

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



**ITEM: 3.36  
(ID # 22067)**

**MEETING DATE:**

**FROM :** FACILITIES MANAGEMENT:

Tuesday, November 07, 2023

**SUBJECT:** FACILITIES MANAGEMENT - REAL ESTATE (FM-RE) AND DEPARTMENT OF PUBLIC SOCIAL SERVICES (DPSS); Approval of the Second Amendment to Lease with JAMCO Holdings Corporation, Riverside, Five-Year Lease, California Environmental Quality Act Exempt pursuant to State CEQA Guidelines Section 15301 and 15061(b)(3); District 1. [Total Cost: \$6,553,129 - 100% DPSS Budget - General Fund 10000 (Federal 50%, State 24%, County 5%, Realignment 21%)] (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 between the County of Riverside and JAMCO Holdings Corporation, 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, CIP

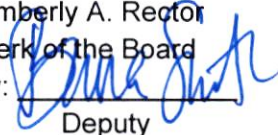
  
Rose Salgado, Director of Facilities Management 11/7/2023

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**MINUTES OF THE BOARD OF SUPERVISORS**

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

Ayes: Jeffries, Spiegel, Washington and Perez  
Nays: None  
Absent: Gutierrez  
Date: November 7, 2023  
xc: FM-RE, DPSS, Recorder

Kimberly A. Rector  
Clerk of the Board  
By:   
Deputy

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<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>	\$537,600	\$1,296,722	\$6,553,129	\$0
<b>NET COUNTY COST</b>	\$26,880	\$64,836	\$327,656	\$0
<b>SOURCE OF FUNDS:</b> 100% DPSS General Fund 10000 (Federal 50%; State 24%; County 5%; Realignment 21%)			<b>Budget Adjustment:</b>	No
			<b>For Fiscal Year:</b>	23/24-28/29

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

**BACKGROUND:**

**Summary**

The Department of Public Social Services (DPSS) has been under lease at 7894 Mission Grove Parkway, Building C in Riverside since June 18, 2013, for use by its Administrative, Adult and Children’s Services Divisions. The facility continues to meet the needs of DPSS, and this proposed Second Amendment to Lease will extend the term five years commencing January 1, 2024. Included are two month’s forgiven rent and an option to terminate for any reason beginning the third year of the lease term.

Pursuant to the California Environmental Quality Act (CEQA), the Second Amendment was reviewed and determined to be categorically exempt from CEQA under State CEQA Guidelines Sections 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 to Lease are as Follows:

- Lessor: JAMCO Holdings Corporation  
9150 Wilshire Boulevard, Suite 210  
Beverly Hills, CA 90212
- Premises: 7894 Mission Grove Parkway, Building C  
Riverside, CA 92508
- Size: 41,000 Square Feet
- Term: Five (5) years, commencing January 1, 2024, and ending  
December 31, 2028,
- Option to Extend: One, 2-year option to extend with 90-day advance written notice.
- Option To Terminate: County has the right to terminate after three (3) years with 90-day  
advance written notice, after January 1, 2027.

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Rent:	<u>Current</u>	<u>New</u>
	\$2.36 per sq. ft.	\$2.36 per sq. ft.
	\$96,906.30 per month	\$96,906.30 per month
	\$1,162,875.60 per year	\$1,162,875.60 per year
Rent Abatement:	Rent for the months of January 2024 and December 2028, shall be abated and represents total of \$209,247.23 of abated rent.	
Rent Adjustment:	Commencing January 1, 2025, monthly rent shall increase 3% annually on each anniversary of the lease.	
Interior/Exterior Maintenance:	Provided by Lessor	
Custodial:	Provided by Lessor	
Utilities:	County pays electric, water, and sewer. Lessor pays and trash removal.	

**Impact on Residents and Businesses**

DPSS will continue to operate and provide social services to the community through this facility. This facility and its services will provide a positive economic and social impact to the residents and businesses within this region of the County.

**SUPPLEMENTAL:**

**Additional Fiscal Information**

See attached Exhibits A, B & C. Department of Public Social Services (DPSS) has budgeted these costs in FY 23/24 through FY 28/29 and will reimburse FM-RE for all associated Lease costs on a monthly basis.

