

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



ITEM: 3.13
(ID # 14621)

MEETING DATE:
Tuesday, June 08, 2021


FROM: FACILITIES MANAGEMENT AND DEPARTMENT OF PUBLIC SOCIAL SERVICES (DPSS):

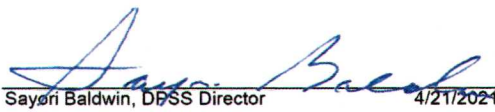
SUBJECT: FACILITIES MANAGEMENT- REAL ESTATE (FM-RE) AND DEPARTMENT OF PUBLIC SOCIAL SERVICES (DPSS): Ratification and Approval of the Fourth Amendment to Lease with Terry William Ireland, dba T.W. Investments, 68625 Perez Rd., Suites 4 & 5, Cathedral City, California, 18-month Lease Extension, CEQA Exempt, District 4. [Total Cost \$206,108 - Federal 98.02%, State 1.98%] (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 Terry William Ireland, dba T.W. Investments, 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 attached Notice of Exemption with the County Clerk for filing within five (5) working days of approval by the Board.

ACTION: Policy

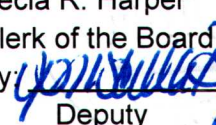

Rose Salgado, Director of Facilities Management 4/20/2021


Sayori Baldwin, DPSS Director 4/21/2021

MINUTES OF THE BOARD OF SUPERVISORS

On motion of Supervisor Washington, seconded by Supervisor Spiegel 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: June 8, 2021
xc: FM-RE, DPSS, 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	\$22,830	\$136,890	\$206,108	\$0
NET COUNTY COST	\$0	\$0	\$0	\$0
SOURCE OF FUNDS: Federal 98.02%; State 1.98%			Budget Adjustment: No	
			For Fiscal Year: 2020/21 – 2022/23	

C.E.O. RECOMMENDATION: Approve.

BACKGROUND:

Summary

The County has been under lease at 68625 Perez Road, Suite 4 & 5, Cathedral City, California since July 2007. Under the lease, the Department of Public Social Services (DPSS) has occupied 4,944 square feet of office space for use by its Self-Sufficiency Division and the space continues to meet the needs of DPSS for providing services to the community. With staff consolidation efforts by DPSS, the contiguous space and lease in Suite 2 & 3 will be terminated on April 30, 2021 reducing the occupied square footage. The communications room, approximately 294 square feet of Suite 2 & 3 will be used and retained by Suites 4 & 5. The lease, which expired April 31, 2021, will be extended 18 months under this Fourth Amendment to Lease (Amendment).

Pursuant to the California Environmental Quality Act (CEQA), the Amendment 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 with tenant improvements.

The Amendment has been reviewed and approved by County Counsel as to form.

A summary of the Amendment is as follows:

Lessor: Terry William Ireland
dba T.W. Investments
4624 Cardona Ct.
Fort Worth, TX 76126

Premises: 68625 Perez Road, Suite 4 & 5
Cathedral City, CA 92234

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

Size: 4,944 square feet increase to 5,238 square feet due to retention of communications room of 294 square feet

Rent: Current: \$1.86 per square foot \$2.07 per square foot
\$9,193.89 per month \$10,842.66 per month
\$110,326.68 per year \$130,111.92 per year

Term: Extended 18 months commencing May 1, 2021, and expiring October 31, 2022

Annual Increase: Increase reduced from 2.5% to 2% annually.

Utilities: County pays for electric. Lessor pays all others.

Custodial and Day Porter: Provided by Lessor and included in the Rent

Interior/Exterior Maintenance: Provided by Lessor

Improvements: Lessor, at Lessor's sole cost, subject to reimbursement by County:

- Build two (2) walls, approximately 8' x 12' each to separate Suites 2 & 3 from Suites 4 & 5.
- Install a new 3x7 exterior door into the Communications Room.
- Close off existing interior door to the Communications Room by removing existing door and install a new wall.
- Disconnect and remove five (5) power pole conduits in the main area.

Impact on Residents and Businesses

The Amendment will allow DPSS to continue to provide beneficial services to residents of the region while saving costs with the co-location of the Children's Services and Self Sufficiency Divisions.

