

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



ITEM
3.20
(ID # 3591)

MEETING DATE:

Tuesday, April 11, 2017

FROM : ECONOMIC DEVELOPMENT AGENCY (EDA):

SUBJECT: ECONOMIC DEVELOPMENT AGENCY (EDA) - Exercise of Option to Extend Lease- PSEC- Beacon Hill, CEQA Exempt, District 2, [\$168,434] PSEC operating budget

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, Class 1 Existing Facilities Exemption and 15061 (b)(3) "Common Sense" Exemption, and direct the Clerk of the Board to file the Notice of Exemption;
2. Consent to the attached Letter that exercises the option to extend the Lease and authorize the Chairman of the Board to execute the same on behalf of the County; and
3. Authorize the Assistant County Executive Officer of the Economic Development Agency, or his designee, to execute any other documents and administer all actions necessary to complete or memorialize this transaction.

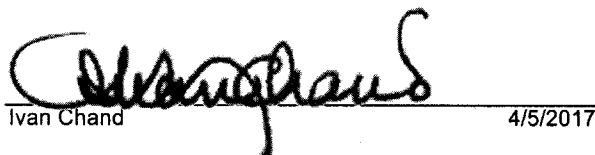
ACTION: Policy, CIP


Robert Field, Assistant County Executive Officer/EDA

3/22/2017


Steve Reneker, Chief Information Officer

3/23/2017


Ivan Chand

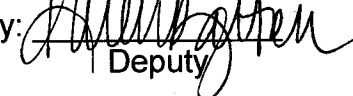
4/5/2017

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: April 11, 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	\$ 26,954	\$ 28,559	\$ 168,434	\$ 0
NET COUNTY COST	\$ 0	\$ 0	\$ 0	\$ 0
SOURCE OF FUNDS: PSEC Operating budget			Budget Adjustment: No	
			For Fiscal Year: 2016/17–2021/22	

C.E.O. RECOMMENDATION: Approve

BACKGROUND:

Summary

On November 1, 2011, the County of Riverside (County) entered into a ground lease (Lease) for a telecommunications site located at 2109 5th Street, Norco, California (known as Beacon Hill). The agreement gave the County the authorization to build, operate, and maintain an 800 MHz public safety radio system on the site, in support of the Public Safety Enterprise Communication (PSEC) system. The Beacon Hill site provides critical radio coverage for the PSEC network in the western area of the County.

The Lease was for an initial short term of six months and served a bridge agreement that would provide the County with sufficient time to negotiate for the acquisition of the property, however, land entitlement issues made the purchase unfeasible. On May 7, 2013 the County amended the Lease (First Amendment) for the purpose of extending the term. The First Amendment provided the County with an initial term of five years and four options to extend, each option representing a five year extension.

Pursuant to Section 5 (v) of the First Amendment, each option shall be exercised by providing the Lessor with a notice of its election to extend the Lease, in writing, at least ninety days prior to the expiration of the initial term. This letter represents the County's notice to exercise the first option; the extended term shall commence on April 1, 2017 and conclude on March 31, 2022. The extension term shall be under the same terms and conditions set forth on the Lease and First Amendment, including the annual rent escalation of 3%. At the start of the extension period, the County will pay a monthly fee of \$1,691.49.

The term extension has been reviewed and determined to be categorically exempt from the California Environmental Quality Act (CEQA) pursuant to State CEQA Guidelines Section 15061(b) (3) and Section 15301 Class 1, Existing Facility, as it can be seen with certainty that there is no possibility that the activity in question may have a significant effect on the environment. The County's approval of the activity does not create any reasonably foreseeable physical change to the environment for this transaction; it merely involves an option to extend the initial term.

Impact on Citizens and Businesses

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

This facility will continue to provide important communications coverage for PSEC and the County and enhances public safety communications for the benefit of residents and businesses in the Western Riverside County area.

SUPPLEMENTAL:

Additional Fiscal Information

RCIT will budget these costs in FY 2016/17 thru FY 2021/22 and will reimburse EDA for all lease costs on an annual basis.

SUPPLEMENTAL:

Additional Fiscal Information (Continued)

Lessor: FISERV ISS & Co., FBO David B. Luce

Premises Location: 2109 5th Street
Norco, California

	<u>Current</u>	<u>New</u>
Term:	April 1, 2012 – March 31, 2017	April 1, 2017 – March 31, 2022
Options to Extend:	Four consecutive five year terms	Three consecutive five year terms
Monthly Rent:	\$1,642.22	\$1,691.49
Utilities:	Electricity only, paid by the County directly.	

Attachments:

Exhibit A, B & C

Exercise of Option to Extend Lease

CEQA Notice of Exemption

Aerial Image

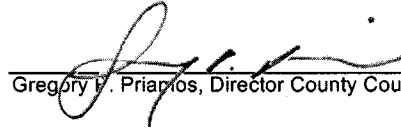
RF:JWW:VC:VY:JR:ra NR004 18.646 13499

MinuteTrak 3591

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


Romini Dasika, Principal Management Analyst

4/3/2017



Gregory F. Priaplos, Director County Counsel

3/23/2017

Exhibit A

FY 2016/17

Beacon Hill Communication Site
2109 5th Street, Norco, California

ESTIMATED AMOUNTS

Total Square Footage to be Leased:

Current land area:	3,375	SQFT	
Approximate Cost per SQFT (July-Mar)	\$	0.49	
Approximate Cost per SQFT (Apr-June)	\$	0.50	
Lease Cost per Month (July-Mar)	\$	1,642.22	
Lease Cost per Month (Apr-June)	\$	1,691.49	
Lease Cost per Month (July-Mar)			\$ 14,779.98
Lease Cost per Month (Apr-June)			\$ 5,074.46
			<u>\$ 19,854.44</u>
Total Estimated Lease Cost for FY 2016/17			
<u>Estimated Additional Costs:</u>			
Estimated Utility Costs per Month (April- June)	\$	591.90	
Total Estimated Utility Cost			<u>\$ 1,775.70</u>
EDA Lease Management Fee - 3.93%	\$	580.85	
EDA Lease Management Fee - 4.92%	\$	249.66	
Total EDA Lease Management Fee			<u>\$ 20,684.96</u>
TOTAL ESTIMATED COST FOR FY 2016/17			\$ 42,315.10
Amount Previously approved for FY16/17			\$ 15,360.83
AMOUNT for FY16/17			<u><u>\$ 26,954.26</u></u>

Exhibit B

FY 2017/18

Beacon Hill Communication Site
2109 5th Street, Norco, California

ESTIMATED AMOUNTS

Total Square Footage to be Leased:

Current Office:		3,375 SQFT	
Approximate Cost per SQFT (July - Mar)	\$	0.50	
Approximate Cost per SQFT (Apr - June)	\$	0.52	
Lease Cost per Month (July - Mar)	\$	1,691.49	
Lease Cost per Month (Apr - June)	\$	1,742.23	
Lease Cost (July - March)	\$		15,223.38
Lease Cost (April - June)	\$		5,226.69
Total Estimated Lease Cost for FY 2017/18	\$		<u>20,450.07</u>

Estimated Additional Costs:

Estimated Utility Costs per Month (July - June)	\$	<u>591.90</u>	
Total Estimated Utility Cost	\$		7,102.80
EDA Lease Management Fee - 4.92%	\$		<u>1,006.14</u>
TOTAL ESTIMATED COST FOR FY 2017/18	\$		<u><u>28,559.02</u></u>

Exhibit C

FY 2018/19 to FY 2021/22
Beacon Hill Communication Site
2109 5th Street, Norco, California

ESTIMATED AMOUNTS

Total Square Footage to be Leased:

Current Office: 3,375 SQFT

	FY 2018/19	FY 2019/20	FY 2020/21	FY 2021/22
Approximate Cost per SQFT (July - Mar)	\$ 0.52	\$ 0.53	\$ 0.55	\$ 0.56
Approximate Cost per SQFT (Apr - June)	\$ 0.53	\$ 0.55	\$ 0.56	\$ -
Lease Cost per Month (July - Mar)	\$ 1,742.23	\$ 1,794.50	\$ 1,848.33	\$ 1,903.78
Lease Cost per Month (Apr - June)	\$ 1,794.50	\$ 1,848.33	\$ 1,903.78	
Lease Cost (July - March)	\$ 15,680.08	\$ 16,150.48	\$ 16,635.00	\$ 17,134.05
Lease Cost (April - June)	\$ 5,383.49	\$ 5,545.00	\$ 5,711.35	\$ -
Total Estimated Lease Cost for FY 2018/19 to FY 2021/22	\$ 21,063.58	\$ 21,695.48	\$ 22,346.35	\$ 17,134.05

Estimated Additional Costs:

Estimated Utility Costs per Month	\$ 591.90	\$ 591.90	\$ 591.90	\$ 591.90
Total Estimated Utility Cost	\$ 7,102.80	\$ 7,102.80	\$ 7,102.80	\$ 5,327.10
EDA Lease Management Fee - 4.92%	\$ 1,036.33	\$ 1,067.42	\$ 1,099.44	\$ 843.00
TOTAL ESTIMATED COST FOR FY 2018/19 to FY 2021/22	\$ 29,202.70	\$ 29,865.70	\$ 30,548.59	\$ 23,304.14

F11: Net County Cost - Total Cost \$ 168,434.41



January 1, 2017

Attn: Patrick Stacker
Stacker and Associates
3030 Old Ranch Parkway, Suite 170
Seal Beach, CA 90740

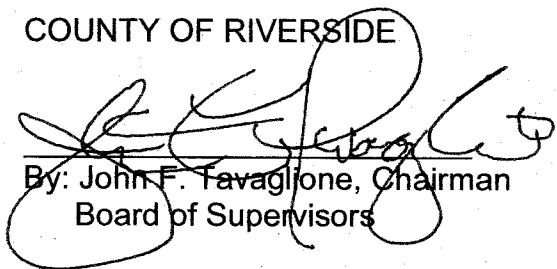
RE: Exercise of Option to Extend Lease
County of Riverside – Beacon Hill NR004

Dear Mr. Stacker:

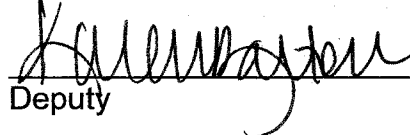
In accordance with the option granted to the County of Riverside pursuant to Section 5(v) of the First Amendment to Lease dated May 7, 2013, between FISERV ISS & Co., FBO David B. Luce, as Lessor, and COUNTY OF RIVERSIDE, as Lessee, this letter shall serve as notification that the undersigned hereby exercises its option to extend the term of said Lease through March 31, 2022, upon the same terms and conditions provided in said Lease.

Respectfully,

COUNTY OF RIVERSIDE


By: John F. Favaglione, Chairman
Board of Supervisors

ATTEST:
Kecia Harper-Ihem
Clerk of the Board


Deputy

FORM APPROVED COUNTY COUNSEL
BY:  2/7/17
R. TODD FRAHM DATE

APR 11 2017 3.20



FIRST AMENDMENT TO LEASE

THIS FIRST AMENDMENT TO LEASE ("First Amendment"), dated as of May 7, 2013, is entered by and between FISERV ISS & Co., FBO David B. Luce, as Lessor, and County of Riverside, a political subdivision of the State of California, as Lessee, sometimes collectively referred to as the "Parties".

RECITALS

A. Lessor and Lessee have entered into that certain Lease, dated November 1, 2010, (the "Original Lease") pursuant to which Lessor agreed to lease to Lessee and Lessee agreed to lease from Lessor that certain ground space as described and depicted therein (the "Original Premises") with the intent that a portion of the surrounding property would be purchased by Lessee.

B. Whereas a purchase of that certain portion of the surrounding property is not currently viable for Lessee, Lessee desires to lease from Lessor and Lessor desires to lease to Lessee a reduced footprint of the communication facility that has been built, along with any necessary access and utility easements on or over Lessor's property, as legally described and depicted on Exhibits A and B (the "Revised Premises") on the terms and conditions set forth herein.

C. The Original Lease together with this First Amendment is collectively referred to herein as the "Lease."

D. The Parties now desire to amend the Lease to set forth the rent and term and to clarify other matters.

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

I

1. RECITALS. Recital D is deleted in its entirety.

2. TERM. Section 3 of the Original Lease is hereby amended by the following:

The term of this Lease was extended month to month until March 31, 2012 on the same terms and shall be extended for five years commencing on April 1, 2012 and terminating on March 31, 2017 under the terms hereof.

3. RENT. Section 4 of the Original Lease is hereby amended by the following:

Such section is confirmed as being effective until March 31, 2012 and thereafter is no longer applicable. Thereafter Lessee shall pay to Lessor the monthly sum of one thousand six hundred dollars (\$1,600.00) for the period of April 1, 2012

MAY 07 2013 3-9

through March 31, 2013. The monthly rent shall be increased by three percent (3%) on April 1 of (i) each subsequent year of the initial term hereof and the second through fifth years of any option terms hereof.

4. **RENT CREDIT.** Since the original lease contemplated an eventual purchase that will not materialize, and since Lessee paid an additional sum of three thousand four hundred dollars (\$3,400.00) each month from November 2010 through March 2012 earmarked toward the purchase, a credit balance of fifty-seven thousand eight hundred dollars (\$57,800) existed on or about March 1, 2012. The Parties acknowledge this fact and agree that this credit balance shall remain in effect as described in Paragraph 4 below.

