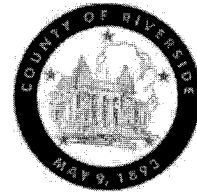


SUBMITTAL TO THE BOARD OF SUPERVISORS  
COUNTY OF RIVERSIDE, STATE OF CALIFORNIA



ITEM  
3.30  
(ID # 9791)

**MEETING DATE:**

Tuesday, May 7, 2019

**FROM :** ECONOMIC DEVELOPMENT AGENCY (EDA) AND PUBLIC HEALTH; EMERGENCY MANAGEMENT DEPARTMENT :

**SUBJECT:** ECONOMIC DEVELOPMENT AGENCY (EDA): Second Amendment to Lease, RUHS Public Health; Emergency Management Department, Ten Year Lease Extension, District 1, CEQA Exempt, [\$7,476,771], Public Health Grants 54%, Emergency Management Department Fees 46% (Clerk of the Board to File the Notice of Exemption) (Continued from April 30th BOS Agenda)

**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 and 15061 (b) (3);
2. Approve the Second Amendment and authorize the Chairman of the Board to execute the Second Amendment on behalf of the County; and
3. Direct Clerk of the Board to file the Notice of Exemption with the County Clerk within five (5) days of approval of the project.


**ACTION:Policy**

  
Robert Field, Assistant County Executive Officer/ECD

5/2/2019

  
Kim Saruwatari, Director of Public Health

5/2/2019

  
Bruce Barton, EMD Director

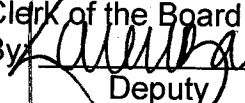
5/2/2019

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**MINUTES OF THE BOARD OF SUPERVISORS**

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

Ayes: Jeffries, Spiegel, Washington, Perez and Hewitt  
Nays: None  
Absent: None  
Date: May 7, 2019  
xc: EDA, EMD, Public Health, Recorder

Kecia Harper  
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>  | \$ 364,052                  | \$ 1,100,676             | \$ 7,476,771                            | \$ 0                |
| <b>NET COUNTY COST</b>   | \$ 0                        | \$ 0                     | \$ 0                                    | \$ 0                |
| <b>SOURCE OF FUNDS:</b> RUHS Public Health Grants 54%;<br>Emergency Management Department Fees 46% |                             |                          | <b>Budget Adjustment: No</b>            |                     |
|  |                             |                          | <b>For Fiscal Year: 2018/19-2028/29</b> |                     |

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

**BACKGROUND:**

**Summary**

In July of 2008, the Board of Supervisors approved a Lease Agreement for the Community Health Agency for warehouse and office space located at 14539 Innovation Drive, Riverside, CA. The office and warehouse space continue to provide the necessary space requirements, now for the Public Health Department (Public Health) as well for the Emergency Management Department (EMD), to facilitate emergency services to the community in the event of a national disaster. Public Health and EMD desire to extend the lease and to have the Lessor complete certain tenant improvements.

EDA has assisted Public Health and EMD by negotiating a ten year lease at a reduced rate, reduced annual escalator, and tenant improvements. Tenant improvements estimated at \$800,000.00 shall be at Lessor's sole cost and expense. Lessor shall deliver to County the following improvements within two to six month time frame: Replace the existing 4-ton roof top heating and air conditioning unit to service the computer server room with a new unit, replace an existing 7.5 ton roof top heating and air conditioning unit to the Pharmacy storage room with a new unit, install a new 5-ton split a/c system inside of the Pharmacy storage room as a secondary cooling unit, and complete other necessary tenant improvements.

The Lease terms are summarized below:

**Location:** 14539 Innovation Drive, Riverside, CA

**Lessor:** Donald E. Russell, Falcon BP II, LLC, a California LLC  
4 Upper Newport Plaza, Suite 100, Newport Beach, CA 92660

**Size:** 48,442 square feet

**Term:** Ten years, commencing on March 12, 2019 and expiring on March 11, 2029

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

Annual Escalator: Reduced from 3% to 2.5%

| Rent: | <u>Current</u>                   | <u>New</u>                        |
|-------|----------------------------------|-----------------------------------|
|       | \$ .87 PSF                       | \$ .86 PSF                        |
|       | \$ 42,332.43 Per Month           | \$ 41,550.00 Per Month            |
|       | \$ <u>7,340.04</u> TI Rent       | \$ <u>0</u> TI Rent               |
|       | \$596,070.00 Total Rent Per Year | \$498, 600.00 Total Rent Per Year |