Additional Fiscal Information

See attached Exhibits A, B & C.

DPSS will budget these costs in FY2021/22 through FY 2022/23 and will reimburse Facilities Management - Real Estate (FM-RE) for all associated lease costs.

Contract History and Price Reasonableness

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

The lease rate is aligned with the current real estate market.

Attachments:

- Exhibits A, B and C
- Fourth Amendment to Lease
- Notice of Exemption
- Aerial Map

SA:ar/03232021/CC015


Meghan Hahn, Administrative Analyst

6/1/2021


Gregory V. Priamos, Director County Counsel

5/26/2021

Exhibit A

FY 2020/21

DPSS - GAIN

68625 Perez Rd., Suite 4 & 5, Cathedral City, CA 92253

ESTIMATED AMOUNTS

Total Square Footage to be Leased:

Revised Office:	5,238 SQFT	
Approximate Cost per SQFT (May-Jun)	\$ 2.07	
Lease Cost per Month (May-Jun)	\$ 10,842.66	
Total Lease Cost (May-Jun)		\$ 21,685.32
Total Estimated Lease Cost for FY 2020/21		\$ 21,685.32

Estimated Additional Costs:

FM Lease Management Fee as of 05/01/2021	5.28%	\$ 1,144.98
TOTAL ESTIMATED COST FOR FY 2020/21		\$ 22,830.30
TOTAL COUNTY COST	0%	\$ -

Exhibit B

FY 2021/22

DPSS - GAIN

68625 Perez Rd., Suite 4 & 5, Cathedral City, CA 92253

ESTIMATED AMOUNTS

Total Square Footage to be Leased:

Current Office:	5,238	SQFT	
Approximate Cost per SQFT (Jul-Oct)	\$	2.07	
Approximate Cost per SQFT (May-Jun)	\$	2.11	
Lease Cost per Month (Jul-Oct)			\$ 10,842.66
Lease Cost per Month (May-Jun)			\$ 11,059.51
Total Lease Cost (Jul-Oct)			\$ 108,426.60
Total Lease Cost (May-Jun)			\$ 22,119.02
Total Estimated Lease Cost for FY 2021/22			<u>\$ 130,545.62</u>

Estimated Additional Costs:

FM Lease Management Fee as of 07/01/2021	4.86%	\$	6,344.52
TOTAL ESTIMATED COST FOR FY 2021/22			<u>\$ 136,890.14</u>
TOTAL COUNTY COST	0%	\$	-

Exhibit C

FY 2022/23

DPSS - GAIN

68625 Perez Rd., Suite 4 & 5, Cathedral City, CA 92253

ESTIMATED AMOUNTS

Total Square Footage to be Leased:

Current Office: 5,238

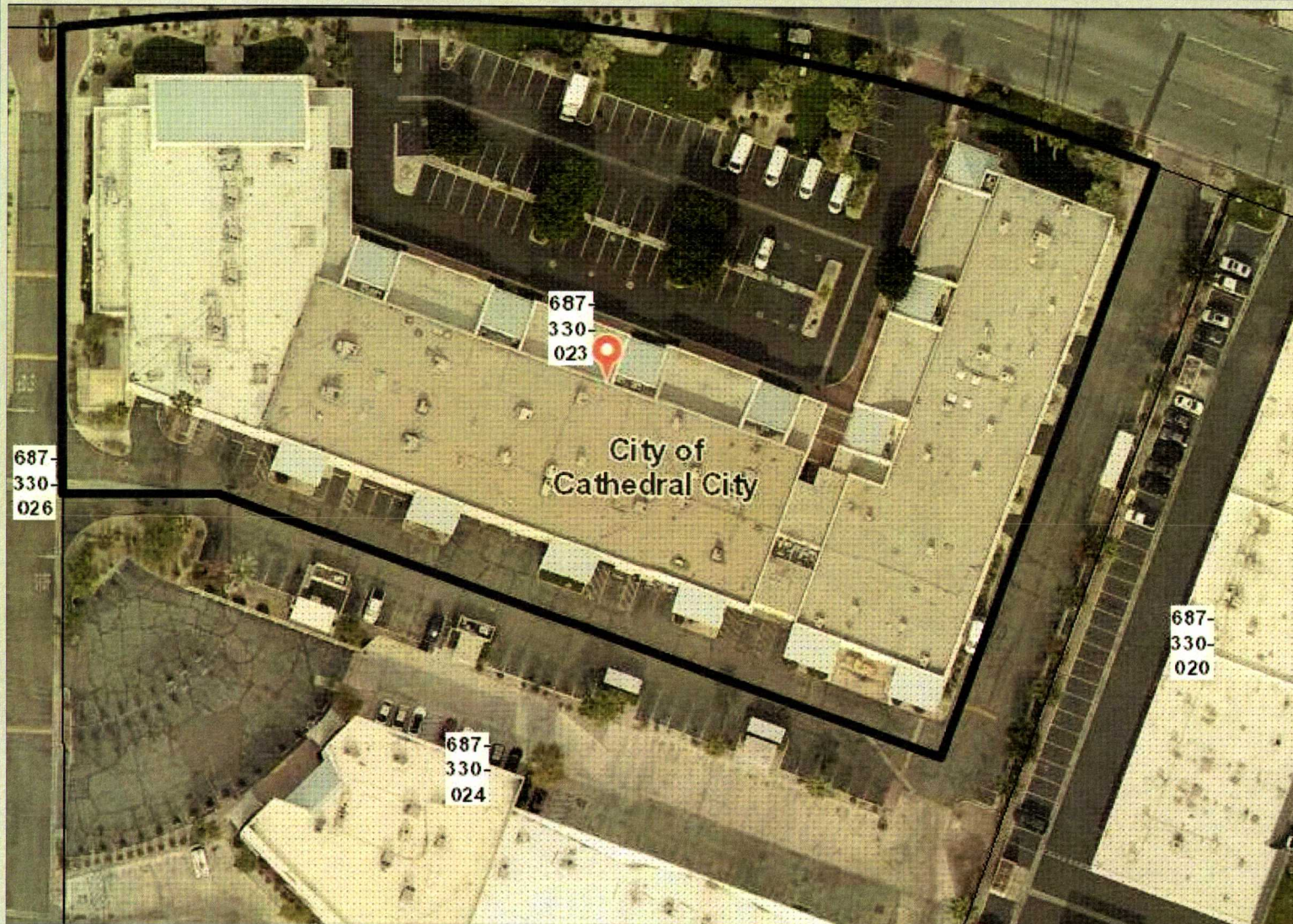
	FY 2022/23
Approximate Cost per SQFT (Jul-Oct)	\$ 2.11
Lease Cost per Month (Jul-Oct)	\$ 11,059.51
Total Lease Cost (July-Oct)	\$ 44,238.04
Total Estimated Lease Cost for FY 2022/23	\$ 44,238.04

Estimated Additional Costs:

FM Lease Management Fee as of 07/01/2021	4.86%	\$ 2,149.97
TOTAL ESTIMATED COST FOR FY 2022/23		\$ 46,388.01

F11 Total Cost		\$ 206,108.45
F11 Total County Cost	0%	\$ -

68625 Perez Dr., Ste 4 & 5, Cathedral City



Legend

- Parcel APNs
- Parcels
- Blueline Streams
- City Areas



0 94 188 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.

REPORT PRINTED ON... 5/5/2021 9:42:49 AM

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Notes

1 **FOURTH AMENDMENT TO LEASE**

2 68625 Perez Road, Suites 4 & 5, Cathedral City, California

3
4 This **FOURTH AMENDMENT TO LEASE** ("Fourth Amendment"), dated as of
5 June 8, 2021, is entered by and between the **COUNTY OF RIVERSIDE**, a
6 political subdivision of the State of California, ("Lessee"), and **TERRY WILLIAM**
7 **IRELAND, dba T.W. Investments**, ("Lessor"), sometimes collectively referred to as the
8 "Parties".

9 **RECITALS**

10 A. Terry William Ireland dba T.W. Investments, as Lessor, and County,
11 entered into that certain lease dated July 31, 2007, ("the "Original Lease") whereby
12 Lessor has agreed to lease to County and County has agreed to lease from Lessor that
13 certain building located at 68625 Perez Road, Suites 4 & 5, Cathedral City, California,
14 (the "Premises"), as more particularly described in the Original Lease.

