

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



**ITEM: 3.13**  
(ID # 15258)

**MEETING DATE:**  
Tuesday, June 22, 2021

**FROM:** FACILITIES MANAGEMENT AND RIVERSIDE COUNTY PROBATION  
DEPARTMENT:

**SUBJECT:** FACILITIES MANAGEMENT-REAL ESTATE (FM-RE) AND RIVERSIDE COUNTY PROBATION DEPARTMENT: Ratification and Approval of the Second Amendment to Lease between County of Riverside as Lessee and Silverhawk Business Ctr, LLC as Lessor, 30123 Technology Drive, Murrieta, Probation Department, 5-Year Lease Extension, CEQA Exempt, District 3. [Total Cost \$1,498,551 - State 100%] (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 Second Amendment to Lease between the County of Riverside, a political subdivision of the State of California, as Lessee, and Silverhawk Business Ctr, LLC, a California limited liability company, as Lessor, 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 Notice of Exemption with the County Clerk within five (5) days of approval by the Board.

**ACTION: Policy, CIP**

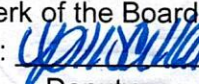
  
Rose Salgado, Director of Facilities Management 5/26/2021   
Ronald L. Miller, Chief Probation Officer 6/4/2021

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**MINUTES OF THE BOARD OF SUPERVISORS**

On motion of Supervisor Perez, 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: June 22, 2021  
xc: FM, Probation, Recorder

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>	\$71,433	\$286,493	\$1,498,551	\$0
<b>NET COUNTY COST</b>	\$0	\$0	\$0	\$0
<b>SOURCE OF FUNDS:</b> State 100%			<b>Budget Adjustment:</b>	No
			<b>For Fiscal Year:</b>	FY2020/21-FY2025/26

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

**BACKGROUND:**

**Summary**

On September 25, 2012, the County of Riverside (County) entered into a lease agreement on behalf of the Probation Department (Probation) with RCI Silverhawk 13, LLC. Thereafter on June 5, 2018 the County entered into a First Amendment with Temecula Park, LLC as successor-in-interest to RCI Silverhawk 13, LLC, which provided for a three-year extension of the lease term. The purpose of this Form 11 is for approval of a Second Amendment to extend the lease term for an additional five years with Silverhawk Business Ctr, LLC, as Lessor, the successor-in-interest to Temecula Park LLC.

The facility, located at 30123 Technology Drive in Murrieta, is utilized for Probation Adult Services and continues to meet Probation's requirements to run their programs and support their client's needs. This Second Amendment to the Lease (Amendment) will extend the lease for a period of five (5) years. The County will have the option to terminate this lease after thirty-six (36) months. Facilities Management-Real Estate (FM-RE) has negotiated the rent from \$1.61 per square foot to \$1.55 per square foot, with annual rent increases at two and three quarters percent (2.75%). In addition, the Lessor will no longer be responsible for custodial services and the County will provide or procure a vendor for these services.

Pursuant to the California Environmental Quality Act (CEQA), the Second Amendment was reviewed and determined to be categorically exempt from CEQA under CEQA Guidelines 15301, Class 1 – Existing Facilities, and Section 15061(b)(3) "common sense" exemption. The proposed project, the Second Amendment, is the letting of property involving existing facilities and no expansion of an existing use will occur.

This Second Amendment to Lease is summarized below:

Lessor: Silverhawk Business Ctr, LLC  
600 St. Paul Ave., Ste. 108  
Los Angeles, California, 90017

Premises Location: 30123 Technology Drive

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

Murrieta, California 92563

Size: Approximately 13,592 square feet

Term: Five years; commencing April 12, 2021 and expiring April 11, 2026.

Rent:	Current:	New:
	\$ 1.61 per square foot	\$ 1.55 per square foot
	\$ 21,848.54 per month	\$ 21,067.60 per month
	\$262,182.48 per year	\$252,811.20 per year

Rental Adjustments: Two- and three-quarter percent (2.75%) annual increase

Option to Terminate: County has the option to terminate the lease after April 11, 2024 with 180 day written notice

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

Custodial Services: Lessor will no longer provide custodial services, and County will provide or procure a vendor for these services

Maintenance: Lessor provides

**Impact on Residents and Businesses**

The Probation Department's occupancy at this location continues to provide an important public benefit to the community by serving their clients and effectively improving public safety. Remaining in this location provides consistency for clients and eliminates any impacts to area residents.

**SUPPLEMENTAL:**  
**Additional Fiscal Information**

See attached Exhibits A, B, and C. All Associated costs for this Lease Agreement will be budgeted in FY20/21-FY25/26 by Probation. Probation will reimburse FM-RE for all associated lease costs on a monthly basis.

**Contract History and Price Reasonableness**

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

This is a five-year renewal. The lease rate is deemed competitive based upon the current market.

