

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



**ITEM: 3.25
(ID # 20869)**

MEETING DATE:
Tuesday, January 24, 2023

FROM : FACILITIES MANAGEMENT:

SUBJECT: FACILITIES MANAGEMENT - REAL ESTATE (FM-RE): Approval of Notice to Terminate Lease with Allegretti & Company, 81-077 Indio Blvd., Suites H, I, & J, Indio, CEQA Exempt per State CEQA Guidelines sections 15301 and 15061(b)(3), District 4. [\$10,437 100% General Fund - Department Budget 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, Class 1 – Existing Facilities Exemption, and 15061(b)(3), “Common Sense” Exemption;
2. Approve the Notice to Terminate Lease with Allegretti & Company, a California corporation, 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 Notice of Exemption with the County Clerk within five (5) working days of approval by the Board.

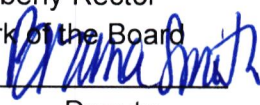
ACTION:Policy


Rose Salgado, Director of Facilities Management 1/17/2023

MINUTES OF THE BOARD OF SUPERVISORS

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

Ayes: Jeffries, Spiegel, Washington, Perez, and Gutierrez
Nays: None
Absent: None
Date: January 24, 2023
xc: FM-RE, Recorder

Kimberly Rector
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	\$10,437	\$0	\$10,437	\$0
NET COUNTY COST	\$10,437	\$0	\$10,437	\$0
SOURCE OF FUNDS: General Fund – Department Budget 100%			Budget Adjustment: No	
			For Fiscal Year: 22/23	

C.E.O. RECOMMENDATION: Approve

BACKGROUND:

Summary

Allegretti & Company, a California Corporation (Lessor), successor in-interest to Spectra Novae, LTD and Spectra Novae, LTD successor in-interest to Madison Commerce Center entered a five-year lease with the County of Riverside on April 8, 2008, to occupy 5,760 square feet of building space by Cooperative Extension, located at 81-077 Indio Blvd, Suites H, I, & J, Indio, California (“Lease”). The Lease was extended for five (5) years in 2019 and will expire November 30, 2023.

To reduce costs, Cooperative Extension will be moving from the leased premises to a building located at 75080 Frank Sinatra Drive, Palm Desert, CA 92201. Moving into the new space will generate savings for Cooperative Extension, as the new facility annual lease is significantly less than their current annual lease. This new facility is a co-habitation within an educational facility which will allow for easy access to classrooms to support workshops, events, and trainings. In addition, this facility will provide synergy between programs to allow for strong partnership relationships.

County therefore elects to exercise its Right to Early Termination as provided in Section 6.4 of the Lease Agreement with 60-days’ written notice. As a condition of terminating early, the Lease requires a reimbursement of 10% of the remaining rent balance. It is estimated to be \$9,953.28. The attached letter gives notice to the Lessor.

Pursuant to the California Environmental Quality Act (CEQA), the project, the termination of the Lease, was viewed 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. This is a mere termination of an agreement resulting in no further action or changes and does not cause significant changes in the land or impacts to the environment.

The Notice to Terminate Lease has been approved as to form by County Counsel.

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

Impact on Citizens and Businesses

No impact with providing services to the community are expected.

Attachments:

- Notice of Exemption
- Aerial
- Exhibit A
- Termination Notice


Meghan Hahn

Meghan Hahn, Principal Management Analyst 1/17/2023

Aaron Gettis

Aaron Gettis, Deputy County Counsel 1/17/2023

County of Riverside
Facilities Management
3450 14th St, 2nd Floor, Riverside, CA

FILED / POSTED		
County of Riverside		
Peter Aldana		
Assessor-County Clerk-Recorder		
E-202300096		
01/25/2023 02:34 PM Fee: \$ 50.00		
Page 1 of 2		
Removed:	By:	Deputy
		

NOTICE OF EXEMPTION

December 30, 2022

Project Name: Approval of Notice to Terminate Lease with Allegretti & Company, 81-077 Indio Boulevard, Suites H, I, & J, Indio

Project Number: FM042341007600

Project Location: 81-077 Indio Boulevard, east of Madison Street, Suites H, I, & J, Indio, CA 92201 California Assessor's Parcel Number (APN) 610-020-027

Description of Project: Allegretti & Company, a California Corporation, successor in-interest to Spectra Novae, LTD and Spectra Novae, LTD successor in-interest to Madison Commerce Center (Original Lessor) entered a five-year lease with the County of Riverside on April 8, 2008, to occupy 5,760 square feet of building space by Cooperative Extension, located at 81077 Indio Blvd, Suites H, I, & J, Indio, California (Lease). The Lease was extended for five years in 2019 and will expire November 30, 2023.

