

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



**ITEM: 3.18  
(ID # 21880)**

**MEETING DATE:**

**FROM :** FACILITIES MANAGEMENT:

Tuesday, October 17, 2023

**SUBJECT:** FACILITIES MANAGEMENT - REAL ESTATE (FM-RE) AND RIVERSIDE UNIVERSITY HEALTH SYSTEM (RUHS): Approval of the Second Amendment to Lease with Perris Expressway Center, LP, Perris, Five-Year Lease, California Environmental Quality Act (CEQA) Exempt pursuant to State CEQA Guidelines Sections 15301 and 15061(b)(3); District 1. [Total Cost: \$881,244 - 100% RUHS General Fund 10000 (40% Federal, 60% State)] (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 Section 15061(b)(3), "Common Sense" Exemption;
2. Approve the attached Second Amendment to Lease with Perris Expressway Center, LP, a California limited partnership, and authorize the Chair of the Board to execute the same on behalf of the County;
3. Authorize the Director of Facilities Management, or designee, to execute any other documents and administer all actions necessary to complete this transaction; and
4. 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

  
Matthew Chang, Director

8/17/2023

  
Rose Salgado, Director of Facilities Management

10/3/2023

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**MINUTES OF THE BOARD OF SUPERVISORS**

On motion of Supervisor Perez, 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 Gutierrez  
Nays: None  
Absent: None  
Date: October 17, 2023  
xc: FM-RE, RUHS, Recorder

Kimberly A. Rector  
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>	\$110,881	\$169,533	\$881,244	\$0
<b>NET COUNTY COST</b>	\$0	\$0	\$0	\$0
<b>SOURCE OF FUNDS:</b> 40% Federal, 60% State, RUHS General Fund 10000			<b>Budget Adjustment:</b>	No
			<b>For Fiscal Year:</b>	23/24-28/29

**C.E.O. RECOMMENDATION:** Approve

**BACKGROUND:**

**Summary**

Riverside University Health System (RUHS) has been under lease at 85 Ramona Expressway, Suite 3 in Perris since April 29, 2014, for use by Behavioral Health, as a Mental Health Urgent Care facility ("Lease"). On February 4, 2020, the First Amendment to Lease was approved, extending the term of the Lease for an additional two (2) years ("First Amendment").

This facility continues to meet the needs of RUHS and the programs provide 24-hour behavioral health services in this region of the County and at this urgent-care facility. This proposed Second Amendment to Lease ("Second Amendment") will extend the term five (5) years, with three percent (3%) annual increases and an option to terminate the lease after two (2) years.

Pursuant to the California Environmental Quality Act (CEQA), the Second Amendment was reviewed and determined to be categorically exempt from State CEQA Guidelines Section 15301, Class 1 - Existing Facilities Exemption and Section 15061(b)(3), "Common Sense" Exemption. The proposed project, the Second Amendment to Lease, is the letting of property involving existing Facilities.

The terms of the Second Amendment are as follows:

Lessor: Perris Expressway Center, LP  
25401 Cabot Rd, Suite 208  
Laguna Hills, CA 92653

Premises: 85 Ramona Expressway, Suite 3  
Perris, CA 92570

Size: 4,000 Square Feet

Term: Five (5) years, commencing November 12, 2023, and ending November 11, 2028

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

Rent:	<u>Current</u>	<u>New</u>
	\$7,531.55 per month	\$12,760.00 per month
	\$90,378.60 per year	\$153,120.00 per year

Rent  
Adjustments: Three percent (3%) annual increases commencing November 12, 2024.

Options: None

Interior/Exterior  
Maintenance: Provided by Lessor

Custodial: Provided by Lessor

Utilities: County pays electric. Lessor pays gas, water, sewer, and trash removal.

Termination: County may elect to terminate after two (2) years by providing a 90-day written notice.

**Impact on Residents and Businesses**

RUHS will continue to provide program services at its Perris Behavioral Health, Mental Health Urgent Care Center that will positively benefit the residents of the region. This facility will continue to provide an economic impact to the area and through long-term County jobs.

**Additional Fiscal Information**

See Attached Exhibits A, B, & C. RUHS will budget these costs in FY23/24 through FY28/29.