**Contract History and Price Reasonableness**

The monthly rent is within the current real estate market rates for comparable property.

Lease	June 18, 2013 (M.O. 3.25)
First Amendment	July 11, 2017 (M.O. 3.60)

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STATE OF CALIFORNIA

**Attachments**

Second Amendment to Lease

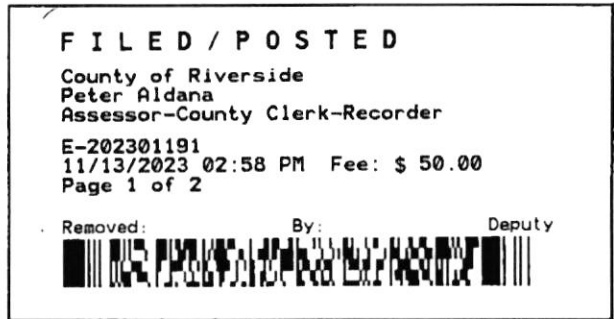
Exhibits A, B & C

Notice of Exemption

Aerial Map

  
\_\_\_\_\_  
Aaron Gettis, Deputy County Counsel 11/2/2023

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



## NOTICE OF EXEMPTION

October 24, 2023

**Project Name:** Riverside County Department of Public Social Services (DPSS) Second Amendment to Lease with JAMCO Holdings Corporation, 7894 Mission Grove Parkway, Building C, Riverside

**Project Number:** FM042611023300

**Project Location:** 7894 Mission Grove Parkway, east of Trautwein Road, Building C, Riverside, California 92508  
Assessor's Parcel Number (APN): 276-160-034

**Description of Project:** DPSS has been under lease at 7894 Mission Grove Parkway, Building C in Riverside since June 18, 2013, for use by their Administrative, Adult and Childrens Services Division (Lease). The facility continues to meet the needs of DPSS in serving the community, and a Second Amendment to Lease (Second Amendment) is being sought for the purpose of extending the term, increasing the rent, and amend the option to extend.

The Second Amendment to the Lease Agreement, which will commence January 1, 2024 and terminate on December 31, 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 public social services for DPSS 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.







1           **1. Term.** Section 4.1 of the Original Lease is amended by the following:  
2 The term of the Lease shall be extended for a period of Five (5) years commencing  
3 January 1, 2024 and expiring December 31, 2028 (the "Extension Term").

4           **2. Rent.** Section 5.1 of the Original Lease is amended by the following:  
5 County shall pay the sum of Ninety-Six Thousand, Nine Hundred Six Dollars, and  
6 30/100 (\$96,906.30) per month to Lessor as rent for the Leased Premises. Lessor shall  
7 waive the first and last month's rent due under the Extension Term.

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

12           **4. Option to Extend Term.** Section 6.1 of the Original Lease is amended by  
13 the following: Lessor grants to County one (1) option to extend the Lease term  
14 ("Extension Option"). The Extension Option shall be for a period of two (2) years  
15 ("Extended Term,") subject to the conditions described in section 6.1.

16           **5. County's Right to Early Termination.** Section 6.4 of the Original Lease  
17 is amended to add subsection "c", as follows: (c) County Shall have the right to  
18 terminate the Lease for any reason after January 1, 2027 by providing ninety (90) days'  
19 written notice of the County's intent to terminate the Lease.

20           **6. Notice.** Section 19.18 of the Lease shall be amended as follows:

21           **County's Notification Address:**

22           County of Riverside

23           Facilities Management

24           Real Estate Division

25           3450 14<sup>th</sup> St., Suite 200

26           Riverside, CA 92501

27           ATTN: Deputy Director of Real Estate

28           Telephone: (951) 955-4820



1 Other Inquiries - [FM-Leasing@Rivco.org](mailto:FM-Leasing@Rivco.org)

2 **Lessor's Notification Address:**

3 JAMCO Holdings Corporation  
4 c/o Regional Properties, Inc.  
5 9150 Wilshire Boulevard, Suite 210  
6 Beverly Hills, CA 90212  
7 Attn: Michelle Rubin

8 **7. Capitalized Terms.** SECOND AMENDMENT TO PREVAIL. Unless  
9 defined herein or the context requires otherwise, all capitalized terms herein shall have  
10 the meaning defined in the Lease, as heretofore amended. The provisions of this  
11 Second Amendment shall prevail over any inconsistency or conflicting provisions of the  
12 Lease, as heretofore amended, and shall supplement the remaining provisions thereof.

