

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



**ITEM
3.21
(ID # 3629)**

MEETING DATE:

Tuesday, April 11, 2017

FROM : ECONOMIC DEVELOPMENT AGENCY (EDA):

SUBJECT: ECONOMIC DEVELOPMENT AGENCY (EDA): Seventh Amendment to Lease, Department of Public Social Services, 22690 Cactus Avenue, Moreno Valley, Five Year Extension, CEQA Exempt, District 2, [\$5,006,610], 55% Federal, 20% State, 5% County, 7% Realign, 13% 2011 Realign (Clerk to file Notice of Exemption)

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 Sections 15301 and Section 15061(b)(3).
2. Ratify the attached Seventh Amendment to Lease and authorize the Chairman of the board to execute the same on behalf of the County; and
3. Direct the Clerk of the Board to file the attached Notice of Exemption with the County Clerk for posting within five work days.

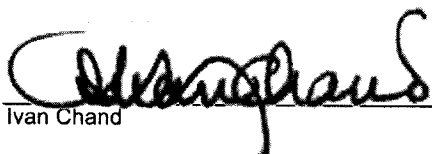
ACTION: Policy, CIP


Robert Field, Assistant County Executive Officer/EDA

3/20/2017


Susan Von Zabern, Director of Public Social Services

3/20/2017



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	\$ 394,227	\$ 957,301	\$5,006,610	\$ 0
NET COUNTY COST	\$ 19,711	47,866	\$ 250,330	\$ 0
SOURCE OF FUNDS: 55% Federal, 20% State, 5% County, 7% Realign, 13% 2011 Realign			Budget Adjustment:	No
			For Fiscal Year: 2016/17-2021-22	

C.E.O. RECOMMENDATION: Approve

BACKGROUND:

Summary

On December 16, 1997 the County entered into a lease agreement on behalf of the Department of Public Social Services (DPSS) for the premises located at 22690 Cactus Avenue, Moreno Valley. DPSS utilizes this facility for its Employee Training Division. This facility continues to meet the needs and requirements of DPSS and EDA's Real Estate Division has negotiated a five year renewal and improvements that will be completed by the Landlord at its sole cost and expense, improvements include replacement of all carpet, VCT and paint of the entire facility.

Pursuant to the California Environmental Quality Act (CEQA), the Lease Amendment was reviewed and determined to be categorically exempt from State CEQA Guidelines 15061 (b)(3) 15301, Class 1 – Existing facilities and no expansion of an existing use will occur.

Lessor: 22690 Cactus LLC
13 N. Sparrow Ln
Santa Fe, New Mexico 87506

Premises: 22690 Cactus Avenue
Moreno Valley, California 92553

Size: 37,306 sq. ft.

Rent: \$1.82 per sq. ft. \$1.90 per sq. ft.
\$67,945.69 per month \$70,881.40 per month
\$815,348.28 per year \$850,576.80 per year

Term: Five years, commencing February 1, 2017

Annual Increase: Three percent

Utilities: Electricity and telephone paid by County, all others paid by Lessor

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

Maintenance: Provided by Lessor

Tenant Improvements: Paint, replace carpet and VCT throughout entire suite, repair/replace all doors as needed, refresh restrooms, replace all pneumatic thermostats with electronic thermostats, install corner guards. All work to be completed at Landlord's sole cost and expense.

RCIT: None

Impact on Residents and Businesses

This facility will continue to provide valuable training for future employment for residents of the County.

**SUPPLEMENTAL
Additional Fiscal Information**

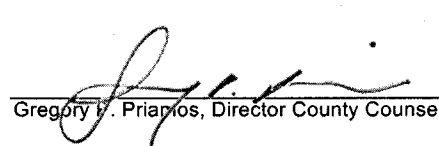
All associated costs for this Seventh Amendment will be budgeted in FY2016/17 through 2021/22 through DPSS's budget. DPSS will reimburse EDA for all associated lease costs on a monthly basis.

