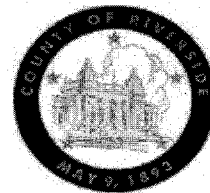


SUBMITTAL TO THE BOARD OF SUPERVISORS
COUNTY OF RIVERSIDE, STATE OF CALIFORNIA



ITEM
3.21
(ID # 3165)

MEETING DATE:

Tuesday, January 17, 2017

FROM : ECONOMIC DEVELOPMENT AGENCY (EDA):

SUBJECT: ECONOMIC DEVELOPMENT AGENCY (EDA): Sixth Amendment to Lease,
Department of Behavioral Health Mental Health, Perris, 17 months Lease, CEQA
Exempt, District 5, [\$567,702] Federal 70%, State 30%

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);
2. Approve 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 Notice of Exemption with the County Clerk within 5 days of approval by the Board.

ACTION: Policy, CIP

Robert F. Field, Assistant County Director of Economic Development

1/3/2017

Ivan Chand

1/11/2017

MINUTES OF THE BOARD OF SUPERVISORS

On motion of Supervisor Jeffries, seconded by Supervisor Washington and duly carried by unanimous vote, IT WAS ORDERED that the above matter is approved as recommended.

Ayes: Jeffries, Tavaglione, Washington and Ashley
Nays: None
Absent: None
Date: January 17, 2017
xc: EDA, Recorder

Kecia Harper-Ihem
Clerk of the Board

By:
Deputy

3.21

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

BACKGROUND:

Summary

This Sixth Amendment to Lease represents a request from the Riverside University Health System – Behavioral Health to extend and expand the lease for its office located at 1688 N. Perris Blvd., Suites L1, L2, L6 and L7-L11, Perris California. This Sixth Amendment will extend the lease through December 31, 2018. The Lease square footage will also increase from 13,931 square feet to 15,861 square feet and to include 930 square feet in Suite L-4 and 1,000 square feet in Suite H-2 effective April 2017. Lessor, at its sole expense, shall paint, install flooring and window coverings throughout and shall demo existing walls to accommodate the new layout in Suites L-4 and H-2. This facility continues to meet the requirements of the Department.

Pursuant to the California Environmental Quality Act (CEQA), the Lease was reviewed and determined to be categorically exempt from CEQA under State CEQA Guidelines 15301, Class 1-Existing Facilities and Section 15061(b)(3). 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.

FINANCIAL DATA	Current Fiscal Year:	Next Fiscal Year:	Total Cost:	Ongoing Cost
COST	\$61,173	\$330,360	\$567,702	\$0
NET COUNTY COST	\$0	\$0	\$0	\$0
SOURCE OF FUNDS: Federal 70%, State 30%			Budget Adjustment:	No
			For Fiscal Year: 2016/17-2018/19	

C.E.O. RECOMMENDATION: [CEO use]

BACKGROUND

Summary

The Sixth Amendment to Lease is summarized as follows:

Location: 1688 N. Perris Boulevard
Suites L1, L2, L6 and L7-L11
Perris, California

Lessor: Coudures Family Limited Partnership

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

c/o 1st Commercial Realty Group, Inc.
2009 Porterfield Way, Suite P
Upland, California 91786

Term:	Extended August 1, 2017 through December 31, 2018.	
Size:	Existing 13,931 sq. ft.	New: 15,861
Rent:	Current	New
	\$ 1.40 per sq. ft.	\$ 1.65 per sq. ft.
	\$ 19,503.40 per month	\$ 26,170.65 per month
	\$234,040.80 per year	\$314,047.80 per year
Rent Adjustment:	None	
Utilities:	County pays electrical, Landlord everything else	
Custodial:	Landlord	
Maintenance:	Landlord	
Improvements:	Landlord	
RCIT:	\$37,620.00	

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

Impact on Citizens and Businesses

The services and programs offered at this facility will provide a positive benefit to the citizens of this region of the County. Businesses in the area will also benefit from the added activity and the positive economic impact that County occupancy and long term jobs provide to a region.

SUPPLEMENTAL:

Additional Fiscal Information

See attached Exhibits A, B, & C.

DMH budgeted these costs in FY 2016/17 and will reimburse EDA for all lease costs on a monthly basis.

