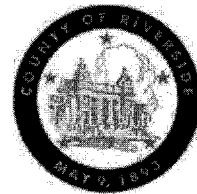


**SUBMITTAL TO THE BOARD OF SUPERVISORS  
COUNTY OF RIVERSIDE, STATE OF CALIFORNIA**



ITEM  
3.13  
(ID # 6510)

**MEETING DATE:**

Tuesday, March 27, 2018

**FROM :** ECONOMIC DEVELOPMENT AGENCY (EDA):

**SUBJECT:** Economic Development Agency (EDA): Ratification and approval of the Second Amendment to Lease with Riverside County Transportation Commission, Riverside, Ten Year Lease, CEQA Exempt, District 2, [\$176,972] (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 the State CEQA Guidelines Section 15301, Class 1 – Existing Facilities exemption, and Section 15061 (b) (3), the “Common Sense” exemption;
2. Ratify and approve the attached Second Amendment to Lease and authorize the Chairman of the Board to execute the same on behalf of the County;
3. Authorize and direct the Executive office to reimburse the Economic Development Agency (EDA) for their leasing services management fee on a monthly basis in the amount of 4.92% of the monthly rental through fiscal year 2017/18, and thereafter based upon the Board approved rates in effect at the time; and
4. Direct the Clerk of the Board to file the Notice of Exemption with the County Clerk within five days of approval by the Board.

**ACTION:** Policy

Robert Field, Assistant County Executive Officer/EDA 3/15/2018

---

**MINUTES OF THE BOARD OF SUPERVISORS**

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

Ayes: Jeffries, Tavaglione, Washington, Perez and Ashley  
Nays: None  
Absent: None  
Date: March 27, 2018  
xc: EDA, Recorder

Kecia Harper-Ihem  
Clerk of the Board

By:   
Deputy

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

<b>FINANCIAL DATA</b>	<b>Current Fiscal Year:</b>	<b>Next Fiscal Year:</b>	<b>Total Cost:</b>	<b>Ongoing Cost</b>
<b>COST</b>	\$ 176,972	\$ 0	\$ 176,972	\$ 0
<b>NET COUNTY COST</b>	\$ 0	\$ 0	\$ 0	\$ 0
<b>SOURCE OF FUNDS:</b> Reimbursement from RCTC			<b>Budget Adjustment:</b> No	
			<b>For Fiscal Year:</b> 2017/18 – 2027/28	

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

**BACKGROUND:**

**Summary**

This Second Amendment to Lease represents a request from Riverside County Transportation Commission (RCTC), to extend the lease of County owned space consisting of 14,386 square feet, located on the Third Floor Annex at 4080 Lemon Street, Riverside, California. In addition RCTC will expand into the existing space previously occupied by Western Riverside Council of Governments (WRCOG). The expansion area consists of approximately 4,884 square feet for a total combined square footage of approximately 19,270 square feet. In addition to the expansion space RCTC is requesting that the County perform certain tenant improvements consisting of one new single door with direct access to the expansion premises, reconfiguration of the storage room, installation of electrical and data drops, and new paint and carpet throughout the expansion area. RCTC will reimburse County for the tenant improvements upon acceptance of the improvements and within 30 days upon receipt of County's invoice. The Lease has been extended for a period of ten years with an annual rent increases of three percent.

Pursuant to the California Environmental quality Act (CEQA), the Second Amendment was reviewed and determined to be categorically exempt from CEQA pursuant to the State CEQA guidelines Section 15301, Class 1 – Existing Facilities and Section 15061 (b) (3), the "Common Sense" exemption. The proposed project, the Second Amendment, is the letting of property involving existing facilities with leasehold improvements and no expansion of an existing use will occur.

County Counsel has approved the Second Amendment as to form.

The Second Amendment to Lease is summarized as follows:

Location: County of Riverside  
4080 Lemon Street  
Third Floor Annex, Riverside CA

Lessee: Riverside County Transportation Commission (RCTC)

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

Previous size: 14,386 Square Feet

New size: 19,270 Square Feet

Term: Ten Years, commencing on October 26, 2017

Rent:

Current	New
\$ 2.34 per square feet	\$ 2.29 per square feet
\$ 33,623.50 per month	\$ 44,128.30 per month
\$403,482.00 per year	\$529,539.60 per year

\*New rent commences upon acceptance of the improvements

Annual Escalator: Current: Two percent                      New: Three percent

Improvements: County to complete the improvements estimated at \$168,673.00. Improvements are at Lessee's sole cost and expense. Lessee shall reimburse County upon acceptance of the improvements and within 30 days of receipt from County's invoice

Utilities: RCTC pays for all telephone services, County provides all other utility services

Custodial: County provides Custodial Services

Parking: Lessee shall be entitled to ten reserved parking spaces, all of which shall be located in the parking structure adjacent to the County Administrative Center.