Attachments:
Exhibits A, B & C
Seventh Amendment
NOE
Aerial Image

RF:JWW:VC:VY:TW:tg MV027 18.648 13501
MinuteTrak ID # 3629


Rohini Dasika, Principal Management Analyst

4/3/2017


Gregory V. Priamos, Director County Counsel

3/23/2017

Exhibit A

FY 2016/17

Department of Public Social Services Lease Cost Analysis

22690 Cactus Avenue, Moreno Valley

ESTIMATED AMOUNTS

Total Square Footage to be Leased:

Current Office:	37,306	SQFT	
Approximate Cost per SQFT (Jul - Jan)	\$	1.82	
Approximate Cost per SQFT (Feb - June)	\$	1.90	
Lease Cost per Month (Jul - Jan)	\$	67,945.09	
Lease Cost per Month (Feb - June)	\$	70,881.40	
Total Lease Cost (Jul - Jan)	\$	475,615.63	
Total Lease Cost (Feb - June)	\$	354,407.00	
Total Estimated Lease Cost for FY 2016/17	\$	830,022.63	

Estimated Additional Costs:

Utility Cost per Square Foot	\$	0.12	
Estimated Utility Costs per Month (July - June)		\$	<u>4,476.72</u>
Total Estimated Utility Cost(July-Jan)	\$	31,337.04	
Total Estimated Utility Cost (Feb-Jun)	\$	22,383.60	
EDA Lease Management Fee - 3.79%(Jul-Jan)	\$	18,025.83	
EDA Lease Management Fee - 4.92%(Feb-June)	\$	<u>17,436.82</u>	
TOTAL ESTIMATED COST FOR FY 2016/17	\$	919,205.93	
Amount Approved in Previous Agreement	\$	524,978.50	
Amount of FY16/17	\$	<u>394,227.42</u>	
TOTAL COUNTY COST 5.0%		\$19,711.37	

Exhibit B

FY 2017/18

Department of Public Social Services Lease Cost Analysis
22690 Cactus Avenue, Moreno Valley

ESTIMATED AMOUNTS

Total Square Footage to be Leased:

Current Office:	37,306 SQFT	
Approximate Cost per SQFT (Jul - Jan)	\$	1.90
Approximate Cost per SQFT (Feb - June)	\$	1.96
Lease Cost per Month (Jul - Jan)	\$	70,881.40
Lease Cost per Month (Feb - June)	\$	73,007.84
Total Lease Cost (Jul - Jan)	\$	496,169.80
Total Lease Cost (Feb - June)	\$	365,039.21
Total Estimated Lease Cost for FY 2017/18	\$	861,209.01

Estimated Additional Costs:

Utility Cost per Square Foot	\$	0.12	
Estimated Utility Costs per Month (July - June)		\$	<u>4,476.72</u>
Total Estimated Utility Cost	\$		53,720.64
EDA Lease Management Fee - 4.92%	\$		<u>42,371.48</u>
TOTAL ESTIMATED COST FOR FY 2017/18	\$		<u>957,301.13</u>
TOTAL COUNTY COST 5.0%	\$		47,865.06

Exhibit C

FY 2018/19 to FY 2021/22
Department of Public Social Services Lease Cost Analysis
22690 Cactus Avenue, Moreno Valley

ESTIMATED AMOUNTS

Total Square Footage to be Leased:

Current Office: 37,306 SQFT

	FY 2018/19	FY 2019/20	FY 2020/21	FY 2021/22
Approximate Cost per SQFT (Jul - Jan)	\$ 1.96	\$ 2.02	\$ 2.08	\$ 2.14
Approximate Cost per SQFT (Feb - June)	\$ 2.02	\$ 2.08	\$ 2.14	\$ -
Lease Cost per Month (Jul - Jan)	\$ 73,007.84	\$ 75,198.08	\$ 77,454.02	\$ 79,777.64
Lease Cost per Month (Feb - June)	\$ 75,198.08	\$ 77,454.02	\$ 79,777.64	\$ -
Total Lease Cost (Jul - Jan)	\$ 511,054.89	\$ 526,386.54	\$ 542,178.14	\$ 558,443.48
Total Lease Cost (Feb - June)	\$ 375,990.39	\$ 387,270.10	\$ 398,888.20	\$ -
Total Estimated Lease Cost for FY 2018/19 to FY 2021/22	\$ 887,045.28	\$ 913,656.64	\$ 941,066.34	\$ 558,443.48

