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



ITEM: 3.11 (ID # 14170) MEETING DATE:

Tuesday, April 13, 2021

FROM:

FACILITIES MANAGEMENT AND RIVERSIDE COUNTY LIBRARY SYSTEM:

SUBJECT: FACILITIES MANAGEMENT-REAL ESTATE (FM-RE) AND RIVERSIDE COUNTY LIBRARY SYSTEM: Ratification and Approval of Fourth Amendment to Lease with WELLS FARGO BANK, N.A., Riverside County Library System, Lake Elsinore, Five-Year Lease Extension, CEQA Exempt, District 1. [\$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. Ratify and approve the attached Fourth Amendment to Lease with Wells Fargo Bank, N.A., 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 (5) days of approval by Board.

ACTION: Policy

Rose Salgado, Director of Facilities Management

Suzanne Holland Suzanne Holland, Director of EDA

2/2/2021

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:

April 13, 2021

XC:

FM-RE, Recorder

Deputy

Kecia R. Harper

Clerk of the Board

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FINANCIAL DATA	Current Fiscal Year:	Next Fiscal Year:	Total Cost:	Ongoing Cost
COST	\$0	\$0	\$0	\$ 0
NET COUNTY COST	\$0	\$0	\$0	\$ 0
SOURCE OF FUNDS: Wells Fargo Bank			Budget Adjus	tment: No
			For Fiscal Year 2025/26	ar: 2020/21-

C.E.O. RECOMMENDATION: Approve.

BACKGROUND:

Summary

In February 1998, the County of Riverside acquired the subject real property (existing library location), including the building, from Wells Fargo Bulk Ceres and assumed the Original ATM Lease as Landlord. The Original Lease has been amended by the First Amendment to Lease dated February 24, 2001, the Second Amendment to Lease dated June 7, 2011, and the Third Amendment to Lease dated January 5, 2016, entered into between the County of Riverside and Wells Fargo Bank, NA, a United States corporation and national bank association. Tenant operates two exterior automated teller machines (ATMs).

The facility continues to meet the needs and requirements of the Wells Fargo Bank for ATM access; therefore, Tenant will extend the term an additional five years commencing March 1, 2021 and terminating February 28, 2026.

Pursuant to the California Environmental Quality Act (CEQA), the Lease Amendment was reviewed and determined to be categorically exempt from CEQA under State CEQA Guidelines Section 15301 and Section 15061(b)(3). The proposed project is the extension of letting of property involving existing facilities with no alterations or expansion of an existing use will occur.

The attached Fourth Amendment to Lease is summarized below:

Landlord's Address:

County of Riverside

3133 Mission Inn Avenue Riverside, California 92507

Location:

600 W. Graham Avenue

Lake Elsinore, California 92530

Term:

Effective as of March 1, 2021, through February 28, 2026

Option:

One five-year option to extend Lease

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Size:

Two (ATMs) on the exterior of the library

Rent (revenue):

\$950.00 monthly

Impact on Residents and Businesses

The revenue generated through this lease of space is received by Riverside County Library System (RCLS) and can be used to provide services to the library patrons. Access to ATM's in this community will also benefit both citizens and businesses.

Additional Fiscal Information

RCLS receives revenue on a monthly basis from Tenant.

Contract History and Price Reasonableness

This Fourth Amendment is a five-year extension of the original Lease Agreement.

The original Lease Agreement has been amended three times previously to extend the term and modify the annual costs.

Agreements

Lease Agreement
First Amendment to Lease
Second Amendment to Lease
Third Amendment to Lease

Date and M.O.

February 13, 1998 February 24, 2001 June 7, 2011 (M.O. 3-4) January 5, 2016 (M.O. 3-9)