5. In consideration for Lessor entering into this Agreement, having not received any payments whatsoever from Lessee since March 2012, Lessee and Lessor hereby acknowledge that this Lease is in default but that with this executed amendment and the consideration provided by Lessee as provided here the Lease shall become current. The revised terms are:
 - (i) The Lease shall be a true Lease and Lessee shall no longer have any purchase rights for the property.
 - (ii) Lessee shall be granted four (4) additional five (5) year options commencing respectively on April 1, 2017, April 1, 2022, 2027 and 2032 computing the rent as provided in paragraph (v) herein below. After the rent is computed for the first year's term (April 1) of each renewed term, the monthly rent shall be increased 3% per annum thereafter on each ensuing April 1st of the remaining four (4) years of each such term.
 - (iii) While Lessor maintains the legal position that all payments made could be legally forfeited, as an accommodation to Lessee, Lessor is willing to allow Lessee to recover its credit balance over the extended terms of the lease. The credit balance that Lessee still has accrued as of January 1, 2013 is \$41,800 as of January 31, 2013. Excluding February and March 2013, the total number of months remaining in the current term and the four (4) five (5) year option terms is 288 months. Lessor and Lessee have agreed to amortize the \$41,800 by the total amount of months remaining in the existing term and the four (4) option terms. The result is a credit of \$145.14 per month times 288 months which shall cause the \$41,800 credit made in advance to be fully amortized. In the event that the Lessee chooses to not exercise any or all of its options to renew the lease, the amount of the future rent payment credit shall be foregone and Lessor shall have no obligation to credit any remaining back to Lessee or to pay it back in any way whatsoever.
 - (iv) Lessee shall pay rent of \$1,600 on February 1, 2013, and \$1,600 on March 1, 2013. Commencing April 1, 2013, the normal computed rent with

a 3% increase shall be \$1,648.00, provided, however, such shall be reduced by the monthly credit of \$145.14 making the monthly payment due from April 1, 2013 to March 1, 2014 \$1,502.86. That commencing April 1, 2014 should be \$1,697.44 less \$145.15 equals \$1,552.30 and commensurately on April 1st, 2015 the actual rent payment shall be \$1,603.22. On April 1, 2016 shall be \$1,655.67 per month until and through March 1st, 2017, the same \$145.14 per month credit shall be applied on each month of each renewal term thereafter.

- (v) Effective April 1, 2017, Lessor shall have the option to renew the Lease for an additional 5 year term with written notice to Landlord ninety (90) days before the expiration of this initial term. On the commencement of said renewal term, the base rent shall be increased by the Consumer Price Index of the Bureau of Labor Statistics of U.S. Department of Labor for wage earner and clerical workers, Riverside County (1967 = 100) all items hereinafter referred to as ("CPI"). The monthly rent commencing on April 1, 2017 shall be computed by multiplying the \$1,600 by the fraction, the numerator of which shall be the CPI of the calendar month for March 2017 and the denominator of which shall be the CPI for March 2012. The sum so calculated shall constitute the new monthly rent at the commencement of the first option term initially (April 1, 2017), but in no event shall such new monthly rent be less than the rent payable for the month immediately preceding the date of the rate adjustment. This formula shall be repeated for the ensuing 3 additional 5 year option terms by using the CPI for March of the month proceeding each renewal term (March 2022, 2027 and 2032).
- (vi) The monthly rent on each anniversary of each extended term of the Lease shall be computed pursuant to the above terms and then the credit of \$145.14 shall be applied to each month's rent amount, provided, however, for the purposes of computing the monthly rent hereunder for any defaults of Lessee hereunder, the monthly rent will be defined as the computed rent prior to any credit, as that will be the actual amount of rent owing. Again on the annual anniversary of the lease term during each extended term the monthly rent should be increased by 3%.
- (vii) Lessor at any time shall have the option to pay any remaining balance owing of the Credit and thereafter there would be no payment reduction to the computed rent payments. In the event that Lessee chooses to not exercise any or all of its options to renew the lease, the amount of the future rent payment credit shall be foregone and Lessor shall have no obligation to credit such back to Lessee or to pay it in any way whatsoever.

6. CAPITALIZED TERMS. First Amendment to Prevail. Unless defined herein or the context requires otherwise, all capitalized terms herein shall have the

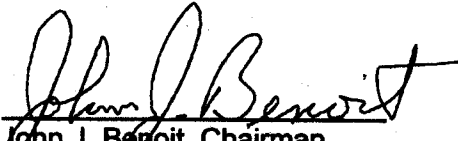
meaning defined in the Lease, as heretofore amended. The provisions of this First Amendment shall prevail over any inconsistency or conflicting provisions of the Lease, as heretofore amended, and shall supplement the remaining provisions thereof.

7. **MISCELLANEOUS.** Except as amended or modified herein, all the terms of the Original Lease shall remain in full force and effect and shall apply with the same force and effect. Time is of the essence in this Amendment and the Lease and each and all of their respective provisions. Subject to the provisions of the Lease as to assignment, the agreements, conditions and provisions herein contained shall apply to and bind the heirs, executors, administrators, successors and assigns of the parties hereto. If any provisions of this Amendment or the Lease shall be determined to be illegal or unenforceable, such determination shall not affect any other provision of the Lease and all such other provisions shall remain in full force and effect. The language in all parts of the Lease shall be construed according to its normal and usual meaning and not strictly for or against either Lessor or Lessee. Neither this Amendment, nor the Original Lease, nor any notice nor memorandum regarding the terms hereof, shall be recorded by Lessee.

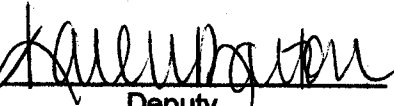
8. **EFFECTIVE DATE.** This First Amendment to Lease shall not be binding or consummated until its approval by the Riverside County Board of Supervisors and fully executed by the Parties.

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

LESSOR:
COUNTY OF RIVERSIDE

By: 
John J. Benoit, Chairman
Board of Supervisors

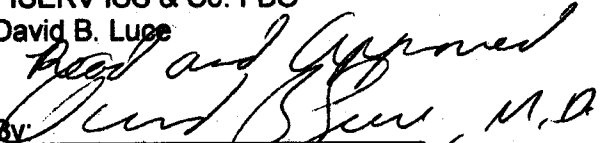
ATTEST:
Kecia Harper-Ihem
Clerk of the Board

By: 
Deputy

APPROVED AS TO FORM:
Pamela J. Walls
County Counsel

By: 
Patricia Munroe
Deputy County Counsel

LESSEE:
FISERV ISS & Co. FBO
David B. Luce


By: Read and Approved
David B. Luce, M.D.
Dr. David B. Luce


Its: Sole Beneficiary

By: 
Patrick M. Stacker


Its: IRA Designator

EXHIBIT "A"