Custodial: Provided by Lessor

Maintenance: Provided by Lessor. County shall be responsible for maintaining the Generator including current status of the required SCAQMD annual permit, fees, rules and regulations

Utilities: County pays for electric and phone, Lessor pays for all other utilities

Tenant Improvements: To be completed by Lessor, at Lessor's sole cost and expense

**Impact on Citizens and Businesses**

Public Health and Emergency Management Department remaining at this site will continue to distribute emergency equipment, epidemic pharmaceutical medications, emergency equipment and supplies and assistance to the community in the event of a national disaster.

**Additional Fiscal Information**

Public Health and Emergency Management Department will budget these costs in FY 2018/19 and will reimburse EDA for all lease costs on a monthly basis.

**Contract History and Price Reasonableness**

This contract has been in place since July 29, 2008.

**Attachments:**

- Second Amendment
- Exhibits A, B and C
- Notice of Exemption
- Aerial Map

RF:HM:VY:SG:CC:mc RV376 15954 20.467  
Minute Traq ID 9260

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

  
Rohini Dasika, Principal Management Analyst 5/2/2019

  
Gregory F. Priamos, Director County Counsel 5/2/2019

# Exhibit A

**FY 2018/19**  
**Public Health / Emergency Management Department**  
**14539 Innovation Drive, Riverside**

***ESTIMATED AMOUNTS***

**Total Square Footage to be Leased:**

|  |             |                      |
|--|-------------|----------------------|
| Current Office:                                      | 48,442 SQFT |                      |
| Approximate Cost per SQFT (Jul-Feb)                  | \$ 0.87     |                      |
| Approximate Cost per SQFT (Mar-Jun)                  | \$ 0.86     |                      |
| Lease Cost per Month (Jul-Feb)                       |             | \$ 42,332.43         |
| Lease Cost per Month (Mar-Jun)                       |             | \$ 41,550.00         |
| Total Lease Cost (Jul-Feb)                           |             | \$ 338,659.44        |
| Total Lease Cost (Mar-Jun)                           |             | \$ 166,200.00        |
| <b>Total Estimated Lease Cost for FY 2018/19</b>     |             | <b>\$ 504,859.44</b> |
| Custodial Cost per Month (Jul-Feb)                   | \$ 2,100.00 |                      |
| Custodial Cost per Month (Mar-Jun)                   | \$ 2,100.00 |                      |
| Total Custodial Cost (Jul-Feb)                       |             | \$ 16,800.00         |
| Total Custodial Cost (Mar-Jun)                       |             | \$ 8,400.00          |
| <b>Total Estimated Custodial Cost for FY 2018/19</b> |             | <b>\$ 25,200.00</b>  |

**Estimated Additional Costs:**

|  |           |                      |
|--|-----------|----------------------|
| Utility Cost per SQFT                              | \$ 0.12   |                      |
| Estimated Utility Costs per Month                  |           | \$ 5,813.04          |
| Total Estimated Utility Cost (Jul-Feb)             |           | \$ 46,504.32         |
| Total Estimated Utility Cost (Mar-Jun)             |           | \$ 23,252.16         |
| <b>Total Estimated Utility Cost for FY 2018/19</b> |           | <b>\$ 69,756.48</b>  |
| EDA Lease Management Fee prior to 03/12/2019       | 4.21%     | \$ 14,257.56         |
| EDA Lease Management Fee as of 03/12/2019          | 4.92%     | \$ 166,200.00        |
| <b>TOTAL ESTIMATED COST FOR FY 2018/19</b>         |           | <b>\$ 780,273.48</b> |
| Amount Previously Approved in Prior Agreement      |           | \$ 416,221.32        |
| Amount in FY 2018/19 for New Amendment             |           | \$ 364,052.16        |
| <b>TOTAL COUNTY COST</b>                           | <b>0%</b> | <b>\$ -</b>          |

