

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



ITEM: 3.10

(ID # 14054)

MEETING DATE:

Tuesday, June 08, 2021

FROM: FACILITIES MANAGEMENT:

SUBJECT: FACILITIES MANAGEMENT - REAL ESTATE (FM-RE): Ratification and Approval of the Third Amendment to Lease with Mission Trail Investment, LLC - Riverside University Health System-Behavioral Health, Lake Elsinore, 9-Month Lease Extension, CEQA Exempt, District 1. [Total Cost \$223,515 - Federal 53%; State 47%] (Clerk of the Board 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(b)(3), Existing Facilities exemption, and Section 15061(b)(3), Common Sense exemption;
2. Ratify and Approve the Third Amendment to Lease with Mission Trail Investment, LLC, and authorize the Chair of the Board to execute the same on behalf of the County; and
3. Direct the Clerk of the Board to file the attached Notice of Exemption with the County Clerk for filing within five (5) working days of approval by the Board.

ACTION: Policy


Rose Salgado, Director of Facilities Management 2/9/2021



Matthew Chang, Director 2/24/2021

MINUTES OF THE BOARD OF SUPERVISORS

On motion of Supervisor Washington, seconded by Supervisor Spiegel and duly carried, IT WAS ORDERED that the above matter is approved as recommended.

Ayes: Spiegel, Washington, Perez, and Hewitt
Nays: None
Abstain: Jeffries
Date: June 8, 2021
xc: FM-RE, Recorder

Kecia R. Harper
Clerk of the Board

By: 
Deputy

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

FINANCIAL DATA	Current Fiscal Year:	Next Fiscal Year:	Total Cost:	Ongoing Cost
COST	\$223,515	\$0	\$ 223,515	\$0
NET COUNTY COST	\$0	\$0	\$0	\$0
SOURCE OF FUNDS: Federal 53%; State 47%			Budget Adjustment:	No
			For Fiscal Year:	2020/21

C.E.O. RECOMMENDATION: [CEO use]

BACKGROUND:

Summary

Riverside University Health System-Behavioral Health (RUHS-BH) has occupied a leased facility at 31946 Mission Trail in Lake Elsinore since 2008 and the current lease term recently expired October 8, 2020. RUHS-BH has reviewed and determined a consolidation of staff from this office into the RUHS-Community Health Clinic (CHC) office in Lake Elsinore located at 2499B & 2501 Lakeshore Drive is possible and more efficient.

Therefore, this Third Amendment to Lease represents a nine-month extension of the Mission Trail office in order to complete tenant improvements at Lakeshore Drive to accommodate the relocation of staff. Once completed, the Mission Trail office will be vacated by RUHS-BH.

Pursuant to the California Environmental Quality Act (CEQA), the Lease was reviewed 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. The proposed project is the letting of property involving previously occupied space.

This Third Amendment to Lease is summarized below:

Lessor: Mission Trail Investment, LLC
c/o America West Properties Inc.
22541 Aspan Street #H
Lake Forest, CA 92630

Premises Location: 31946 Mission Trail, Suite B
Lake Elsinore, CA 92530

Size: 8,828 Square Feet

Rent: Current

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

\$2.56 per sq. ft.
\$22,583.25 per month
\$270,999.00 per year

Term: October 9, 2020, through July 8, 2021.

Custodial: Lessor to provide

Maintenance: Lessor provides preventative maintenance. County responsible for repairs.

Utilities: County pays for telephone and electrical services.
Landlords pays for all other services.

The attached Third Amendment to Lease has been reviewed and approved by County Counsel as to legal form.

Impact on Residents and Businesses

The short-term lease extension will allow RUHS-BH the ability to continue services in Lake Elsinore while consolidation efforts are completed.

Additional Fiscal Information

See attached Exhibit A

RUHS-BH will budget these costs in FY2020/21 through FY2021/22 and will reimburse (FM-RE) for all associated lease costs.

Contract History and Price Reasonableness

The lease contract and associated rent have been aligned with the current real estate market.

Attachments:

- Exhibit A
- Third Amendment to Lease
- Notice of Exemption
- Aerial Map

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

HR:ar/121420/LE026/30.420


Meghan Hahn, Administrative Analyst

6/1/2021


Gregory V. Priamos, Director County Counsel

5/17/2021

1 **THIRD AMENDMENT TO LEASE**

2 31946 Mission Trail, Suite B, Lake Elsinore, California

3
4 This **THIRD AMENDMENT TO LEASE** ("Third Amendment") dated as of
5 June 8, 2021 is entered by and between MIRAMAR WEST, LLC, predecessor in
6 interest to **MISSION TRAIL INVESTMENT, LLC**, a Delaware limited liability company
7 ("Lessor"), and the **COUNTY OF RIVERSIDE**, a political subdivision of the State of
8 California ("County"), sometimes collectively referred to as the "Parties".