MOTOROLA INC.
6449 BUCKINGHAM DR
SAN DIEGO, CA 92121



PS&E
PROFESSIONAL SURVEYING & ENGINEERING
2700 ALVARADO BLVD. STE. A
RIVERSIDE, CA 92506

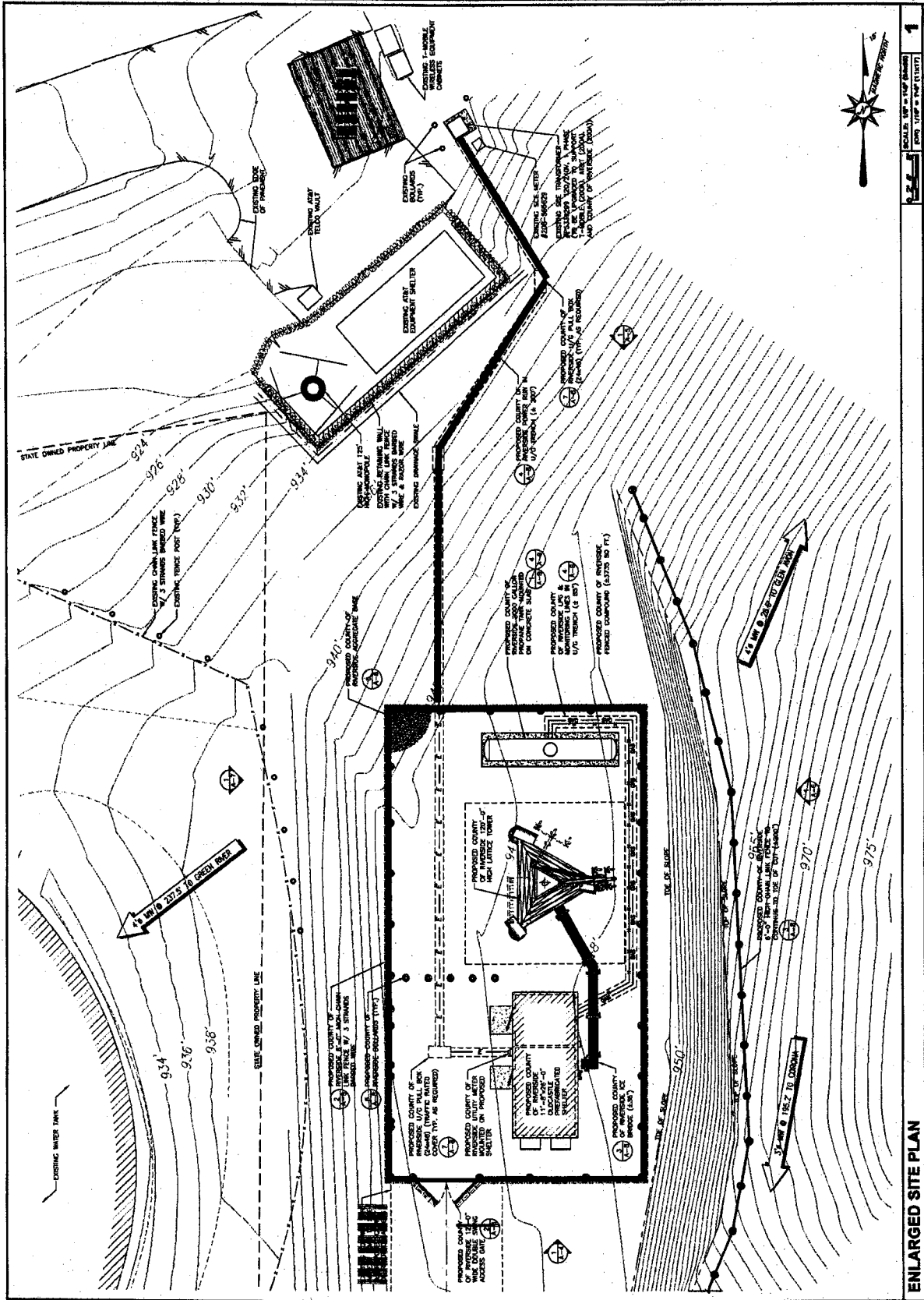


S&C
SURVEYING & CONSULTING
1100 AVENUE A, SUITE 100
COLUMBIA, MD 21046
TEL: 410-326-7000
FAX: 410-326-7005

COUNTY OF RIVERSIDE
BEACON HILL B
SITE ID# NR3703
2198 5TH STREET
MORNING, CA 92568
COUNTY OF RIVERSIDE

NO.	DATE	DESCRIPTION	BY
0	10/25/70	ISSUED FOR PERMITS	INS
1	07/09/70	COUNTY COMMENTS	INS
2	04/09/71	SITE REDRAWN	INS
3	04/09/71	COUNTY COMMENTS	INS
4	05/09/71	COUNTY COMMENTS	INS
5	05/18/71	COUNTY COMMENTS	INS

SEALED
DATE: _____



SCALE: 1" = 40' HORIZ.
1" = 20' VERT.

ENLARGED SITE PLAN

1

COMMUNICATIONS SITE LEASE

This Lease is made this 1st day of November, 2010 by and between the **County of Riverside**, a political subdivision of the State of California (hereinafter "Lessee"), and **FISERV ISS & Co., FBO David B. Luce**, hereinafter "Lessor".

RECITALS

A. Lessor is the owner of that certain real property (hereinafter "the Property") situated in the City of Norco, County of Riverside, State of California, identified as Assessor's Parcel Number 130-240-022, more particularly depicted on Exhibit "A" (assessors' parcel map), attached hereto and incorporated herein.

B. Lessor desires to lease a portion of the Property to Lessee as depicted on Exhibit "B" attached hereto and incorporated herein.

C. Lessee desires to lease such portion of the Property from Lessor, for the purpose of constructing, installing, operating, and maintaining a communications facility, tower and related equipment and structures to house such facilities and equipment.

D. Lessee and Lessor are working toward an eventual purchase by Lessee of a certain portion of the Property for \$250,000.00. Close of escrow on any such purchase by the County of Riverside shall serve to automatically terminate this Lease, with no further required administrative action necessary.

NOW, THEREFORE, the parties agree as follows:

1. Recitals. The Recitals set forth hereinabove are an integral part of this Lease and they are therefore, incorporated herein by this reference thereto.

2. Premises. Subject to the following terms and conditions, Lessor hereby leases to Lessee exclusive use of that certain ground space on the Property to construct and install certain equipment and fixtures, and a non-exclusive easement for access to the ground space (collectively, hereinafter "the Leased Premises").

3. Initial Term. The Term of this Lease shall be for a period of six months, commencing on November 1, 2010 ("Commencement Date"). Any holding over by Lessee after the expiration of said term shall be deemed a month to month tenancy upon the same terms and conditions in this Lease.

4. Rent. Lessee shall pay the sum of Four Thousand Nine Hundred Dollars (\$4,900.00) per month to Lessor as rent. All rent in excess of \$1,500.00 per month shall be treated as credit toward the eventual purchase of property that includes the Leased Premises by Lessee pursuant to item "D" in the above recitals; provided, however, in the event that Lessee terminates this Lease without exercising its option without purchasing the Property, the amount in excess of the \$1,500.00 shall be retained by Lessor as liquidated damages for the purchase not occurring.

1 5. Use. The Leased Premises shall be used by Lessee for the purpose of installing
2 operating electronic communication equipment by the Riverside County Information
3 Technology Department (RCIT) County Fire and/or County Sheriff. Lessee shall have
4 exclusive possession of the Leased Premises.

5 6. Utilities. Lessor shall grant any necessary utility easements across the Property to
6 the utility company, at no cost to either Lessee or the utility company. Lessee shall pay for all
7 electrical usage directly to any utility company. Lessor hereby acknowledges that the proper
8 utilities are available to the Property. If Lessee later discovers it needs additional utility access
9 or easements, as Lessor does not own or control all of the Property in the vicinity, Lessor will
10 cooperate with Lessee but Lessee shall be responsible to obtain any and all ingress, egress or
11 utility easements needed that it does not currently have.

