

**SUBMITTAL TO THE FLOOD CONTROL AND  
WATER CONSERVATION DISTRICT  
BOARD OF SUPERVISORS  
COUNTY OF RIVERSIDE, STATE OF CALIFORNIA**



ITEM: 11.7  
(ID # 14911)

**MEETING DATE:**  
Tuesday, April 27, 2021

**FROM:** FLOOD CONTROL DISTRICT:

**SUBJECT:** FLOOD CONTROL DISTRICT: Approval of First Amendment to Lease Between the Riverside County Flood Control and Water Conservation District and Walter's Auto Sales and Service, Inc., RCFC Parcel No. 1072-901, Portion of Assessor's Parcel Number 231-260-028, CEQA Exempt, District 1. [\$0]

**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 "Existing Facilities" exemption and Section 15061(b)(3) "Common Sense" exemption;
2. Approve the First Amendment to Lease between the Riverside County Flood Control and Water Conservation District (District) and Walter's Auto Sales and Service, Inc., and authorize the Chair of the Board to execute the same on behalf of the District; and
3. Direct the Clerk of the Board to return two (2) executed First Amendment to Lease agreements to the District.

**ACTION: Policy**

Jason Uhley, GENERAL MGR-CHF FLD CNTRL ENG

4/14/2021

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**MINUTES OF THE BOARD OF SUPERVISORS**

On motion of Supervisor Perez, seconded by Supervisor Washington 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 27, 2021  
xc: Flood

Kecia R. Harper  
Clerk of the Board

By:   
Deputy

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<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: 2020/2021</b>	

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

**BACKGROUND:**

**Summary**

The District acquired fee interest to Assessor's Parcel Number 231-260-028 and constructed the Monroe Storm Drain Railroad Lateral in the city of Riverside, located on the north line of Adams Street at the Burlington Northern and Santa Fe Railroad crossing southeast of the Mercedes facility, more particularly described in Exhibit "A" on the attached First Amendment to Lease. The District retained the right to operate and maintain the existing underground storm drain and leased a portion of the property to Walter's Auto Sales and Service, Inc. (Lessee) to use 22,209.67 square feet in area for an automobile storage facility located on the east side of Adams Street, south of Auto Center Drive, adjacent to 3073 Adams Street, Riverside, California, more particularly shown on Exhibit "B" on the attached First Amendment to Lease, also known as a portion of Assessor's Parcel Number 231-260-028, RCFC Parcel No. 1072-901. The Lease was approved by the Board of Supervisors of the District (Board) on July 25, 2006 (Agenda Item 11.10) for an initial five-year term with an option to renew for three (3) additional five-year extensions after the expiration of the term.

The District and Lessee now desire to exercise the third five-year extension option commencing July 1, 2021 and terminating June 30, 2026. The District and Lessee also desire to amend the Lease to provide Lessee the option to renew this Lease for three (3) additional five-year extensions after the term of this Lease extension. Lessee shall pay to District \$15,258.73 annually, plus an annual increase of 3.5%, with the first payment beginning July 1, 2021. Lessee shall also pay a one-time up-front preparation fee of \$4,550 to the District for Board fees.

Pursuant to the California Environmental Quality Act (CEQA), the First Amendment to Lease was reviewed and determined to be categorically exempt from CEQA under State CEQA Guidelines 15301, Class 1 "Existing Facilities" exemption, and Section 15061(b)(3), "Common Sense" exemption. The proposed First Amendment to Lease involves existing facilities and no expansion of an existing use will occur.

**Prev. Agn. Ref.:** 11.10 of 07/25/06

**Impact on Residents and Businesses**

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OF SUPERVISORS  
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The District concludes that there will be no fiscal impact on private residents or private businesses as a result of the Board's approval of the First Amendment to Lease.

**Contract History and Price Reasonableness**

This contract has been in place since July 25, 2006.