# Exhibit B

FY 2019/20

Public Health / Emergency Management Department

14539 Innovation Drive, Riverside

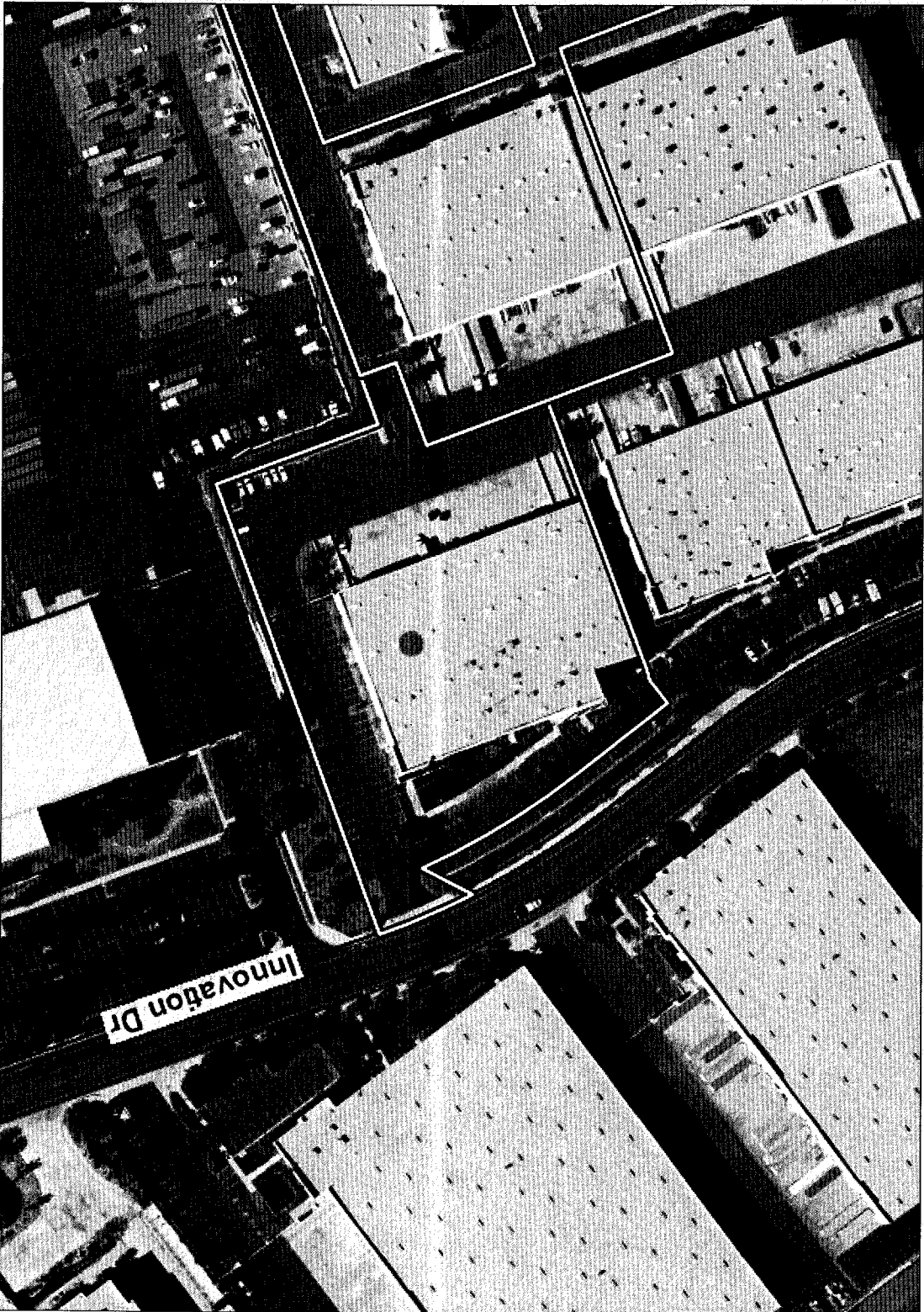
## ESTIMATED AMOUNTS

### Total Square Footage to be Leased:

|  |             |                        |
|--|-------------|------------------------|
| Current Office:                                      | 48,442 SQFT |                        |
| Approximate Cost per SQFT (Jul-Feb)                  | \$ 0.86     |                        |
| Approximate Cost per SQFT (Mar-Jun)                  | \$ 0.88     |                        |
| Lease Cost per Month (Jul-Feb)                       |             | \$ 41,550.00           |
| Lease Cost per Month (Mar-Jun)                       |             | \$ 42,588.75           |
| Total Lease Cost (Jul-Feb)                           |             | \$ 332,400.00          |
| Total Lease Cost (Mar-Jun)                           |             | \$ 170,355.00          |
| <b>Total Estimated Lease Cost for FY 2019/20</b>     |             | <b>\$ 502,755.00</b>   |
| Custodial Cost per Month (Jul-Feb)                   |             | \$ 2,100.00            |
| Custodial Cost per Month (Mar-Jun)                   |             | \$ 2,152.50            |
| Total Custodial Cost (Jul-Feb)                       |             | \$ 16,800.00           |
| Total Custodial Cost (Mar-Jun)                       |             | \$ 8,610.00            |
| <b>Total Estimated Custodial Cost for FY 2019/20</b> |             | <b>\$ 25,410.00</b>    |
| <b><u>Estimated Additional Costs:</u></b>            |             |                        |
| Utility Cost per SQFT                                | \$ 0.12     |                        |
| Estimated Utility Costs per Month                    |             | \$ 5,813.04            |
| Total Estimated Utility Cost (Jul-Jun)               |             | \$ 69,756.48           |
| EDA Lease Management Fee as of 03/12/2019            | 4.92%       | \$ 502,755.00          |
| <b>TOTAL ESTIMATED COST FOR FY 2019/20</b>           |             | <b>\$ 1,100,676.48</b> |
| <b>TOTAL COUNTY COST</b>                             | <b>0%</b>   | <b>\$ -</b>            |



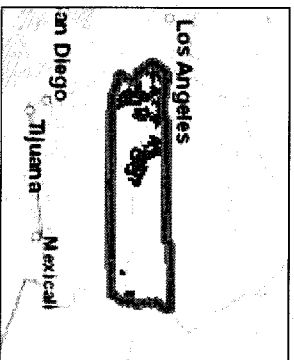
**Second Amendment to Lease**  
 14539 Innovation Drive, Riverside, CA



**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... 2/13/2019 3:19:53 PM

© Riverside County GIS