15 B. The Original Lease has been amended by:

16 1. That certain First Amendment to Lease dated, June 18, 2013, by
17 and between the County of Riverside and Terry William Ireland dba T.W. Investments,
18 ("First Amendment") whereby the parties amended the Original Lease to modify the rent
19 and extend the term of the Original Lease.

20 2. That certain Second Amendment to Lease dated, April 14, 2015, by
21 and between County of Riverside and Terry William Ireland dba T.W. Investments,
22 ("Second Amendment") whereby the Parties amended the Original Lease to modify the
23 rent, extend the term of the Original Lease, and include minor tenant improvements.

24 3. That certain Third Amendment to Lease dated, April 24, 2018, by
25 and between County of Riverside and Terry William Ireland dba T.W. Investments,
26 ("Third Amendment") whereby the Parties amended the Original Lease to extend the
27 term, modify the rent and complete tenant improvements.
28

1 C. The Original Lease together with the Amendments are collectively referred
2 to hereinafter as the "Lease."

3 D. The Parties now desire to extend the lease term, include the
4 communications room in Suites 2 & 3, amend the rental amounts and complete tenant
5 improvements to the Premises.

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

8
9 1. **Term.** Section 4.1 of the Lease is hereby amended as follows:
10 The term of this Lease is hereby extended for eighteen (18) months, commencing May
11 1, 2021 and expiring October 31, 2022 ("Extended Term").

12 2. **Premises.** Section 2.2 of the Lease is hereby amended to add the
13 following:

14 Effective May 1, 2021, the premises shall include the communications room in
15 Suites 2 & 3 for a new total square footage of 5,238 square feet.

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

17
18 As of the effective date of this Fourth Amendment, County shall pay the sum of ten
19 thousand eight hundred forty-two and 66/100 dollars (\$10,842.66) per month to Lessor
20 as rent for the Leased Premises, payable, in advance, on the first day of the month or as
21 soon thereafter as a warrant can be issued in the normal course of County's business;
22 provided, however, in the event rent for any period during the term hereof which is for
23 less than one (1) full calendar month, said rent shall be pro-rated based upon the actual
24 number of days of said month.

25 4. **Holding Over.** Any holding over by County after the expiration of said term
26 or any extension thereof shall be deemed a month to month tenancy upon the same
27 terms and conditions of this Lease. During any holding over, County and Lessor shall
28

1 provide at least ninety (90) days written notice prior to the date of termination. County's
2 obligation to pay Rent shall continue through the termination date.

3 **5. Improvements by Lessor.** Section 11 shall be amended to add
4 subsection 11.1.10 as follows:

5 **11.1.10** Lessor shall, at its sole cost and expense, subject to reimbursement
6 of the total cost, shall build two walls (approximately 8' x 12' each) to separate Suites 2
7 & 3 from Suite 4 & 5. Install a new 3x7 exterior door in the communications room and
8 close off existing interior door, remove existing door and install new wall. Conduct
9 electrical work by disconnecting and removing five (5) power pole conduits in the main
10 area as stated herein ("Additional Improvements"). Work to commence within 90 days of
11 Board of Supervisors approval of this Fourth Amendment of Lease or a mutually
12 agreeable later date by County and Lessor. The Additional Improvements shall be
13 constructed generally in accordance with the provisions of Exhibit "F" of the Lease (to
14 the extent applicable). Lessor shall complete work in phases after hours.

15 **7. Fourth Amendment to Prevail.** The provisions of this Fourth Amendment
16 shall prevail over any inconsistency of conflicting provisions of the Lease, as heretofore
17 amended, and shall supplement the remaining provisions thereof.