To reduce costs, Cooperative Extension will be moving from a 5,760 to 2,075 square feet building located at 75080 Frank Sinatra Drive, Palm Desert, CA 92201. This new facility is a co-habitation within an educational facility which will allow for easy access to classrooms to support workshops, events, and trainings. In addition, this facility will provide synergy between programs to allow for strong partnership relationships. This has resulted in the ability to exercise the Option to Terminate as provided in the Lease Agreement with 60-days' written notice.

The Termination of the Lease Agreement is defined as the proposed project under the California Environmental Quality Act (CEQA). The project is the termination of an existing lease which will result in the consolidation of leased office space by the Cooperative; no expansion of the existing facilities will occur. The operation of the facilities will continue to provide office services. 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

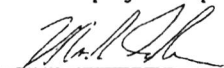
Exempt Status: State CEQA Guidelines Section 15301, Class 1, Existing Facilities Exemption; Section 15061(b) (3), General Rule or "Common Sense" Exemption. Codified under California Code of Regulations Title 14, Article 5, Section 15061.

JAN 24 2023 3.25

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 termination of 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 the termination of a lease agreement. The termination of the lease agreement would not require any expansion of public services and facilities; 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 termination of the Lease Agreement will not result in any direct or indirect physical environmental impacts. The direct effects from the termination of the Lease Agreement will result in the vacation of the building by the County. Any subsequent tenant occupation of the space would continue to use the building as office space and no changes to the existing use would occur. The County is streamlining operational costs by downsizing and the indirect effects of the consolidation of Cooperative Extension staff into another existing facility would be negligible and would not increase capacity such that new impacts would result. 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: 12-30-2022

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



Rose Salgado
Director of Facilities Management

January 24, 2023

J.A. Allegretti
Allegretti & Company
6300 N. Sagewood Drive, Suites H-228
Park City, UT 84098

RE: Notice to Terminate Lease dated April 8, 2008, 81-077 Indio Blvd., Suites H, I, and J, Indio, CA 92201


Dear Mr. Allegretti,

Pursuant to Section 6.4 of the above-referenced Lease ("Lease"), the County of Riverside ("County") is exercising its right to terminate said Lease. Please be advised that pursuant to Paragraph 6.4.1 of the Lease, this letter serves as a County's 60-day written notice of termination of the Lease. Said termination will include payment of rent through the termination date and any associated costs required under Section 6.4 (c) of the Lease.

The County of Riverside and Cooperative Extension appreciates the years of successful leasehold tenancy and extends best wishes for future success.

This office will contact you to schedule and conduct a surrender walk through prior to the lease termination date. Please feel free to contact this office at 951-955-4813 or e-mail at Mahyer@rivco.org should you have any questions.

