

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



ITEM
3.34
(ID # 3471)

MEETING DATE:

Tuesday, March 7, 2017

FROM : ECONOMIC DEVELOPMENT AGENCY (EDA):

SUBJECT: ECONOMIC DEVELOPMENT AGENCY (EDA): Amendment to Revenue Lease,
General Services Administration, Release of Space, CEQA Exempt, District 2
[\$0]

RECOMMENDED MOTION: That the Board of Supervisors:

1. Find that the Lease Agreement is exempt from CEQA pursuant to CEQA Guidelines Section 15061 (b)(3), as it can be seen with certainty that there is no possibility the activity in question may have a significant impact on the environment and is not a "project" as defined under Section 15378;
2. Direct the Clerk of the Board to file the attached Notice of Exemption with the County Clerk for posting within five working days; and
3. Approve the attached Amendment to Lease and authorize the chairman of the Board to execute the same on behalf of the County.

ACTION: Policy

Robert Field, Assistant County Executive Officer/EDA

2/7/2017

MINUTES OF THE BOARD OF SUPERVISORS

On motion of Supervisor Jeffries, seconded by Supervisor Ashley 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: March 7, 2017
xc: EDA, Recorder

Kecia Harper-Ihem
Clerk of the Board

By:
Deputy

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

FINANCIAL DATA	Current Fiscal Year:	Next Fiscal Year:	Total Cost:	Ongoing Cost
COST	\$ 0	\$ 0	\$ 0	\$ 0
NET COUNTY COST	\$ 0	\$ 0	\$ 0	\$ 0
SOURCE OF FUNDS: N/A			Budget Adjustment: No	
			For Fiscal Year: 2016/17	

C.E.O. RECOMMENDATION: Approve

BACKGROUND:

Summary

Due to a reduction in staff at the Federal Bankruptcy Court located at 3420 12th Street, Riverside the General Services Administration finds it necessary to reduce the total square footage of 79,921 that they occupy at that location. They will relinquish 2,672 sq. ft. on the First Floor and 1,722 sq. ft. on the Second Floor for a total of 4,394 sq. ft. of vacated space. The current lease which expires March 13, 2017 provides that space can be relinquished with proper notice, which has been provided. The Real Estate division of EDA is currently working with General Services Administration to negotiate a new long term lease that will consider all modifications made to the current lease. The Real Estate division and GSA will also continue to work together to seek a GSA use for the vacated space.

Pursuant to the California Environmental Quality Act (CEQA) this Lease Amendment was reviewed and determined to be categorically exempt from CEQA Guidelines 15301, Class 1 – Existing facilities. The proposed project, the Lease, is the letting of property involving existing facilities. No expansion of an existing use will occur. A summary of the lease is as follows

Premises: 3420 12th Street
Riverside, California 92501

Lessor: County of Riverside County

Lessee: United State of America, General Services Administration

Size: 75,527 sq. ft.

Rent: \$2.45 per sq. ft.
\$184,738.32 per month

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STATE OF CALIFORNIA**

\$2,216,859.84 per year

Rental Adjustment: Annual CPI on operating costs only

Utilities: Included in lease rate

Custodial: Included in lease rate

Interior/Exterior Maintenance: Included in lease rate

Impact on Citizens and Businesses

The long term occupancy of the Federal Courts in downtown Riverside provide a meaningful and economic impact for both citizens and businesses in the County. The occupancy of the Federal Courts provide jobs that stimulate the local economy. The Courts also provide a convenience of location for citizens of the region.