- Legend**
- County Centerline Names
  - County Centerlines
  - World Street Map

**Notes**  
 APN2972310145, District 1



1 **SECOND AMENDMENT TO LEASE**

2 **RUHS – PUBLIC HEALTH / Emergency Management Department**

3 14539 Innovation Drive, Riverside, California 92518

4 This **SECOND AMENDMENT TO LEASE** (“**Second Amendment**”) dated as of  
5 May 7, 2019 is entered between the **COUNTY OF RIVERSIDE**, a political  
6 subdivision of the State of California (“**County**”), and **FALCON BP II LLC**, a California  
7 limited liability company as successor-in-interest to Falcon Business Park, LLC, a  
8 California limited liability company (“**Lessor**”), sometimes collectively referred to as the  
9 (“**Parties**”).

10 **1. Recitals.**

11 a. Lessor and County entered into that certain lease dated July 29, 2008 (the  
12 “**Lease**”), pursuant to which Lessor agreed to lease to County and County agreed to  
13 lease from Lessor a portion of that certain building located at 14539 Innovation Drive,  
14 Riverside, California, APN 297-231-014-5, under the jurisdiction the March Joint  
15 Powers Authority (the “**JPA**”), (the “**Building**”), as more particularly described in the  
16 Lease (the “**Premises**”). On January 5, 2017 Falcon Business Park, LLC assigned the  
17 Lease to Falcon BP II LLC, a California limited liability company (the “**Lessor**”).

18 **b. The Lease has been amended by:**

19 The First Amendment to Lease dated November 1, 2016 by and between  
20 County and Falcon Business Park, LLC (the “**First Amendment**”) whereby the Parties  
21 amended the Lease to compensate Lessor by increasing the rent rate by two thousand,

MAY 07 2019

3.30

1 one hundred dollars (\$2,100.00) per month to cover the cost to include custodial  
2 services for the remainder of the Lease term.

3 c. The Original Lease together with the First Amendment and Second  
4 Amendment are collectively referred to as the "Lease."

5 d. The County and Falcon BP II, LLC (Lessor) now desire to further amend the  
6 Lease to among other things extend the term period, amend the rent terms, and in  
7 exchange for Lessor providing significant tenant improvements pursuant to Exhibit "A"  
8 hereto and made a part of this Second Amendment, County shall be responsible for  
9 maintaining the existing 250 KVA Diesel Generator, pursuant to Exhibit "B-1" hereto  
10 and made a part of this Second Amendment.