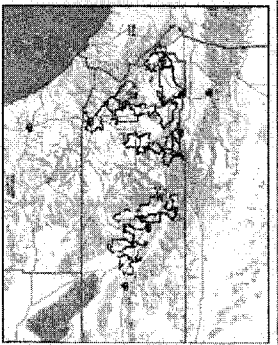
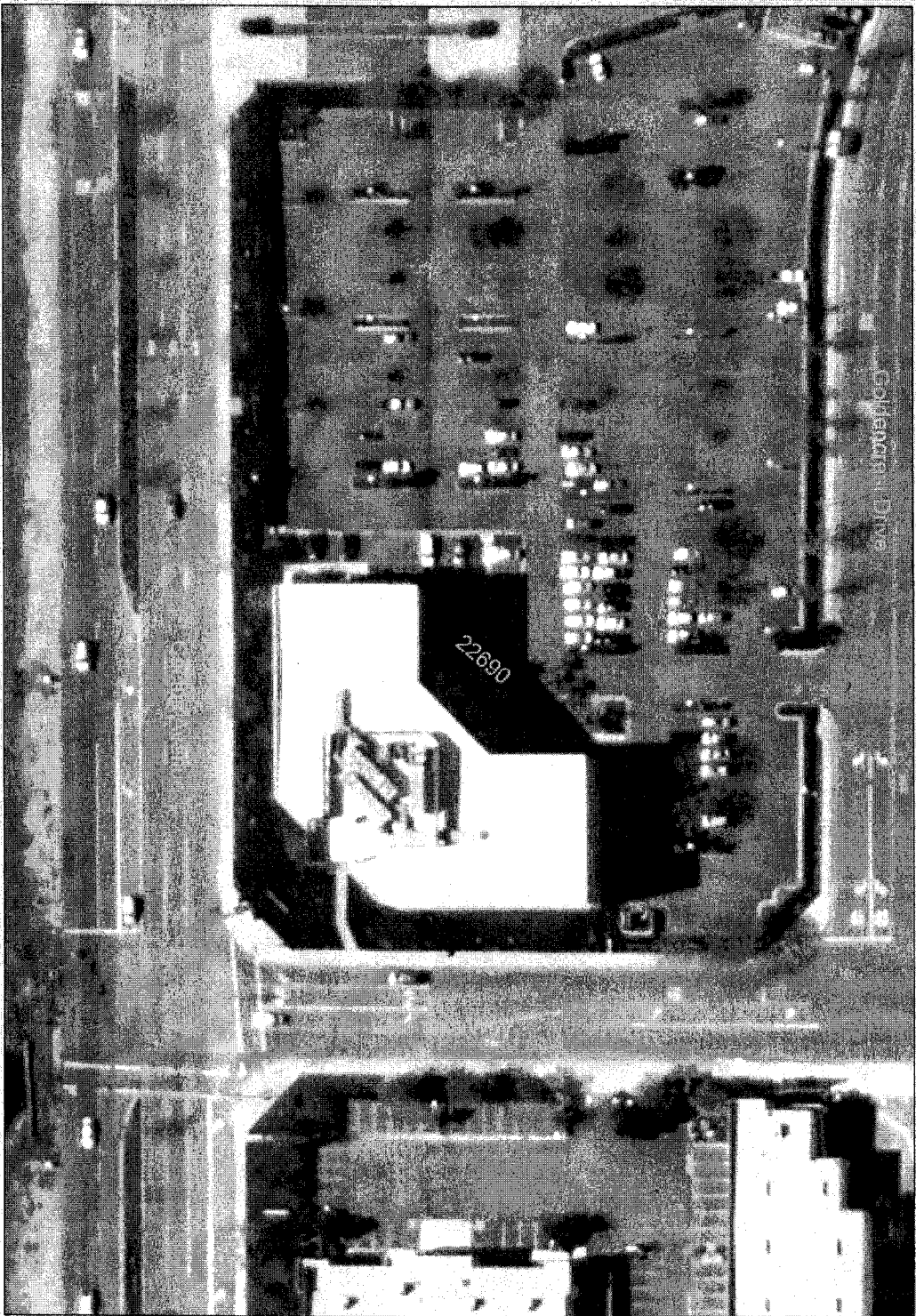
Estimated Additional Costs:

Utility Cost per Square Foot	\$ 0.12	\$ 0.12	\$ 0.12	\$ 0.12
Estimated Utility Costs per Month (July - June)	\$ 4,476.72	\$ 4,476.72	\$ 4,476.72	\$ 4,476.72
Total Estimated Utility Cost (Feb-Jun)	\$ 53,720.64	\$ 53,720.64	\$ 53,720.64	\$ 31,337.04
EDA Lease Management Fee - 4.92%	\$ 43,642.63	\$ 44,951.91	\$ 46,300.46	\$ 27,475.42
TOTAL ESTIMATED COST FOR FY 2018/19 to FY 2021/22	\$ 984,408.55	\$ 1,012,329.19	\$ 1,041,087.44	\$ 617,255.94
TOTAL COUNTY COST 5.0%	\$ 49,220.43	\$ 50,616.46	\$ 52,054.37	\$ 30,862.80