Supplemental:

Additional Financial Information:

This will have no financial impact on the citizens or businesses in the County

Attachment:

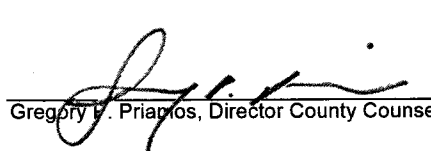
Amendment to Revenue Lease

RF:JWW:VC:VY:TW:ra RV209 18.620 13469

Minute Traq ID 3471


Nehini Basua, Principal Management Analyst

2/27/2017


Gregory V. Priamos, Director County Counsel

2/8/2017

GENERAL SERVICES ADMINISTRATION PUBLIC BUILDINGS SERVICE LEASE AMENDMENT	LEASE AMENDMENT No.9
	TO LEASE NO. GS-09P-LCA93834
ADDRESS OF PREMISES 3420 12 th Street, Riverside, CA 92501	PDN Number: N/A

USE OF THE GSA FORM 276, SUPPLEMENTAL LEASE AGREEMENT HAS BEEN DISCONTINUED. ALL REFERENCES IN THE LEASE TO "GSA FORM 276" OR "SUPPLEMENTAL LEASE AGREEMENT" SHALL BE NOW HEREBY CONSTRUED TO MEAN "LEASE AMENDMENT."

THIS AMENDMENT, made and entered into this date by and between County of Riverside WHEN DOCUMENT IS FULLY EXECUTED RETURN

whose address is 3403 10th Street, Suite 400
Riverside, CA 92501

CLERK'S COPY
to Riverside County Clerk of the Board, Stop 1010
Post Office Box 1147, Riverside, Ca 92502-1147
Thank you.

hereinafter called the Lessor, and the UNITED STATES OF AMERICA, hereinafter called the Government:

WHEREAS, the parties hereto desire to amend the above Lease to release a total of 4,394 rentable square feet (r.s.f.), yielding approximately 3,746 ANSI/BOMA Office Area square feet.

1st Floor

Release 2,672 rentable square feet (r.s.f.), yielding approximately 2,278 ANSI/BOMA Office Area square feet on the 1st Floor, as described below and further depicted in Exhibit A:

- Room 138 – 311 ANSI/BOMA Office Area square feet
- Room 142 – 225 ANSI/BOMA Office Area square feet
- Room 143 – 140 ANSI/BOMA Office Area square feet
- Room 144 – 1,602 ANSI/BOMA Office Area square feet

2nd Floor

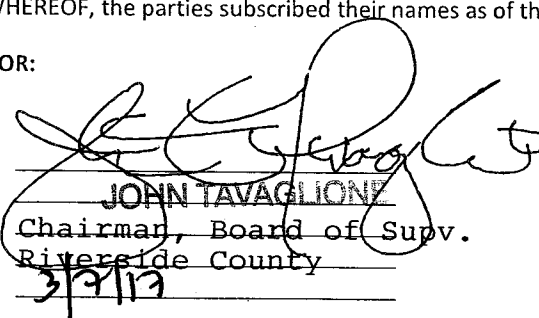
Release 1,722 rentable square feet (r.s.f.), yielding approximately 1,468 ANSI/BOMA Office Area square feet on the 2nd Floor, as described below and further depicted in Exhibit A:

This Lease Amendment contains 5 pages.

All other terms and conditions of the lease shall remain in force and effect.

IN WITNESS WHEREOF, the parties subscribed their names as of the below date.

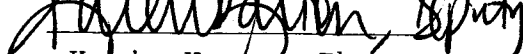
FOR THE LESSOR:

Signature: 
Name: JOHN TAVAGLIONE
Title: Chairman, Board of Supv.
Entity Name: Riverside County
Date: 3/7/17

FOR THE GOVERNMENT:

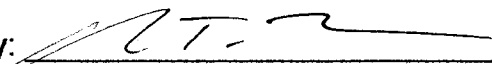
Signature: _____
Name: John A. Bell
Title: Lease Contracting Officer
GSA, Public Buildings Service,
Date: _____

WITNESSED FOR THE LESSOR BY:

Signature: 
Name: Kecia Harper Them
Title: Clerk of the Board
Date: 3/7/17

APPROVED AS TO FORM:

Gregory P. Priamos, County Counsel

By: 
R. Todd Franks
Deputy County Counsel

- Room 248 – 254 ANSI/BOMA Office Area square feet
- Room 251 – 979 ANSI/BOMA Office Area square feet
- Room 255 – 235 ANSI/BOMA Office Area square feet

NOW THEREFORE, these parties for the considerations hereinafter mentioned covenant and agree that the said Lease is amended, effective August 25, 2016, as follows:

Accordingly Paragraphs 1, 3, 10, and 14 are deleted in their entirety and substituted therefore.