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

13 **2. Term.** Section 4.1 shall be deleted in its entirety and replaced with the following:  
14 This Lease shall be extended for a period of ten (10) years, commencing on March 12,  
15 2019 and expiring on March 11, 2029 (the "Expiration Date").

16 **3. Rent.** Section 5.1 of the Lease is hereby amended by the following:

17 **5.1. Rent.** Effective March 12, 2019 County shall pay the sum of \$41,550.00  
18 per month to Lessor as rent for the Leased Premises, payable, in advance, on the first  
19 day of the month or as soon thereafter as a warrant (i.e. government check) can be  
20 issued in the normal course of County's business; provided, however, in the event rent  
21 for any period during the term hereof which is for less than (1) full calendar month said

1 rent shall be pro-rated based upon the actual number of days of said month.

2 **4. Percentage Increase.** Section 5.2. shall be deleted in its entirety and replaced  
3 with the following: Notwithstanding the provisions of Section 5.1 herein, the monthly  
4 rent shall be increased on each anniversary of this Second Amendment by an amount  
5 equal to two and one half percent (2.5%) of such monthly rent.

6 **5. Periodic Services.** Section 10.5 of the lease shall be amended by adding the  
7 following: Lessor shall service the Elkay water bottle filling station and change the filter  
8 as recommended by the vendor, and drain the water pan as required.

9 **6. Repairs and Maintenance.** Section 10.6 shall be added to the lease as follows:  
10 "County Maintenance". County shall perform the required maintenance on the existing  
11 250 KVA Diesel Generator as outlined on Exhibit "B" attached hereto and made a part  
12 of the Second Amendment.

13 **7. Improvements by Lessor.** Section 11.1 shall remain in full effect. In addition,  
14 Lessor, at Lessor's sole cost and expense, shall provide the tenant improvements  
15 outlined in Exhibit "A". Such tenant improvements outlined in Exhibit "A" shall, as  
16 applicable, be undertaken according to Exhibit "F", General Construction Specifications  
17 of the Leased Facilities, of the Original Lease. However, Exhibit "B", Leasehold  
18 Improvement Agreement, of the Original Lease shall not apply to the tenant  
19 improvements by Lessor outlined in Exhibit "A" of this Second Amendment.

20 **8. Miscellaneous.** Except as amended or modified herein, all the terms of the  
21 Lease shall remain in full force and effect and shall apply with the same force and

1 effect. If any provisions of the Second Amendment or the Lease shall be determined to  
2 be illegal or unenforceable, such determination shall not affect any other provision of  
3 the Lease and all such other provisions shall remain in full force and effect. This  
4 Second Amendment, the Lease and any of its prior addenda, any notice or  
5 memorandum regarding the terms hereof, shall not be recorded by County.

6 **9. Effective Date.** This Second Amendment shall not be binding or consummated  
7 until its approval by both the Lessor and the Chairman of the Riverside County Board of  
8 Supervisors.

9 (Signatures on following page)

1           **IN WITNESS WHEREOF**, the parties have executed this Second Amendment to

2 Lease as of the date first written above.

3  
4 **Lessee:**  
5 **COUNTY OF RIVERSIDE**


6 **Lessor:**  
7 **FALCON BP II, LLC** a  
8 a California  
9 limited liability company

10 By:   
11 Kevin Jeffries, Chairman  
12 Board of Supervisors

13 By:   
14 Donald E. Russell  
15 Managing Member

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

19 By:   
20 Wesley Stanfield,  
21 Deputy County Counsel

ATTEST:  
KEGIA R. HARPER, Clerk  
By:   
DEPUTY

CC:jb/041019/RV376/20.464

1 **EXHIBIT "A"**

2 **TENANT IMPROVEMENTS BY LESSOR**

3 1. Replace the existing 4-ton roof top heating and air conditioning package  
4 unit to the Computer Server Room with 1- York 4-ton package heat pump 460 volt 3  
5 phase unit within six (6) months of approved Lease;

6 2. Replace the existing 7.5 ton roof top heating and air condition package  
7 unit to the Pharmacy storage room, with 1-7.5 ton York package heat pump 2-stage, 1-  
8 Factory adaptor, curb hook up sheet metal plenum and install a new electrical  
9 disconnect hook up low voltage unit within six (6) months of the approved Lease;