F11: Cost - Total Cost \$ 5,006,609.67
 F11: Net County Cost - Total Cost \$ 250,330.48

My Map

7th Amendment to Lease Department of Public Social Services



Legend

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... 2/16/2017 10:12:54 AM

© Riverside County RCIT GIS

Notes

22690 Cactus Blvd, Moreno Valley



0 104 209 Feet



SEVENTH AMENDMENT TO LEASE
22690 Cactus Avenue
Moreno Valley

THIS SEVENTH AMENDMENT TO LEASE ("Seventh Amendment") is made as of April 11, 2017 by and between the COUNTY OF RIVERSIDE, a political subdivision of the State of California ("County"), and 22690 CACTUS, LLC as successor in interest to MCC VENTURES, LP, a California limited partnership, ("Lessor") sometimes collectively referred to as the "Parties".

RECITALS

a. Moreno Corporate Center, LLC, a Delaware limited liability company, as lessor and County entered into that certain original Lease dated December 16, 1997, pursuant to which Lessor has agreed to lease to County and County has agreed to lease from Lessor approximately 37,306 square feet of office space in those certain buildings located at 26690 Cactus Avenue, Moreno Valley, as more particularly described in the Original Lease.

b. The Original Lease has been amended by:

i. The First Amendment to Lease dated November 9, 1999, by and between the County of Riverside and Moreno Corporate Center, LLC, (First Amendment), whereby the County, among other things, increased the leased premises (Expanded Premises.)

ii. The Second Amendment to Lease dated April 11, 2000, by and between the County of Riverside and Moreno Corporate Center, LLC, (Second Amendment), whereby certain tenant improvements were made to the Expanded Premises.

iii. The Third Amendment to Lease dated March 11, 2003, by and between the County of Riverside and NNN Tech fund III, a Virginia Limited Liability company, as successor in interest to Moreno Corporate Center, LLC, (Third

Amendment), whereby the parties, among other things, agreed to extend the term and amend the monthly rent.

iv. The Fourth Amendment to Lease dated January 23, 2006, by and between the County of Riverside and MCC Ventures, LP, a California limited partnership, as successor in interest to NNN Tech Fund III, LLC, (Fourth Amendment), whereby the parties among other things, agreed to extend the term and amend the monthly rent.

v. The Fifth Amendment to Lease dated August 16, 2011, by and between the County of Riverside and MCC Ventures, LP, a California limited partnership (Fifth Amendment), whereby the parties among other things, agreed to expand the premises and complete tenant improvements, extend the term and amend the monthly rent.

vi. The Sixth Amendment to Lease dated March 20, 2012, by and between the County of Riverside and MCC Ventures, LP, a California limited partnership (Sixth Amendment), whereby the parties among other things, agreed to complete tenant improvements and amend monthly rent.

The Parties now desire to amend the Lease among other things extend the term, adjust the rent and annual increase amounts, provide for tenant improvements and revise the insurance section of the Original Lease.

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

1. Section 3(a) of the Original Lease (Term), shall be amended as follows: The term of this Lease shall be extended five (5) years commencing on February 1, 2017 and terminating on January 31, 2022.

2. Section 5 of the Original Lease (Rent) shall be amended as follows: Effective February 1, 2017 the rent shall be increased from \$67,945.69 to \$70,881.40 per month. The monthly rent shall be adjusted on each anniversary of the Lease, February 1st, by Three percent (3%) annually.

3. Section 9 of the Original Lease (Improvements by County) shall be amended by adding Sub-Section K as follows: At Lessor's sole cost and expense the following tenant improvements shall commence within forty-five (45) days of final execution of this Seventh Amendment to Lease by both Parties.