LE025

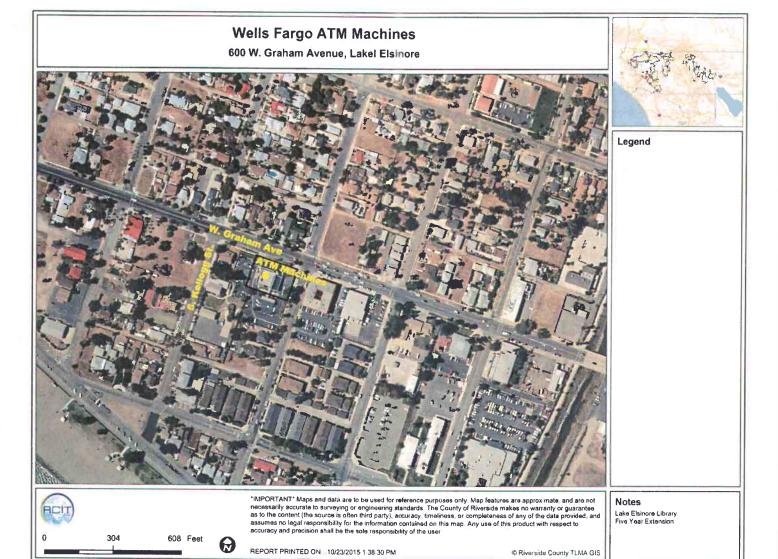
Attachments:

- Fourth Amendment to Lease
- Notice of Exemption
- Aerial Map

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

CD:ar/12112020/LE025

4/5/2021 Gregory V. Priantos, Director County Counsel



FOURTH AMENDMENT TO LEASE

600 West Graham Avenue, Lake Elsinore, California 92530 (BE# 198595)

THIS FOURTH AMENDMENT TO LEASE ("Fourth Amendment"), dated as of April 18, 2021, is entered into by and between the COUNTY OF RIVERSIDE, a political subdivision of the State of California ("Landlord"), and WELLS FARGO BANK, N.A., a national banking association ("Tenant"), sometimes hereinafter collectively referred to as the "Parties."

RECITALS

- a. WF Bulk Ceres ("WF Bulk"), predecessor-in-interest to Landlord and Wells Fargo Bank, N.A., as Tenant, entered into that certain Standard ATM Lease, dated February 13, 1998, (the "Original Lease") pursuant to which WF Bulk leased to Tenant a portion of that certain building located within and upon the front exterior of the building located at 600 W. Graham Avenue, Lake Elsinore, California 92530 ("Building"), as more particularly described in the Lease (the "Premises").
- b. On or about February 13, 1998, Landlord acquired the real property located at 600 W. Graham Ave, Lake Elsinore, including the Building, from WF Bulk via Assignment and Assumption of Landlord's Rights and Obligations Under Standard ATM Lease, and Landlord assumed all obligations as the landlord under the Original Lease.
 - c. The Original Lease has been amended by:
- i. That certain First Amendment to Standard ATM Lease dated February 24, 2001, by and between COUNTY OF RIVERSIDE, a political subdivision of the State of California and WELLS FARGO BANK, N.A., a national bank association (the "First Amendment"), whereby the parties amended the Lease to extend the term, rental amounts, option to extend, rent during option term, and notices;

- ii. That certain letter dated August 9, 2005 from Tenant to Landlord exercising the second option to extend the term of the Lease from March 1, 2006 through February 28, 2011;
- iii. That certain Second Amendment to Lease dated June 7, 2011, by and between COUNTY OF RIVERSIDE, a political subdivision of the State of California and WELLS FARGO BANK, N.A., a national bank association (the "Second Amendment"), whereby the Parties amended the Lease to, among other things, to extend the term period, rental amounts, option to extend, rent during the option term, insurance, hold harmless/Indemnification, release from liability, and notices; and
- iv. That certain Third Amendment to Lease dated January 5, 2016, by and between COUNTY OF RIVERSIDE, a political subdivision of the State of California and WELLS FARGO BANK, N.A., a national bank association (the "Third Amendment"), whereby the Parties amended the Lease to, among other things, to extend the term period and rental amounts.
- d. The Original Lease together with the First Amendment, the letter dated August 9, 2005, Second Amendment, Third Amendment, and upon execution by the parties this Fourth Amendment are collectively referred to as the "Lease."
- e. The Parties now desire to extend of the Lease term, provide for an option to extend the Lease term, and modify the rental amounts.

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

1. <u>Term.</u> Section 5 of the Original Lease (as amended) is hereby further amended by the following:

The term of this Lease shall be extended for five (5) years commencing at midnight on March 1, 2021 and terminating at 11:59 p.m. on February 28, 2026 (the "Extended Term").