**Additional Fiscal Information**

See attached Exhibit A. RCTC has budgeted for these tenant improvement costs in FY17/18 and will reimburse EDA. The revenue from RCTC goes directly to the Executive Office.

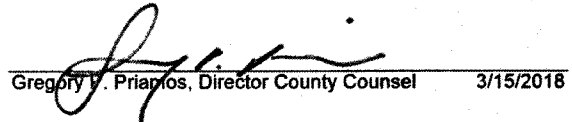
**Attachments:**

- Second Amendment to Lease
- Exhibit A
- Notice of Exemption
- Aerial

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

RF:HM:VY:CC:tg RV265 19.556 13742  
MinuteTrak: 6510

  
Rohini Dasika, Principal Management Analyst 3/19/2018

  
Gregory V. Priaplos, Director County Counsel 3/15/2018

**SECOND AMENDMENT TO LEASE**

THIS **SECOND AMENDMENT TO LEASE** ("Second Amendment") dated as of March 27, 2018, is entered by and between **COUNTY OF RIVERSIDE**, a political subdivision of the State of California, ("County") and **RIVERSIDE COUNTY TRANSPORTATION COMMISSION**, a county transportation commission ("Lessee"). County and Lessee are hereinafter collectively referred to as the "Parties".

**RECITALS**

A. County and Lessee have entered into a lease, dated October 8, 2002, (the ("Original Lease") pursuant to which County has agreed to lease to Lessee and Lessee has agreed to lease from County space within that certain building located at 4080 Lemon Street, Third Floor, Annex, Riverside, California 92501, as more particularly described in Exhibit A of the Original Lease.

B. The Parties amended the Original Lease by that certain First Amendment to Lease dated December 18, 2012, between County and Lessee, whereby the Parties amended the Original Lease to extend the term and revise the amount of the annual rent increase.

C. The Parties now desire to amend the Original Lease to extend the term of the Lease, expand the square footage and increase the annual escalator.

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

1. **TERM.** Section 4.1 of the Original Lease is deleted and replaced with the following language: The term of this Lease shall be extended for ten (10) years commencing upon October 26, 2017 and terminating on October 25, 2027.

2. **DEFINED.** Section 2.2 of the Original Lease is hereby deleted in its entirety and replaced with the following:

**2.2 Defined.** The Premises shall consist of that certain portion of the Project, as defined herein, and as shown on Exhibit "A-1", including all improvements therein or

MAR 27 2018 3.13

1 to be provided by County under the terms of this Lease, and commonly known as 4080  
2 Lemon Street, Third Floor, Annex, located in the City of Riverside, State of California,  
3 and generally described as office space consisting of approximately 19,270 square  
4 feet, including the common core areas, as shown on the floor plan attached as Exhibit  
5 "A-1". In addition, Lessee shall be entitled to ten (10) reserved parking spaces, all of  
6 which shall be located in the parking structure adjacent to the County Administrative  
7 Center, as set forth on attached Exhibit "H". Lessee has not been granted any  
8 easements of light, air, or access. Lessee's rights are limited to the use and  
9 occupancy of the Premises and the right to use the Common Areas, as defined herein,  
10 as they may exist from time to time, all subject to the terms, covenants, conditions, and  
11 provisions of this Lease. The Premises, the building, the Common Areas, the land  
12 upon which they are located, along with all other buildings and improvements thereon,  
13 are herein collectively referred to as the "Project".

14 3. RENT. Section 5.1 of the Original Lease is deleted and replaced with the  
15 following:

16 Lessee shall pay the sum of \$44,128.30 per month to County as rent ("Rent") for  
17 consideration and occupancy of the Premises, payable, in advance, on the first day of  
18 the month; provided, however, in the event Rent is owing which is for less than one (1)  
19 full calendar month, said Rent shall be pro-rated based upon the actual number of days  
20 of said month. Said Rent shall commence upon acceptance of the Additional  
21 Improvements by Lessee ("Rent Commencement Date"). The Rent shall be increased  
22 annually on each anniversary of the Rent Commencement Date by an amount equal to  
23 three percent (3%) of such Rent.