Sincerely,



Kevin Jeffries
Chairman
Riverside County Board of Supervisors

ATTEST:
KIMBERLY A. RECTOR, Clerk
By 
DEPUTY

FORM APPROVED COUNTY COUNSEL
BY  RYAN D YABKO DATE 1/17/23

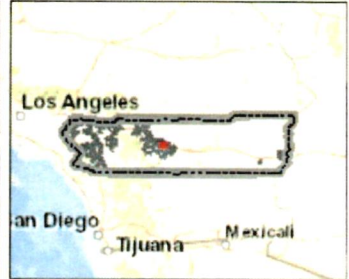
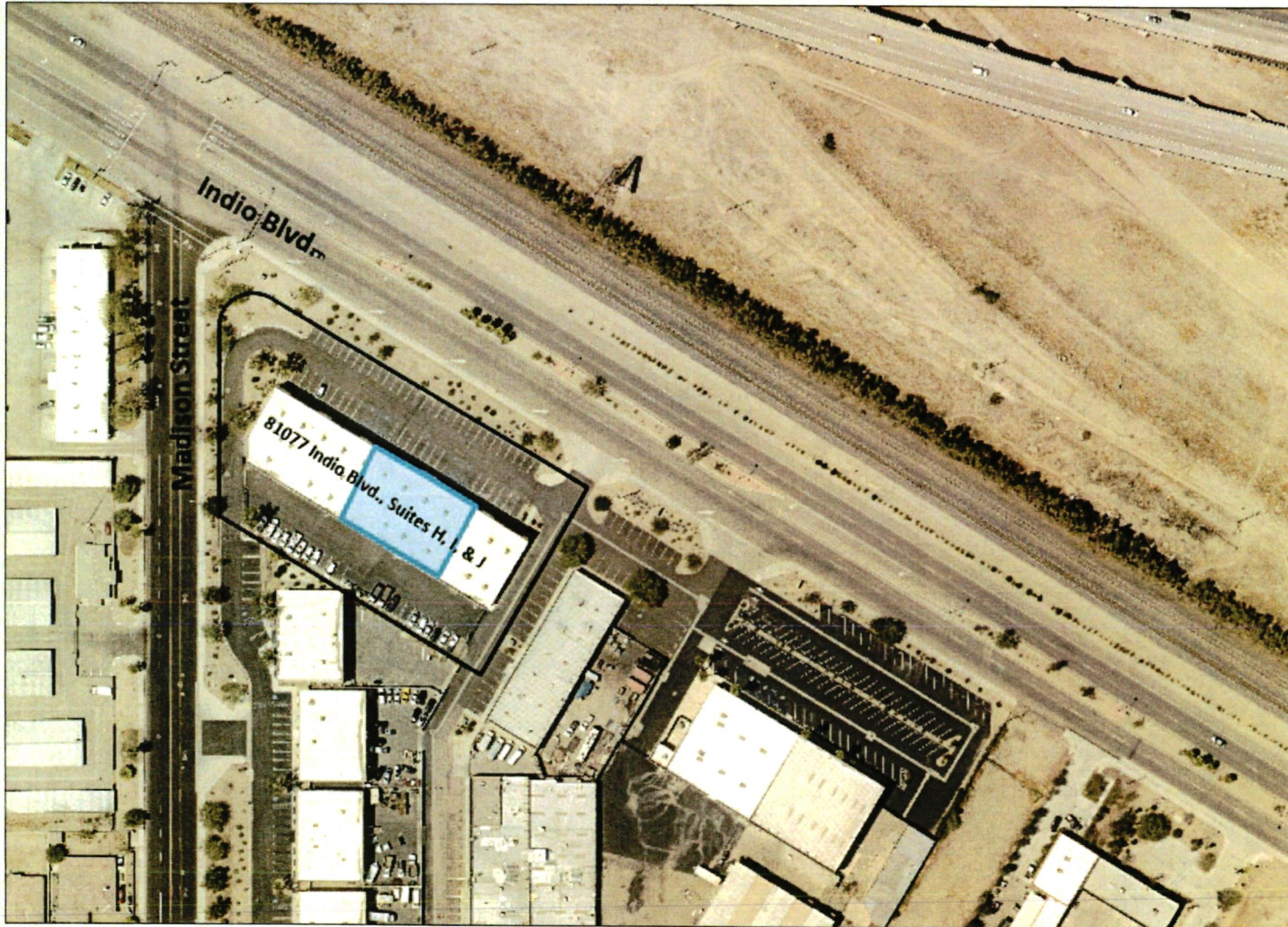
Facilities Management
3450 14th Street Suite 200
Riverside CA 92501
Main Line: 951.955.4820 Fax: 951.955.4837
Facilities Emergency 24-Hour Line: 951.955.4850

Project Management Office
Maintenance & Custodial
Real Estate & Parking
Energy Efficiency
Administration

JAN 24 2023 3.25

Cooperative Extension

81077 Indio Blvd., Suites H, I, & J, Indio



Legend

Notes

District 4

APN 610-020-027

Premises = Blue outlined area



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.

REPORT PRINTED ON... 12/19/2022 8:18:38 AM

© Riverside County GIS

Exhibit A

FY2022/23

Cooperative Extension

81-077 Indio Blvd., Suites H, I, & J, Indio, CA

ESTIMATED AMOUNTS

Lease Rent: \$ 11,059.20

Total Lease Rent Reimbursement Cost (March)

Total Estimated Lease Cost for FY2022/23 .

Estimated Additional Costs:

FM Lease Management Fee as of 7/1/2022 4.86%

TOTAL ESTIMATED COST FOR FY2022/23 :

TOTAL COUNTY COST