**Contract History and Price Reasonableness**


Lease	April 29, 2014 (M.O. 3.2)
First Amendment	February 4, 2020 (M.O 3.3)

**ATTACHMENT.**

- Second Amendment
- Form 11 Exhibits
- Notice of Exemption
- Aerial

  
Aaron Gettis, Deputy County Counsel 10/5/2023

County of Riverside  
Facilities Management  
3450 14<sup>th</sup> Street, Second Floor, Riverside, CA

FOR COUNTY CLERK USE ONLY		
<b>FILED / POSTED</b>		
County of Riverside Peter Aldana Assessor-County Clerk-Recorder		
E-202301115 10/18/2023 01:15 PM Fee: \$ 50.00 Page 1 of 2		
Removed:	By:	Deputy
		

## NOTICE OF EXEMPTION

May 11, 2023

**Project Name:** Riverside University Health System Department of Behavioral Health (RUHS-BH) Second Amendment to Lease with Perris Expressway Center, LP, Perris

**Project Number:** FM042552006300

**Project Location:** 85 Ramona Expressway, Suite 3, east of Perris Boulevard, Suite 3, Perris, California 92570 Assessor's Parcel Number (APN): 303-100-038

**Description of Project:** The County of Riverside RUHS-BH has been under lease for 4,000 square feet of office space at 85 Ramona Expressway, Suite 3 in Perris, since April 29, 2014, for use by their Behavioral Health Community Center (Lease). On February 4th, 2020, a First Amendment to lease was approved, extending the term of the lease for an additional two years. The facility continues to meet the needs of Riverside University Health System in serving the community, and a Second Amendment to Lease is being sought for the purpose of extending the term five additional years, increasing the rent, and updating the notice section of the Lease.

The Second Amendment to the Lease Agreement which will commence November 12, 2023 and terminate on November 11, 2028, is identified as the proposed project under the California Environmental Quality Act (CEQA). No expansion of an existing use will occur. The operation of the facility will continue to provide behavioral health services for RUHS and will not result in an increase in the intensity of the use of the site. 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 Second 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 an Amendment to a Lease Agreement to extend the term, increase the rent, and update the notice section of the Lease. The revisions will result in the continued use, operation, and maintenance of the facility. The use of the facility would not result in any physical changes and no expansion of public services would occur as a result of the Second Amendment. 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 Second Amendment, which will extend the term of the Lease and revise noticing requirements, 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: 5-11-2023  
Mike Sullivan, Senior Environmental Planner  
County of Riverside, Facilities Management



1           **1. Term.** Section 4.1 of the Lease is amended by the following: The term  
2 of the Lease shall be extended for a period of five (5) years commencing November  
3 12, 2023 and expiring November 11, 2028 (the "Extension Term").

4           **2. Rent.** Section 5.1 of the Lease is hereby amended by the following:  
5 County shall pay the sum of \$12,760.00 per month to Lessor as rent for the Leased  
6 Premises, payable, in advance, on the first day of the month or as soon thereafter as a  
7 warrant can be issued in the normal course of County's business.

8           **3. Percentage Increase.** Section 5.2 of the Lease is amended by the  
9 following: Notwithstanding the provision of Section 5.1 herein, the monthly rent shall  
10 be increased on each anniversary of this Lease by an amount equal to three (3%)  
11 percent of such monthly rental.

12           **4. County's Right to Early Termination.** Section 6.4 of the Lease shall be  
13 amended to add and insert the following language at the end of the first sentence: or  
14 (c) after two (2) years of the Extension Term, County shall have the right to terminate  
upon providing Lessor with ninety (90) days' advanced written notice to terminate.

15           **5. Notice.** Section 19.18 of the Lease shall be amended as follows:

<b>County's Notification Address:</b>	<b>Lessor's Notification Address:</b>
County of Riverside	Perris Expressway Center, LP
Facilities Management	25401 Cabot Road, Suite 208
Real Estate Division	Laguna Hills, CA 92653
3450 14 <sup>th</sup> Street, Suite 200	Telephone: 951-369-0308
Riverside, CA 92501	
Attention: Deputy Director of Real Estate	
Telephone: (951) 955-4820	
Other Inquiries: FM-Leasing@rivco.org	

25           **6. Capitalized Terms.** SECOND AMENDMENT TO PREVAIL. Unless  
26 defined herein or the context requires otherwise, all capitalized terms herein shall have  
27 the meaning defined in the Lease, as heretofore amended. The provisions of this  
28

1 Second Amendment shall prevail over any inconsistency or conflicting provisions of the  
2 Lease, as heretofore amended, and shall supplement the remaining provisions thereof.