12 7. Acceptance of Premises. Lessor hereby leases the Premises in its "as-is, where-is"
13 condition as Lessor is an absentee Landlord and has no knowledge or information about the
14 Premises, it will be the responsibility of Lessee to make all determinations regarding the
15 conditions of the Premises including whether or not it has hazardous substances, whether or
16 not it is suitable for the Lessee's use, whether or not there are any material defects, faults, or
17 issues in any way associated with the condition of the Property or in its use caused by
18 adjoining landowners as all shall be the sole responsibility of Lessee to determine. To the best
19 of Lessor's actual knowledge, without any duty of inquiry, there have been no hazardous
20 material spills or underground fuel storage tanks on the Property, nor does it have knowledge
21 of septic or drain fields or buried wastes on or within the Leased Premises or Property.
22 Lessee, at Lessee's option and sole cost, may conduct a Phase I Hazardous materials study
23 and Lessor agrees to cooperate in completion of such study. Lessor shall inform Lessee of
24 any present or future underground utilities placed by Lessor or Lessor's tenants so that Lessee
25 may protect such improvements during construction and operation. Otherwise, Lessee
accepts the Leased Premises "as is" and acknowledges that Lessor has made no
representation whatever concerning the fitness of the Leased Premises for the use intended
by Lessee. Lessee agrees to keep the Leased Premises free of hazardous materials
contamination and shall store and use fuels, lubricants, batteries and other similar materials in
a safe and code complaint manner and assumes full responsibilities for such materials use
within the Leased Premises. Lessee further agrees to remove any hazardous material
contaminant produced by Lessee's operations at the Leased Premises in a code compliant
manner.

 8. Improvements by Lessee. Upon the full execution of this Lease Lessor's
acceptance of Lessee's program of self-insurance as described in Section 9 herein, Lessee
shall have the right (but not the obligation) at any time following the full execution of this Lease
and prior to the Commencement Date, to enter the Leased Premises for the purpose of
making necessary inspections and engineering surveys (and soil tests where applicable) and
other reasonably necessary tests (collectively "Tests") to determine the suitability of the
Leased Premises for Lessee's Facilities (as defined herein) and for the purpose of preparing
for the construction of Lessee's Facilities. Lessee has the right to construct, maintain, install,
repair and operate on the Leased Premises radio and microwave communications facilities,
including but not limited to, radio frequency transmitting and receiving equipment, batteries,
backup generators, utility lines, transmission lines, radio and microwave frequency transmitting
and receiving antennae and supporting structures and improvements ("Lessee's Facilities") as

1 shown on Exhibit "A" attached hereto and incorporated herein. In connection therewith,
2 Lessee has the right to do all work necessary to prepare, add, maintain and alter the Leased
3 Premises for Lessee's communications operations and to install utility lines and transmission
4 lines connecting antennas to transmitters and receivers. Lessee shall have the right to install
5 any warning signs on or about the Leased Premises required by federal, state or local law. All
6 of Lessee's construction and installation work shall be performed at Lessee's sole cost and
7 expense and in a good and workmanlike manner in accordance with all laws and regulations
8 required by any governmental authority or entity.

9 Any subsequent alterations, improvements or installation of fixtures shall require prior
10 written consent of Lessor, which consent shall not be unreasonably withheld, conditioned or
11 delayed, however written notice of such improvement or upgrade shall be provided to Lessor
12 prior to commencement of construction, and Lessor shall have thirty (30) days after confirmed
13 receipt thereof, to submit any comments, suggestions, criticisms or questions and any such
14 improvement or upgrade shall comply with Section 12 and Lessor's reasonable requests
15 related thereto. Lessee may install additional radio or electronic equipment in its structure, on
16 the Leased Premises or on its tower without consent of the Lessor. All alterations and
17 improvements made and fixtures installed by Lessee shall remain Lessee's property and may
18 be removed by Lessee at or prior to the expiration of this Lease; provided, however, that such
19 removal does not cause injury or damage to the Leased Premises, or in the event it does,
20 Lessee shall restore the Leased Premises to good condition. Lessee hereby agrees that it has
21 the obligation to restore the Leased Premises to as good or better condition than it was before
22 the lease commenced.

23 9. Insurance. Lessee is a local government entity created under the laws of the State
24 of California, and maintains a program of self-insurance for any third party liability loss.
25 Lessee shall cause Lessor, Dr. David B. Luce and Patrick C. Stacker as individuals and its
governing board, officers, employees, contractors and agents to be treated as additional
insured's under Lessee's self-insurance program, as if an insurance policy had been issued to
Lessee for this Lease, shall maintain its self-insurance program in full force during the term,
and shall provide proof of self-insurance if requested by Lessor.

10. Hold Harmless. Lessee shall indemnify, defend and hold Lessor, its governing
board, officers, employees, contractors, Dr. David B. Luce and Patrick C. Stacker as
individuals, and agents, harmless from and against any loss, liability, claim, damage or
expense (including attorneys' fees) arising from or in any manner related to the use or
occupancy of the Leased Premises or the access thereto, except to the extent such loss,
liability, claim, damage or expense is caused by the sole negligence or willful misconduct of
the Lessor.

11. Option to Terminate. Upon termination of this Lease, Lessee at its sole cost shall
remove all improvements from the Leased Premises and leave the site free of debris in as a
good a condition as it was before the term of the Lease started. Either Lessor or Lessee shall
have the right to terminate this Lease with twelve months advance written notice to the other
that they are unable to close escrow on the purchase pursuant to item "D" of the Recitals.

12. Interference. Lessee shall operate the Leased Premises in compliance with all
Federal Communications Commission ("FCC") requirements and in a manner that will not

1 cause interference to Lessor or other Lessees or licensees of the Property, provided that any
2 such installations predate that of Lessee, including but not limited to the installation of similar
3 facilities as that of T-Mobile and AT&T in the general area. Subsequent to the installation of
4 Lessee's facilities, Lessor will not, and will not permit its Lessees or licensees to, install new
5 equipment on or make any alterations if such modifications are likely to cause interference
6 with Lessee's operations. Lessor will notify Lessee of its intention to install any such facility in
7 or about the Property and in the event that such installation is going to utilize communications
8 operations different than that AT&T or T-Mobile currently use, and is reasonably determined to
9 cause interference in Lessee's operation, Lessee will promptly notify Lessor and Lessor will
10 attempt to reconcile the technical issues between the parties. In the event interference occurs
11 Lessor agrees to use best efforts to eliminate such interference within a reasonable time
12 period. Lessee cannot install anything that conflicts with Lessor's communication equipment
13 and operational needs, and in the future if Lessor needs to change Lessee's location, Lessee
14 agrees to work with Lessor on finding a suitable solution for all. Lessor's failure to comply with
15 this Section 12 shall be material breach of this Lease.

9 13. Taxes. Notice is hereby given pursuant to Revenue and Taxation Code section
10 107.6 that this Communications Site Lease may create a taxable possessory interest in the
11 Leased Premises. If personal property taxes are assessed, Lessee shall pay any portion of
12 such taxes directly attributable to Lessee's facilities and any increase in taxes related to
13 Lessee's Lease that cause Lessor's interest in the Property to be assessed in excess of
14 statutory increases. Lessor shall pay all real property taxes, assessments and deferred taxes
15 on the property.

