

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



ITEM  
3.17  
(ID # 10391)

MEETING DATE:

Tuesday, July 23, 2019

FROM : ECONOMIC DEVELOPMENT AGENCY (EDA):

SUBJECT: ECONOMIC DEVELOPMENT AGENCY (EDA). Approval of Lease Termination Agreement with CJP, Ltd, 629 North Main Street, Suite C-3, Corona, CEQA Exempt, District 2, [\$0] (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 Section 15301, Existing Facilities Exemption, and Section 15061(b)(3), "Common Sense" Exemption;
2. Approve the Lease Termination Agreement with CJP, Ltd., 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 Notice of Exemption with the County Clerk within five working days of approval by the Board.

ACTION: Policy

Robert Field, Assistant County Executive Officer/ECD

7/10/2019

Matthew Chang, Director

7/10/2019

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MINUTES OF THE BOARD OF SUPERVISORS

On motion of Supervisor Spiegel, seconded by Supervisor Jeffries 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: July 23, 2019  
xc: EDA

Kecia R. 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>	\$0	\$0	\$0	\$0
<b>NET COUNTY COST</b>	\$0	\$0	\$0	\$0
<b>SOURCE OF FUNDS: N/A</b>			<b>Budget Adjustment: No</b>	
			<b>For Fiscal Year: 2019/2020</b>	

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

**BACKGROUND:**

**Summary**

CJP, Ltd., a California limited partnership, (“Lessor”) entered into a five year lease with the County of Riverside on October 30, 2007 to occupy 8,000 square feet located at 629 North Main Street, Suite C-3, Corona (“Lease”). The Lease was extended for five years under the First Amendment and three years under the Second Amendment, which will expire July 31, 2021. The County currently uses the leased premises to provide mental health services for residents and the community surrounding this region of the County of Riverside. RUHS – Behavioral Health is in the process of consolidating their three clinics into the new Corona Community Health Center located at 2813 S. Main Street, Second Floor, Corona, CA. At this location, the County will continue to use such space to provide mental health services to the community. Pursuant to the Lease Termination Agreement, the Lease would terminate on October 31, 2019.

Pursuant to the California Environmental Quality Act (CEQA), the project, the termination of the Lease, was viewed and determined to be categorically exempt from CEQA under State CEQA Guidelines Section 15301 Class 1, Existing Facilities Exemption and Section 15061(b)(3), “Common Sense” Exemption. This is a mere termination of an agreement resulting in no further action or changes and does not cause significant changes in the land.

The Lease Termination Agreement has been approved as to form by County Counsel.

**Impact on Citizens and Businesses**

RUHS – Behavioral Health will be relocating to 2813 S. Main Street, Second Floor, Corona, CA. At this location, the County will continue to use such space to provide mental health services to the community, which will also provide a positive economic impact to the area with short and long-term jobs and employees and visitors that support area businesses.

**SUPPLEMENTAL:**

**Additional Fiscal Information**

There is no direct financial impact associated with the attached transaction document.

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STATE OF CALIFORNIA

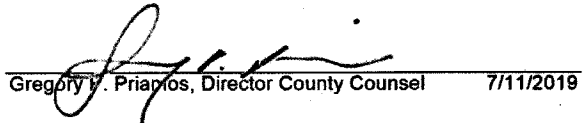
Attachments:

- Notice of Exemption
- Lease Termination Agreement

RF:HM:VY:SG:MH:jb CR020 20.632  
Minute Traq ID: 10391



Nehini Basina, Principal Management Analyst 7/15/2019



Gregory V. Priaplos, Director County Counsel 7/11/2019



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

7/23/19 KB  
Date Initial

## NOTICE OF EXEMPTION

July 8, 2019

**Project Name:** County of Riverside, Economic Development Agency (EDA) Riverside University Health System-Behavioral Health, Termination of Lease Agreement with CJP, Ltd., 629 North Main Street, Corona, County of Riverside

**Project Number:** FM042166002000

**Project Location:** 629 North Main Street, north of East Rincon Street, Suite C-3, Corona, California 92880; Assessor's Parcel Number (APN) 119-280-048; (See Attached Exhibit)

