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



ITEM: 3.13 (ID # 15150) MEETING DATE: Tuesday, July 20, 2021

FROM : FACILITIES MANAGEMENT AND DEPARTMENT OF PUBLIC SOCIAL SERVICES

SUBJECT: FACILITIES MANAGEMENT-REAL ESTATE (FM-RE) AND DEPARTMENT OF PUBLIC SOCIAL SERVICES (DPSS): Approval of the Eighth Amendment to Lease with Canyon Springs Plaza, Limited Partnership, 12125 Day Street, Moreno Valley, DPSS, 3 Year Lease, District 5, CEQA Exempt. [\$1,329,859 - 48.9% Federal, 41.6% State, 9.5% IHSS Public Authority Fund 22800] (Clerk to File Notice of Exemption)

RECOMMENDED MOTION: That the Board of Supervisors:

- 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. Approve the attached Eighth Amendment to Lease between the County of Riverside and Canyon Springs Plaza, Limited Partnership, 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 Sayøri Baldwin, DPSS Director

MINUTES OF THE BOARD OF SUPERVISORS

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

Ayes:	Jeffries, Spiegel, Washington, Perez and Hewitt	2
Nays:	None	Kecia R. Harper
Absent:	None	Clerk of the Board
Date:	July 20, 2021	By: Deputy
XC:	FM, DPSS, Recorder	Deputy

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FINANCIAL DATA	Current Fiscal Year:	Next Fiscal Year:	Total Cost:	Ongoing Cost
COST	\$324,742	\$440,648	\$1,329,859	\$0
NET COUNTY COST	\$0	\$0	\$0	\$0
SOURCE OF FUNDS: 48.9% Federal, 41.6% State, 9.5% IHSS Public Authority Fund 22800		6 Budget Adju	stment: No	
			For Fiscal Y	ear: 2021/22-

C.E.O. RECOMMENDATION: Approve

BACKGROUND:

<u>Summary</u>

On May 3, 2005, the County of Riverside (County), entered into a lease agreement on behalf of the Department of Public Social Services (DPSS) with the Canyon Springs Investment Trust, predecessor-in-interest to Canyon Springs Plaza, Limited Partnership, (Lessor) for approximately 17,026 square feet of space in the facility located at 12125 Day Street, Suite S101, Moreno Valley. This Eighth Amendment to Lease represents a three-year extension, effective October 1, 2021. The County has negotiated the lease rate to remain the same in year one, with 2.5% annual increases thereafter. The County has the option to terminate the lease with 90 days written notice after October 1, 2022. This facility continues to meet the needs and requirements of DPSS.

Pursuant to the California Environmental Quality Act (CEQA), the Eighth Amendment 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 project, the Eighth Amendment, is the letting of property involving existing facilities and no expansion of an existing use will occur.

Lessor:	Canyon Springs Plaza, Limited Partnership 25401 Cabot Road, Ste 208 Laguna Hills, California 92653
Location:	12125 Day Street, Suite S101 Moreno Valley, California
Size:	17,026 Square Feet
Term:	Three (3) year term, commencing on October 1, 2021 and expiring on September 30, 2024

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Option to Terminate:	County has the option to te after October 1, 2022.	rminate the lease with 90-day written notice				
Rent: Current \$ 1.91 per sq. ft. \$ 32,461.70 per month \$389,540.40 per year		New \$ 1.91 per sq. ft. \$ 32,461.70 per month \$389,540.40 per year				
Rent Adjustment:	2.5% per year					
Utilities:	Electricity and telephone paid by County; all others provided by Lessor					
Custodial:	odial: Provided by Lessor					
Maintenance:	Provided by Lessor					

This Eighth Amendment to Lease has been reviewed and approved by County Counsel as to legal form.

Impact on Residents and Businesses

There will be a positive impact on residents since DPSS-IHSS Public Authority will continue to offer in home support services to the community.

Additional Fiscal Information

See attached Exhibits A, B, and C. All associated costs for this Amendment will be budgeted in FY21/22-FY24/25 by DPSS. DPSS will reimburse FM-RE for all associated Lease costs on a monthly basis.