2. Rent. Section 7 of the Original Lease (as amended) is hereby further amended by the following:

Tenant shall pay to Landlord the monthly sums as rent for the premises during the term of this Lease as indicated below:

Monthly Amount	<u>Year</u>
\$950.00	March 1, 2021 to February 28, 2022
\$950.00	March 1, 2022 to February 28, 2023
\$950.00	March 1, 2023 to February 28, 2024
\$950.00	March 1, 2024 to February 29, 2025
\$950.00	March 1, 2025 to February 28, 2026

- 3. Option to Extend. Landlord hereby grants Tenant one (1) option to extend the term of the Lease for an additional five (5) year period commencing at midnight on March 1, 2026 and expiring at 11:59 p.m. on February 28, 2031 ("Option Term"), subject to the same terms and conditions as contained in the Lease, except rent payable by Tenant to the Landlord for the Premises during the Option Term shall be set forth in Section 4 below. Tenant must give notice, in writing, to Landlord at least one hundred eighty (180) days prior to the expiration of the Extended Term.
- 4. Rent During Option Term. Monthly Rent for the Extended Term shall be as follows:

Monthly Amount	<u>Year</u>
\$ 1,045.00	March 1, 2026 to February 28, 2027
\$ 1,045.00	March 1, 2027 to February 28, 2028
\$ 1,045.00	March 1, 2028 to February 28, 2029
\$ 1,045.00	March 1, 2029 to February 29, 2030
\$ 1.045.00	March 1, 2030 to February 28, 2031

5. Resolution & Recovery.

5.1 "Resolution Event" means the filing of and pursuit of an insolvency related proceeding against Tenant or Tenant's assets pursuant to

applicable law (e.g., the Dodd-Frank Wall Street Reform and Consumer Protection Act). For purposes of this <u>Section 5</u> only, "**Affiliate**" means any entity that controls, is controlled by, or is under common control with Tenant.

- Resolution Event occurs, and Tenant or an Affiliate continues to (a) pay all rent and other charges under the Lease timely and (b) abide by the other material terms of the Lease, Landlord shall not, while a Resolution Event is pending (and, except as otherwise provided in Section 5.5 below, for a period of eighteen (18) months thereafter): (i) terminate or modify the Lease; (ii) recapture the Premises; (iii) prevent renewal of the Lease pursuant to a right to renew set forth in the Lease (if any); (iv) suspend any services provided to Tenant, an Affiliate, or the Premises under the Lease; or (v) otherwise exercise remedies under or in respect of the Lease arising from a Resolution Event.
- 5.3 In addition, but only in connection with a Resolution Event, Landlord will not unreasonably withhold consent to (i) any change of control of Tenant or an Affiliate and (ii) the assignment, delegation, or transfer of any or all of Tenant's rights and obligations under the Lease, in whole or in part, to any entity that is or becomes (or, as of immediately prior to the Resolution Event, was) an Affiliate or a successor to the whole or a part of the business of Tenant or an Affiliate, provided the Premises are used in a similar manner as the Tenant.
- 5.4 Notwithstanding anything set forth in this <u>Section 5</u> to the contrary, Landlord is not required, even during a Resolution Event, to allow Tenant or an Affiliate to occupy the Premises after the final expiration date of the Lease.

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6. OFAC and Anti-Money Laundering Provisions. "AML Laws" means all U.S. anti-money laundering laws that criminalize money laundering or any predicate crimes to money laundering. "Anti-Corruption Laws" means the U.S. Foreign Corrupt Practices Act and any similar applicable statute, rule, or regulation relating to bribery or corruption. "Sanctions" means any economic, trade, or financial sanctions, sectoral sanctions, secondary sanctions, trade embargoes, or anti-terrorism laws imposed from time to time by the United States government including but not limited to those administered or enforced by the U.S. Department of Treasury's Office of Foreign Assets Control. Each party represents to the other party that it is not a target of Sanctions and shall not directly or indirectly transfer any of its interest in the Lease to a target of Sanctions. At all times during the Lease Term each party shall not violate applicable Sanctions, AML Laws, or Anti-Corruption Laws while performing their respective obligations under the Lease to the extent that such violation results in it being unlawful for the non-violating party to transact the business under the Lease with the violating party.