1. The Lessor hereby leases to the Government the following described premises:

75,527 rentable square feet (r.s.f.), yielding approximately 64,397 ANSI/BOMA Office Area square feet and related space located at 3420 12th Street, Riverside, CA 92501 (the "Premises"), together with six (6) structured parking spaces, to be used for SUCH PURPOSES AS DETERMINED BY THE GENERAL SERVICES ADMINISTRATION.

3. The Government shall pay the Lessor annual rent, payable in monthly installments in arrears, at the following rates:

A.

	YEAR 20
	ANNUAL RENT
SHELL RENT ¹	\$1,568,036.29
OPERATING COSTS ²	\$648,823.45
TOTAL ANNUAL RENT	\$2,216,859.74

¹Shell rent calculation: \$20.761268 per RSF multiplied by 75,527 RSF

²Operating Costs rent calculation: \$8.590616 per RSF multiplied by 75,527 RSF

B. INTENTIONALLY DELETED.

C. INTENTIONALLY DELETED.

D. INTENTIONALLY DELETED.

E. If the Government occupies the Premises for less than a full calendar month, then rent shall be prorated based on the actual number of days of occupancy for that month.

F. Rent shall be paid to Lessor by electronic funds transfer in accordance with the provisions of the General Clauses. Rent shall be payable to the Payee designated in the Lessor's Central Contractor Registration (CCR), now the System for Award Management (SAM). If the payee is different from the Lessor, both payee and Lessor must be registered in SAM.

G. Lessor shall provide to the Government, in exchange for the payment of rental and other specified consideration, the following:

1. The leasehold interest in the Property described in the paragraph entitled "The Premises."

2. All costs, expenses and fees to perform the work required for acceptance of the Premises in accordance with this Lease, including all costs for labor, materials, and equipment, professional fees, contractor fees, attorney fees, permit fees, inspection fees, and similar such fees, and all related expenses.

3. Performance or satisfaction of all other obligations set forth in this Lease; and all services, utilities, and maintenance required for the proper operation of the Property, the Building, and the Premises in accordance with the terms of the

INITIALS: _____ & _____
LESSOR LESSOR GOV'T

Lease, including, but not limited to, all inspections, modifications, repairs, replacements, and improvements required to be made thereto to meet the requirements of this Lease.

