYPING\Docs-18.000 to 18.499\18.267.doc  
28



Original Negative Declaration/Notice of  
Determination was routed to County  
Clerks for posting on.  
7/27/16 Date                      Initial                     

## NOTICE OF EXEMPTION

June 1, 2016

**Project Name:** Sixth Amendment to Lease, Department of Public Social Services, Business Park Drive, Temecula

**Project Number:** FM042670001300

**Project Location:** 43264 Business Park Drive, Temecula, California 92591; Assessor's Parcel Number (APN) 921-020-054  
(See attached exhibits)

**Description of Project:** The County of Riverside (County) proposes to amend and extend the term of the lease with the Alas Company, LLC (Lessor), commencing on June 1, 2016 and ending December 31, 2018. The Department of Public Social Services (DPSS) Self Sufficiency Division has occupied the office space since June, 1995. The office and location continues to meet the needs of DPSS and this Sixth Amendment to the Lease Agreement extends the lease for an additional 2.5 years. The extension of the lease is identified as the proposed Project under California Environmental Quality Act (CEQA). The leased facility consists of approximately 10,142 square feet and the Project is the letting of property involving existing facilities; no expansion of an existing use will occur. The operation of the facility will continue to provide public services for the Self Sufficiency Division 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, Alas Company, LLC

**Exempt Status:** State CEQA Guidelines, Section 15301, Class 1, Existing Facilities Exemption; Section 15061(b) (3), General Rule or "Common Sense" Exemption, Codified under Title 14, Articles 5 and 19, Sections 15061 and 15300 to 15301.

**Reasons Why Project is Exempt:** The proposed Project is categorically 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 an impact to an environmental resource of hazardous or critical concern nor would the Project involve unusual circumstances that could potentially have a significant effect on the environment. The Project would not result in impacts to scenic highways, hazardous waste sites, historic resources, or other sensitive natural environments, or have a cumulative effect to the environment. No significant environmental impacts are anticipated to occur with the Sixth Amendment to the Lease.

JUL 26 2016 3:15

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

[www.rivcoeda.org](http://www.rivcoeda.org)

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Redevelopment Agency  
Workforce Development

- **Section 15301 – Class 1 Existing Facilities Exemption:** This categorical 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 limited to an amendment to a lease, will not increase or expand the use of the site, and is limited to the continued use of the site in a similar capacity; therefore, the Project is exempt as the Project meets the scope and intent of the Class 1 Exemption identified in Section 15301, Article 19, Categorical Exemptions of the CEQA Guidelines.
- **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 *No Oil, Inc. v. City of Los Angeles* (1974) 13 Cal. 3d 68. The ruling in this case stated that if a project falls within a category exempt by administrative regulation or 'it can be seen with certainty that the activity in question will not have a significant effect on the environment', no further agency evaluation is required. With certainty, there is no possibility that the Project may have a significant effect on the environment. The proposed Sixth Amendment to the Lease will not result in any direct or indirect physical environmental impacts. The use and operation of the facility will be substantially similar to the existing use and will not create any new environmental impacts to the surrounding area. No impacts beyond the ongoing, existing use of the site 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: \_\_\_\_\_

Mike Sullivan, Senior Environmental Planner  
County of Riverside, Economic Development Agency

**RIVERSIDE COUNTY CLERK & RECORDER**

**AUTHORIZATION  
TO BILL  
BY JOURNAL VOUCHER**

**Project Name: DPPS Sixth Amendment to Lease Business Park Drive, Temecula**

**Accounting String: 524830-47220-7200400000 - FM042670001300**


DATE: June 1, 2016

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: Mike Sullivan, Senior Environmental Planner, Economic Development Agency

Signature: 

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

-TO BE FILLED IN BY COUNTY CLERK-

ACCEPTED BY: -

DATE: -

RECEIPT # (S) -



Date: June 1, 2016

To: Mary Ann Meyer, Office of the County Clerk

From: Mike Sullivan, Senior Environmental Planner, Project Management Office

Subject: **County of Riverside Economic Development Agency Project # FM042670001300**  
DPPS Sixth Amendment to Lease Business Park Drive, Temecula

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: Mike Sullivan, Senior Environmental Planner,**

**Economic Development Agency,**

**3403 10<sup>th</sup> Street, Suite 400, Riverside, CA 92501**

**If you have any questions, please contact Mike Sullivan at 955-8009.**

Attachment

cc: file