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



ITEM: 3.13 (ID # 17400)

**MEETING DATE:** 

Tuesday, December 07, 2021

FROM:

**FACILITIES MANAGEMENT:** 

SUBJECT: FACILITIES MANAGEMENT- REAL ESTATE (FM-RE): Ratification and Approval of Sixth Amendment to Lease with 1020 Iowa Avenue, Inc., 3 Year Lease Extension, CEQA Exempt, District 2 [\$528,346.], 100% Sheriff Cal ID Budget (Clerk of the Board 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, Class 1 Existing Facilities Exemption and 15061(b)(3) Common Sense Exemption;
- Ratify and Approve the attached Sixth Amendment to the Lease with 1020 Iowa 2. Avenue, Inc. and authorize the Chair of the Board to execute the document on behalf of the County; and
- Direct the Clerk of the Board to file the Notice of Exemption with the County Clerk 3. within five (5) days of approval of the project.

**ACTION:Policy** 

Rose Salgado, Director of Facilities Management

11/15/2021

#### MINUTES OF THE BOARD OF SUPERVISORS

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

Ayes:

Jeffries, Spiegel, Washington, Perez and Hewitt

Navs:

None

Absent:

None

Date: XC:

December 7, 2021 FM-RE, Recorder

Clerk of the Board

Kecia R. Harper

### 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	\$ 129,742	\$ 175,319	\$ 528,346	\$0	
NET COUNTY COST	\$0	\$ 0	\$0	\$ 0	
SOURCE OF FUNDS: 100% Sheriff CAL ID Budget		Budget Adjus	Budget Adjustment: No		
			For Fiscal Year 2024/25	ar: 2021/22-	

C.E.O. RECOMMENDATION: Approve

#### **BACKGROUND:**

#### **Summary**

Since September 1, 1998, the Sheriff's Department (Sheriff) has occupied the facility located at 1260 Palmyrita, Riverside. This office space continues to meet the requirements of the Sheriff's Cal ID Division and this proposed Sixth Amendment to the Lease (Amendment) will extend the term of the for three (3) additional years.

Through this Amendment, Facilities Management - Real Estate (FM-RE) has negotiated a new three (3) year extension with a competitive lease rate. The lease extension also includes updating the interior aesthetics of the office space at Lessor's sole cost.

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

The lease is summarized as follows:

Location:

1260 Palmyrita Avenue, Suites A-E, Riverside

Lessor:

1020 Iowa Avenue, Inc.

C/O Essex Realty Management, Inc. 1860 Chicago Avenue, Suite G10

Riverside CA 92507

Size:

Approximately 12,336 Square Feet

Rent:

Current

New

\$

.87 Sq. Ft.

1.00 Sq. Ft.

\$ 10,682.31 Per Month

\$ 12,336.00 Per Month

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

\$128,187.72 Per Year \$148,032.00 Per Year

Annual Increase:

Two percent

Term:

Three years commencing October 1, 2021

Maintenance:

Provided and paid by Lessor

Custodial:

Provided and paid by Lessor

Utilities:

County pays electricity and telephone. Lessor pays all other

utilities.

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

#### Impact on Residents and Businesses

This Sheriff's Cal-ID Facility will continue to serve the residents and businesses within this region of the County.

#### **Additional Fiscal Information**

See Exhibits A, B & C

Sheriff will budget these costs in FY 2021/22 and will reimburse FM-RE for all associated rent costs on a monthly basis.

#### **Contract History and Price Reasonableness**

The lease rate is deemed competitive based upon the current market conditions.

#### **ATTACHMENTS:**

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

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

PK:ar/100621/RV228/30.618

Meghan Habn, Senior Management Analyst 11/24/2021 Gregory V. Priapios, Director County Counsel 11/18/2021

# SIXTH AMENDMENT TO LEASE 1260 PALMYRITA AVENUE SUITES A-E, RIVERSIDE

THIS SIXTH AMENDMENT TO LEASE ("Sixth Amendment"), dated as of \_\_\_\_\_\_\_\_, 2021, is entered into by and between 1020 IOWA AVENUE INC., a California Corporation, "Lessor" and COUNTY OF RIVERSIDE, a political subdivision of the State of California, "County."