24 4. TENANT IMPROVEMENT REIMBURSEMENT. Section 10.1 of the Original  
25 Lease is hereby amended by adding the following:

26 **10.1.4** County shall complete the leasehold improvements within the expansion  
27 space as set forth in Exhibit "I" ("Additional Improvements"), attached hereto and  
28 incorporated herein by reference. The Additional Improvements shall be at Lessee's

1 sole cost and expense. Upon completion and acceptance of all Additional  
2 Improvements, County shall provide Lessee with an itemized invoice for the costs of  
3 the Additional Improvements. Lessee shall reimburse County for said costs within  
4 thirty (30) days of receipt of County's invoice.

5 5. EXHIBITS "A-1" and "I". Exhibit "A" of the Original Lease is hereby replaced  
6 with the Exhibit "A-1" attached hereto. The Original Lease is also hereby amended by  
7 adding the Exhibit "I" attached hereto.

8 6. CAPITALIZED TERMS; SECOND AMENDMENT TO PREVAIL. Unless defined  
9 herein or the context requires otherwise, all capitalized terms herein shall have the  
10 meaning defined in the Original Lease, as heretofore amended. The provisions of this  
11 Second Amendment shall prevail over any inconsistency or conflicting provisions of the  
12 Original Lease.

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


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


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

3  
4 Dated: MAR 27 2018

6 COUNTY:  
7 COUNTY OF RIVERSIDE, a political  
8 subdivision of the State of California

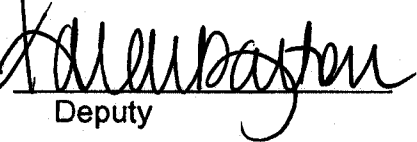
LESSEE:  
RIVERSIDE COUNTY TRANSPORTATION  
COMMISSION, a county transportation  
commission

9 By:   
10 Chuck Washington, Chairman  
Board of Supervisors

By:   
Anne Mayer, Executive Officer

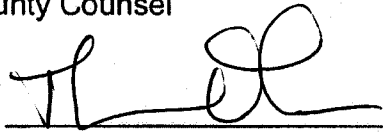
11 ATTEST:  
12 Kecia Harper-Ihem  
13 Clerk of the Board

APPROVED AS TO FORM:  


14 By:   
15 Deputy

By: \_\_\_\_\_  
Best Best & Krieger LLP  
Counsel to the Riverside County  
Transportation Commission