13 14. Notices. Any notices required or desired to be served by either party upon the
14 other shall be addressed to the respective parties as set forth below or to such other
15 addresses as from time to time shall be designated by the respective parties:

15	Lessee:	Lessor:
16	County of Riverside	Patrick Stacker
17	Economic Development Agency	Stacker & Associates
18	3403 10 th Street, Suite 500	3030 Old Ranch Parkway, Suite 170
19	Riverside, California 92501	Seal Beach, CA 90740

18 15. Quiet Enjoyment. Lessee hereby covenants that it has reviewed the Property and
19 the general area around it and is fully aware of all operations, uses and easements related
20 thereto; and that the existing condition of the Property is suitable for its use. Lessor
21 covenants that Lessee shall at all time during the term of this Lease peaceably and quietly
22 have, hold and enjoy the use of the Leased Premises so long as Lessee shall fully and
23 faithfully perform the terms and conditions that it is required to perform under this Lease.

22 16. Binding on Successors. The terms and conditions herein contained shall apply to
23 and bind the heirs, successors in interest, executors, administrators, representatives and
24 assigns all of the parties hereto.

24 17. Severability. The invalidity of any provision in this Lease as determined by a court
25 of competent jurisdiction shall in no way affect the validity of any other provision hereof.

1 18. Venue. Any action at law or in equity brought by either of the parties hereto for the
2 purpose of enforcing a right or rights provided for by this Lease shall be tried in a court of
3 competent jurisdiction in the County of Riverside, State of California, and the parties hereto
4 waive all provision of law providing for a change of venue in such proceedings to any other
5 county.

6 19. Attorneys' Fees. In the event of any litigation or arbitration between Lessor and
7 Lessee to enforce any of the provisions of this Lease or any right of either party hereto, the
8 unsuccessful party to such litigation or arbitration agrees to pay to the successful party all
9 costs and expenses, including reasonable attorney's fees (limited to a maximum of \$100,000),
10 incurred therein by the successful party, all of which shall be included in and as a part of the
11 judgment rendered in such litigation or arbitration.

12 20. Entire Lease. This Lease is intended by the parties hereto as a final expression of
13 their understanding with respect to the subject matter hereof and as a complete and exclusive
14 statement of the terms and conditions thereof and supersedes any and all prior and
15 contemporaneous leases, agreements and understandings, oral or written, in connection
16 therewith. This Lease may be changed or modified only upon the written consent of the
17 parties hereto.

18 21. Interpretation. The parties hereto have negotiated this Lease at arm's length and
19 with advice of their respective attorneys, and no provision contained herein shall be construed
20 against either party solely because it prepared this Lease in its executed form.

21 22. Other Terms & Conditions.

22 a. Any expansion of the height of Lessee's communication facilities shall not
23 exceed its original height pursuant to Exhibit "B".

24 b. Lessee shall not compete with Lessor in the leasing of cellular antennas.

25 c. Provided it does not interfere with Lessee's communication facility, its operation
or access, if utility, access or signage easements are needed for Lessor's development of its
contiguous property later; Lessee will reasonably provide such for no cost, except necessary
and reasonable out-of-pocket expenses.

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PO Box 1000 Beacon Hill

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23. Approval. Anything to the contrary notwithstanding, this Lease shall not be binding or effective until its approval and execution by the Assistant County Executive Officer/EDA.

LESSOR: FISERV ISS & Co, F O David B. Luce

Patrick Stacker

Patrick Stacker

Dr. David B. Luce

Dr. David Luce

LESSEE: COUNTY OF RIVERSIDE

By: *Lisa Brandl*

Lisa Brandl, Managing Director for
Robert Field
Assistant County Executive Officer/EDA

APPROVED AS TO FORM:

Pamela J. Walls
County Counsel

By: *Synthia M. Gunzel*

Synthia M. Gunzel
Deputy County Counsel

JRF:ra
100710
0421T
13.689

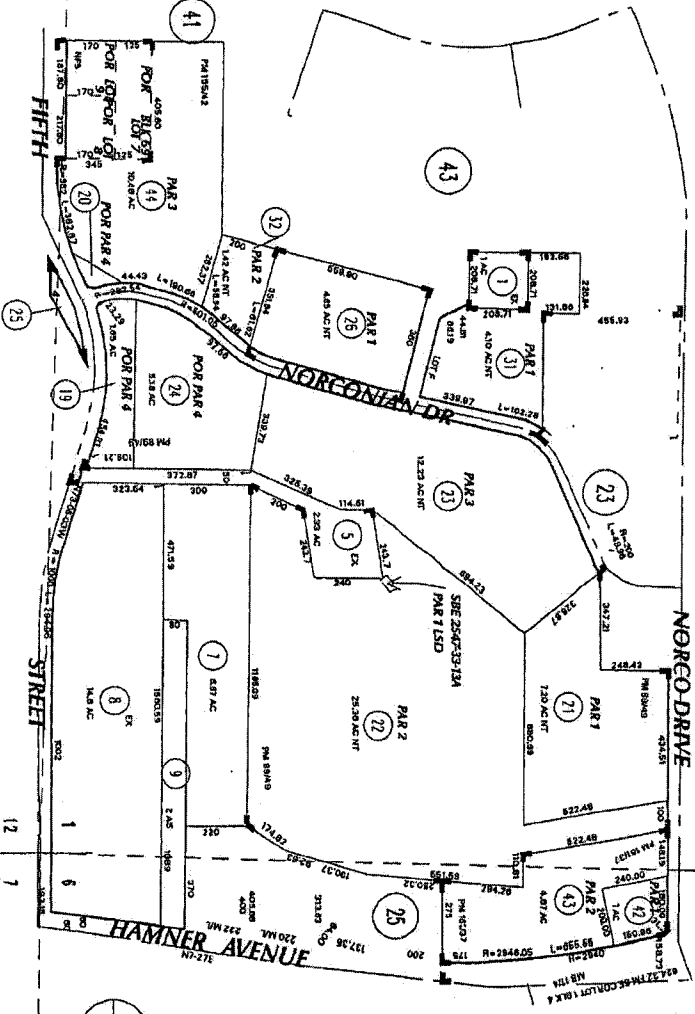
THIS MAP WAS PREPARED FOR ASSESSMENT PURPOSES ONLY. NO LIABILITY IS ASSUMED FOR THE ACCURACY OF THE DATA SHOWN. ASSESSOR'S PARCEL MAY NOT COMPLY WITH LOCAL LOT-SPLIT OR BUILDING SITE ORDINANCES.

POR.PSEC 1 T.3S.,R.7W
 POR.PSEC 6 T.3S.,R.6W
 CITY OF NORCO

T.R.A. 015-007
 015-002

130-24
 9-21

Scale = 400'



ASSESSOR'S MAP BK130 PG.24
 Riverside County, Calif.