9 **1. Recitals.**

10 a. Lessor and County have entered into that certain Lease, dated
11 April 1, 2008, ("Original Lease") pursuant to which Lessor has agreed to lease to
12 County and County has agreed to lease from Lessor that certain building located at
13 31946 Mission Trail, Suite B, in the City of Lake Elsinore, State of California, as more
14 particularly shown in the Original Lease (the "Original Premises").

15 b. The Original Lease has been amended by:

16 That certain First Amendment to Lease dated September 30, 2008, by and
17 between Miramar West, LLC, and the County ("First Amendment"), whereby the Parties
18 amended the Original Lease to complete tenant improvements.

19 That certain Second Amendment to Lease dated August 20, 2013, by and
20 between Miramar West, LLC, and the County ("Second Amendment"), whereby the
21 Parties amended the Lease to extend the lease term, modify the rent and complete
22 tenant improvements.

23 c. The Original Lease, as heretofore, currently, or hereafter
24 amended, shall hereafter be referred to as the "Lease".

25 d. County and Lessor desire to further amend the Lease by extending
26 the term of the Lease (as defined herein).

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

1 **2. Term.** Section 3 of the Lease is hereby amended by the following: The
2 term of the Lease shall be extended nine (9) months ("Extension Term") commencing
3 October 9, 2020 and expiring July 8, 2021.

4 **3. Counterparts and Use of Digital Signatures.** Section 26 of the Lease
5 is renumbered as Section 27 as shown below and the new Section 26 is hereby
6 amended in its entirety by the following:

7 **26. Counterparts and Use of Digital Signatures.** This Agreement may
8 be executed in any number of counterparts, each of which will be an original, but all of
9 which together will constitute one instrument. Each party of this Agreement agrees to
10 the use of electronic signatures, such as digital signatures that meet the requirements
11 of the California Uniform Electronic Transactions Act ("CUETA") Cal. Civ. Code §§
12 1633.1 to 1633.17), for executing this Agreement. The parties further agree that the
13 electronic signatures of the parties included in this Agreement are intended to
14 authenticate this writing and to have the same force and effect as manual signatures.
15 Electronic signature means an electronic sound, symbol, or process attached to or
16 logically associated with an electronic record and executed or adopted by a person
17 with the intent to sign the electronic record pursuant to the CUETA as amended from
18 time to time. The CUETA authorizes use of an electronic signature for transactions and
19 contracts among parties in California, including a government agency. Digital signature
20 means an electronic identifier, created by computer, intended by the party using it to
21 have the same force and effect as the use of a manual signature, and shall be
22 reasonably relied upon by the parties. For purposes of this section, a digital signature
23 is a type of "electronic signature" as defined in subdivision (i) of Section 1633.2 of the
24 Civil Code.

25 **27.** This Lease shall not be binding or consummated until its approval by
26 the County.

27 **4. Capitalized Terms: Third Amendment to Prevail.** Unless defined
28

1 herein or the context requires otherwise, all capitalized terms herein shall have the
2 meaning defined in the Lease, as heretofore amended. The provisions of this Third
3 Amendment shall prevail over any inconsistency or conflicting provisions of the Lease,
4 as heretofore amended, and shall supplement the remaining provision thereof.

5 **5. Miscellaneous.** Except as amended or modified herein, all the terms of
6 the Lease shall remain in full force and effect and shall apply with the same force and
7 effect. If any provisions of this Third Amendment or the Lease shall be determined to
8 be illegal or unenforceable, such determination shall not affect any other provision of
9 the Lease and all such other provisions shall remain in full force and effect. The
10 language in all parts of the Lease shall be construed according to its normal and usual
11 meaning and not strictly for or against either Lessor or County. Neither this Third
12 Amendment, nor the Original Lease, nor any notice nor memorandum regarding the
13 terms hereof, shall be recorded by County.

14 **6. Effective Date.** This Third Amendment to Lease shall not be binding or
15 consummated until its approval by the Riverside County Board of Supervisors and fully
16 executed by the Parties.

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24 (Signatures on the following page)
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1 **In Witness Whereof**, the Parties have executed this Third Amendment as of the
2 date written below.