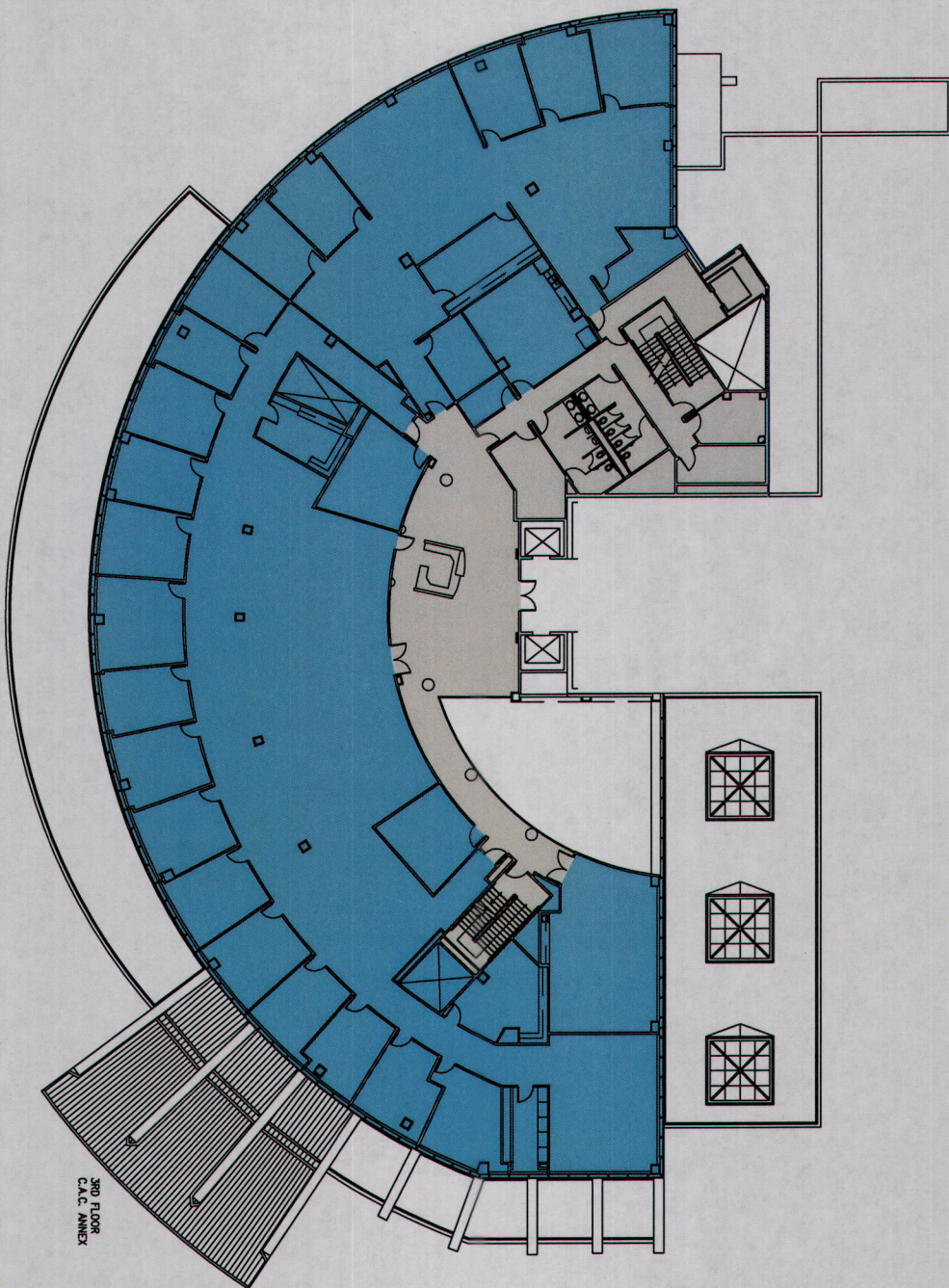
16 APPROVED AS TO FORM:  
17 Gregory P. Priamos  
18 County Counsel

19 By:   
20 Thomas Oh  
21 Deputy County Counsel

22  
23 CC:ra/022118/RV265 RCTC/19.135

24  
25  
26  
27  
28





3RD FLOOR  
C.A.C. ANNEX

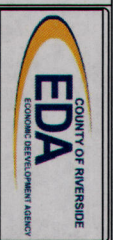
SPACE MANAGEMENT LEGEND		
DEPARTMENT	COLOR	SQ. FT.
County Code		3,663
Riverside County Transportation		15,609
Open/Unfilled		19,270
<b>TOTAL</b>		<b>19,270</b>

REVISIONS	DATE	BY	DESCRIPTION

PROJECT TITLE:  
**RV1005 - CAC ANNEX**  
4080 Lemon Street

SHEET TITLE:  
3rd Floor Space Plan

DIVISION  
SPACE MANAGEMENT  
3901 LIME ST. RIVERSIDE CA 92507  
PH: (951)955-0067 FAX: (951)955-3802



FILE: RV1005 - Space Plan.dwg  
PROJECT NO: B.H.  
DRAWN BY: B.H.  
DATE: N/A  
SCALE: N/A  
PAGE NO: 1 OF 1

SHEET:  
**A1.30**



**EXHIBIT "I"**  
**LEASEHOLD IMPROVEMENTS**

1.	County Design	\$10,000.00
2.	Project Management	\$18,913.00
3.	County Administration	\$ 8,000.00
4.	Paint	\$23,423.00
5.	Carpet	\$51,779.00
6.	Door Opening between Suites	\$ 5,033.00
7.	Wall Configuration	\$ 3,525.00
8.	Electrical Drops	\$18,000.00
9.	Project Contingency	\$30,000.00
	<b>Total</b>	<b>\$168,673.00</b>