**Description of Project:** The County of Riverside (County) Department of Mental Health entered into a five-year Lease Agreement on October 30, 2007 to lease 8,000 square feet of office space located 623 North Main Street, Suite C-3, in Corona, California. The Department of Mental Health is now under the jurisdiction of the Riverside University Health System Behavioral Health (RUHS-BH). Two previous amendments addressed the rate and term extensions of the lease. The County uses the leased premises to provide mental health services for residents and the community surrounding this region and the current Lease Agreement will expire on July 31, 2021. The County and CJP, Ltd. (Lessor) now desire to terminate the Lease, effective as of October 31, 2019. The Termination of the Lease Agreement is identified as the proposed project under the California Environmental Quality Act (CEQA). The proposed project terminate the letting of office space and will not result in an expansion of the existing office building. The County RUHS-BH will be consolidating staff and relocating to the second floor of an existing building located at 2813 South Main Street, in Corona. 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 CJP, LTD

**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 have unusual circumstances that could possibility have 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 Termination of Lease.

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- **Section 15301 – Class 1 Existing Facilities Exemption:** This categorical exemption includes the operation, repair, maintenance, leasing, or minor alteration of existing public or private structures or facilities, provided the exemption only involves negligible or no expansion of the previous site’s use. The project, as proposed, is limited to the termination of a Lease Agreement at an existing facility. The termination of the Lease will not increase or expand the use of the site, as no alterations to the existing building are being considered; 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 termination of the Lease Agreement is limited a contractual transaction and the indirect effects would be limited to the County finding another tenant to occupy the existing space. The termination of the Lease Agreement will not result in any direct or indirect physical environmental impacts, as the County would consolidate and relocate services to an existing building to the south along the same street and within the same community. 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: 7/9/19

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, Department of Behavioral Health  
Termination of Lease, 629 North Main Street, Corona, California**

**Accounting String: 524830-47220-7200400000 - FM042166002000**

DATE: July 8, 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: 

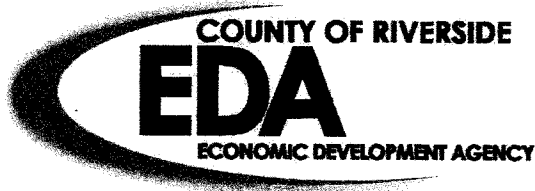
PRESENTED BY: Maribel Hyer, Senior Real Property Agent, Economic Development Agency

-TO BE FILLED IN BY COUNTY CLERK-

ACCEPTED BY: -

DATE: -

RECEIPT # (S) -



Date: July 8, 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 # FM042166002000**  
Riverside University Health System, Department of Behavioral Health Termination of Lease, 629  
North Main Street, Corona, California

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

LEASE TERMINATION AGREEMENT

BETWEEN

COUNTY OF RIVERSIDE  
A political subdivision of the State of California

LESSEE

and

CJP, LTD.,  
A California limited partnership

LESSOR

JUL 23 2019 3.17



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## LEASE TERMINATION AGREEMENT

THIS LEASE TERMINATION AGREEMENT ("Agreement") is made as of \_\_\_\_\_ between the County of Riverside, a political subdivision of the State of California, ("County") and CJP, Ltd., a California limited partnership, ("Lessor"), sometimes collectively referred to as the "Parties".

### RECITALS

- A. Lessor and County have entered into that certain Lease dated October 30, 2007 ("Lease"), whereby County agreed to lease from Lessor Suite C3 ("Leased Premises") in that certain building located at 629 North Main Street, Corona, California (the "Building"). The Lease is attached hereto as Exhibit "A"; and
- B. Lessor and County desire to terminate the Lease on the terms and conditions in this Agreement.

For good and valuable consideration, the receipt and adequacy of which are acknowledged, Lessor and County agree as follows:

#### Section 1. Termination of Lease

- A. Lessor and County agree to terminate the Lease effective as of October 31, 2019, (the "Termination Date"), subject to the fulfillment of the following conditions:
  - 1) County shall immediately upon the Termination Date, following execution of this Agreement, surrender possession of the Leased Premises.
  - 2) County shall remove modular work stations which belong to County. Any personal property or furniture of County not removed on or before the Termination Date shall be deemed to have been abandoned by County and may be disposed of or retained by Lessor as Lessor may desire. County shall surrender the Leased Premises by the Termination Date with any and all improvements, parts, and surfaces thereof broom clean and free of debris, and in good operating order, condition and state of repair, ordinary wear and tear excepted.
  - 3) Prior to the Termination Date of the Lease, Lessor will conduct a final inspection of the Leased Premises and the County shall surrender the Leased Premises by the Termination Date in the same condition as delivered to County on the commencement date of the term of the Lease (as set forth in Section 3 of the Lease) except for ordinary wear and tear.
- B. Notwithstanding any provisions of the Lease, Lessor and County each agree that effective as of the Termination Date and pursuant to the terms of this Agreement, the Lease is terminated and of no further legal effect, the Leased Premises is surrendered, and all rights and obligations arising out of the Lease are null and void.