- Paint entire Suite 1st and 2nd floors, all offices and common areas.
- Replace all carpeted area on 1st and 2nd floor utilizing carpet tiles with the exception of areas recently replaced, installer to provide equipment to lift cubicles.
- Replace all existing VCT throughout 1st and 2nd floors.
- Repair/replace all doors as needed 1st and 2nd floors.
- Refresh all restrooms, paint and replace damaged tiles.
- Install corner guards, locations to be determined.
- HVAC, building will be converted from a pneumatic system to an electronic system. Existing thermostats will be removed and replaced with computerized sensors.
- All paint, carpet, flooring and finishes to be selected by County.

4. Section 11 of the Original Lease (Insurance) shall be amended as follows:

Indemnification and Insurance.

11.1.1 Indemnification. Lessor shall indemnify and hold harmless the County of Riverside, its agencies, Districts, Special Districts and Departments, their respective directors, officers, Board of Supervisors, elected and appointed officials, employees, agents and representatives (individually and collectively hereinafter referred to as Indemnitees) from any liability whatsoever, based or asserted upon any services of Lessor, its officers, employees, subcontractors, agents or representatives arising out of or in any way relating to this Lease, including but not limited to property damage, bodily injury, or death or any other element of any kind of

nature whatsoever arising from the performance of Lessor, its officers, employees, subcontractors, agents or representatives Indemnitors from this Agreement. Lessor shall defend, at its sole expense, all costs and fees including, but not limited, to attorney fees, cost of investigation, defense and settlements or awards, the Indemnitees in any claim or action based upon such alleged acts or omissions.

With respect to any action or claim subject to indemnification herein by Lessor, Lessor shall, at its sole cost, have the right to use counsel of their own choice and shall have the right to adjust, settle, or compromise any such action or claim without the prior consent of County; provided, however, that any such adjustment, settlement or compromise in no manner whatsoever limits or circumscribes Lessor's indemnification to Indemnitees as set forth herein.

Lessor's obligation hereunder shall be satisfied when Lessor has provided to County the appropriate form of dismissal or settlement agreement relieving County from any liability for the action or claim involved.

The specified insurance limits required in this Lease shall in no way limit or circumscribe Lessor's obligations to indemnify and hold harmless the Indemnitees herein from third party claims. In the event there is a conflict between this clause and California Civil Code Section 2782, this clause shall be interpreted to comply with Civil Code 2782. Such interpretation shall not relieve the Lessor from indemnifying the Indemnitees to the fullest extent allowed by law.

11.1.2 Insurance. Without limiting or diminishing the Lessor's obligation to indemnify or hold the County harmless, Lessor shall procure and maintain or cause to be maintained, at its sole cost and expense, the following insurance coverage's during the term of the Lease. As respects to the insurance section only, the County herein refers to the County of Riverside, its Agencies, Districts, Special Districts, and Departments, their respective directors, officers, Board of Supervisors, employees, elected or appointed officials, agents or representatives as Additional Insureds.

a. Worker's Compensation:

If the Lessor has employees as defined by the State of California, the Lessor shall maintain statutory Workers' Compensation Insurance (Coverage) A) as prescribed by the laws of the State of California. Policy shall include Employers' Liability (Coverage B) including Occupational Disease with limits not less than \$1,000,000 per person per accident. The policy shall be endorsed to waive subrogation in favor of the County of Riverside.

b. Commercial General Liability:

Commercial General Liability insurance coverage, including but not limited to, premises liability unmodified contractual liability, products and completed operations liability, personal and advertising injury, and cross liability coverage, covering claims which may arise from or out of Lessor's performance of its obligations hereunder. Policy shall name the County as Additional Insured. Policy's limit of liability shall not be less than \$1,000,000 per occurrence combined single limit. If such insurance contains a general aggregate limit, it shall apply separately to this agreement or be no less than two (2) times the occurrence limit.

c. Vehicle Liability:

If vehicles or mobile equipment are used in the performance of the obligations under this Agreement, then Lessor shall maintain liability insurance for all owned, non-owned or hired vehicles so used in an amount not less than 41,000,000 per occurrence combined single limit. If such insurance contains a general aggregate limit, it shall apply separately to this agreement or be no less than two (2) times the occurrence limit. Policy shall name the County as Additional Insureds.