13 **8. Miscellaneous.** Except as amended or modified herein, all the terms of  
14 the Lease shall remain in full force and effect and shall apply with the same force and  
15 effect. If any provisions of this Second Amendment or the Lease shall be determined  
16 to be illegal or unenforceable, such determination shall not affect any other provision of  
17 the Lease and all such other provisions shall remain in full force and effect. The  
18 language in all parts of the Lease shall be construed according to its normal and usual  
19 meaning and not strictly for or against either Lessor or Lessee. Neither this Second  
20 Amendment, nor the Lease, nor any notice nor memorandum regarding the terms  
21 hereof, shall be recorded by Lessee.

22 **9. Effective Date.** This Second Amendment shall not be binding or  
23 consummated until its approval by the Riverside County Board of Supervisors and fully  
24 executed by the Parties.

25 (SIGNATURE ON NEXT PAGE)  
26  
27  
28

1           **In Witness Whereof**, the Parties have executed this Second Amendment as of  
2 the date first written above.


3 Dated: 11/7/2023  
4

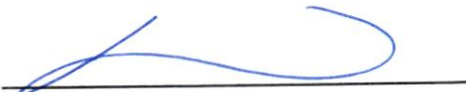
5 **COUNTY:**

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

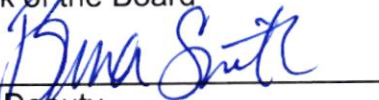
**LESSOR:**

JAMCO HOLDINGS CORPORATION, a  
California corporation

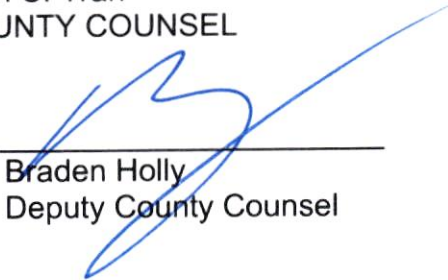
8  
9 By:   
10 Kevin Jeffries, Chair  
11 Board of Supervisors

By:   
Michelle Rubin,  
President

12  
13 **ATTEST:**  
14 Kimberly Rector  
15 Clerk of the Board

16 By:   
Deputy

17  
18 **APPROVED AS TO FORM:**  
19 Minh C. Tran  
20 COUNTY COUNSEL

21 By:   
22 Braden Holly  
23 Deputy County Counsel

24  
25  
26  
27 CT:kt/07032023/RV535/30.958  
28

NOV 7 2023 3.36

# Exhibit A

FY 2023/24

DPSS

7894 Mission Grove Parkway, Buidling C, Riverside

## ESTIMATED AMOUNTS

### Total Square Footage to be Leased:

Current Office:	41,000	SQFT	
Approximate Cost per SQFT (Jul-Dec)	\$	-	
Approximate Cost per SQFT (Jan-June)	\$	2.36	
Lease Cost per Month (Jul-Dec)	\$	-	
Lease Cost per Month (Jan-June)	\$	96,906.30	
Total Lease Cost (Jul-Dec)	\$	-	
Total Lease Cost (Jan-June)	\$	484,531.50	
<b>Total Estimated Lease Cost for FY 2023/24</b>			<b>\$ 484,531.50</b>

### Estimated Additional Costs:

Utility Cost per SQFT	\$	0.12	
Estimated Utility Costs per Month		<u>\$ 4,920.00</u>	
Total Estimated Utility Cost (Jul-Dec)	\$	-	
Total Estimated Utility Cost (Jan-June)	\$	29,520.00	
			<b>\$ 29,520.00</b>
FM Lease Management Fee as of 07/01/2023	4.86%		<u>\$ 23,548.23</u>
<b>TOTAL ESTIMATED COST FOR FY 2023/24</b>			<b><u>\$ 537,599.73</u></b>
<b>TOTAL COUNTY COST</b>	<b>5%</b>		<b>\$ 26,879.99</b>