7. Miscellaneous.

AMENDMENT CONSTITUTES THE ENTIRE AGREEMENT BETWEEN LANDLORD AND TENANT. IT IS THE COMPLETE AND EXCLUSIVE EXPRESSION OF THE PARTIES' AGREEMENT ON THE MATTERS CONTAINED IN THIS AMENDMENT. ALL PRIOR AND CONTEMPORANEOUS NEGOTIATIONS AND AGREEMENTS BETWEEN THE PARTIES ON THE MATTERS CONTAINED IN THIS AMENDMENT ARE EXPRESSLY MERGED INTO AND SUPERSEDED BY THIS AMENDMENT. THE

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PROVISIONS OF THIS AMENDMENT MAY NOT BE EXPLAINED, SUPPLEMENTED, OR QUALIFIED THROUGH EVIDENCE OF TRADE USAGE OR A PRIOR COURSE OF DEALINGS. IN ENTERING INTO THIS AMENDMENT, THE PARTIES HAVE NOT RELIED UPON ANY STATEMENT, REPRESENTATION, WARRANTY, OR AGREEMENT OF THE OTHER PARTY OR OF THE OTHER PARTY'S BROKER EXCEPT FOR THOSE EXPRESSLY CONTAINED IN THIS AMENDMENT. THERE IS NO CONDITION PRECEDENT TO THE EFFECTIVENESS OF THIS AMENDMENT OTHER THAN THOSE EXPRESSLY STATED IN THIS AMENDMENT.

b. Counterparts & Digital Signatures. This Agreement may be executed in any number of counterparts, each of which will be an original, but all of which together will constitute one instrument. Each party of this Agreement agrees to the use of electronic signatures, such as digital signatures that meet the requirements of the California Uniform Electronic Transactions Act (("CUETA") Cal. Civ. Code §§ 1633.1 to 1633.17), for executing this Agreement. The parties further agree that the electronid signatures of the parties included in this Agreement are intended to authenticate this writing and to have the same force and effect as manual signatures. Electronid signature means an electronic sound, symbol, or process attached to or logically associated with an electronic record and executed or adopted by a person with the intent to sign the electronic record pursuant to the CUETA as amended from time to time. The CUETA authorizes use of an electronic signature for transactions and contracts among parties in California, including a government agency. Digital signature means an electronic identifier, created by computer, intended by the party using it to have the same force and effect as the use of a manual signature, and shall be

reasonably relied upon by the parties. For purposes of this section, a digital signature is a type of "electronic signature" as defined in subdivision (i) of Section 1633.2 of the Civil Code.

- c. <u>Governing Law</u>. This Amendment shall be governed by the laws of the State of California, in which the leased premises are located.
- d. <u>Construction/Interpretation</u>. Landlord and Tenant agree that this Amendment represents the efforts of both Landlord and Tenant and shall not be construed in favor of or against either party.
- e. Time is of the essence in this Fourth Amendment and the Lease and each and all of their respective provisions. Subject to the provisions of the Lease as to assignment, the agreements, conditions and provisions herein contained shall apply to and bind the heirs, executors, administrators, successors and assigns of the parties hereto. If any provisions of this Fourth Amendment shall be determined to be illegal or unenforceable, such determination shall not affect any other provision of the Lease. The language in all parts of the Lease shall be construed according to its normal and usual meaning and not strictly for or against either Landlord or Tenant. Neither this Fourth Amendment nor the Lease shall be recorded by the Landlord.
- 5. **EFFECTIVE DATE.** This Fourth Amendment to Lease shall not be binding or consummated until its approval by the Riverside County Board of Supervisors and fully executed by the Parties.

(Signatures on the following page)

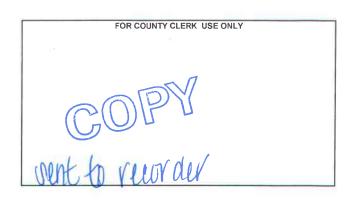
1 2	IN WITNESS WHEREAS, the Part of the date first written above.	ties have executed this Fourth Amendment as
3	LANDLORD:	TENANT:
4 5	COUNTY OF RIVERSIDE, a political subdivision of the State of California	WELLS FARGO BANK, N.A., a national banking association
6 7 8 9	By: Karen S. Spiegel Karen Spiegel, Chair Board of Supervisors	Debora C. Digitally signed by Debora C. Zelada, Vice Vice President Date: 2021.03.23 President 14:36:59 -07'00'
10 11 12		By: Digitally signed by Lori C.
13	ATTEST:	Vice President
14 15	Kecia R. Harper Clerk of the Board	Date: 2021.03.23 President 16:29:57 -07'00'
16 17 18	By: Alla Pass Deputy	
19 20	APPROVED AS TO FORM: Gregory P. Priamos County Counsel	
21 22	By: Ryan Yabko	
23	Deputy Counsel	
25		
26	BE# 198595	

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eDocs 20493307 v3

CD:ar/12092020/LE025/30.447

County of Riverside Facilities Management 3133 Mission Inn Avenue, Riverside, CA



NOTICE OF EXEMPTION

December 17, 2020

Project Name: Lake Elsinore Library Fourth Amendment to Lease with Wells Fargo Bank, N.A.