d. General Insurance Provisions – All lines:

i. Any insurance carrier providing insurance coverage hereunder shall be admitted to the State of California and have an A M BEST rating of not less than A: VIII (A:8) unless such requirements are waived, in writing, by the County Risk Manager. If the County's Risk Manager waives a requirement for a particular insurer such waiver is only valid for that specific insurer and only for one policy term,

ii. The Lessor must declare its insurance self-insured retention for each coverage required herein. If any such self-insured retention exceeds \$500,000 per occurrence each such retention shall have the prior written consent of the County Risk Manager before the commencement of operations under this Agreement. Upon notification of self-insured retention unacceptable to the County, and at the election of the County's Risk Manager, Lessor's carriers shall either: 1) reduce or eliminate such self-insured retention as respects this Lease with the County, or 2) procure a bond which guarantees payment of losses and related investigations, claims administration, and defense costs and expenses.

iii. Lessor shall cause Lessor's insurance carrier(s) to furnish the County of Riverside with either 1) a properly executed original Certificate(s) of Insurance and certified original copies of endorsements effecting coverage as required herein, and 2) if requested to do so in writing by the County Risk Manager, provide original Certified copies of policies including all Endorsements and all attachments thereto, showing such insurance is in full force and effect. Further, said Certificate(s) and policies of insurance shall contain the covenant of the insurance carrier(s) that a minimum of thirty (30) days written notice shall be given to the County of Riverside prior to any material modification, cancellation, expiration or reduction in coverage of such insurance. If Lessor insurance carrier(s) policies does not meet the minimum notice requirement found herein, Lessor shall cause Lessor's insurance carrier(s) to furnish a 30 day Notice of Cancellation Endorsement.

iv. A material modification, cancellation, expiration, or reduction in coverage of insurance shall constitute an event of default by Lessor under Section 20 of the Lease. In such event, Lessor shall not commence operations until the County has been furnished original Certificate(s) of Insurance and certified original copies of endorsements and if requested, certified original policies of insurance including all endorsements and any and all other attachments as required in this Section. An

individual authorized by the insurance carrier to do so on its behalf shall sign the original endorsements for each policy and the Certificate of Insurance.

v. It is understood and agreed to by the parties hereto that the Lessor's insurance shall be construed as primary insurance, and the County's insurance and/or deductibles and/or self-insured retentions or self-insured programs shall not be construed as contributory.

vi. If, during the term of this Agreement or any extension, thereof, there is a material change in the scope of services; or, there is a material change in the equipment to be used in the performance of the scope of work; or, the term of this Agreement, including any extensions thereof, exceeds five (5) years; the County reserves the right to adjust the types of insurance and the monetary limits of liability required under this Agreement, if in the County risk Manager's reasonable judgement, the amount or type of insurance carried by the Lessor has become inadequate to meet the industry standard.

vii. Lessor shall pass down the insurance obligations contained herein to all tiers of subcontractors working under this Agreement.

viii. The insurance requirements contained in this Agreement may be met with a program(s) of self-insured acceptable to the County.

ix. Lessor agrees to notify County of any claim by a third party or any incident or event that may give rise to a claim arising from the performance of this Lease.

e. Property (Physical Damage).

All-Risk real property insurance coverage, including earthquake and flood, for the replacement cost value of buildings, structures, fixtures, all improvements therein, and building systems on the Project as the same exists at each early anniversary of the term.

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

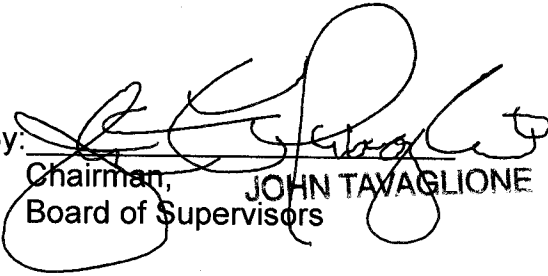
6. Effective Date. This Seventh Amendment to Lease shall not be binding or consummated until approval by the Riverside County Board of Supervisors and fully executed by the Parties.

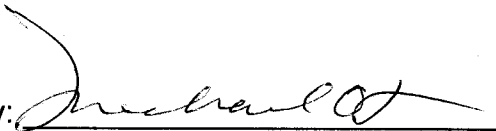
SIGNATURE PROVISIONS FOLLOW

IN WITNESS WHEREOF, the Parties have executed this Seventh Amendment to Lease as of the date first written above.