3 **7. Miscellaneous.** Except as amended or modified herein, all the terms of  
4 the Lease shall remain in full force and effect and shall apply with the same force and  
5 effect. If any provisions of this Second Amendment or the Lease shall be determined  
6 to be illegal or unenforceable, such determination shall not affect any other provision of  
7 the Lease and all such other provisions shall remain in full force and effect. The  
8 language in all parts of the Lease shall be construed according to its normal and usual  
9 meaning and not strictly for or against either Lessor or Lessee. Neither this Second  
10 Amendment, nor the Lease, nor any notice nor memorandum regarding the terms  
11 hereof, shall be recorded by Lessee.

12 **8. Effective Date.** This Second Amendment shall not be binding or  
13 consummated until its approval by the Riverside County Board of Supervisors and fully  
14 executed by the Parties.

15 (SIGNATURE ON NEXT PAGE)  
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1 **In Witness Whereof**, the Parties have executed this Second Amendment as of  
2 the date first written above.

3 Dated: 10/17/23  
4

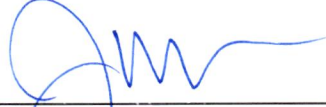
5 COUNTY:

6 County of Riverside, a political  
7 subdivision of the State of California

8  
9 By:   
10 Kevin Jeffries, Chair  
11 Board of Supervisors

LESSOR:

Perris Expressway Center, LP, a California  
limited partnership

By:   
Jason Radwan,  
Managing Member of PEC Management,  
LLC, its general partner


12  
13 **ATTEST:**

14 Kimberly Rector  
15 Clerk of the Board

16 By:   
17 Deputy

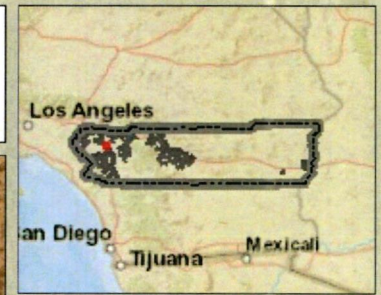
18 **APPROVED AS TO FORM:**

19 Minh C. Tran  
20 COUNTY COUNSEL

21 By:   
22 Ryan Yabko  
23 Deputy County Counsel

# Riverside University Health System - Behavioral Health

85 Ramona Expressway, Suite 1-3, Perris, CA 92571



## Legend

County Centerline Names



**\*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.

0 188 376 Feet

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## Notes

District 1  
Parcel outlined in black  
Blue dot on building  
APN: 303-100-035

FINANCIAL DATA	Current Fiscal Year:	Next Fiscal Year:	Total Cost:
COST	\$ 230,466	\$ 211,616	\$ 1,158,857
NET COUNTY COST	\$ -	\$ -	\$ -

\*Complete all yellow highlighted fields.

Last updated on 6/12/2019

Current Fiscal Year:	7/1/2023	through	6/30/2024
Name:	RUHS		
Premises:	89-912 Avenue 45 Suite's 3,5,7,8,9, Indio, CA 92201		
Term:	5	years	60
Effective Date	9/1/2023		
Termination Date	8/31/2028		
Fiscal Year Split:	(Jul - Aug)	2	
	(Sep - Jun)	10	
		12 Months (Cell E19 must always equal 12)	
Size:	8,550 SQFT		
Rent:	<u>Current</u>		<u>New</u>
	\$ 1.75 SQFT		\$ 1.80 SQFT
	\$ 14,971 per month		\$ 15,390 per month
	\$ 179,656 per year		\$ 184,680 per year
Rental Adjustment %:	3.50%		
Estimated Additional Costs:			
Utility Cost per SQFT	\$ 0.12		
RCIT			
Tenant Improvement	\$56,100.00		
Lease Management Fee	4.86% New agreement		
Total County Cost %	0.00%		

q

# Exhibit A

FY 2023/24

RUHS

89-912 Avenue 45 Suite's 3,5,7,8,9, Indio, CA 92201

## **ESTIMATED AMOUNTS**

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

Current Office:	8,550 SQFT	
Approximate Cost per SQFT(Jul - Aug)	\$ -	
Approximate Cost per SQFT(Sep - Jun)	\$ 1.80	
Lease Cost per Month(Jul - Aug)	\$ -	
Lease Cost per Month(Sep - Jun)	\$ 15,390.00	
Total Lease Cost(Jul - Aug)	\$ -	
Total Lease Cost(Sep - Jun)	\$ 153,900.00	
<b>Total Estimated Lease Cost for FY 2023/24</b>		<b>\$ 153,900.00</b>