# Exhibit B

FY 2024/25

DPSS

7894 Mission Grove Parkway, Buidling C, Riverside

## **ESTIMATED AMOUNTS**

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

Current Office:	41,000	SQFT	
Approximate Cost per SQFT (Jul-Dec)	\$ 2.36		
Approximate Cost per SQFT (Jan-June)	\$ 2.43		
Lease Cost per Month (Jul-Dec)		\$ 96,906.30	
Lease Cost per Month (Jan-June)		\$ 99,813.49	
Total Lease Cost (Jul-Dec)		\$	581,437.80
Total Lease Cost (Jan-June)		\$	598,880.93
<b>Total Estimated Lease Cost for FY 2024/25</b>		<b>\$</b>	<b>1,180,318.73</b>

### **Estimated Additional Costs:**

Utility Cost per SQFT	\$ 0.12		
Estimated Utility Costs per Month		<u>\$ 4,920.00</u>	
Total Estimated Utility Cost (Jul-Dec)		\$	29,520.00
Total Estimated Utility Cost (Jan-June)		\$	29,520.00
		<b>\$</b>	<b>59,040.00</b>
FM Lease Management Fee as of 07/01/2023	4.86%	\$	57,363.49
<b>TOTAL ESTIMATED COST FOR FY 2024/25</b>		<b>\$</b>	<b>1,296,722.22</b>
<b>TOTAL COUNTY COST</b>	<b>5%</b>	<b>\$</b>	<b>64,836.11</b>

# Exhibit C

FY 2025/26 - 2028/29

DPSS

7894 Mission Grove Parkway, Building C, Riverside

**ESTIMATED AMOUNTS**

**Total Square Footage to be Leased:**

Current Office: 41,000 SQFT

	FY 2025/26	FY 2026/27	FY 2027/28	FY 2028/29
Approximate Cost per SQFT (Jul-Dec)	\$ 2.43	\$ 2.51	\$ 2.58	\$ 2.66
Approximate Cost per SQFT (Jan-June)	\$ 2.51	\$ 2.58	\$ 2.66	\$ -
Lease Cost per Month (Jul-Dec)	\$ 99,813.49	\$ 102,807.89	\$ 105,892.13	\$ 109,068.89
Lease Cost per Month (Jan-June)	\$ 102,807.89	\$ 105,892.13	\$ 109,068.89	\$ -
Total Lease Cost (Jul-Dec)	\$ 598,880.93	\$ 616,847.36	\$ 635,352.78	\$ 545,344.47
Total Lease Cost (Jan-June)	\$ 616,847.36	\$ 635,352.78	\$ 654,413.37	\$ -
<b>Total Estimated Lease Cost for FY 2025/26 - 2028/29</b>	<b>\$ 1,215,728.30</b>	<b>\$ 1,252,200.14</b>	<b>\$ 1,289,766.15</b>	<b>\$ 545,344.47</b>

**Estimated Additional Costs:**

Utility Cost per SQFT	\$ 0.12	\$ 0.12	\$ 0.12	\$ 0.12
Estimated Utility Costs per Month	\$ 4,920.00	\$ 4,920.00	\$ 4,920.00	\$ 4,920.00
Total Estimated Utility Cost	<b>\$ 59,040.00</b>	<b>\$ 59,040.00</b>	<b>\$ 59,040.00</b>	<b>\$ 29,520.00</b>
Lease Management Fee as of 7/1/2023 4.86%	\$ 59,084.40	\$ 60,856.93	\$ 62,682.63	\$ 26,503.74
<b>TOTAL ESTIMATED COST FOR FY 2025/26 - 2028/29</b>	<b>\$ 1,333,852.69</b>	<b>\$ 1,372,097.07</b>	<b>\$ 1,411,488.78</b>	<b>\$ 601,368.21</b>

F11 Total Cost	\$ 6,553,128.72
F11 Total County Cost 5%	\$ 327,656.44



# Department of Public Social Services

7894 Mission Grove Parkway, Building C, Riverside, CA 92508



## Legend

County Centerline Names



0 376 752 Feet

REPORT PRINTED ON... 6/19/2023 4:46:52 PM

© Riverside County GIS

## Notes

District 1  
Parcel outlined in black  
Blue dot on building  
APN: 276-160-034

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