Contract History and Price Reasonableness

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

The Lease has been amended seven times previously for rent adjustments, extensions to the term, and tenant improvements:

<u>Amendment</u>

Date and M.O.

First Amendment	September 27, 2005 (M.O. 3.22)
Second Amendment	November 30, 2010 (M.O. 3.27)

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Third Amendment	March 1, 2011 (M.O. 3.14)			
Fourth Amendment	August 28, 2012 (M.O. 3.47)			
Fifth Amendment	January 7, 2014 (M.O. 3.23)			
Sixth Amendment	March 24, 2015 (M.O. 7.2)			
Seventh Amendment	October 2, 2018 (M.O. 3.10)			

Attachments:

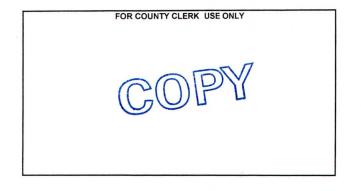
- Exhibits A, B & C
- Notice of Exemption
- Copy of Amendment
- Aerial Image

CD:dr/05032021/30.508/MV050

Administrative Analyst Meghan H

7/9/2021 Gregory . Prianos, Director County Counsel 7/7/2021

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



NOTICE OF EXEMPTION

May 3, 2021

Project Name: Moreno Valley Department of Public Social Services (DPSS) Eighth Third Amendment to Lease, Canyon Springs Plaza

Project Number: FM042462005000

Project Location: 12125 Day Street, Suite S101, north of State Route 60, Moreno Valley, California 92557; Assessor's Parcel Number (APN) 291-050-066

Description of Project: On May 3, 2005, the County of Riverside (County) entered into a lease agreement on behalf of DPSS with the Canyon Springs Investment Trust, predecessor in interest to Canyon Springs Plaza, LP (Lessor) for approximately 17,026 square feet of space in the facility located at 12125 Day Street, Suite S101, Moreno Valley. This Eighth Amendment to Lease represents a three-year extension, effective October 1, 2021. The County has the option to terminate the lease with 90 days written notice after October 1, 2022. This facility continues to meet the needs and requirements of the department. The Eighth Amendment to the Lease Agreement with Canyon Springs Plaza, LP 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 DPSS. 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 three-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 DPSS. The Eighth Amendment will extend the Lease for an additional three-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 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: 5/3/2/

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

RIVERSIDE COUNTY CLERK & RECORDER

AUTHORIZATION TO BILL BY JOURNAL VOUCHER

Project Name: Moreno Valley DPSS Eighth Amendment to Lease, Canyon Springs Plaza

Accounting String: 526700-47220-7200400000 - FM042462005000

DATE: May 3, 2021

AGENCY: <u>Riverside County Facilities Management</u>

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

Subject:	County of Riverside Facilities Management Project # FM042462005000 Moreno Valley DPSS Eighth Amendment to Lease, Canyon Springs Plaza
From:	Mike Sullivan, Senior Environmental Planner, Facilities Management
To:	Kiyomi Moore/Josefina Castillo, Office of the County Clerk
Date:	May 3, 2021

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



Exhibit A

FY 2021/22 DPSS

12125 Day Street, Moreno Valley

ESTIMATED AMOUNTS

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Total Square Footage to be Leased:

Current Office:	17,026 SQFT	
Approximate Cost per SQFT(Oct-June)	\$ 1.91	
Lease Cost per Month(Oct-June)	\$ 32,461.70	
Total Lease Cost(Oct-June) Total Estimated Lease Cost for FY 2021/22		\$ 292,155.30 \$ 292,155.30
Estimated Additional Costs:		
Utility Cost per SQFT Estimated Utility Costs per Month Total Estimated Utility Cost(Oct-June) Total Estimated Utility Cost for FY 2021/22	\$ 0.12 <u>\$ 2,043.12</u>	\$ 18,388.08 \$ 18,388.08
FM Lease Management Fee as of 7/1/2021	4.86%	<u>\$ 14,198.75</u>
TOTAL ESTIMATED COST FOR FY 2021/22		\$ 324,742.13
TOTAL COUNTY COST	0%	\$-