#### 1. RECITALS

- a. Lessor and County have entered into that certain Lease dated September 1, 1998, ("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 1260 Palmyrita, Riverside, consisting of approximately 12,336 square feet (the "Building"), as more particularly described in the Lease (the "Original Premises").
  - b. The Original Lease has been amended by:
- i. That certain First Amendment to Lease dated October 24, 2001 by and between 1020 lowa Avenue, Inc., a California Corporation, successors to Iowa Corporate Center, LTD and County (the "First Amendment");
- ii. That certain Second Amendment to Lease dated August 18, 2005 by and between 1020 Iowa Avenue Inc., a California Corporation, and County (the "Second Amendment");
- iii. That certain Third Amendment to Lease dated October 19, 2010 by and between 1020 lowa Avenue Inc., a California Corporation, and County (the "Third Amendment");
- iv. That certain Fourth Amendment to Lease dated January 2, 2014 by and between 1020 Iowa Avenue, Inc., a California Corporation, and County (the "Fourth Amendment"); and

v. That certain Fifth Amendment to Lease dated August 29,2017 by and between 1020 lowa Avenue, Inc., a California Corporation, and County (the "Fifth Amendment").

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

2. Term. Section 3 of the Lease is hereby amended as follows:

The term of this lease shall be extended thirty six (36) months commencing on October 1, 2021 and shall expire on September 30, 2024. Any holding over by County after the expiration of said term or any extension thereof shall be deemed a month to month tenancy upon the same terms and conditions of this Lease.

3. Rent. Section 5 of the Lease is hereby amended as follows:
County shall pay to Lessor the monthly sums as rent for the Leased premised during the term of this Lease as indicated below:

Monthly Amount	<u>Year</u>
\$12,336.00	10/01/21 to 9/30/2022
\$12,582.72	10/01/22 to 9/30/2023
\$12.834.37	10/01/23 to 9/30/2024

- 4. **Annual Escalator.** Section 5 (b) of the Lease is hereby amended as follows: The monthly rent shall be increased on each anniversary of this Sixth Amendment by an amount equal to two percent (2%) of such monthly rental.
- 5. **Tenant Improvements**. Parties agree that Lessor shall provide and pay for all tenant improvements. Tenant improvements are at Lessor's sole cost and expense, as shown on Exhibit "A" attached hereto and made part of this Sixth Amendment.

  Lessor shall refresh paint in the Women's bathroom pertaining to one wall and partition Doors and paint a wall behind kitchen and sink and in the kitchen and the wall near entrance per Exhibit A. Lessor shall provide paint color samples to Sheriff's for selection. Sheriff's Management to select colors. In addition, Lessor shall provide construction schedule timeline. Improvements shall be completed during normal

working business hours and over the weekends.

- 6. Capitalized Terms: Sixth 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 Sixth Amendment shall prevail over any inconsistency or conflicting provisions of the Lease, as amended, and shall supplement the remaining provisions thereof. The Lease remains in full force and effect except to the extent amended by this Sixth Amendment.
  - 7. MISCELLANEOUS. Except as amended or modified herein, all terms of the

Lease shall remain in full force and effect. If any provisions of this Amendment shall be determined to be illegal or unenforceable, such determination shall not affect any other provision of the Lease. Neither this Sixth Amendment nor the Lease shall be recorded by the Lessee.

8. **EFFECTIVE DATE**. This Sixth 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.

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

LESSEE:

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

By: Karen S. Spiegel

Karen Spiegel, Chair Board of Supervisors LESSOR:

1020 IOWA AVENUE, INC., a California corporation

By:

Victor Kwok, Chief Financial Officer

ATTEST:

Kecia R. Harper Clerk of the Board

Denuty

APPROVED AS TO FORM:

Gregory P. Priamos, County Counsel

By:

Ryan Yabko

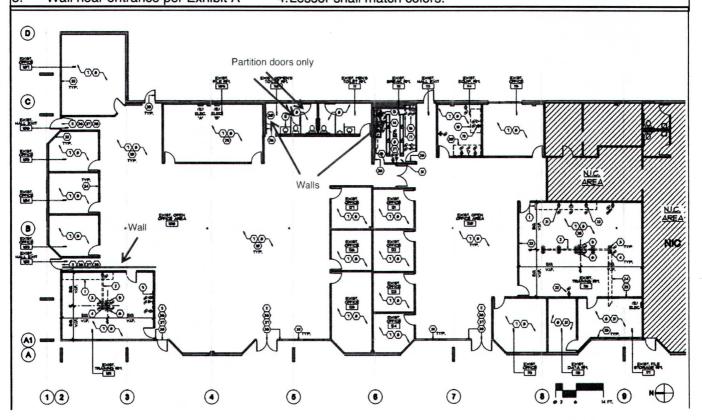
Deputy County Counsel

# EXHIBIT A

See Attached

# **EXHIBIT A Tenant Improvements**

Women's Bathroom; paint one wall and the partition doors, 2. Kitchen; back wall behind kitchen and sink,
 Wall near entrance per Exhibit A 4.Lessor shall match colors.



# Exhibit A

### FY2021/22

# Sheriff's CAL-ID program

# 1260 Palmyrita Ave., Suite A-E, Riverside

#### **ESTIMATED AMOUNTS**

# Total Square Footage to be Leased:

Current Office: 12,336 SQFT

Approximate Cost per SQFT (OCT-JUN) \$1.00

Lease Cost per Month(OCT-JUN) \$ 12,336.00

Total Lease Cost(OCT-JUN) \$111,024.00

Total Estimated Lease Cost for fy 2021/22 \$111,024.00

#### **Estimated Additional Costs:**

Estimated Additional Oosts.		
Utility Cost per SQFT Estimated Utility Costs per Month Total Estimated Utility Cost Total Estimated Utility Cost for FY2021/22	\$ 0.12 <u>\$ 1,480.3</u>	\$ 13,322.88 <b>\$ 13,322.88</b>
FM Lease Management Fee as of 7/1/2021	4.86%	\$ 5,395.77
TOTAL ESTIMATED COST FOR FY2021/22		\$ 129,742.65
TOTAL COUNTY COST	0%	\$ -

# Exhibit B

## FY2022/23

#### Sheriff CAL ID

# 1260 Palmyrita, Suite A-E, Riverside

## **ESTIMATED AMOUNTS**

# Total Square Footage to be Leased:

Current Office:	12,336 SQFT		
Approximate Cost per SQFT July-Sept Approximate Cost per SQFT Oct-June	\$ 1.00 \$ 1.02		
Lease Cost per Month July-Sept Lease Cost per Month Oct-June	\$ 12,336.00 \$ 12,582.72		
Total Lease Cost July-Sept Total Lease Cost Oct- June Total Estimated Lease Cost for FY2022/23		\$ \$	37,008.00 113,244.48 <b>150,252.48</b>
Estimated Additional Costs:			
Utility Cost per SQFT Estimated Utility Costs per Month Total Estimated Utility Cost (Jul-Jun)	\$ 0.12 <u>\$ 1,480.32</u>	- \$	17,763.84
FM Lease Management Fee as of 7/1/2021	4.86%	\$	7,302.27
TOTAL ESTIMATED COST FOR FY2022/23		\$	175,318.59
TOTAL COUNTY COST	0%	\$	