129
 20

DATE: 10/30/00

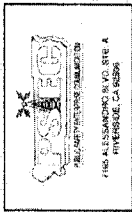
MB 14/60-62 NORCO FARMS TRACT NO 5
 PM 89/48-52 PARCEL MAP NO 14800
 PM 104/71-72 PARCEL MAP NO 18824
 PM 155/42-45 PARCEL MAP NO 19968
 PM 161/37-38 PARCEL MAP NO 24345

May 2000

JUN 1 8 20

TRACT	DATE	NO. OF PARCELS	NO. OF LOTS
11	11-11-00	10	10
12	11-11-00	10	10
13	11-11-00	10	10
14	11-11-00	10	10
15	11-11-00	10	10
16	11-11-00	10	10
17	11-11-00	10	10
18	11-11-00	10	10
19	11-11-00	10	10
20	11-11-00	10	10
21	11-11-00	10	10
22	11-11-00	10	10
23	11-11-00	10	10
24	11-11-00	10	10
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26	11-11-00	10	10
27	11-11-00	10	10
28	11-11-00	10	10
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37	11-11-00	10	10
38	11-11-00	10	10
39	11-11-00	10	10
40	11-11-00	10	10
41	11-11-00	10	10
42	11-11-00	10	10
43	11-11-00	10	10
44	11-11-00	10	10

MOTOROLA INC.
 6455 SERRAVALLO DR
 SAN DIEGO, CA 92121

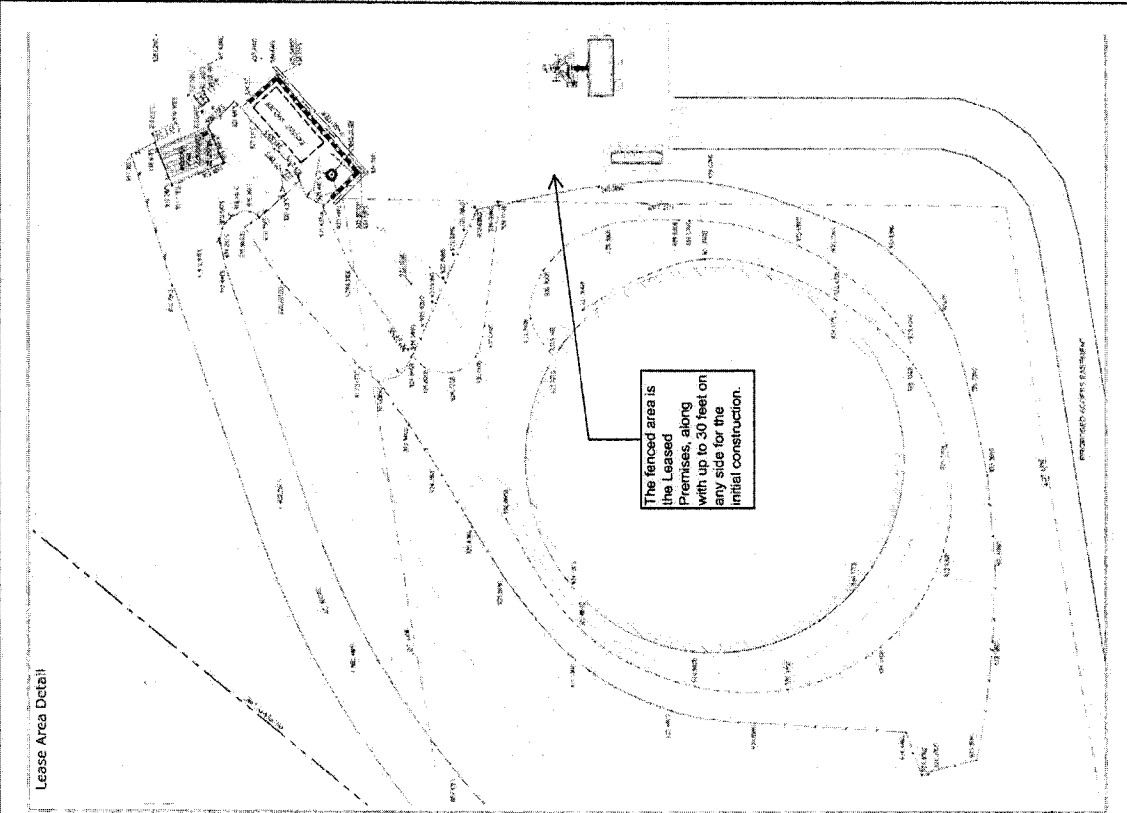


MOTOROLA INC.
 4111 LATHAM ST.
 RIVERSIDE, CA 92501

COUNTY OF RIVERSIDE
BEACON HILL
 NORCO, CA 91760
 COUNTY OF RIVERSIDE

DATE	BY	REVISION

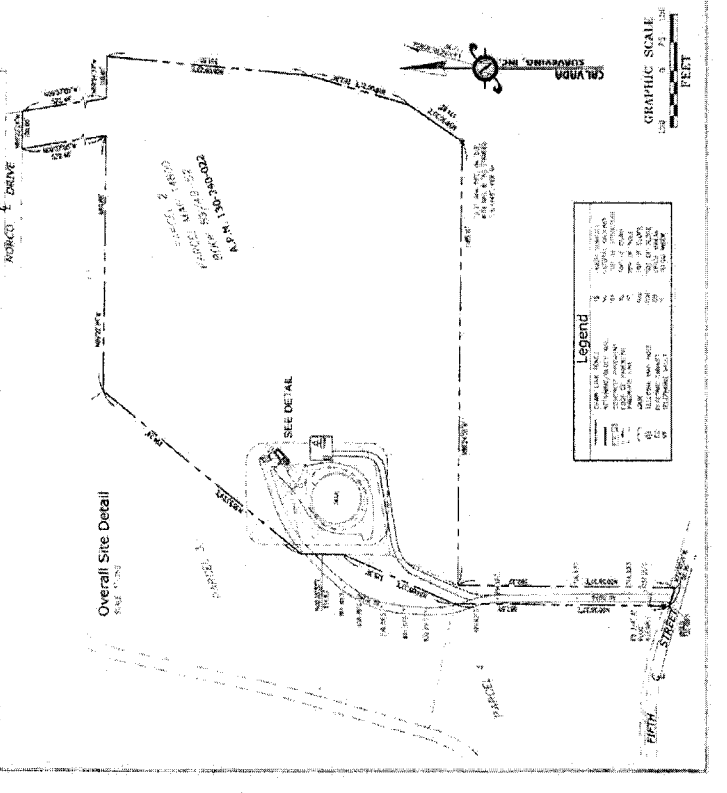
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 SHEET NUMBER
LS-1
 SHEET 1 OF 1