Contract History and Price Reasonableness

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

The lease rate is deemed competitive based upon the current market. This contract has been in place since June 23, 1998.

Attachments:

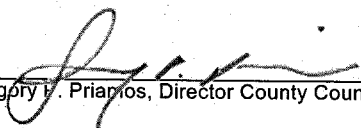
Exhibits A, B & C

Fifth Amendment to Lease

Notice of Exemption

Aerial Map

RF:JWW:VC:VY:MH:ra PR012 17.485 12786
MinuteTraQ #3165



Gregory B. Priaplos, Director County Counsel 1/4/2017

Exhibit C

FY 2018/19

RUHS - Behavioral Health Lease Cost Analysis

1688 N. Perris Blvd., Suites L1, L2, L6, and L7-L11, Perris, California

ESTIMATED AMOUNTS

Total Square Footage to be Leased:

New Office:	15,861 SQFT
Approximate Cost per SQFT (July - Dec)	\$ 1.65
Lease Cost per Month (July - Dec)	\$ 26,170.65
Total Lease Cost (July - Dec)	\$ 157,023.90
Total Estimated Lease Cost for FY 2018/19	\$ 157,023.90

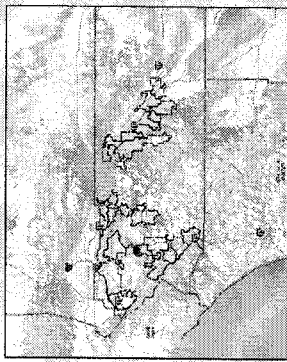
Estimated Additional Costs:

Utility Cost per Square Foot	\$ 0.12
Estimated Utility Costs per Month	\$ 1,903.32
Total Estimated Utility Cost	\$ 11,419.92
EDA Lease Management Fee - 4.92%	\$ 7,725.58
Total Estimated Cost for FY 2018/19	\$ 176,169.40

F11: Cost - Total Cost \$ 567,702.49

1688 N. Perris Blvd., Perris, CA

RUHS-Behavioral Health



Legend



0 608 1,215 Feet



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... 11/16/2016 3:31:05 PM

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Notes
Sixth Amendment to Lease

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SIXTH AMENDMENT TO LEASE

1688 N. Perris Blvd., Suites L1, L2, L6, L7-L11, Perris, California

THIS SIXTH AMENDMENT TO LEASE ("6th Amendment"), dated as of January 17, 2017 is entered by and between the COUNTY OF RIVERSIDE, a political subdivision of the State of California, as Lessee, and COUDURES FAMILY LIMITED PARTNERSHIP, a California limited partnership, as Lessor, sometimes collectively referred to as the "Parties."

RECITALS

a. Lessor and Lessee have entered into that certain Lease, dated June 23, 1998, (the "Original Lease") pursuant to which Lessor has agreed to lease to County and County has agreed to lease from Lessor that certain building located at 1688 N. Perris Blvd., Suites L7 through L11, Perris, California (the "Building"), as more particularly described in the Lease (the "Original Premises").

b. The Original Lease has been amended by:

i. That certain First Amendment to Lease dated January 13, 2009 by and between County of Riverside and Coudures Family Limited Partnership, a California limited partnership (the 1st Amendment), whereby the Parties amended the Lease to extend the term period, rental amounts and the option to terminate.

ii. That certain Second Amendment to Lease dated November 24, 2009, by and between County of Riverside and Coudures Family Limited Partnership, a California limited partnership (the 2nd Amendment), whereby the Parties amended the Lease to extend the term periods, rental amounts, and tenant improvements.

iii. That certain Third Amendment to Lease dated July 13, 2010, by and between County of Riverside and Coudures Family Limited Partnership, a California limited partnership (the 3rd Amendment), whereby the Parties amended the

JAN 17 2017 3.21

1 Lease to extend the term period, rental amounts, option to terminate and the address
2 for both parties under Notices.

3 iv. That certain Fourth Amendment to Lease dated August 28,
4 2012, by and between County of Riverside and Coudures Family Limited Partnership,
5 a California limited partnership (the 4th Amendment), whereby the Parties amended the
6 Lease to extend the term periods, the rental amounts, increase square footage by
7 5,471 square feet to include Suites L-1, L-2 and L-6, and tenant improvements to the
8 new space.