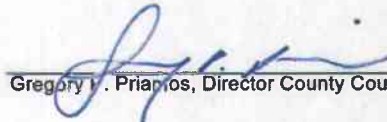
**ATTACHMENTS:**

- Vicinity Map
- First Amendment to Lease

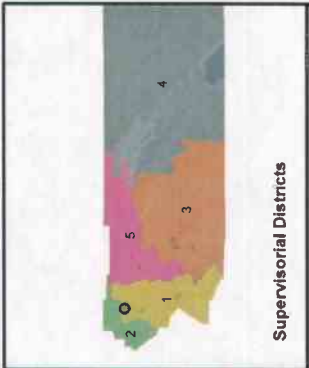
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P8/237378



Jason Farin, Principal Management Analyst 4/22/2021



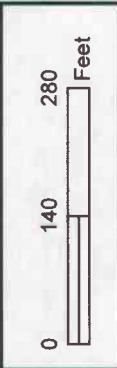
Gregory V. Priapros, Director County Counsel 4/15/2021



- Legend**
- Project Location
  - Existing Facilities
  - Railroads
  - Assessors Parcels
  - Property of Interest

**Description**  
 MONROE MDP -  
 RAILROAD LATERAL  
 1-0-00072

Date Created: April 8, 2021



**RIVERSIDE COUNTY FLOOD CONTROL & WATER CONSERVATION DISTRICT**  
 Subject Property - APN 231-260-028  
 RCFC Parcel 1072-901  
 Vicinity Map



## FIRST AMENDMENT TO LEASE

This First Amendment to Lease ("First Amendment") is entered into this 27<sup>th</sup> day of April, 2021 by and between the RIVERSIDE COUNTY FLOOD CONTROL AND WATER CONSERVATION DISTRICT, a body corporate and politic, (hereinafter called "DISTRICT " or "LESSOR") and WALTER'S AUTO SALES AND SERVICE, INC., a California corporation, (hereinafter called "LESSEE").

### RECITALS

A. DISTRICT and LESSEE entered into that certain Lease Agreement dated July 25, 2006 ("Original Lease"), pursuant to which DISTRICT has agreed to lease to LESSEE and LESSEE has agreed to lease from DISTRICT a portion of that certain property located on the east side of Adams Street, south of Auto Center Drive, adjacent to 3073 Adams Street in the city of Riverside, also known as Assessor's Parcel Number 231-260-028 ("Property"), more particularly described in Exhibit "A" and shown on Exhibit "B", attached hereto and by this reference made a part hereof.

B. The Parties now desire to amend the Original Lease with this First Amendment to amend the Term and Rent.

C. The Original Lease together with this First Amendment are collectively referred to herein as the "Lease".

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

#### 1. TERM.

(a) Subsection (a) of Section 4 of the Original Lease is hereby deleted in its entirety and replaced by the following:

"Section 4 (a). The term of this Lease shall be extended for a period of five (5) years ("Extension Term") commencing July 1, 2021 ("Commencement Date") and terminating June 30, 2026. The Parties agree that the anniversary date for this Lease shall be deemed to be the start date of the next fiscal year (July 1<sup>st</sup>) ("Anniversary Date")."

(b) Subsection (b) of Section 4 of the Original Lease is hereby deleted in its entirety and replaced by the following:

"Section 4 (b). LESSEE is hereby granted and shall have an option to renew this Lease for three (3) additional five-year extensions after the expiration of the Extension Term, as follows:

1. First five-year option shall be exercised by LESSEE on or before July 1, 2026; and
2. Second five-year option shall be exercised by LESSEE on or before July 1, 2031; and,
3. Third five-year option shall be exercised by LESSEE on or before July 1, 2036."

**2. RENT.**

(a) Subsection (a) of Section 5 of the Original Lease is hereby deleted in its entirety and replaced by the following:

"Section 5 (a). LESSEE shall pay to DISTRICT an annual amount of \$15,258.73 (Fifteen Thousand Two Hundred Fifty-Eight Dollars and Seventy-Three Cents) as rent for the Property ("Rent"), payable each year in full, in advance. The first payment being due on the Commencement Date and each Anniversary Date of the following years."