**Leasehold Improvement Descriptions:**

1. County Design fees: Architectural, Engineering, City plan check and permit fees.
2. Project Management: Project Management Labor.
3. County Administration: Plan check, County Inspection, County Counsel fees, and specialty consultants if required.
4. Paint specifications: to match existing
5. Carpet specifications: Carpets by Shaw, type - carpet tile, style number 59340, color – harboring desire #40485, multilevel pattern loop with lifetime commercial limited warranty. Cost includes delivery, labor and removal and disposing existing carpet and installing new carpet tiles.
6. Door specifications: 1 - 3'-0 x 7' x 1/34" thick solid core flush wood door with high pressure laminate finish, non-fire rate, as manufactured by Oshkosh Architectural door. 1 Modulex SMR Frame self-mortising, nonhanded, and reversible, 5 ¼ throat size, commercial clear anodized aluminum finish. Lockset shall be Corbin Russwin ML2010, Grade 1 mortise lock, Lustra lever, T rose, Passage function F01, Satin Stainless steel finish with 1 ½ pair, 4"x4: Stanley five knuckle plain bearing standard weight full mortise butt hinges.
7. Wall Configuration: Reconfigure supply room wall to straight wall from triangular shape.
8. Electrical Drops: Four dedicated electrical drops within the expansion suite, third floor annex and includes reconfiguration of existing electrical system and voice and data.
9. Project Contingency: Overhead for any unforeseen construction costs.

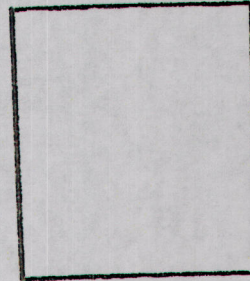
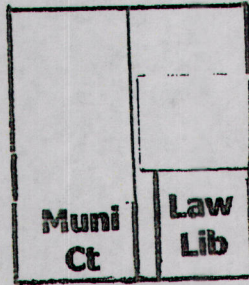
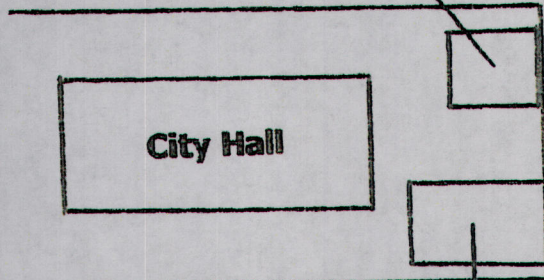


# Riverside County Employee lots

- Employee lots —●—
- County Vehicles —●—
- Pay parking —●—
- Restricted parking —●—

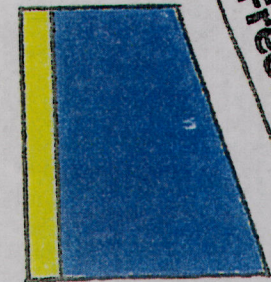
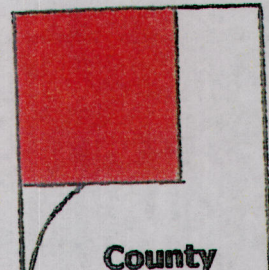
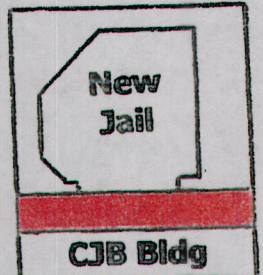
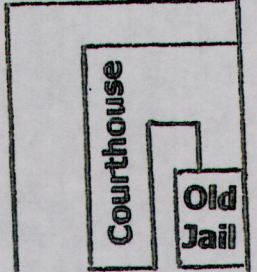
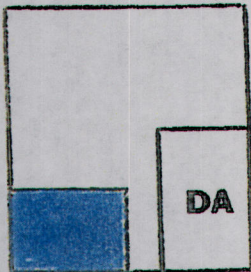
Ninth Street