H. INTENTIONALLY DELETED.

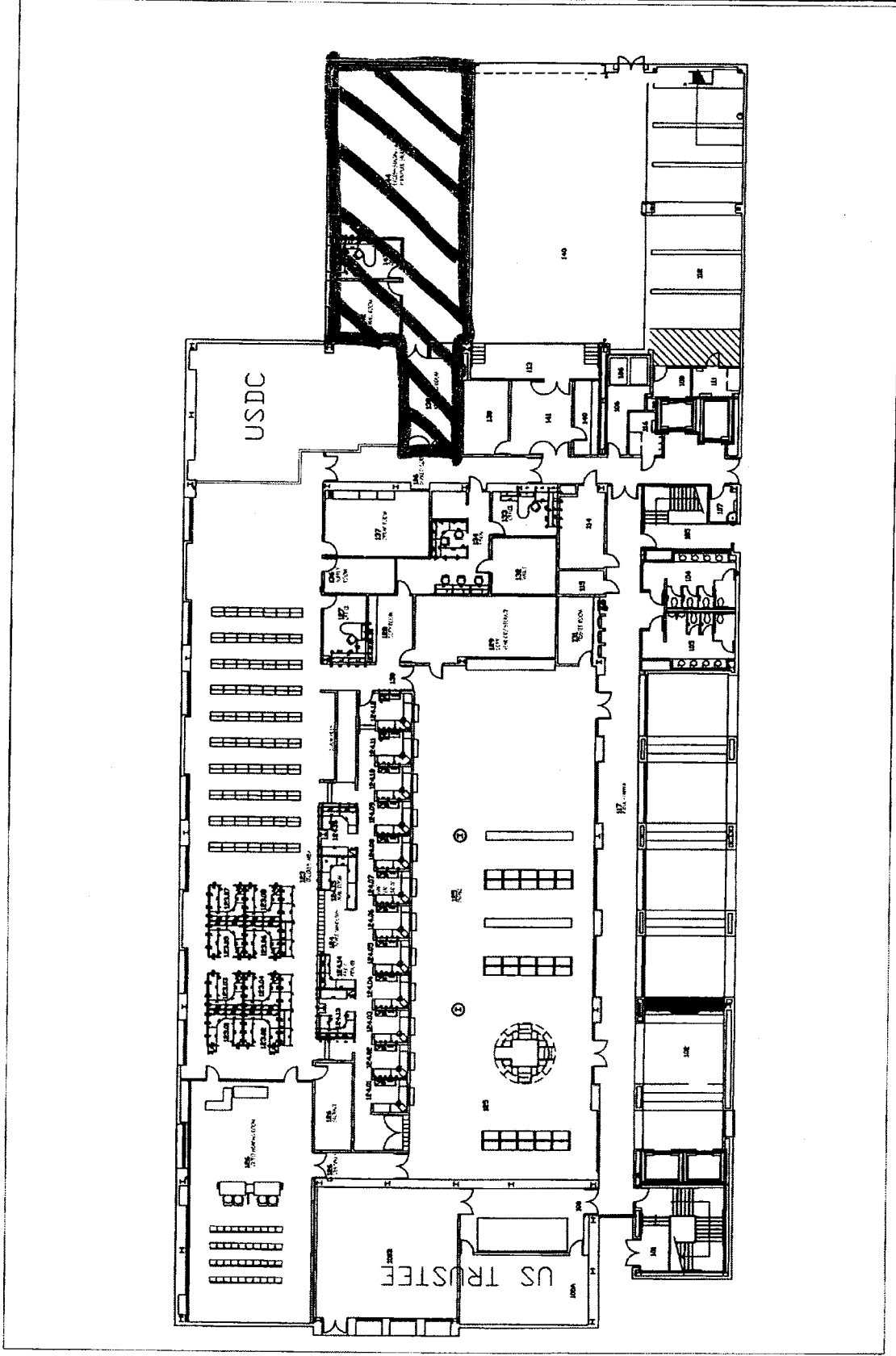
10. PURSUANT TO PARAGRAPH 3.6, "OPERATING COSTS," OF SOLICITATION FOR OFFERORS NO. 93834, the base rate for purposes of operating cost escalation is established at \$10.075406 per net usable square foot per annum, or \$647,818.35 annually.

14. PURSUANT TO PARAGRAPH 10.1 of Solicitation For Offers No. RCA 93834 entitled "Tax Adjustment GSAR 552-270-24 (Deviation 1/91)," for purposes of real estate tax escalation, the Government occupies 94.355987% of the building (64,297 sf/68,143 sf)."

