

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



ITEM: 3.28
(ID # 25435)

MEETING DATE:

Tuesday, July 30, 2024

FROM : FACILITIES MANAGEMENT

SUBJECT: FACILITIES MANAGEMENT - REAL ESTATE (FM-RE); Approval of the First Amendment to Lease with the Judicial Council of California, 3255 E. Tahquitz Way, Palm Springs; California Environmental Quality Act (CEQA) Exempt pursuant to State CEQA Guidelines Section 15301 and 15061(b)(3); District 4. [\$0] (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 First Amendment to Lease with Judicial Council of California 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 attached Notice of Exemption with the County Clerk and State Clearinghouse within five (5) working days of approval by the Board.

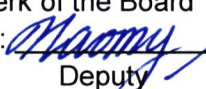
ACTION:Policy


Rose Salgado, Director of Facilities Management 7/3/2024

MINUTES OF THE BOARD OF SUPERVISORS

On motion of Supervisor Gutierrez, seconded by Supervisor Perez 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: July 30, 2024
xc: FM-RE, Recorder/State Clearinghouse

Kimberly A. 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	\$0	\$0	\$0	\$ 0
NET COUNTY COST	\$0	\$0	\$0	\$ 0
SOURCE OF FUNDS: Revenue Lease			Budget Adjustment: No	
			For Fiscal Year: 24/25 – 26/27	

C.E.O. RECOMMENDATION: Approve

BACKGROUND:

Summary

On October 2, 2018, the County of Riverside (“County”) entered into a Lease Agreement (“Agreement”) with the Judicial Council of California for the benefit of the Superior Court of California (“Court”), for space at the Palm Springs Courthouse located at 3255 E. Tahquitz Canyon Way, Suite 1, Palm Springs. The Court currently utilizes the leased premises for temporary juror swing space needs (added space for large jury pools). This First Amendment (“Amendment”) will grant the Court an additional twenty-four (24) month term commencing August 1, 2024, with an additional three (3) optional extension terms of twelve (12) months each.

Included in the attached Amendment is updated lease language to current County standards and accurately delineated roles and responsibilities between the County and Court. Staff recommends approval of this item to extend the Agreement for Court use and purpose.

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

The terms of the New Revenue Lease are as follows:

Lessor: County of Riverside

Lessee: Judicial Council of California

Premises: 3255 E. Tahquitz Canyon Way, Suite 1
Palm Springs, CA 92262

Term: Commencing August 1, 2024, and expiring July 31, 2026

Size: 3,209 square feet

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

Revenue

Rent:	<u>Existing:</u>	<u>New:</u>
	\$ 1.41 per sq. ft.	\$ 1.75 per sq. ft.
	\$ 4,514.71 per month	\$ 5,615.75 per month
	\$54,176.52 per year	\$67,389.00 per year

Annual Rent

Adjustments: Increased Three and one-half percent (3.5%) commencing August 1, 2025.

Utilities: County pays for all utilities except telephone and telecommunication services.

Maintenance: County performs all maintenance.

Option to

Extend: Three (3) twelve (12) month extension terms

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

Impact on Residents and Businesses

The Court continues to provide valuable services for the benefit of the residents and businesses of Riverside County and at the same time this Court continues to have a major positive economic impact on this region of the County.

Lease & Amendments

Lease (October 2, 2018)

First Amendment (July 9, 2024)

ATTACHMENTS:

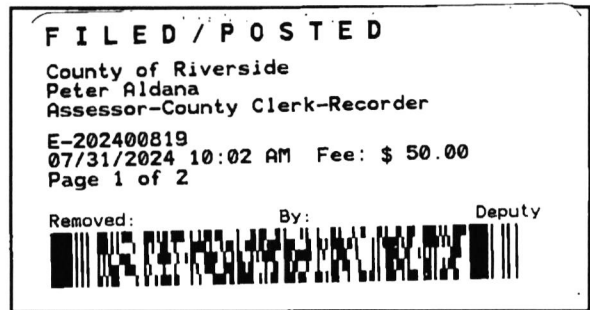
- Palm Springs Court - Jury Assembly and Probate Suite 1, PG025
- Aerial
- Notice of Exemption

JM:jm/06202024/PG025/


Stacy Orton 7/17/2024


Aaron Gettis, Chief of Deputy County Counsel 7/16/2024

County of Riverside
Facilities Management
3450 14th Street, Riverside, CA



NOTICE OF EXEMPTION

June 25, 2024

Project Name: Approval of the First Amendment to Lease Agreement with Judicial Council of California, Palm Springs

Project Number: FM047551002500

Project Location: 3255 East Tahquitz Canyon Way, Suite 1, west of El Cielo Road, Palm Springs, California; APN 502-210-017

Description of Project: On October 2, 2018, the County of Riverside (County) entered into a Lease with the Judicial Council of California for the benefit of the Superior Court of California (Court), for space at the Palm Springs Courthouse located at 3255 East Tahquitz Canyon Way, Suite 1, Palm Springs. The lease allowed for three successive optional renewal terms all of which were utilized. This First Amendment will grant Court an additional twenty-four-month term with an additional three optional extension terms of twelve months each.