18 **8. Miscellaneous.** Except as amended or modified herein, all the terms of
19 the Lease shall remain in full force and effect and shall apply with the same force and
20 effect. Time is of the essence in this Fourth Amendment and the Lease and each and
21 all their respective provisions. Subject to the provisions of the Lease as to assignment,
22 the agreements, conditions and provisions herein contained shall apply to and bind the
23 heirs, executors, administrators, successors and assigns of the parties hereto. If any
24 provisions of this Fourth Amendment or the Lease shall be determined to be illegal or
25 unenforceable, such determination shall not affect any other provision of the Lease. The
26 language in all parts of the Lease shall be construed according to its normal and usual
27 meaning and not strictly for or against either Lessor or County. Neither this Fourth
28 Amendment, nor the Lease shall be recorded by the County.

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9. **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 IN WITNESS WHEREOF, the parties have executed this Fourth Amendment as of the
2 date first written above.

3
4 LESSEE:
5 COUNTY OF RIVERSIDE, a political
6 subdivision of the State of California

LESSOR:
Terry William Ireland dba T.W. Investments

7 By: Karen S. Spiegel
8 KAREN SPIEGEL
9 Board of Supervisors

By: Terry William Ireland
Terry William Ireland
Lessor

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

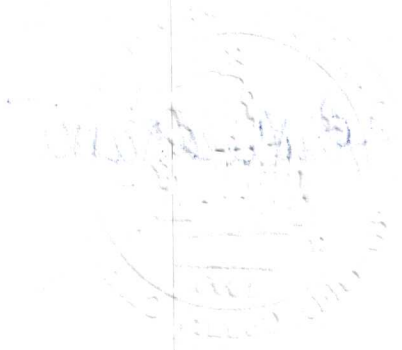
14 By: Alexandra Raso
Deputy

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

18 By: Wesley Stanfield
19 Wesley Stanfield
20 Deputy County Counsel

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24
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26 CC015/
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28

KAREN SPIEGEL



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

FOR COUNTY CLERK USE ONLY

NOTICE OF EXEMPTION

Original Negative Declaration/Notice of
Determination was routed to County
Clerks for posting on.
4/14/21 Date
Initial

March 23, 2021

Project Name: Department of Public Social Services (DPSS) Self Sufficiency Suites 4 & 5 Fourth Amendment to Lease, Cathedral City

Project Number: FM042163001500

Project Location: 68625 Perez Road, Suites 4 & 5, east of Cathedral Canyon Drive, Cathedral City, California; 92234, Assessor's Parcel Number (APN) 687-330-023

Description of Project: The County of Riverside (County) has been under lease for 4,944 square feet of office space in Suites 4 & 5 at 68625 Perez Road in the City of Cathedral City since 2007. DPSS has occupied this office space for use by its Self-Sufficiency Division, and it continues to meet the requirements of the Department for providing services to the community. With staff consolidation efforts by DPSS, the neighboring lease in Suites 2 & 3 will be terminated on April 30, 2021 reducing the overall occupied square footage by DPSS. The communications room, approximately 294 square feet of Suite 2 & 3 will be used and retained by Suites 4 & 5. The lease, which expires April 30, 2021, will be extended 18 months under the Fourth Amendment to Lease. The Fourth Amendment to the Lease Agreement is defined as the proposed project under the California Environmental Quality Act (CEQA). The project is the letting of property involving existing facilities; no expansion of the existing facility will occur. The operation of the facility will continue to provide public services for the DPSS Self Sufficiency Division. 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 Fourth Amendment to the Lease Agreement.

JUN 08 2021 3.13

- **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 a new lease for continued use of an existing building. The Fourth Amendment to the Lease Agreement would not substantially 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 Fourth 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: _____



Date: 3-23-2021

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

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

Date: March 23, 2021

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 # FM042163001500**
DPSS Self Sufficiency Suites 4 & 5 Fourth Amendment to Lease, Cathedral City

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 Ave, Riverside, CA 92507

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

Attachment

cc: file

RIVERSIDE COUNTY CLERK & RECORDER

**AUTHORIZATION
TO BILL
BY JOURNAL VOUCHER**

Project Name: DPSS Self Sufficiency Suites 4 & 5 Fourth Amendment to Lease, Cathedral City

Accounting String: 524830-47220-7200400000 - FM042163001500

DATE: March 23, 2021

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: Simon Asano, Real Property Agent, Facilities Management

-TO BE FILLED IN BY COUNTY CLERK-

ACCEPTED BY: -

DATE: -

RECEIPT # (S) -