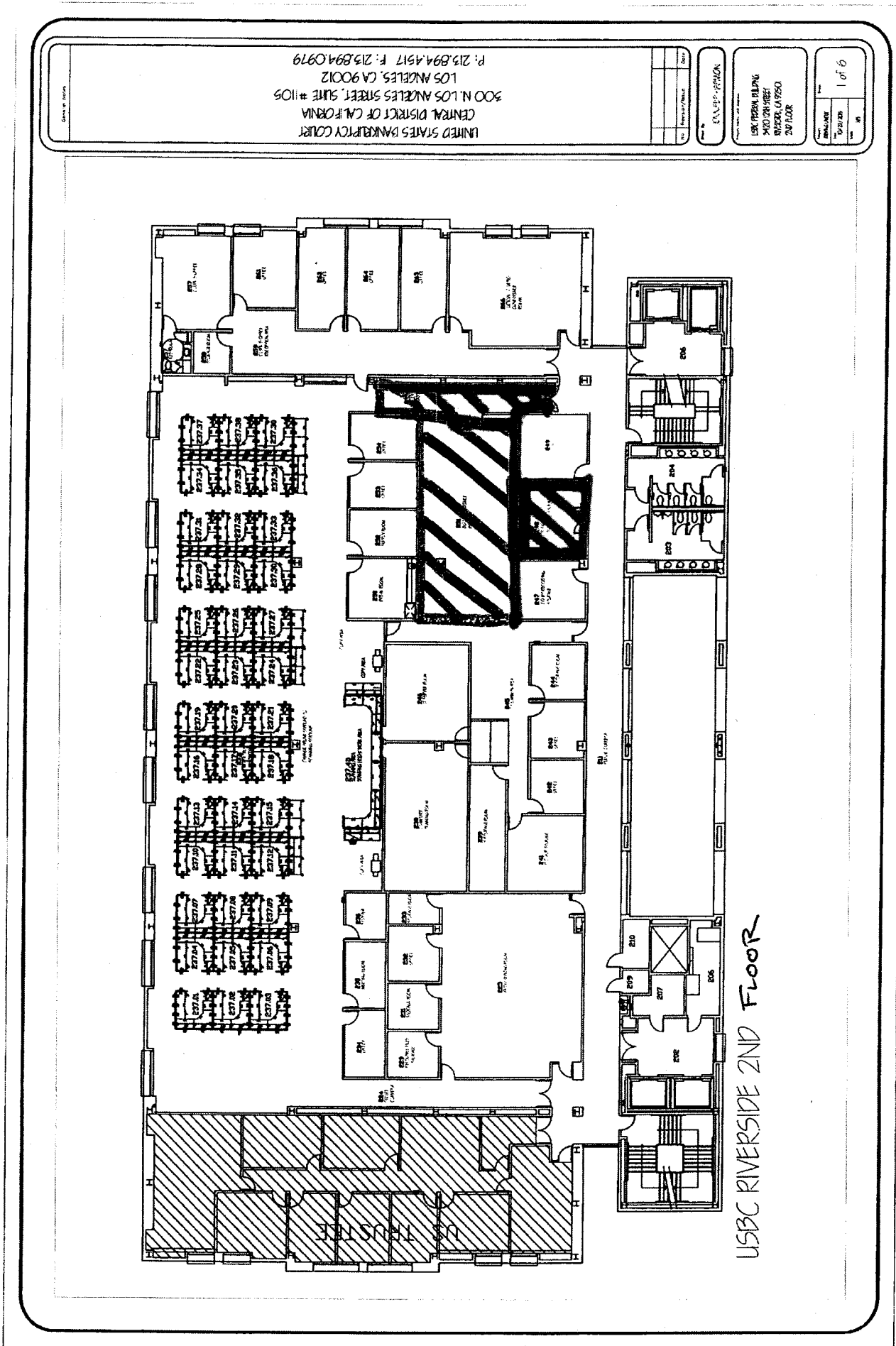
All other terms and conditions remain in full force and effect.

INITIALS: _____ & _____
LESSOR GOV'T

UNITED STATES BANKRUPTCY COURT CENTRAL DISTRICT OF CALIFORNIA 500 N. LOS ANGELES STREET, SUITE #1105 LOS ANGELES, CA 90012 P: 213.894.8263 F: 213.894.0979	
UNITED STATES BANKRUPTCY COURT CENTRAL DISTRICT OF CALIFORNIA 500 N. LOS ANGELES STREET, SUITE #1105 LOS ANGELES, CA 90012 P: 213.894.8263 F: 213.894.0979	UNITED STATES BANKRUPTCY COURT CENTRAL DISTRICT OF CALIFORNIA 500 N. LOS ANGELES STREET, SUITE #1105 LOS ANGELES, CA 90012 P: 213.894.8263 F: 213.894.0979



EXISTING LAYOUT 1ST FLOOR



UNITED STATES BANKRUPTCY COURT
 CENTRAL DISTRICT OF CALIFORNIA
 300 N. LOS ANGELES STREET, SUITE # 1105
 LOS ANGELES, CA 90012
 P. 213.894.4517 F. 213.894.0979