#### Section 2. Acceptance of Surrender

Upon completion of the final inspection, Lessor shall notify County when Lessor accepts the surrender of the Leased Premises by County and acknowledges that the Leased Premises are in good condition and repair and that County shall have no liability with respect to the condition of the Leased Premises.

### Section 3. Mutual Release

- A. As of the Termination Date, Lessor and County discharge and release each other and their agents, elected officials, contractors, officers, directors, employees and representatives from any actions, causes of action, claims and demands, costs, loss of services, and expenses and compensation related in any way to all known and unknown injuries resulting, now or later, from all obligations in connection with or included in the Lease, and from all claims, actions and demands that each may have against the other(s) by reason of the Lease. Lessor and County represent and warrant that they have not sold, assigned, or otherwise transferred any of the claims released by this Agreement.
- B. As of the Termination Date, each party agrees that all rights under Civil Code § 1542 and under any other applicable, similar law are expressly waived. Civil Code § 1542 reads as follows:

A GENERAL RELEASE DOES NOT EXTEND TO CLAIMS WHICH THE CREDITOR DOES NOT KNOW OR SUSPECT TO EXIST IN HIS OR HER FAVOR AT THE TIME OF EXECUTING THE RELEASE, WHICH IF KNOWN BY HIM OR HER MUST HAVE MATERIALLY AFFECTED HIS OR HER SETTLEMENT WITH THE DEBTOR.



Lessor

County

- C. Each party represents and warrants to the other party that the party has read and understood the Agreement with the release provisions and that each party has had the legal effect of this Agreement explained by competent legal counsel of that party's own choice and that each party is executing this Agreement of that party's own free will.

### Section 4. Assignment

County represents and warrants that County has made no assignment, sublease, transfer, or other disposition of the Lease, any interest in the Lease, or any demand, obligation, liability, or cause of action arising out of the Lease.

### Section 5. Entire Agreement

This Agreement contains the entire agreement between the Parties regarding the matters covered in this Agreement. There have been no other statements, promises, or representations made by the Parties that are intended to alter, modify, or complement this Agreement.

### Section 6. Amendment

This Agreement may not be altered, amended, modified, or otherwise changed in any respect, except by a writing executed by an authorized representative of each party.

#### Section 7. Counterparts

This Agreement may be executed in one or more counterparts, each of which shall be deemed an original, and all taken together, shall constitute one and the same instrument.

#### Section 8. Titles

The section titles in this Agreement are used for the convenience of the Parties and are not to be taken as part of the instrument or used to interpret this Agreement.

#### Section 9. Time of Essence

Time is of the essence in this Agreement.

#### Section 10. Authorization

The undersigned, by their signatures, represent and warrant that they are authorized agents of their respective entities and are authorized to execute this Agreement.

#### Section 11. Successors and Assigns

This Agreement shall bind and inure to the benefit of the Parties and their respective heirs, successors, and assigns.

#### Section 12. Governing Law

This Agreement is governed and construed in accordance with California law.

[Signature Provisions on the Following Page]


IN WITNESS WHEREOF, the Parties have executed this Agreement as of the date first written above.

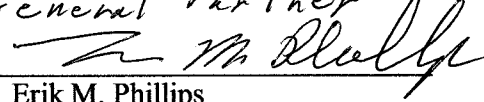
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Date: 7-5-19

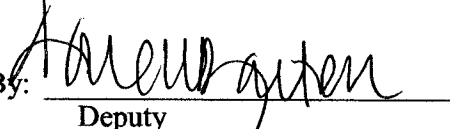
COUNTY OF RIVERSIDE,  
a political subdivision of the  
State of California

CJP Ltd., a California limited Partnership  
by *CDM Management LLC*  
*General Partner*


By:   
Kevin Jeffries, Chairman  
Board of Supervisors

By:   
Erik M. Phillips  
~~General Partner~~  
*Member/President*

ATTEST:  
Kecia R. Harper  
Clerk of the Board

By:   
Deputy

APPROVED AS TO FORM:  
Gregory P. Priamos  
County Counsel

By:   
Thomas Oh  
Deputy County Counsel

MH:jb/070219/CR020/20.683

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