Facilities Management has negotiated this First Amendment to Lease Agreement with Court for a two-year term, updated the language to current County standards and accurately delineated the roles and responsibilities between the County and Court. The First Amendment to the Lease Agreement with the Court is identified as the proposed project under the California Environmental Quality Act (CEQA). The proposed project would not result in an increase in capacity or physical expansion. No significant physical changes would occur as a result of the First Amendment.

Name of Public Agency Approving Project: Riverside County

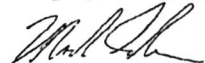
Name of Person or Agency Carrying Out Project: Riverside County Facilities Management

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 First 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 First Amendment to the Lease Agreement is a contractual action to permit the continued use of the existing Courthouse facility. No increase in building footprint or substantial increase in capacity would be created by the project. Therefore, the project is exempt as it meets the scope and intent of the Categorical 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 First 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: 6-24-2024
Mike Sullivan
County of Riverside, Facilities Management



**Judicial Council of California
Facilities Services
455 Golden Gate Avenue, San Francisco, CA 94102-3688**

For the benefit of: Superior Court of California, County of Riverside

Location of Premises: 3255 E. Tahquitz Canyon Way, Suite 1, Palm Springs, California
(Bldg. No. 33-E1)

FIRST AMENDMENT TO LEASE AGREEMENT

This First Amendment to Lease Agreement (“**First Amendment**”) is made as of July 30, 2024 (“**Effective Date**”), by and between the Judicial Council of California (“**Lessee**” or “**Judicial Council**”), for the benefit of the Superior Court of California, County of Riverside (“**Court**”), and County of Riverside (“**Lessor**” or “**County**”). Lessee and Lessor may be referred to together as the “**Parties**” and individually as a “**Party.**”

RECITALS

A. Lessor and Lessee entered into that certain Lease Agreement, dated October 2, 2018 (“**Lease**”), pursuant to which Lessee leased approximately 2,450 square feet of occupied space and 759 square feet of allocable Common Areas space, together totaling approximately 3,209 rentable square feet of space in Suite 1 in the basement (“**Premises**”) of the Building located at 3255 E. Tahquitz Canyon Way, Palm Springs, California, and commonly known as the Palm Springs Courthouse, for use of the Court, as more particularly described in the Lease.

B. The Initial Term of the Lease expired on July 31, 2021, which Lessee extended to July 31, 2024, by exercising each of the three Extended Terms available under the Lease, pursuant to the terms of the Lease.

C. Lessor and Lessee now desire to amend the Lease to further extend the term, provide an option for additional extension terms, to set the Rent during such extended terms, and to make other changes deemed necessary and helpful by the Parties, as set forth in the First Amendment.

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

1. Incorporation of Recitals; Defined Terms. The foregoing provisions of the Recitals are true and correct and are incorporated into this First Amendment by this reference. Any defined terms not defined herein will have the definition meaning given those terms in the Lease.

2. First Amendment Extension Term; Optional Extension Terms. The term of the Lease is hereby extended for an additional twenty-four (24) months, commencing August 1, 2024, and ending on July 31, 2026, upon the same terms and conditions set forth in the Lease (“**First Amendment Extension Term**”). Upon the expiration of the First Amendment Extension Term, Lessee will have the right to extend its tenancy for three (3) additional successive optional extension terms of twelve (12) months each on the same terms, covenants, and conditions (except as to the number of remaining optional extension terms) as are contained in the Lease (each, a “**First Amendment Extension Option**”). Lessee will exercise each First Amendment Extension Option, if at all, by giving written notice to Lessor not less than sixty (60) days prior to the expiration of the then-current term.

3. Rent for First Amendment Extension Term and Extension Options. Lessee will pay to Lessor as Rent for and during the First Amendment Extension Term and the First Amendment Extension Options, if exercised, payable in arrears on the last day of each month, beginning on the last day of the first full month of the First Amendment Extension Term, the following amounts, which already reflect an annual three and half percent (3.5%) increase thereto, all in accordance with the terms of the Lease:

Months	First Amendment Extension Term	Monthly Rent
01–12	August 1, 2024, to July 31, 2025	\$5,615.75
13–24	August 1, 2025, to July 31, 2026	\$5,812.30

Months	First Amendment Extension Option No. 1	Monthly Rent
25–36	August 1, 2026, to July 31, 2027	\$6,015.73