### **Estimated Additional Costs:**

Utility Cost per SQFT	\$ 0.12	
Estimated Utility Costs per Month	\$ 1,026.00	
Total Estimated Utility Cost(Jul - Aug)	\$ -	
Total Estimated Utility Cost(Sep - Jun)	\$ 10,260.00	
<b>Total Estimated Utility Cost for FY 2023/24</b>		<b>\$ 10,260.00</b>
<hr/>		
Cost of Tenant Improvements		\$56,100.00
		<b>\$ 56,100.00</b>
FM Lease Management Fee as of 7/1/2023	4.86%	\$ 10,206.00
<b>TOTAL ESTIMATED COST FOR FY 2023/24</b>		<b>\$ 230,466.00</b>
<b>TOTAL COUNTY COST</b>	<b>0.00%</b>	<b>\$ -</b>

# Exhibit B

FY 2024/25

RUHS

89-912 Avenue 45 Suite's 3,5,7,8,9, Indio, CA 92201

## **ESTIMATED AMOUNTS**

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

Current Office:	8,550 SQFT	
Approximate Cost per SQFT(Jul - Aug)	\$ 1.80	
Approximate Cost per SQFT(Sep - Jun)	\$ 1.86	
Lease Cost per Month(Jul - Aug)	\$ 15,390.00	
Lease Cost per Month(Sep - Jun)	\$ 15,928.65	
Total Lease Cost(Jul - Aug)		\$ 30,780.00
Total Lease Cost(Sep - Jun)		\$ 159,286.50
<b>Total Estimated Lease Cost for FY 2024/25</b>		<b>\$ 190,066.50</b>

### **Estimated Additional Costs:**

Utility Cost per SQFT	\$ 0.12	
Estimated Utility Costs per Month	\$ 1,026.00	
Total Estimated Utility Cost(Jul - Jun)		\$ 12,312.00
<b>Total Estimated Utility Cost for FY 2024/25</b>		<b>\$ 12,312.00</b>

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FM Lease Management Fee as of 7/1/2023	4.86%	\$ 9,237.23
<b>TOTAL ESTIMATED COST FOR FY 2024/25</b>		<b>\$ 211,615.73</b>
<b>TOTAL COUNTY COST</b>	0%	\$ -

# Exhibit C

**FY 2025/26 to 2028/29**  
**RUHS**  
**89-912 Avenue 45 Suite's 3,5,7,8,9, Indio, CA 92201**

**ESTIMATED AMOUNTS**

**Total Square Footage to be Leased:**

Current Office: 8,550 SQFT

	FY 2025/26		FY 2026/27		FY 2027/28		FY 2028/29
Approximate Cost per SQFT(Jul - Aug)	\$ 1.86	\$	1.93	\$	2.00	\$	2.07
Approximate Cost per SQFT(Sep - Jun)	\$ 1.93	\$	2.00	\$	2.07	\$	
Lease Cost per Month(Jul - Aug)	15,928.65	\$	16,486.15	\$	17,063.17	\$	17,660.38
Lease Cost per Month(Sep - Jun)	16,486.15		17,063.17		17,660.38		
Total Lease Cost(Jul - Aug)	\$ 31,857.30	\$	32,972.30	\$	34,126.34	\$	35,320.76
Total Lease Cost(Sep - Jun)	\$ 164,861.50	\$	170,631.70	\$	176,603.81	\$	-
<b>Total Estimated Lease Cost for FY 2025/26 to 2028/29</b>	<b>\$ 196,718.80</b>	<b>\$</b>	<b>203,604.00</b>	<b>\$</b>	<b>210,730.15</b>	<b>\$</b>	<b>35,320.76</b>
<b><u>Estimated Additional Costs:</u></b>							
Utility Cost per SQFT	\$ 0.12	\$	0.12	\$	0.12	\$	0.12
Estimated Utility Costs per Month	\$ 1,026.00	\$	1,026.00	\$	1,026.00	\$	1,026.00
<b>Total Estimated Utility Cost for FY 2025/26 to 2027/28</b>	<b>\$ 12,312.00</b>	<b>\$</b>	<b>12,312.00</b>	<b>\$</b>	<b>12,312.00</b>	<b>\$</b>	<b>2,052.00</b>
FM Lease Management Fee as of 7/1/2023 <span style="float: right;">4.86%</span>	\$ 9,560.53	\$	9,895.15	\$	10,241.49	\$	1,716.59
<b>TOTAL ESTIMATED COST FOR FY 2025/26 to 2028/29</b>	<b>\$ 218,591.33</b>	<b>\$</b>	<b>225,811.15</b>	<b>\$</b>	<b>233,283.63</b>	<b>\$</b>	<b>39,089.35</b>
<b>F11 Total Cost</b>	<b>\$ 1,158,857.21</b>						
<b>F11 Total County Cost <span style="float: right;">0%</span></b>	<b>\$ -</b>						