9 v. That certain Fifth Amendment to Lease dated June 16,
10 2015, by and between County of Riverside and Coudures Family Limited Partnership,
11 a California limited partnership (the 5th Amendment), whereby the Parties amended the
12 Lease to extend the term periods and rental amounts.

13 vi. County desires to increase the leased square footage from
14 13,931 square feet to 15,861 rentable square feet to include Suite L-4 and H-2, (the
15 "Expansion Space") on the terms and conditions set forth herein. The Original
16 Premises and the Expansion Space are collectively referred to herein as the
17 "Premises".

18 c. The Original Lease together with these Amendments are collectively
19 referred to as the "Lease."

20 d. The Parties now desire to amend the Lease to increase square
21 footage, term period, rental amount, and improvements to the expansion space.

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

24 1. **Description.** Section 1 of the Original Lease is hereby replaced in its
25 entirety by the following:

26 a. The term "Premises" shall mean the Rentable Area in the Building
27 consisting of approximately 930 Square feet in Suite L-4 and 1,000 in Suite H-2 and
28

1 existing 13,931 square feet in Suites L1, L2, and L6-L11, totaling 15,861 square feet,
2 as outlined in Exhibit "A" attached hereto and incorporated herein.

3 b. Exhibit "A" of the Original Lease is hereby deleted in its entirety
4 and replaced with Exhibit "A" attached hereto and incorporated herein by this
5 reference.

6 2. **Term.** Section 3 (a) of the Original Lease is hereby amended by the
7 following:

8 The term of the lease shall commence on the date County accepts the
9 Expansion Space for occupancy ("Commencement Date") and shall expire at midnight
10 on the last day of the December 31, 2018 ("Expiration Date").

11 3. **Rent.** Section 5 of the Original Lease is hereby amended by the
12 following:

13 County shall pay to Lessor upon completion and acceptance of the
14 Tenant Improvements the sum of \$26,170.65 monthly for the rental premises.

15 4. **Improvements by Lessor.** Section 9 (a) of the Original Lease is hereby
16 amended by the following:

17 (a) Lessor, at its expense, shall paint, install flooring and window
18 coverings throughout and shall demo existing walls to accommodate the new layout in
19 Suites L-4 and H-2.

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

25 6. **MISCELLANEOUS.** Except as amended or modified herein, all terms of
26 the Original Lease shall remain in full force and effect and shall apply with the same
27 force and effect. Time is of the essence in this Amendment and the Lease and each
28 and all of their respective provisions. Subject to the provisions of the Lease as to

1 assignment, the agreements, conditions and provisions herein contained shall apply to
2 and bind the heirs, executors, administrators, successors and assigns of the parties
3 hereto. If any provision of this Amendment or the Lease shall determine to be illegal or
4 unenforceable, such determination shall not affect any other provision of the Lease and
5 all such other provisions shall remain in full force and effect. The language in all parts
6 of the Lease shall be construed according to its normal and usual meaning and not
7 strictly for or against either Lessor or Lessee. Neither this Amendment, nor the
8 Original Lease, nor any notice nor memorandum regarding the terms hereof, shall be
9 recorded by Lessee.

10 (Remainder of Page Intentionally Left Blank)

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1 7. **EFFECTIVE DATE.** This Sixth Amendment to Lease shall not be binding
2 or consummated until its approval by the Riverside County Board of Supervisors and
3 fully 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,
9 a political subdivision of the
10 State of California

11
12
13 By: 

14 John Tavaglione, Chairman
15 Board of Supervisors

LESSOR:

COUDURES FAMILY LIMITED PARTNERSHIP
a California limited partnership

By: Coudures Family Management Company,
a California corporation

Its: General Partner

16
17 By: 

18 Darrell G. Smith

19 Its: Vice -President

20
21 ATTEST:

22 Kecia Harper-Ihem
23 Clerk of the Board

24 By: 

25 Deputy

26
27 APPROVED AS TO FORM:

28 Gregory P. Priamos, County Counsel

By: 

 R. Todd Frazier
 Deputy County Counsel

MH:ra/111616/PR012/18.477 S:\Real Property\TYPING\Docs-18.000 to 18.499\18.477.doc



Original Negative Declaration/Notice of Determination was routed to County Clerks for posting on.