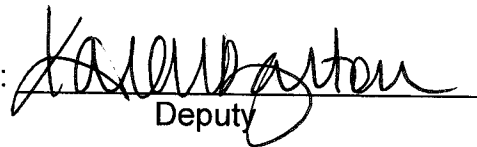
COUNTY OF RIVERSIDE

22690 CACTUS, LLC,
a California limited liability company

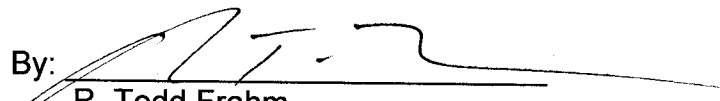
By: 
Chairman, JOHN TAVAGLIONE
Board of Supervisors

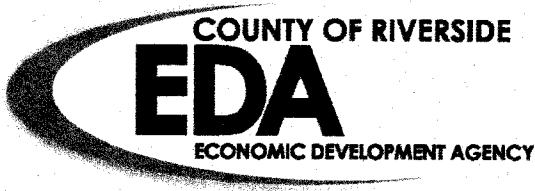
By: 
Michael O. Smith, Manager

ATTEST:
Kecia Harper-Ihem
Clerk of the Board

By: 
Deputy

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

By: 
R. Todd Frahm
Deputy County Counsel



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

4/11/17 Date

Kb Initial

NOTICE OF EXEMPTION

February 16, 2017

Project Name: County of Riverside, Economic Development Agency (EDA) Department of Public Social Services Seventh Amendment to Lease, Cactus Avenue, Moreno Valley

Project Number: FM042462002700

Project Location: 22690 Cactus Avenue, east of Elsworth Street, Moreno Valley, California 92553; Assessor's Parcel Number (APN) 297-150-014; (See Attached Exhibit)

Description of Project: The County of Riverside (County) entered into a Lease Agreement on behalf of the Department of Public Social Services (DPSS) with 22690 Cactus, LLC on December 16, 1997 for approximately 37,306 square feet of office space at the building located at 22690 Cactus Avenue in Moreno Valley, California. The County has amended the Lease Agreement six previous times, which have included tenant improvements, term extensions, rent adjustments and name changes. DPSS utilizes the facility for its Employee Training Division and the facility continues to meet the needs and requirements of DPSS. The County now desires to amend the Lease Agreement with the Lessor to extend the term, modify the rent, and conduct tenant improvements. The Lease Agreement is being amended to extend the term of the lease for an additional five years, commencing on February 1, 2017, terminating on January 31, 2022, with adjustments to the rent and annual increase. Lastly, the Lease Agreement is being amended to incorporate tenant improvements at the sole cost and expense of the Lessor. The tenant improvements consist of the replacement of all carpet and VCT, conversion of the HVAC from a pneumatic to electronic system, minor repairs to doors and restrooms, installation of corner guards, and painting of the entire facility. These revisions consist of the Seventh Amendment to the Lease Agreement, which 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 existing facilities, minor interior improvements that would not result in physical changes or an expansion of capacity. The operation of the leased area will continue to provide public social 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 22690 Cactus, LLC

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

APR 11 2017 3.21

- 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 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 Seventh 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 amendment to a Lease, which includes a term extension and minor interior tenant improvements. 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 proposed Seventh Amendment to the Lease and minor interior tenant improvements will not result in any direct or indirect physical environmental impacts. The use and operation of the building 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.

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: _____

2/16/17

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

RIVERSIDE COUNTY CLERK & RECORDER

**AUTHORIZATION
TO BILL
BY JOURNAL VOUCHER**

Project Name: Department of Public Social Services Seventh Amendment to Lease,
Cactus Avenue, Moreno Valley

Accounting String: 524830-47220-7200400000- FM042462002700

DATE: February 16, 2017

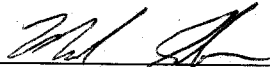
AGENCY: Riverside County Economic Development Agency

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: _____



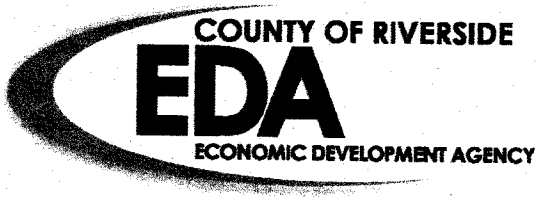
PRESENTED BY: Trea Womack, Senior Real Property Agent, Economic Development Agency

-TO BE FILLED IN BY COUNTY CLERK-

ACCEPTED BY: _____

DATE: _____

RECEIPT # (S) _____



Date: February 16, 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 # FM042462002700**
Department of Public Social Services Cactus Avenue, Seventh Amendment to Lease, Moreno Valley

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