Agreement

Lease

First Amendment

Date & Minute Order

September 25, 2012 (M.O. 3.21)

June 5, 2018 (M.O. 3.14)

Attachments:

- Exhibits A, B & C
- Second Amendment to Lease
- Notice of Exemption
- Aerial Image

CD:ar/05112021/

  
\_\_\_\_\_  
Meghan Hahn, Administrative Analyst

6/14/2021

  
\_\_\_\_\_  
Gregory H. Priamos, Director County Counsel

6/8/2021

# Exhibit A

FY 2020/21

Probation

30123 Technology Drive, Murrieta

## **ESTIMATED AMOUNTS**

### **Total Square Footage to be Leased:**

Current Office:	13,592 SQFT	
Approximate Cost per SQFT(April-June)	\$ 1.55	
Lease Cost per Month(April-June)	\$ 21,067.60	
Total Lease Cost(April-June)		\$ 63,202.80
<b>Total Estimated Lease Cost for FY 2020/21</b>		<b>\$ 63,202.80</b>

### **Estimated Additional Costs:**

Utility Cost per SQFT	\$ 0.12	
Estimated Utility Costs per Month		\$ 1,631.04
Total Estimated Utility Cost(April-June)		\$ 4,893.12
<b>Total Estimated Utility Cost for FY 2020/21</b>		<b>\$ 4,893.12</b>
<b>Total Estimated Additional Costs for FY2020/21</b>		<b>\$ 4,893.12</b>
FM Lease Management Fee as of April 2021	5.28%	\$ 3,337.11
<b>TOTAL ESTIMATED COST FOR FY 2020/21</b>		<b>\$ 71,433.03</b>
<b>TOTAL COUNTY COST</b>	<b>0.00%</b>	<b>\$ -</b>

# Exhibit B

FY 2021/22

Probation

30123 Technology Drive, Murrieta

## **ESTIMATED AMOUNTS**

### **Total Square Footage to be Leased:**

Current Office:	13,592 SQFT	
Approximate Cost per SQFT(July-March)	\$ 1.55	
Approximate Cost per SQFT(April-June)	\$ 1.59	
Lease Cost per Month(July-March)	\$ 21,067.60	
Lease Cost per Month(April-June)	\$ 21,646.96	
Total Lease Cost(July-March)		\$ 189,608.40
Total Lease Cost(April-June)		\$ 64,940.88
<b>Total Estimated Lease Cost for FY 2021/22</b>		<b>\$ 254,549.28</b>

### **Estimated Additional Costs:**

Utility Cost per SQFT	\$ 0.12	
Estimated Utility Costs per Month	\$ 1,631.04	
Total Estimated Utility Cost (Jul-Jun)		\$ 19,572.48
<b>Total Estimated Additional Costs for FY2021/22</b>		<b>\$ 19,572.48</b>
FM Lease Management Fee as of 07/01/2021	4.86%	\$ 12,371.09
<b>TOTAL ESTIMATED COST FOR FY 2021/22</b>		<b>\$ 286,492.85</b>
<b>TOTAL COUNTY COST</b>	<b>0.00%</b>	<b>\$ -</b>

# Exhibit C

**FY 2022/23 to 2025/26**  
**Probation**  
**30123 Technology Drive, Murrieta**

**ESTIMATED AMOUNTS**

**Total Square Footage to be Leased:**

Current Office: 13,592 SQFT

	FY 2022/23	FY 2023/24	FY 2024/25	FY 2025/26
Approximate Cost per SQFT(July-March)	\$ 1.59	\$ 1.64	\$ 1.68	\$ 1.73
Approximate Cost per SQFT(April-June)	\$ 1.64	\$ 1.68	\$ 1.73	\$ -
Lease Cost per Month(July-March)	21,646.96	22,242.25	22,853.91	23,482.39
Lease Cost per Month(April-June)	22,242.25	22,853.91	23,482.39	
Total Lease Cost(July-March)	\$ 194,822.63	\$ 200,180.25	\$ 205,685.19	\$ 211,341.51
Total Lease Cost(April-June)	\$ 66,726.75	\$ 68,561.73	\$ 70,447.17	\$ -
<b>Total Estimated Lease Cost for FY 2022/23 to 2025/26</b>	<b>\$ 261,549.38</b>	<b>\$ 268,741.98</b>	<b>\$ 276,132.36</b>	<b>\$ 211,341.51</b>

**Estimated Additional Costs:**

Utility Cost per SQFT	\$ 0.12	\$ 0.12	\$ 0.12	\$ 0.12
Estimated Utility Costs per Month	\$ 1,631.04	\$ 1,631.04	\$ 1,631.04	\$ 1,631.04
Total Estimated Utility Cost	\$ 19,572.48	\$ 19,572.48	\$ 19,572.48	\$ 14,679.36

**Total Estimated Additional Costs for FY 2022/23 to 2025/26**    \$ 19,572.48    \$ 19,572.48    \$ 19,572.48    \$ 14,679.36

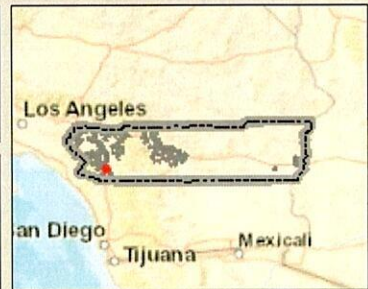
FM Lease Management Fee as of 07/01/2021    4.86%    \$ 12,711.30    \$ 13,060.86    \$ 13,420.03    \$ 10,271.20