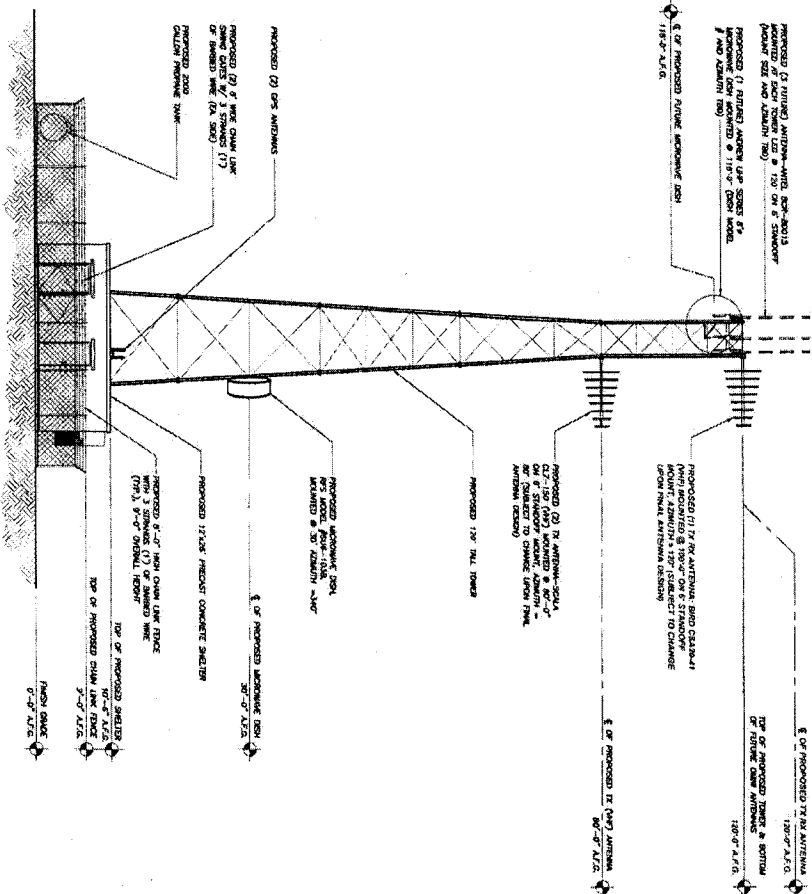


Legal Description
 Assessor's Parcel Nos.
 Easements
 Access Easement/Lease Area
 Geographic Coordinates at Proposed Tower

Basis of Bearings
 Bench Mark
 Date of Survey

Title Report
 TITLE REPORT COMPLETED BY THE SURVEYOR AT THE REQUEST OF THE CLIENT.
 THIS REPORT IS NOT A WARRANTY OF THE ACCURACY OF THE INFORMATION CONTAINED HEREIN.
 THE SURVEYOR'S LIABILITY IS LIMITED TO THE ACTS OF SURVEYING ONLY.
 NO OTHER LIABILITY IS ASSUMED.





MOTOROLA INC.
 800 SEQUENCE DR.
 SAN JERON, CA 92471

PSI EOB
 PLANNING SERVICES COMPANY
 7195 ALLENROAD, S.W. SITE A
 RIVERSIDE, CA 92505

PLANS PREPARED BY:
 MOTOROLA INC.
 4111 LANTANA ST.
 RIVERSIDE, CA 92505

PROJECT INFORMATION
**COUNTY OF RIVERSIDE
 BEACON HILL**

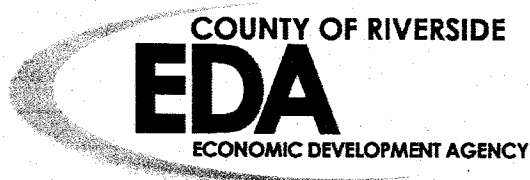
NO.	DATE	DESCRIPTION	BY
1	8/22/10	PRELIMINARY	AV

SCALE

SHEET TITLE:
ELEVATION

SHEET NUMBER:
LE-2





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

4/12/17
Date

VB
Initial

NOTICE OF EXEMPTION

March 2, 2017

Project Name: County of Riverside, Economic Development Agency (EDA) PSEC at Beacon Hill Communication Site Lease Agreement 1st Amendment First Option to Extend, Norco, Riverside County

Project Number: FM042490000400

Project Location: 2109 5th Street, west of Hamner Avenue, Norco, California, 92860; Assessor's Parcel Number (APN) 130-240-005 (See Attached Exhibit)

Description of Project: On November 1, 2011, the County of Riverside (County) entered into a ground lease for a telecommunications site located at 2109 5th Street, Norco, California (commonly known as Beacon Hill). The agreement gave (RCIT) the authorization to build, operate, and maintain an 800 MHz radio system on the site, in support of the Public Safety Radio System.

The ground lease was for a short term of six months and served as an interim agreement that would provide the County with sufficient time to negotiate the acquisition of the property, however, land entitlement issues and a strain in the PSEC budget made the purchase no longer feasible. The Beacon Hill site provided critical radio coverage for the Public Safety Enterprise Communication network in the Western Riverside County area, and as a result it was necessary for the County to extend the term of the agreement. On May 7, 2013 the County approved the First Amendment to the Communications Lease for the purpose of extending the term. The First Amendment to the Communications Lease provided the County with an initial term of five years and four options to extend, each option representing a five years.

Pursuant to Section 5(v) of the First Amendment, each option shall be exercised by providing the Lessor with a notice of its election to extend the Lease, in writing, at least ninety days prior to the expiration of the initial term. The Exercise of Option to Extend Lease Letter submitted for Board Approval represents the notice to exercise the first option; the extended term shall commence on April 1, 2017 and conclude on March 31, 2022. The extension term shall be under the same terms and conditions set forth on the Communications Lease and First Amendment. The proposed option to extend the Communication Lease Agreement authorized by the First Amendment is identified as the proposed Project under the California Environmental Quality Act (CEA). The use of the site under the extension of the Communication Lease Agreement would occur in the same manner as with the existing use. The operation of the facility will continue to provide communications services and will not result in a change or a substantial expansion of existing use. No additional direct or indirect physical environmental impacts are anticipated.

Name of Public Agency Approving Project: County of Riverside, Economic Development Agency

Name of Person or Agency Carrying Out Project: County of Riverside, Economic Development Agency

Exempt Status: State 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.

APR 11 2017 3:20

www.rivcoeda.org

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

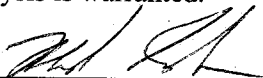
Parking
Project Management
Purchasing Group
Real Property
Redevelopment Agency
Workforce Development

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 include a reasonable possibility of having a significant effect on the environment due to unusual circumstances. 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 extension of the Communication Lease, which includes the maintenance and operation of communication services.

- **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 the extension of the existing Communications Site Lease that includes the continued operation and maintenance of communication services on for the County. The use of the site would continue in the same manner as under the current lease and would not necessitate additional infrastructure or public services to serve the site; 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 extension of the Communication Site 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 alterations and 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: _____

3/2/17

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

RIVERSIDE COUNTY CLERK & RECORDER

**AUTHORIZATION
TO BILL
BY JOURNAL VOUCHER**

Project Name: PSEC at Beacon Hill Communication Site Lease Agreement 1st
Amendment First Option to Extend, Norco, Riverside County

Accounting String: 524830-47220-7200400000- FM042490000400


DATE: March 2, 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: Jose Ruiz, Real Property Agent, Economic Development Agency

-TO BE FILLED IN BY COUNTY CLERK-

ACCEPTED BY: -

DATE: -

RECEIPT # (S) -



Date: March 2, 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 # FM042490000400**
PSEC at Beacon Hill Communication Site Lease Agreement 1st Amendment First Option to Extend,
Norco, Riverside County

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

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

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Parking
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Purchasing Group
Real Property
Redevelopment Agency
Workforce Development