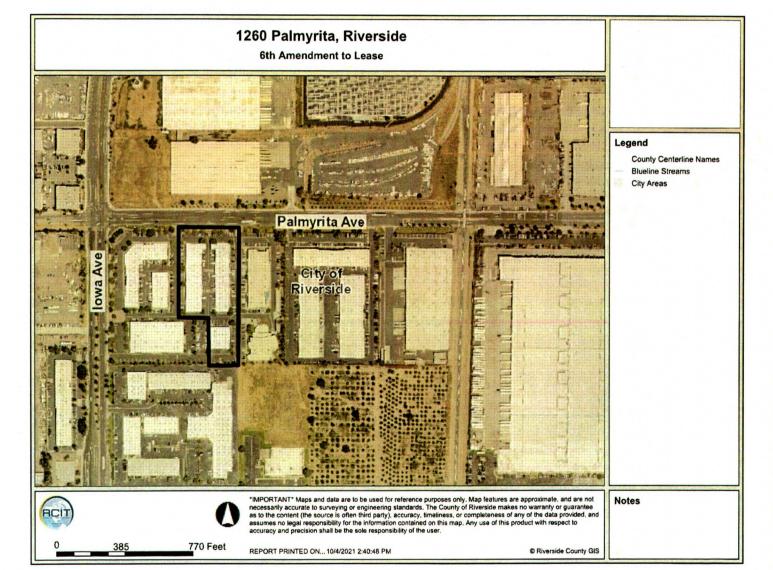
# Exhibit C

# FY2023/24-FY2024/25 Sheriff CAL ID 1260 Palmyrita, Suite A-E, Riverside

#### **ESTIMATED AMOUNTS**

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

Current Office:			12,336		
			FY2023/24	ı	FY2024/25
Approximate Cost per SQFT July-Sept Approximate Cost per SQFT Oct-June		\$ \$	1.02 1.04	\$	1.04
Lease Cost per Month July-Sept Lease Cost per Month Oct-June			12,582.72 12,834.37	\$	12,834.37
Total Lease Cost July-Sept Total Lease Cost Oct-June		\$ \$ <b>\$</b>	37,748.16 115,509.37	\$	38,503.12
Total Estimated Lease Cost		\$	153,257.53	\$	38,503.12
Estimated Additional Costs:					
Utility Cost per SQFT		\$	0.12	\$	0.12
Estimated Utility Costs per Month		\$	1,480.32	\$	1,480.32
Total Estimated Utility Cost		\$	17,763.84	\$	4,440.96
FM Lease Management Fee as of 7/1/2021	4.86%	\$	7,448.32	\$	1,871.25
TOTAL ESTIMATED COST		\$	178,469.69	\$	44,815.33
F11 Total Cost F11 Total County Cost	0%	\$ \$	528,346.26 -		



County of Riverside Facilities Management 3133 Mission Inn Avenue, Riverside, CA FOR COUNTY CLERK USE ONLY

Original Negative Declaration Notice of County

Determination was routed to County

Determination was routed in Ritial

Clerks for posting on.

NOTICE OF EXEMPTION

October 8, 2021

Project Name: Sheriff Cal ID Sixth Amendment to the Lease Agreement, Riverside

Project Number: FM042611022800

Project Location: 1260 Palmyrita Avenue, Suites A-E, east of Iowa Avenue, Riverside, California 92507; Assessor's

Parcel Number (APN) 249-060-020

**Description of Project:** On September 1, 1998, the County of Riverside (County) entered into a lease agreement for Suites A-E, consisting of 12,336 square feet, in the building located at 1260 Palmyrita Avenue, in Riverside, (APN 249-060-020) for use by the Sheriff's Department. A Fifth Amendment to the Lease was most recently approved on April 11, 2017, extending the lease of this facility for an additional five years with tenant improvements. This leased office space continues to meet the requirements for the Sheriff's Department ID Division and a three-year extension of the lease term with tenant improvements is being sought. The Sixth Amendment to the Lease Agreement, which is the letting of property involving existing facilities for an additional three year term, and specified tenant improvements, is identified as the proposed project under the California Environmental Quality Act (CEQA). 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 Sixth Amendment to the Lease Agreement.

- 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 Lease Agreement regarding an existing office facility. The project will include minor tenant improvements that would not require physical modifications to the existing building footprint. The improvements would not 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 Sixth 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: 10-8-2021

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

# RIVERSIDE COUNTY CLERK & RECORDER

# AUTHORIZATION TO BILL BY JOURNAL VOUCHER

Project Name: Sheriff Cal ID Sixth Amendment to the Lease Agreement, Riverside			
Accounting String: 524830-47220-7200400000 - FM042611022800			
DATE:	October 8, 2021		
AGENCY:	Riverside County Facilities Management		
	THE COUNTY CLERK & RECORDER TO BILL FOR FILING AND OR THE ACCOMPANYING DOCUMENT(S).		
NUMBER OF DOCU	MENTS INCLUDED: One (1)		
AUTHORIZED BY: Mike Sullivan, Senior Environmental Planner, Facilities Management			
Signature:	Moilliff		
PRESENTED BY:	Peter Komar, Real Property Agent II, Facilities Management		
	-TO BE FILLED IN BY COUNTY CLERK-		
ACCEPTED BY:	_		
DATE:	_		
RECEIPT # (S)	<del>-</del>		

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

Date:

October 8, 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 #FM042611022800

Sheriff Cal ID Sixth Amendment to the Lease Agreement, Riverside

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