1/18/17
Date

KB
Initial

NOTICE OF EXEMPTION

October 25, 2016

Project Name: County of Riverside, Economic Development Agency (EDA) Riverside University Health System Behavioral Health (RUHS-BH), Sixth Amendment to Lease – Perris, County of Riverside

Project Number: FM042552001200

Project Location: 1688 North Perris Boulevard, Suites L1, L2, L6, and L7-L11, north of Nuevo Road, Perris, California 92507; Assessor’s Parcel Numbers (APNs) 305-240-012, 305-240-019; (See Attached Exhibit)

Description of Project: The County of Riverside (County) Department of Mental Health entered into a Lease Agreement with Coudures Family Limited Partnership on June 23, 1998 to occupy office space within Suites L1, L2, L6, and L7-L11, located at 1688 North Perris Boulevard, Perris, California. The Department of Mental Health is now under the jurisdiction of the RUHS Behavioral Health (RUHS-BH). The RUHS-BH facility consists of community-based services to severely mentally disabled adults and older adults, children at risk of mental disability, substance abusers, and individuals on conservatorship that enable them to achieve and maintain their optimal level of healthy personal and social functioning.

The location continues to meet the needs of RUHS-BH and a sixth amendment to extend the lease until December 31, 2018 is being sought. As part of the sixth amendment, RUHS-BH Perris is also seeking to increase the amount of space to include Suites L4 (930 square feet) and H2 (1,000 square feet). The total leased area will increase from 13,931 square feet to 15,861 square feet. Minor tenant improvements, including painting, the replacement of flooring and window coverings, and interior modifications to make the new layout functional are also included as part of the extension of the lease. The Sixth Amendment to the Lease Agreement is identified as the proposed Project under the California Environmental Quality Act (CEQA). The proposed Project would involve the continuation of the letting of commercial space, and would include a minor increase in leased space, with minor tenant improvements. No expansion of the existing building will occur. The operation of the facility will continue to provide behavioral health services and 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, and Coudures Family Limited Partnership

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.

JAN 17 2017 3.21

P.O. Box 1180 - Riverside, California - 92502 - T: 951.955.8914 - F: 951.955.4484 www.rivcoeda.org

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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 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 does the Project have unusual circumstances that could possibly 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 Agreement.

- **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 extension of an existing Lease Agreement to an existing facility, in which changes are limited to a minor increase of leased space, minor interior improvements to increase functionality and connectivity, and the painting and replacement of flooring. The site is currently developed and does not contain environmentally sensitive areas. The additional leased space identified in Suites L4 and H2 is available and has all of the necessary infrastructure in place to accommodate the existing needs of the RUHS-BH. The existing building was designed and planned for occupancy of the suites and the use of the available suite by RUHS-BH would be consistent with the permitted and planned capacity of the site and would result in 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 direct effects of the proposed Sixth Amendment to the Lease Agreement are limited to a contractual transaction that extends the term of the lease, increases the amount of leased space from 13,931 to 15,861 square feet and includes minor tenant improvements to improve functionality and connectivity to the new space. The indirect effects would be limited to existing use of a commercial building. The use and operation of the facility will not differ from the existing use and will not create any new environmental impacts to the surrounding area. No impacts beyond the minor interior alterations and continued use of the facility 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: 10/25/16

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

RIVERSIDE COUNTY CLERK & RECORDER

**AUTHORIZATION
TO BILL
BY JOURNAL VOUCHER**

Project Name: RUHS Department of Behavioral Health Sixth Amendment to Lease Agreement, Perris, Riverside County, California

Accounting String: 524830-47220-7200400000 - FM042552001200

DATE: October 25, 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: Maribel Hyer, Real Property Agent III, Economic Development Agency

-TO BE FILLED IN BY COUNTY CLERK-

ACCEPTED BY: -

DATE: -

RECEIPT # (S) -



Date: October 25, 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 # FM042552001200**
RUHS Department of Behavioral Health Sixth Amendment to Lease Agreement, Perris, Riverside County, California

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 10th Street, Suite 400, Riverside, CA 92501

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

Attachment

cc: file