10 3. Install 1 new 5-ton condenser, 1-York 5-ton air handler, 1 sheet metal  
11 plenum with return and supply registers, 1-A/C pad, thermostat cable, 1-condensate  
12 pump, split cooling system inside the Pharmacy Storage Room as a secondary cooling  
13 unit. This unit alone is not designed to replace the 7.5 ton unit that will be replaced  
14 with new under item 2 above. This unit shall be installed within two (2) months of the  
15 approved of the Lease;

16 4. Install a new water bottle filing station with filter and chiller in the hallway  
17 near the breakroom. Model Number LZWS8PK (Elkay EZH20 In-Wall Bottle Filing  
18 Station). This In-Wall Bottle Filing Station shall be installed within two (2) months of  
19 the approved Lease;

20 5. Install one (1) water hose bib on interior rear wall near loading docks  
21 within six (6) months of the approved Lease.

1  
2 **EXHIBIT "B-1"**

3 **250 KVA GENERATOR MAINTENANCE REQUIREMENTS TO BE PROVIDED BY COUNTY**

4 Effective March 12, 2019, County shall maintain the 250 KVA generator at its  
5 sole cost, and perform the following:

6 1. Maintain current status of the required SCAQMD Annual Permit to  
7 operate the generator, including permit fees, rules of operation and required  
8 maintenance;

9 2. Complete required semi-annual testing, load back testing, inspections,  
10 repairs, and part replacement by a qualified vendor;

11 3. Maintain written logs on the generator run times, maintenance and  
12 repairs;

13 4. County to provide copies of above items 1, 2 and 3 to Lessor, every  
14 calendar quarter;

15 5. Replenish all diesel fuel to appropriate levels;

16 6. County shall not be responsible for the major breakdown of 250 KVA  
17 Generator due to material failure of the generator, if County properly maintains in  
18 accordance with items 1 through 5 above; and

19 In the event of a major breakdown due to material failure, and not a result of  
20 neglected maintenance, which exceeds fifty thousand dollars (\$50,000.00), or if the  
21 generator cannot be repaired, Lessor at Lessor's sole cost and expense shall then  
replace the generator with same type or model of 250KVA within a reasonable  
timeframe as agreed by Lessor and County.



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

5/14/19 Date

WB Initial

NOTICE OF EXEMPTION

April 15, 2019

Project Name: Second Amendment to Lease, Riverside University Health System-Public Health and Emergency Management Department, Innovation Drive, Riverside

Project Number: FM042611037600

Project Location: 14539 Innovation Drive, south of Cactus Avenue, Riverside, California 92518; Assessor's Parcel Number (APN) 297-231-014-5 (See attached exhibit)

Description of Project: The County of Riverside (County) proposes to amend and extend the term of the lease with Falcon BP II, LLC (Lessor), commencing on March 12, 2019 and ending March 11, 2029. The Emergency Management Department (EMD), formerly known as the Emergency and Preparedness Branch and under the Department of Public Health, has occupied the warehouse space since 2008. EMD now operates as an independent unit and although the same staff exists within the facility, some are now part of EMD and the remaining staff belong with Public Health. The location continues to meet the needs of both EMD and Public Health and this Second Amendment to the Lease Agreement extends the lease ten years. Included in the lease renewal are tenant improvements, which include the replacement of the existing 4-ton roof top heating and air conditioning package unit to service the computer server room with a new package unit; replacement of an existing 7.5 ton roof top heating and air condition package unit to the Pharmacy storage room with a new unit; installation a new 5-ton split cooling system inside of the Pharmacy storage room as a secondary cooling unit; installation of a new water bottle filler station with filter and chiller; and installation of one water hose bib on interior rear of warehouse wall near loading docks. The extension of the lease and tenant improvements is identified as the proposed project under California Environmental Quality Act (CEQA). The leased premise consists of approximately 48,442 square feet and the proposed project is the letting of property involving existing facilities with minor tenant improvements to maintain the functionality of the facility; no expansion of an existing use will occur. The operation of the facility will continue to provide public services and will not result in an increase in the intensity of use of the site. 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, Falcon BPII, 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.