**TOTAL ESTIMATED COST FOR FY 2022/23 to 2025/26**    **\$ 293,833.16**    **\$ 301,375.32**    **\$ 309,124.87**    **\$ 236,292.07**

F11 Total Cost    \$ 1,498,551.30  
 F11 Total County Cost    0.00%    \$ -

# Probation

30123 Technology Drive, Murrieta



**Legend**

- Parcels
- Blueline Streams
- ▨ City Areas

**Notes**  
District 3



**\*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... 5/11/2021 9:51:13 AM

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1 e. The Parties now desire to amend the Lease to extend the term, adjust the rent,  
2 add termination language, and adjust the custodial requirements

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

5 1. **Term.** Section 4.1 of the Original Lease is hereby amended by the following:  
6 The term of this Lease shall be extended for five years commencing on April 12, 2021 (the  
7 "Effective Date") and terminating on April 11, 2026 ("Extended Term").

8 2. **Rent.** Sections 5.1.1 of the Lease is hereby amended by the following: For the  
9 Duration of the Extended Term, Lessee shall pay to Lessor the monthly sum of \$21,067.60 as  
10 rent for the Leased Premises. The monthly rent shall be increased annually on each  
11 anniversary of the Effective Date by an amount equal to two and three quarters percent  
12 (2.75%) of the monthly rent paid during the preceding year as indicated below:

<u>Rent</u>	<u>Year</u>
4/12/2021 to 4/11/2022	\$21,067.60
4/12/2022 to 4/11/2023	\$21,646.96
4/12/2023 to 4/11/2024	\$22,242.25
4/12/2024 to 4/11/2025	\$22,853.91
4/12/2025 to 4/11/2026	\$23,482.39

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19 3. **Option to Terminate.** The County has the option to terminate the Lease after  
20 April 11, 2024 with one hundred and eighty (180) days written notice to Lessor.

21 4. **Custodial Services.** Section 8 of the Original Lease is hereby amended as  
22 follows:

23 County shall provide all custodial services within the Premises at the sole cost of the  
24 County. Lessor to provide periodic services as better described in the Original Lease as Exhibit  
25 E-1, and attached hereto, and incorporated herein.

26 5. **Second Amendment to Prevail.** The provisions of this Second Amendment  
27 shall prevail over any inconsistency of conflicting provisions of the Lease, as heretofore  
28 amended, and shall supplement the remaining provisions thereof.



IN WITNESS WHEREOF, the parties have executed this Second Amendment to Lease  
as of the date first written above.

Dated: June 22, 2021

COUNTY:

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

LESSOR:

SILVERHAWK BUSINESS CTR, LLC ,  
a California limited liability company

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

By: [Signature]  
Macy Lai, President

ATTEST:  
Kecia Harper  
Clerk of the Board

By: [Signature]  
Deputy

APPROVED AS TO FORM:  
Gregory P. Priamos  
County Counsel

By: [Signature]  
Ryan Yabko  
Deputy County Counsel

CD:ar/05262021/MU023/30.518

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

FOR COUNTY CLERK USE ONLY

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

6/25/21  
Date

YAR  
Initial

## NOTICE OF EXEMPTION

May 13, 2021

**Project Name:** Murrieta Probation Second Amendment to Lease, 30123 Technology Drive

**Project Number:** FM042464002300

**Project Location:** 30123 Technology Drive, east of Sky Canyon Drive, Murrieta, California 92563; Assessor's Parcel Number (APN) 257-030-020

**Description of Project:** The County of Riverside (County) entered into a lease agreement on behalf of the Probation Department (Probation) and with RCI Silverhawk 13, LLC, predecessor in interest to Temecula Park, LLC, on September 25, 2012, approved by the Board of Supervisors as Minute Order 3-21. Probation uses the facility for Probation Adult Services. Probation is now seeking a Second Amendment to the Lease that will extend the lease for a period of five years effective April 12, 2021. The County will have the option to terminate this lease after 36 months. This facility continues to meet Probation's requirements to run their programs and support their client's needs. The Second Amendment to the Lease Agreement with Temecula Park, LLC 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 office space for Probation. No expansion of the existing facility will occur. The operation of the facility will continue to provide probation 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.

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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 an extension of an existing lease for the use of office space for Probation. The Second 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.

Signed:  Date: 5/13/21  
Mike Sullivan, Senior Environmental Planner  
County of Riverside, Facilities Management

**RIVERSIDE COUNTY CLERK & RECORDER**

**AUTHORIZATION  
TO BILL  
BY JOURNAL VOUCHER**

**Project Name: Murrieta Probation Second Amendment to Lease, Technology Drive**

**Accounting String: 526700-47220-7200400000 - FM042464002300**

DATE: May 13, 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: **Candice Diaz, Real Property Agent III, 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: May 13, 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 # FM042464002300**  
Murrieta Probation Second Amendment to Lease, Technology Drive

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](mailto:msullivan@rivco.org).**

Attachment

cc: file