Virginia Bldg



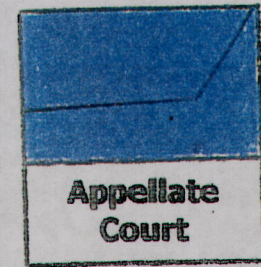
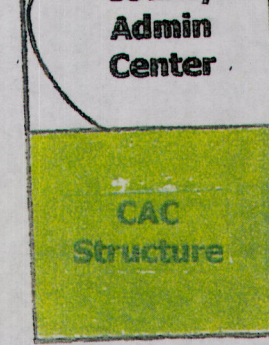
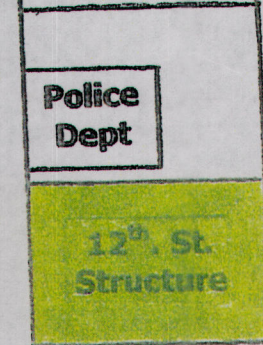
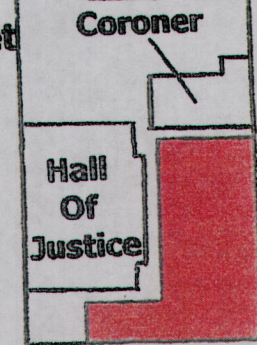
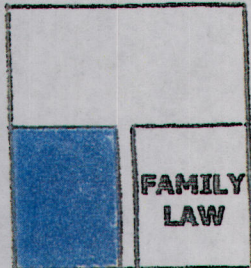
Tenth Street

Lerner Bldg

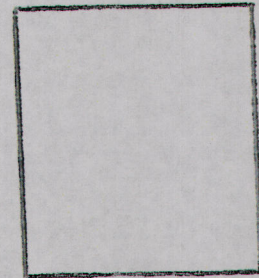
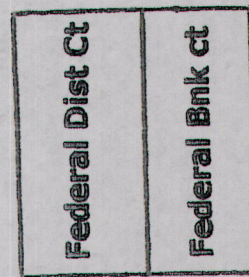
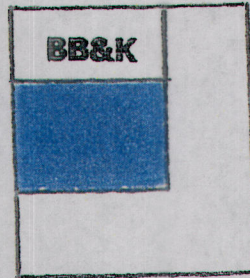
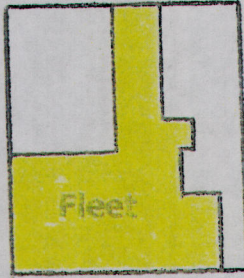
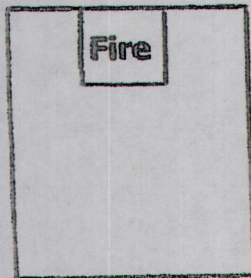


Eleventh Street

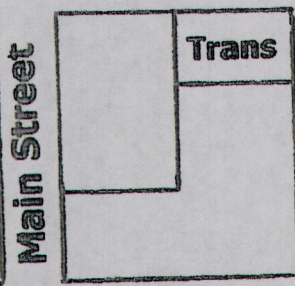
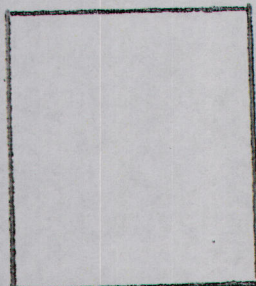
Coroner



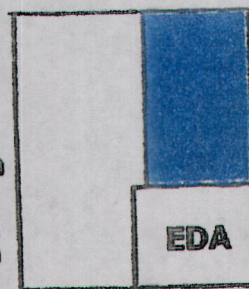
Twelfth Street



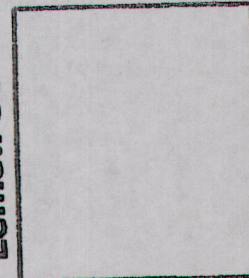
Thirteenth Street



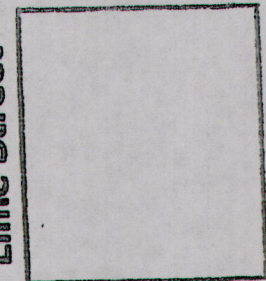
Orange Street



Lemon Street



Lime Street



Fourteenth Street

91 Freeway

EXHIBIT "H"





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

3/28/18 Date

Initial

NOTICE OF EXEMPTION

January 10, 2018

Project Name: County of Riverside, Riverside County Transportation Commission Second Amendment to the Lease Agreement, County Administration Center, Riverside

Project Number: FM0047611026500

Project Location: 4080 Lemon Street, Third Floor Annex, south of 10th Street, Riverside, California 92501; Assessor's Parcel Number (APN) 215-131-007 (See Attached Exhibit)