MAY 07 2019 3.30

- 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

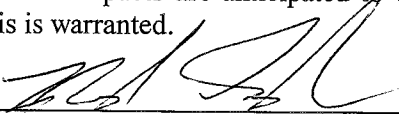


**Reasons Why Project is Exempt:** The proposed project is categorically exempt from the provisions of CEQA specifically by the State CEQA Guidelines as identified below. The project will not result in any specific or general exceptions to the use of the categorical exemption as detailed under State 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 Second Amendment to the Lease.

- **Section 15301 – Class 1 Existing Facilities Exemption:** This categorical exemption includes the operation, repair, maintenance, leasing, or minor alteration of existing public or private structures or facilities, provided the exemption only involves negligible or no expansion of the previous site's use. The project, as proposed, is limited to an amendment to a lease and is limited to minor alterations of the existing building, including replacement of HVAC equipment. The project 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 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. Alterations to the facility are limited to minor tenant improvements to maintain the functionality and security of the building and no expansion or increase in intensity of use would occur. 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: \_\_\_\_\_

7/15/19

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

**RIVERSIDE COUNTY CLERK & RECORDER**

**AUTHORIZATION  
TO BILL  
BY JOURNAL VOUCHER**

**Project Name: Riverside University Health System-Public Health and Emergency  
Management Division Second Amendment to Lease Innovation Drive, Riverside**

**Accounting String: 524830-47220-7200400000 - FM042611037600**

DATE: February 19, 2019

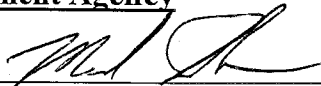
AGENCY: Riverside County Economic Development Agency

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, Senior Real Property Agent, Economic Development  
Agency

-TO BE FILLED IN BY COUNTY CLERK-

ACCEPTED BY: \_\_\_\_\_

DATE: \_\_\_\_\_

RECEIPT # (S) \_\_\_\_\_



Date: February 19, 2019

To: Kiyomi Moore/Josefina Castillo, Office of the County Clerk

From: Mike Sullivan, Senior Environmental Planner, Project Management Office

Subject: **County of Riverside Economic Development Agency Project # FM042611037600**  
Riverside University Health System-Public Health and Emergency Management Division Second  
Amendment to Lease Innovation Drive, Riverside

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

**After posting, please return the document to:**

**Mail Stop #1330**

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

**Economic Development Agency,**

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

**If you have any questions, please contact Mike Sullivan at 955-8009 or email at [msullivan@rivco.org](mailto:msullivan@rivco.org).**

Attachment

cc: file

MINUTES OF THE BOARD OF SUPERVISORS  
COUNTY OF RIVERSIDE, STATE OF CALIFORNIA



**3.11**  
(MT 9260)

On motion of Supervisor Jeffries, seconded by Supervisor Perez and duly carried, IT WAS ORDERED that the recommendation from 9260 Economic Development Agency regarding Second Amendment to Lease, RUHS Public Health; Emergency Management Department, Ten Year Lease Extension, District 1, CEQA Exempt, is continued to Tuesday, May 7, 2019 at 9:00 a.m. or as soon as possible thereafter.

Roll Call:

Ayes: Jeffries, Spiegel, Washington and Perez  
Nays: None  
Absent: Hewitt

I hereby certify that the foregoing is a full true, and correct copy of an order made and entered on April 30, 2019 of Supervisors Minutes.

WITNESS my hand and the seal of the Board of Supervisors  
Dated: April 30, 2019  
Kecia Harper, Clerk of the Board of Supervisors, in  
and for the County of Riverside, State of California.

(seal)

By: \_\_\_\_\_

A handwritten signature in black ink, appearing to read "Kecia Harper", is written over a horizontal line.

Deputy

AGENDA NO.  
3.11

xc: EDA, CQB

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



ITEM  
3.11  
(ID # 9260)

MEETING DATE:  
Tuesday, April 30, 2019

FROM : ECONOMIC DEVELOPMENT AGENCY (EDA):

SUBJECT: ECONOMIC DEVELOPMENT AGENCY (EDA): Second Amendment to Lease, RUHS Public Health; Emergency Management Department, Ten Year Lease Extension, District 1, CEQA Exempt, [\$7,476,771], Public Health Grants 54%, Emergency Management Department Fees 46% (Clerk of the Board to File the Notice of Exemption) (Continue to May 7, 2019)

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 and 15061 (b) (3);
2. Approve the Second Amendment and authorize the Chairman of the Board to execute the Second Amendment on behalf of the County; and
3. Direct Clerk of the Board to file the Notice of Exemption with the County Clerk within five (5) days of approval of the project.