3 Dated: June 8, 2021

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5 COUNTY:

6 County of Riverside, a political
7 subdivision of the State of California

LESSOR:

Mission Trail Investment, LLC, a California
limited liability company

8 By: Karen S. Spiegel
9 Karen Spiegel, Chair
Board of Supervisors

By: Roger Allensworth
Roger Allensworth (Apr 25, 2021 14:57 PDT)
Roger Allensworth, Manager

10
11 ATTEST:
12 Kecia R. Harper
Clerk of the Board

13 By: [Signature]
14 Deputy

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

17 By: [Signature]
18 Synthia M. Gunzel
19 Chief Deputy County Counsel

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28 HR:dr/02182021/LE026/30.420

Exhibit A

FY 2020/21
RUHS - Behavioral Health
31946 Mission Trail, Suite B, Lake Elsinore

ESTIMATED AMOUNTS

Total Square Footage to be Leased:

Current Office: 8,828 SQFT

Approximate Cost per SQFT (Oct-Jun) \$ 2.56

Lease Cost per Month (Oct-Jun) \$ 22,583.25

Total Lease Cost (Oct-Jun)	\$ 203,249.25
Total Estimated Lease Cost for FY 2020/21	<u>\$ 203,249.25</u>

Estimated Additional Costs:

Utility Cost per SQFT	\$ 0.12
Estimated Utility Costs per Month	<u>\$ 1,059.36</u>

Total Estimated Utility Cost (Oct-Jun)	\$ 9,534.24
Total Estimated Utility Cost for FY 2020/21	<u>\$ 9,534.24</u>

FM Lease Management Fee as of 10/09/2020	5.28%	<u>\$ 10,731.56</u>
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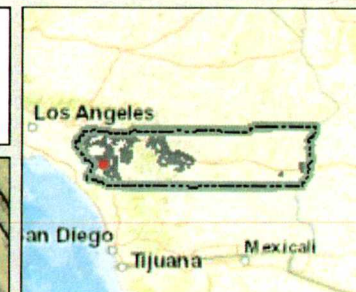
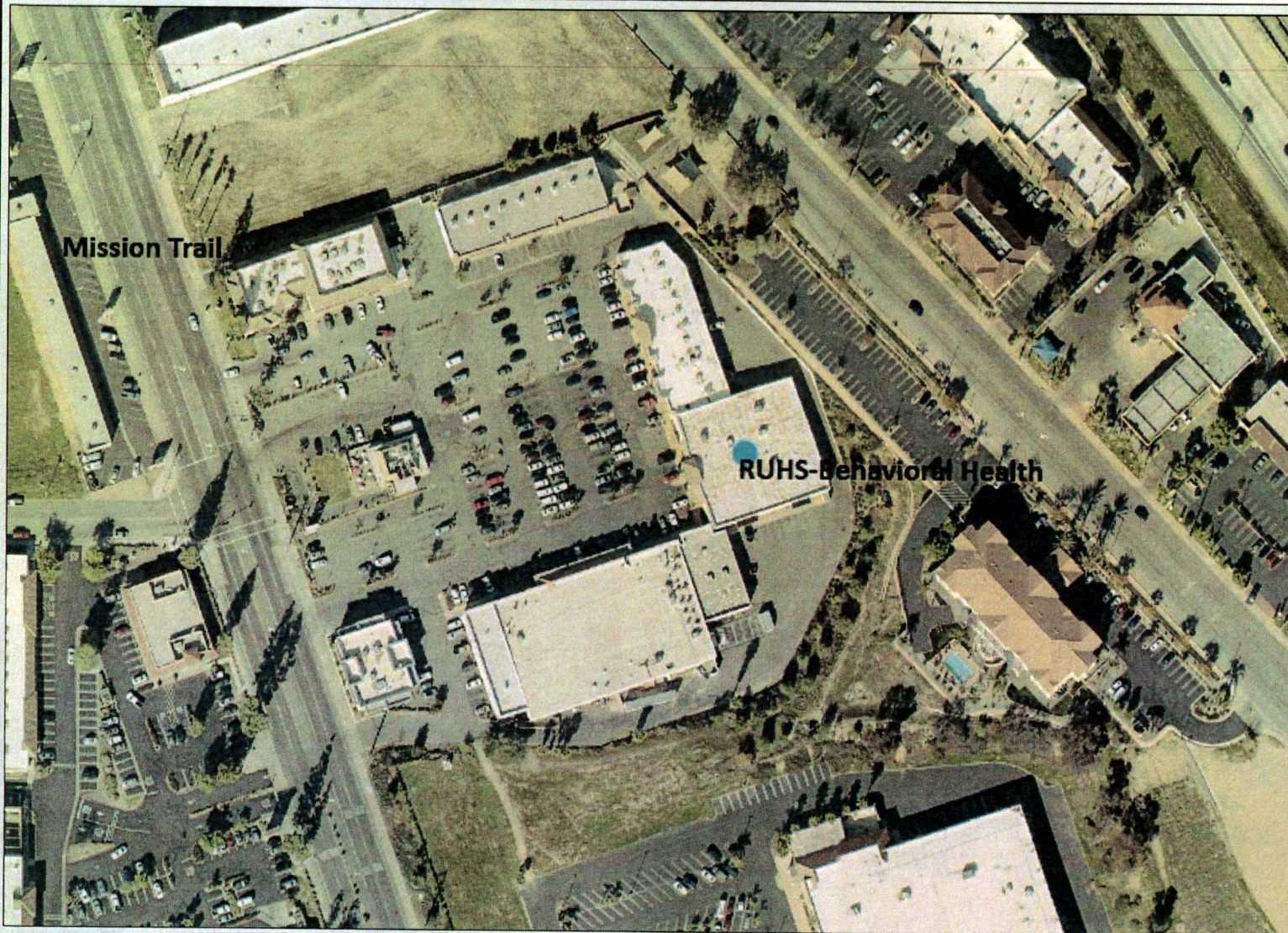
TOTAL ESTIMATED COST FOR FY 2020/21		<u><u>\$ 223,515.05</u></u>
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Amount in FY 2020/21 for New Amendment		\$ 223,515.05
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TOTAL COUNTY COST	0%	\$ -
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Riverside University Health System - Behavioral Health