Description of Project: The Riverside County Transportation Commission (RCTC) has been leasing approximately 14,386 square feet of County-owned office space on the Third Floor Annex of the County Administration Center, located at 4080 Lemon Street, Riverside, California. RCTC would like to continue using the space, and also occupy the adjacent space recently occupied by the Western Riverside Council of Governments, consisting of approximately 4,884 square feet. A Second Amendment to the Lease Agreement is being proposed for a new ten-year lease, consisting of 19,270 square feet of office space and is identified as the proposed project under the California Environmental Quality Act (CEQA). The proposed project also includes minor interior tenant improvements to make the additional space functional for RCTC. The tenant improvements include one new door with direct access to the expansion area, reconfiguration of the storage room, installation of electrical and data drops, and new paint and carpet throughout the leased space. RCTC would continue to occupy their existing space as well as the adjacent space, and no change in land use would occur. The tenant improvements as part of the expansion would minor and would not result in direct or indirect physical impacts.

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, Riverside County Transportation Commission

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 does the Project include unusual circumstances which could have the possibility a significant effect on the environment. The Project would not result in impacts to scenic highways, hazardous waste sites, historic resources, or other sensitive natural environments, or have a cumulative effect to the environment. No significant environmental impacts are anticipated to occur with the Lease Agreement.

MAR 27 2018 3.13

P.O. Box 1180 • Riverside, California • 92502 • T: 951-955-8914 • F: 951-955-6686 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

S:\Templates\EDA-006a-Letterhead-Color.doc

- **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 includes minor modifications to an existing building which would be limited to interior or exterior alterations as defined under 15301 (a). The Lease and minor alterations will not increase or expand the use of the site, and is limited to the continued use of the site in a similar capacity; therefore, the Project is exempt as the Project meets the scope and intent of the Class 1 Exemption identified in Section 15301, Article 19, Categorical Exemptions of the CEQA Guidelines.
- **Section 15061 (b) (3) – “Common Sense” Exemption:** In accordance with CEQA, the use of the Common Sense Exemption is based on the “general rule that CEQA applies only to projects which have the potential for causing a significant effect on the environment.” State CEQA Guidelines, Section 15061(b) (3). The use of this exemption is appropriate if “it can be seen with certainty that there is no possibility that the activity in question may have a significant effect on the environment.” *Ibid.* This determination is an issue of fact and if sufficient evidence exists in the record that the activity cannot have a significant effect on the environment, then the exemption applies and no further evaluation under CEQA is required. See *No Oil, Inc. v. City of Los Angeles* (1974) 13 Cal. 3d 68. The ruling in this case stated that if a project falls within a category exempt by administrative regulation or 'it can be seen with certainty that the activity in question will not have a significant effect on the environment', no further agency evaluation is required. With certainty, there is no possibility that the Project may have a significant effect on the environment. The proposed Second Amendment to the Lease and minor alterations will not result in any direct or indirect physical environmental impacts. The use and operation of the facility will be substantially similar to the planned use and associated entitlements which were completed prior to the construction of the existing building, which took into the account all of the potential effects that could result from a fully-occupied facility. The use of the office space by RCTC would be consistent with the planned use, and; 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: 1/10/18

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

RIVERSIDE COUNTY CLERK & RECORDER

AUTHORIZATION  
TO BILL  
BY JOURNAL VOUCHER

**Project Name:** Riverside County Transportation Commission, 2nd Amendment to Lease, Riverside CAC

**Accounting String:** 524830-47220-7200400000- FM047611026500

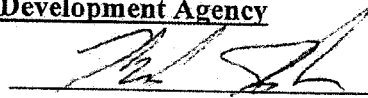
**DATE:** January 10, 2018

**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:** Cindy Campos, Real Property Agent III, Economic Development Agency

-TO BE FILLED IN BY COUNTY CLERK-

ACCEPTED BY: -

DATE: -

RECEIPT # (S) -



Date: January 10, 2018  
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 # FM047611026500**  
Riverside County Transportation Commission, 2<sup>nd</sup> Amendment to Lease, Riverside CAC

The Riverside County's Economic Development Agency's Project Management Office is requesting that you post the attached Notice of Exemption. Attached you will find an authorization to bill by journal voucher for your posting fee.

After posting, please return the document to:

**Mail Stop #1330**

**Attention: Mike Sullivan, Senior Environmental Planner,**

**Economic Development Agency,**

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

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

Attachment

cc: file