USBC RIVERSIDE BUILDING
 3400 RIVERSIDE BLVD
 RIVERSIDE, CA 92503
 2ND FLOOR

Scale: 1/8" = 1'-0"

DATE: 10/1/06

BY: [Signature]

USBC RIVERSIDE 2ND FLOOR



Original Negative Declaration/Notice of Determination was routed to County Clerks for posting on. 3/9/17 Date kb Initial

NOTICE OF EXEMPTION

January 19, 2017

Project Name: County of Riverside, Economic Development Agency (EDA) General Services Administration Release of Space, Amendment to Lease, Riverside

Project Number: FM047611020900

Project Location: 3420 12th Street, west of Lime Street, Riverside, California 92501; Assessor's Parcel Number (APN) 215-321-021; (See Attached Exhibit)

Description of Project: The County of Riverside (County) has an existing Lease Agreement with the General Services Administration (GSA) for 79,921 square feet of space at the Federal Bankruptcy Court building located at 3420 12th Street in Riverside. Due to a reduction in staff, the GSA finds it necessary to reduce the square footage to be able to continue to operate at the facility. GSA will relinquish 2,672 square feet of space on the first floor and 1,722 square foot of space on the second floor for a total of 4,394 square feet of vacated space. The current lease, which expires March 13, 2017, provides a condition that space can be relinquished with proper notice, which has been provided. The 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 property involving a reduction in space used at the existing facilities. The reduction in space used would not result in physical changes or an expansion of capacity. The operation of the leased area will continue to provide federal bankruptcy court 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 General Services Administration

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 which could have a potentially 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 reduction leased space identified in the Amendment to the Lease Agreement.

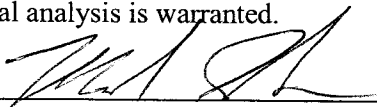
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- Administration, Aviation, Business Intelligence, Cultural Services, Community Services, Custodial, Housing, Housing Authority, Information Technology, Maintenance, Marketing, Economic Development, Edward-Dean Museum, Environmental Planning, Fair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

- **Section 15301 – Class 1 Existing Facilities Exemption:** This 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 and is limited to a reduction in leased space. The Project will not increase or expand the use of the site, as no alterations to the existing building are being considered. The site is currently developed and does not contain environmentally sensitive areas. 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 Amendment to the Lease and reduction in used space 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 alterations and no impacts beyond the ongoing, existing use of the site and existing building 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.
- In addition, the Amendment to the Lease Agreement is exempt from the provisions of the National Environmental Policy Act (NEPA) pursuant to the GSA PBS NEPA Desk Guide as the amendment and reduction in space meets the conditions described in 5.3 (b), (d), and (e), which are identified as automatic categorical exclusions which require no checklist as documentation. The Amendment to the Lease Agreement qualifies under Section (b) as it involves space within an existing structure where no change in use and only a general change in occupancy levels. The Amendment to the Lease Agreement qualifies under Section (d) as it results in reductions in force or other personnel conducted to protect or maintain GSA occupied properties. Lastly, the Amendment to the Lease Agreement qualifies under Section (e) as it entails a lease extension or renewal. For these reasons, the Amendment to the Lease Agreement qualifies as an Automatic Categorical Exclusion and no additional documentation is needed to comply with NEPA.

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 and NEPA. No further environmental analysis is warranted.

Signed: _____



Date: _____

11/19/17

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

RIVERSIDE COUNTY CLERK & RECORDER

**AUTHORIZATION
TO BILL
BY JOURNAL VOUCHER**

Project Name: General Services Administration Release of Space Amendment to Lease,
Riverside

Accounting String: 524830-47220-7200400000- FM047611020900

DATE: January 19, 2017

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: Trea Womack, Senior Real Property Agent, Economic Development Agency

-TO BE FILLED IN BY COUNTY CLERK-

ACCEPTED BY: -

DATE: -

RECEIPT # (S) -



Date: January 19, 2017

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 # FM047611020900**
General Services Administration Release of Space Amendment to Lease, Riverside

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