Exhibit B

FY 2022/23 DPSS

12125 Day Street, Moreno Valley

ESTIMATED AMOUNTS

Total Square Footage to be Leased:

Current Office:	17,026 SQFT		
Approximate Cost per SQFT(July-Sept) Approximate Cost per SQFT(Oct-June)	\$ 1.91 \$ 1.95		
Lease Cost per Month(July-Sept) Lease Cost per Month(Oct-June)	\$ 32,461.70 \$ 33,273.24		
Total Lease Cost(July-Sept) Total Lease Cost(Oct-June) Total Estimated Lease Cost for FY 2022/23		\$	97,385.10 299,459.18 396,844.28
Estimated Additional Costs:		•	,
Utility Cost per SQFT Estimated Utility Costs per Month Total Estimated Utility Cost FY2022/23	\$ 0.12 <u>\$ 2,043.12</u>	\$	24,517.44
FM Lease Management Fee as of 07/01/2021	4.86%	\$	19,286.63
TOTAL ESTIMATED COST FOR FY 2022/23		\$	440,648.35
TOTAL COUNTY COST	0%	\$	-

Exhibit C

FY 2023/24 to FY 2024/25 DPSS 12125 Day Street, Moreno Valley

ESTIMATED AMOUNTS

Total Square Footage to be Leased:

Current Office:

17,026 SQFT

		FY 2023/24		FY2024/25	
Approximate Cost per SQFT(July-Sept) Approximate Cost per SQFT(Oct-June)	\$ \$	1.95 2.00	\$	2.00	
Lease Cost per Month(July-Sept) Lease Cost per Month(Oct-June)		33,273.24 34,105.07	\$	34,105.07	
Total Lease Cost(July-Sept) Total Lease Cost(Oct-June)	\$	99,819.73 306,945.66		102,315.22	
Total Estimated Lease Cost for FY 2023/24 to FY 2024/25	\$	406,765.39	\$	102,315.22	
Estimated Additional Costs:					
Utility Cost per SQFT Estimated Utility Costs per Month	\$ \$	0.12 2,043.12		0.12 2,043.12	
Total Estimated Utility Cost	\$	24,517.44		6,129.36	
FM Lease Management Fee as of 7/01/2021 4.86%	\$	19,768.80	¢	4 072 52	
TOTAL ESTIMATED COST FOR FY 2023/24 to FY 2024/25	\$	451,051.63		4,972.52 113,417.10	
F11 Total Cost F11 Total County Cost 0%	\$	1,329,859.21 -			

EIGHTH AMENDMENT TO LEASE 12125 Day Street, Moreno Valley

THIS EIGHTH AMENDMENT TO LEASE ("Eighth Amendment"), dated as of July 20____, 2021, is entered into by and between the COUNTY OF RIVERSIDE, a political subdivision of the State of California ("County"), and CANYON SPRINGS PLAZA LIMITED PARTNERSHIP, a California limited partnership ("Lessor"), collectively referred to as "Parties"

RECITALS

a. Canyon Springs Investment Trust, an irrevocable Trust dated May 5, 2003, predecessor-in-interest to Canyon Springs Plaza Limited Partnership, a California limited partnership, as Lessor, and County entered into that certain Lease dated May 3, 2005 ("Original Lease"), pursuant to which Lessor has agreed to lease to County and County has agreed to lease from Lessor that certain building located at 12125 Day Street, Suite S101, Moreno Valley, California ("Premises"), as more particularly described in the Original Lease.

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b. The amendments of the Lease are summarized as follows:

The First Amendment to Lease dated September 27, 2005 ("First
 Amendment") by and between County of Riverside and Canyon Springs Investment
 Trust to make improvements to the suite.

2. The Second Amendment to Lease dated November 30, 2010
 ("Second Amendment") by and between County of Riverside and Canyon Springs
 Investment Trust to extend the term of the Lease, reduce the rent, provide annual
 increases, and amend the notices provision.

3. The Third Amendment to Lease dated March 1, 2011 ("Third
 Amendment") by and between County of Riverside and Canyon Springs Investment
 Trust to add additional rent and amend the County's Representative.