31946 Mission Trail, Suite B, Lake Elsinore



Legend



0 188 376 Feet



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.

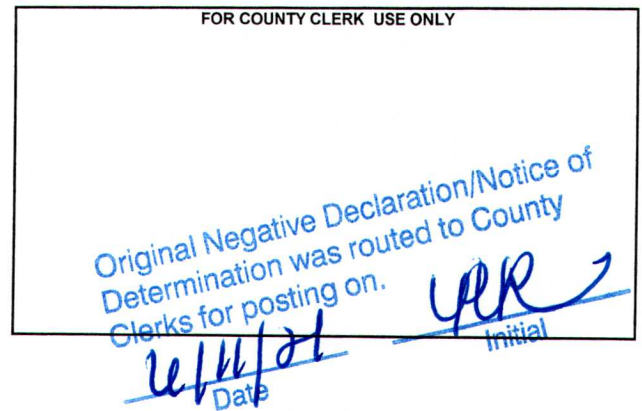
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© Riverside County GIS

Notes

District 1
APNs: 363-172-010
363-172-022

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



NOTICE OF EXEMPTION

December 9, 2020

Project Name: RUHS BH Third Amendment to Lease, Lake Elsinore

Project Number: FM042431002600

Project Location: 31946 Mission Trail, Suite B, south of Diamond Drive, Lake Elsinore, California 92530; Assessor's Parcel Numbers (APN) 363-172-022, 363-172-010, 363-172-013, 363-172-012, 363-172-009, 363-172-004, 363-172-020, 363-172-021, 363-172-006

Description of Project: The County of Riverside (County) has a Lease Agreement with Miramar West LLC, a predecessor in interest to Mission Trail Investment, LLC, a California limited liability company, (Lessor) which was entered into in April 1, 2008 for the purpose of providing office space for the Riverside University Health System (RUHS). The Lease Agreement was amended twice previously for tenant improvements, extension of term, and rent adjustments. Riverside University Health System-Behavioral Health (RUHS-BH) has occupied the facility on Mission Trail since 2008, and the current lease term expired October 8, 2020. RUHS-BH has reviewed and determined a consolidation of staff into another existing office in Lake Elsinore is possible. Therefore, this Third Amendment to Lease represents a nine-month extension while tenant improvements are completed under a separate contract to accommodate the relocated staff. The Third Amendment to Lease is identified as the proposed project under the California Environmental Quality Act (CEQA). The proposed project would involve a lease extension for the existing facility and would not result in an increase in capacity or physical expansion beyond what was previously approved as part of the Lease Agreement. No significant physical changes would occur as a result of the Third Amendment to the Lease Agreement.

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 Third Amendment to the Lease Agreement.

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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 is limited to the extension of term of an existing facility and no physical modifications would occur as a result. Therefore, the project is exempt as it meets the scope and intent of the Categorical 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 Third Amendment to the Lease Agreement 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.

Signed: _____

Mike Sullivan, Senior Environmental Planner
County of Riverside, Facilities Management

Date: _____

12/9/20

RIVERSIDE COUNTY CLERK & RECORDER

**AUTHORIZATION
TO BILL
BY JOURNAL VOUCHER**

Project Name: RUHS BH Third Amendment to Lease, Lake Elsinore

Accounting String: 524830-47220-7200400000 - FM042431002600


DATE: December 9, 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 DOCUMENTS INCLUDED: One (1)

AUTHORIZED BY: **Mike Sullivan, Senior Environmental Planner, Facilities Management**

Signature: 

PRESENTED BY: **Heidi Rigler, Senior 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 9, 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 # FM042431002600**
RUHS BH Third Amendment to Lease, Lake Elsinore

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