Project Number: FM047431002500

Project Location: 600 West Graham Avenue, west of North Lindsay Street, Lake Elsinore, California 92530; Assessor's

Parcel Number (APN) 374-242-022

Description of Project: In February 1998, the County of Riverside (County) acquired the real property, including the building, from WF Bulk Ceres and assumed the Original Lease as Landlord. The Original Lease has been amended by the First Amendment to Lease dated February 24, 2001, the Second Amendment to Lease dated June 7, 2011 and the Third Amendment to Lease dated January 5, 2016, entered into between the County and Wells Fargo Bank, NA, a United States corporation and national bank association. Tenant operates two exterior automated teller machines (ATMs).

The facility continues to meet the needs and requirements of the Wells Fargo Bank; therefore, Tenant will extend the term an additional five years commencing March 1, 2021 and terminating February 28, 2026. The Fourth Amendment to the Lease Agreement with Wells Fargo, NA is identified as the proposed project under the California Environmental Quality Act (CEQA). The proposed project would involve the letting of space and would involve ongoing use of two ATMs at the existing County Library site. No expansion of the existing facility will occur. The operation of the facility will continue to provide banking services and no additional direct or indirect physical environmental impacts are anticipated.

Name of Public Agency Approving Project: Riverside County

Name of Person or Agency Carrying Out Project: Riverside County Facilities Management

Exempt Status: State CEQA Guidelines Section 15301, Class 1, Existing Facilities Exemption; Section 15061(b) (3), General Rule or "Common Sense" Exemption. Codified under California Code of Regulations Title 14, Article 5, Section 15061.

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 that could potentially 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 five-year extension of the Lease and.

- 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 extension of an existing lease for the use of ATMs at the existing Lake Elsinore Library. The Fourth Amendment will extend the Lease for an additional five-year term; will not require physical modifications to the existing building which would 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 extension of 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. 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.

Therefore, the County of Riverside Facilities Management 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.

______Date: __/2/17/20

Signed:

Mike Sullivan, Senior Environmental Planner

County of Riverside, Facilities Management

RIVERSIDE COUNTY CLERK & RECORDER

AUTHORIZATION TO BILL BY JOURNAL VOUCHER

Project Name: Lake Elsinore Library 4th Amendment				
Accounting String: 526700-47220-7200400000 - FM047431002500				
DATE:	December 17, 2020			
AGENCY:	Riverside County Facilities Management			
THIS AUTHORIZES THE COUNTY CLERK & RECORDER TO BILL FOR FILING AND HANDLING FEES FOR THE ACCOMPANYING DOCUMENT(S).				
NUMBER OF DOCU	JMENTS INCLUDED: One (1)			
AUTHORIZED BY:	Mike Sullivan, Senior Environmental Planner, Facilities Management			
Signature:	Mest Al			
PRESENTED BY:	Candice Diaz, Real Property Agent, Facilities Management			
	-TO BE FILLED IN BY COUNTY CLERK-			
ACCEPTED BY:	_			
DATE:	-			
RECEIPT # (S)	-			

County of Riverside Facilities Management 3133 Mission Inn Avenue, Riverside, CA 92507

Date:

December 17, 2020

To:

Kiyomi Moore/Josefina Castillo, Office of the County Clerk

From:

Mike Sullivan, Senior Environmental Planner, Facilities Management

Subject:

County of Riverside Facilities Management Project # FM047431002500

Lake Elsinore Library 4th Amendment

The Riverside County's Facilities Management'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 #2600

Attention: Mike Sullivan, Senior Environmental Planner, Facilities Management,
3133 Mission Inn Avenue, Riverside, CA 92507

If you have any questions, please contact Mike Sullivan at 955-8009 or email at msullivan@rivco.org.

Attachment

cc: file