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1 4. The Fourth Amendment to Lease dated August 28, 2012 ("Fourth 2 Amendment") by and between the County of Riverside and Canyon Springs Investment Trust to eliminate the additional rent. 3

5. The Fifth Amendment to Lease dated January 7, 2014 ("Fifth Amendment") by and between the County of Riverside and Canyon Springs Investment Trust to expand the premises with tenant improvements, extend the term, and increase the rent.

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8 6 The Sixth Amendment to Lease dated March 24, 2015 ("Sixth 9 Amendment") by and between the County of Riverside and Canyon Springs Investment 10 Trust to expand the premises with tenant improvements and increase the rent.

11 7. The Seventh Amendment to Lease dated October 2, 2018 12 ("Seventh Amendment") by and between the County of Riverside and Canyon Springs Investment Trust, an irrevocable Trust dated May 5, 2003, to extend the term, update 13 14 the periodic services to the Premises, and amend the monthly rent.

8. The Original Lease together with all Amendments are hereinafter referred to as the ("Lease").

9. The Parties now desire to amend the Lease to extend the term, 18 amend the rental amounts, and modify the termination language.

NOW THEREFORE, for good and valuable consideration the receipt and 19 20 adequacy of which is hereby acknowledged, the Parties agree as follows:

1. TERM. Section 4 of the Lease is amended by adding the following: The term of the Lease shall be extended by three (3) years commencing on October 1, 2021 and expiring on September 30, 2024.

24 2. RENT. Section 5.1 and 5.2 of the Lease shall be amended by adding the 25 following:

26 Section 5.1. Effective October 1, 2021 rent shall be \$32,461.70 per month. 27 Section 5.2. Rent shall increase by 2.5% on each anniversary date, 28 effective October 1, 2022.

Updated 08/2010

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 3. COUNTY'S RIGHT TO EARLY TERMINATION.
 Section 6.4 of the

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 Lease is amended by adding the following:

The County has the option to terminate the Lease after October 1, 2022 with ninety (90)
days written notice to Lessor. County can provide written notice any time after July 1,
2022.

4. EIGHTH AMENDMENT TO PREVAIL. The provisions of this Eighth
7 Amendment shall prevail over any inconsistency of conflicting provisions of the Lease,
8 as heretofore amended, and shall supplement the remaining provisions thereof.

5. 9 MISCELLANEOUS. Except as amended or modified herein, all the terms of the Original Lease shall remain in full force and effect and shall apply with the same 10 force and effect. Time is of the essence in this Amendment and the Lease and each and 11 all of their respective provisions. Subject to the provisions of the Lease as to assignment, 12 13 the agreements, conditions, and provisions herein contained shall apply to and bind the 14 heirs, executors, administrators, successors and assigns of the parties hereto. If any 15 provisions of this Amendment or the Lease shall be determined to be illegal or unenforceable, such determination shall not affect any other provision of the Lease and 16 all such other provisions shall remain in full force and effect. The language in all parts 17 18 of the Lease shall be construed according to its normal and usual meaning and not strictly for or against either Lessor or County. Neither this Amendment, nor the Original 19 20 Lease, nor any notice, nor memorandum regarding the terms hereof, shall be recorded 21 by County.

6. EFFECTIVE DATE. This Eighth 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)

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IN WITNESS WHEREOF, the parties have executed this Eighth Amendment to Lease 1 2 as of the date first written above. 3 COUNTY: LESSOR: COUNTY OF RIVERSIDE, CANYON SPRINGS PLAZA LIMITED 4 A political subdivision of the State PARTNERSHIP, a California limited of 5 California partnership, by its' Manager, Canyon Springs Management, LLC, a California 6 limited liability company 7 8 9 sel By: By: Karen Spiegel, Chair 10 Jason J. Radwan, Board of Supervisors Manager 11 12 ATTEST: 13 Kecia Harper Clerk of the Board 14 No well KUSSO By: 15 16 Deputy 17 APPROVED AS TO FORM: 18 Gregory P. Priamos, County Counsel 19 By: 20 Wesley Stanfield Deputy County Counsel 21 22 CD:ar/04272021/MV050/30.508 23 24 25 26 27 28 Page 4 of 4