(b) Subsection (b) of Section 5 of the Original Lease is hereby deleted in its entirety and replaced by the following:

"Section 5 (b). LESSEE shall pay a one (1) time, up-front preparation fee of \$4,550 (Four Thousand Five Hundred Fifty Dollars) to DISTRICT for Board Fees."

(c) Subsection (c) of Section 5 of the Original Lease is hereby deleted in its entirety.

(d) Subsection (e) of Section 5 of the Original Lease is hereby deleted in its entirety.

**3. CAPITALIZED TERMS: FIRST AMENDMENT TO PREVAIL.** Unless defined herein or the context requires otherwise, all capitalized terms herein shall have the meaning defined in the Lease, as heretofore amended. The provisions of this First Amendment shall prevail over any inconsistency or conflicting provision of the Lease as heretofore amended and shall supplement the remaining provision thereof.

**4. MISCELLANEOUS.** Except as amended or modified herein, all the terms of the Lease shall remain in full force and effect and shall apply with the same force and effect. Time is of the essence in this First Amendment and the Lease and each and all 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 provision of this First Amendment or the Lease shall be determined to be illegal or unenforceable, such determination shall not affect any other provision of the Lease and all such other provisions shall remain in full force and effect. 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 DISTRICT or LESSEE. Neither this Amendment, the Lease, nor any notice or memorandum regarding the terms hereof shall be recorded by LESSEE.

**5. EFFECTIVE DATE.** This First Amendment to Lease shall not be binding or consummated until its approval and execution by the Chair of the Board of Supervisors for the DISTRICT.

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[Signatures on Following Page]

IN WITNESS WHEREOF, the Parties hereto have executed this Lease as of the date indicated on Page 1.

**RIVERSIDE COUNTY FLOOD CONTROL AND WATER CONSERVATION DISTRICT,**  
a body corporate and politic

By: Karen S. Spiegel  
KAREN SPIEGEL, Chair  
Riverside County Flood Control and Water  
Conservation District Board of Supervisors

RECOMMENDED FOR APPROVAL

By: J. Uhley  
JASON E. UHLEY  
General Manager-Chief Engineer

ATTEST:

KECIA R. HARPER  
Clerk of the Board

By: [Signature]  
Deputy

APPROVED AS TO FORM:

GREGORY P. PRIAMOS  
County Counsel

By: [Signature]  
RYAN YABKO  
Deputy County Counsel

**WALTER'S AUTO SALES AND SERVICE, INC.,**  
a California corporation

By: [Signature]  
Its: President

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



EXHIBIT "A"

**MONROE S.D. RAILROAD LATERAL  
PARCEL 1072-901**

Being a portion of Lots 3 and 4 as shown on Map Book 6, Page 86, records of Riverside County, California, described as follows:

The most Northwesterly 50 feet of said Lots 3 and 4, as described in Instrument No. 45694, recorded March 11, 1983, records of Riverside County, California.

Excepting therefrom the most Southwesterly 275.00 feet.