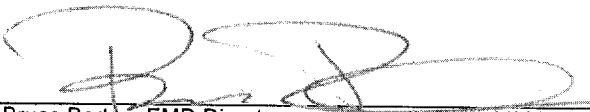
**ACTION: Policy, CIP**

  
Robert Field, Assistant County Executive Officer/ECD

3/14/2019

  
Kim Saruwatari, Director of Public Health

3/21/2019

  
Bruce Barton, EMD Director

3/28/2019

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MINUTES OF THE BOARD OF SUPERVISORS

**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>  | \$ 364,052                  | \$ 1,100,676             | \$ 7,476,771                            | \$ 0                |
| <b>NET COUNTY COST</b>   | \$ 0                        | \$ 0                     | \$ 0                                    | \$ 0                |
| <b>SOURCE OF FUNDS:</b> RUHS Public Health Grants 54%;<br>Emergency Management Department Fees 46% |                             |                          | <b>Budget Adjustment:</b> No            |                     |
|  |                             |                          | <b>For Fiscal Year:</b> 2018/19-2028/29 |                     |

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

**BACKGROUND:**

**Summary**

In July of 2008 the Board of Supervisors approved a Lease Agreement for the Community Health Agency for warehouse and office space located at 14539 Innovation Drive, Riverside, CA. The office and warehouse space continue to provide the necessary space requirements, now for the Public Health Department (Public Health) as well for the Emergency Management Department (EMD), to facilitate emergency services to the community in the event of a natural disaster. Public Health and EMD desire to extend the lease and to have the Lessor complete certain tenant improvements.

EDA has assisted Public Health and EMD by negotiating a ten year lease at a reduced rate, reduced annual escalator, and tenant improvements. Tenant improvements shall be at Lessor's sole cost and expense. Lessor shall deliver to County the following improvements within two to six month time frame: Replace the existing 4-ton roof top heating and air conditioning unit to service the computer server room with a new unit, replace an existing 7.5 ton roof top heating and air conditioning unit to the Pharmacy storage room with a new unit, install a new 5-ton split a/c system inside of the Pharmacy storage room as a secondary cooling unit, and complete other necessary tenant improvements.

The Lease terms are summarized below:

Location: 14539 Innovation Drive, Riverside, CA

Lessor: Donald E. Russell, Falcon BP II, LLC, a California LLC  
4 Upper Newport Plaza, Suite 100, Newport Beach, CA 92660

Size: 48,442 square feet

Term: Ten years, commencing on March 12, 2019 and expiring on March 11, 2029

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

Annual Escalator: Reduced from 3% to 2.5%

| Rent: | <u>Current</u>                   | <u>New</u>                        |
|-------|----------------------------------|-----------------------------------|
|       | \$ .87 PSF                       | \$ .86 PSF                        |
|       | \$ 42,332.43 Per Month           | \$ 41,550.00 Per Month            |
|       | <u>\$ 7,340.04 TI Rent</u>       | <u>\$ 0 TI Rent</u>               |
|       | \$596,070.00 Total Rent Per Year | \$498, 600.00 Total Rent Per Year |

Custodial: Provided by Lessor

Maintenance: Provided by Lessor. County shall be responsible for maintaining the Generator including current status of the required SCAQMD annual permit, fees, rules and regulations

Utilities: County pays for electric and phone, Lessor pays for all other utilities

Tenant Improvements: To be completed by Lessor, at Lessor's sole cost and expense

**Impact on Citizens and Businesses**

Public Health and Emergency Management Department remaining at this site will continue to distribute emergency equipment, epidemic pharmaceutical medications, emergency equipment and supplies and assistance to the community in the event of a natural disaster.

**Additional Fiscal Information**

Public Health and Emergency Management Department will budget these costs in FY 2018/19 and will reimburse EDA for all lease costs on a monthly basis.

**Contract History and Price Reasonableness**

This contract has been in place since July 29, 2008.


Attachments:

- Second Amendment
- Exhibits A, B and C
- Notice of Exemption
- Aerial Map

RF:HM:VY:SG:CC:mc RV376 15954 20.467  
Minute Traq ID 9260

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

  
Rohini Dasika, Principal Management Analyst 4/18/2019

  
Gregory J. Priamos, Director County Counsel 4/18/2019