VID L. STONE

Land Surveyor No. 4758

Signed For: Riverside County Flood Control  
and Water Conservation District

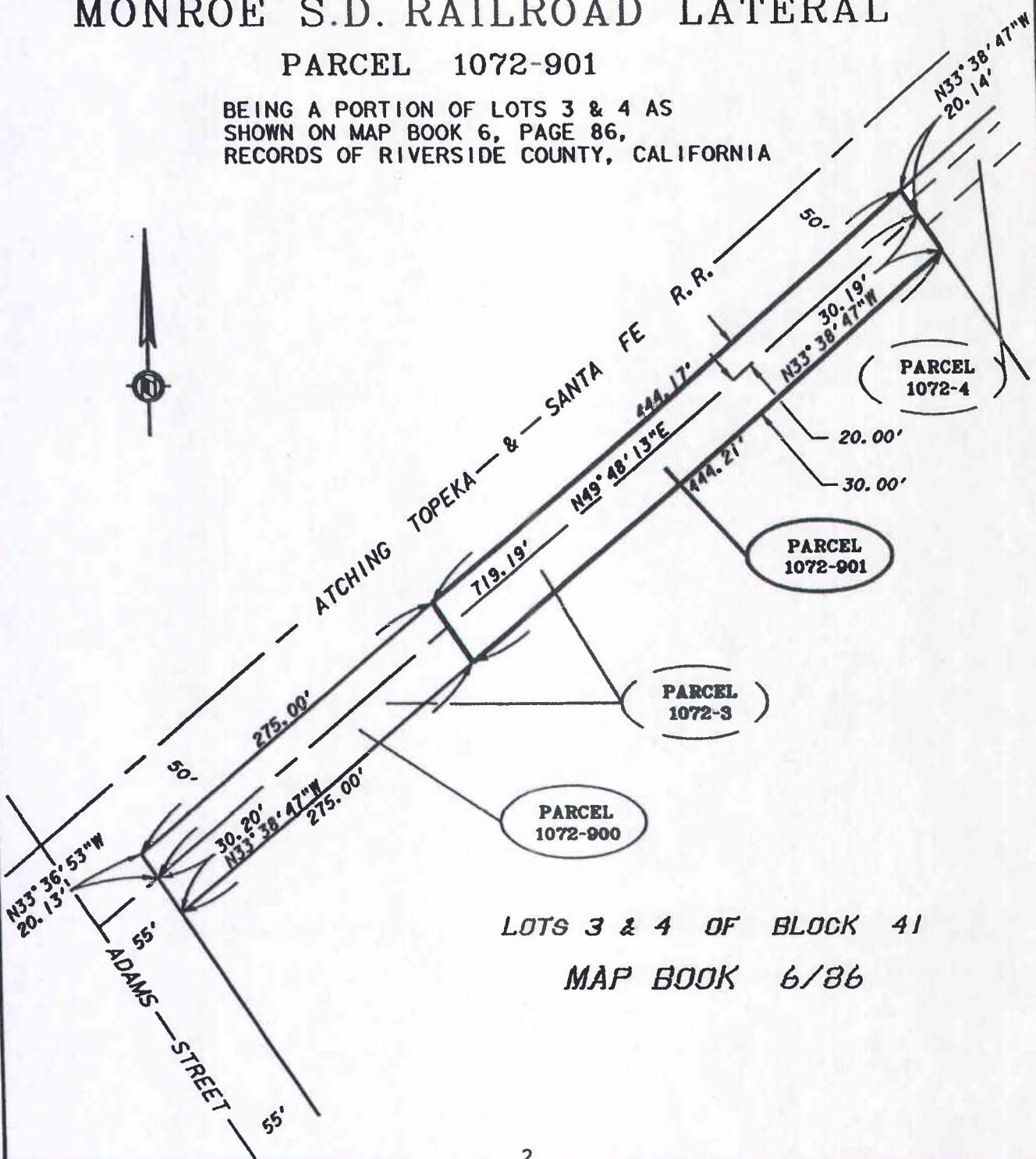
Date: 3/31/04

EXHIBIT "B"

# MONROE S.D. RAILROAD LATERAL

## PARCEL 1072-901

BEING A PORTION OF LOTS 3 & 4 AS  
SHOWN ON MAP BOOK 6, PAGE 86,  
RECORDS OF RIVERSIDE COUNTY, CALIFORNIA



LOTS 3 & 4 OF BLOCK 41

MAP BOOK 6/86

**RIVERSIDE COUNTY FLOOD CONTROL AND WATER CONSERVATION DISTRICT**  
1995 MARKET ST. RIVERSIDE, CA. 92501

PROJECT: MONROE S.D. RAILROAD LATERAL

PARCEL: 1072-901

THIS PLAT IS SOLELY AN AID IN LOCATING  
THE PARCEL(S) DESCRIBED IN THE  
ATTACHED DOCUMENT. IT IS NOT A PART  
OF THE WRITTEN DESCRIPTION THEREIN.

PREPARED BY: F J. W

SCALE: 1" = 100'

APPROVED BY: *[Signature]*

DATE: 03/30/2004

DATE: 3/31/04

SHEET 1 OF 1