Months	First Amendment Extension Option No. 2	Monthly Rent
37–48	August 1, 2027, to July 31, 2028	\$6,226.28

Months	First Amendment Extension Option No. 3	Monthly Rent
49–60	August 1, 2028, to July 31, 2029	\$6,444.20

The Rent during the First Amendment Extension Term and any First Amendment Extension Option for any partial month will be prorated based on the actual number of days of the month. All such Rent shall be payable by State of California warrants or any other warrant from any account utilized by Lessee. A failure to pay any amount that constitutes Rent shall not be considered an event of default under the Lease unless Lessee fails to pay such Rent within forty-five (45) days after Lessee's receipt of written notice that the same is due, owing, and payable. The Parties acknowledge and agree that payment of any Rent is subject to appropriation of funds therefor by the State of California. An event of default shall not occur if Lessee is unable to pay any Rent or other amount owed under this First Amendment or the Lease because of the State of California's failure to timely approve and adopt a State budget appropriating said funds; provided, however, if Lessee fails to pay any Rent or other amounts owed as a result of the State of California's failure to timely approve and adopt a State budget appropriating said funds, Lessee shall promptly pay any previously due and unpaid Rent or other amounts owed upon approval and adoption of such State budget.

4. Notices. Lessee's address for notice purposes under the Lease, as set forth in section 23.1 of the Lease, is hereby deleted in its entirety and replaced with the following:

Judicial Council of California
Facilities Services
Attention: Associate Facilities Analyst
2860 Gateway Oaks Drive, Suite 400
Sacramento, CA 95833
Voice: 916-643-8056
Email: JCCRealEstate@jud.ca.gov

with a copy to:

Judicial Council of California
Facilities Services
Attention: Manager, Real Estate
2860 Gateway Oaks Drive, Suite 400
Sacramento, CA 95833
Voice: 916-263-7999

In addition, all notices by the Lessor relating to termination of the Lease or an alleged breach or default by Lessee of the Lease must also be sent to:

Judicial Council of California
Branch Accounting and Procurement
Attention: Manager, Contracts
455 Golden Gate Avenue, 6th Floor
San Francisco, CA 94102
Voice: 415-865-7989
Fax: 415-865-4326

5. Notices. Lessor's address for notice purposes under the Lease, as set forth in section 23.2 of the Lease, is hereby deleted in its entirety and replaced with the following:

County of Riverside
Facilities Management – Real Estate Division
Attn: Deputy Director
3450 14th Street, Suite 200
Riverside, CA 92501
FM-Leasing@rivco.org
951-955-4820

6. Authority. Lessor and Lessee each represents and warrants that the individual signing this First Amendment on behalf of such Party is duly authorized to execute and deliver this First Amendment on behalf of such Party, and that this First Amendment will be binding upon said Party upon mutual execution and delivery thereof.

7. Governing Laws. This First Amendment is exclusively governed by the laws of the State of California, without regard to its conflict of law principles. The Parties agree that any legal action related to the interpretation, performance, or enforcement of the Lease shall be filed in the Superior Court for the State of California.

8. No Further Modifications. Except as specifically modified herein this First Amendment, the Lease remains unmodified and in full force and effect. In the event of any inconsistency between the provisions of the Lease and this First Amendment, the provisions of this First Amendment shall govern and control.

9. Counterparts and Electronic Execution. This First Amendment may be executed in any number of counterparts, each of which will be an original, but all of which together will constitute one instrument. Each Party of this First Amendment agrees to the use of electronic signatures, such as digital signatures that meet the requirements of the California Uniform Electronic Transaction Act (Civ. Code §§ 1633.1-1633.17) (“**CUETA**”), for executing this First Amendment. The Parties further agree that the electronic signatures of the Parties included in this First Amendment are intended to authenticate this writing and to have the same force and effect as manual signatures.

Electronic signature means an electronic sound, symbol, or process attached to or logically associated with an electronic record and executed or adopted by a person with the intent to sign the electronic record pursuant to the CUETA as amended from time to time. The CUETA authorizes use of an electronic signature for transactions and contracts among parties in California, including a government agency. Digital signature means an electronic identifier, created by computer, intended by the Party using it to have the same force and effect as the use of a manual signature, and shall be reasonably relied upon by the Parties. For purposes of this section, a digital signature is a type of “electronic signature” as defined in subdivision (h) of section 1633.2 of the Civil Code.

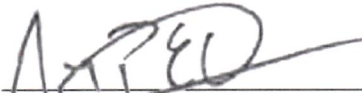
[SIGNATURES ON FOLLOWING PAGE(S)]

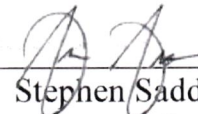
IN WITNESS WHEREOF, the parties hereto have executed this First Amendment to Lease as of the date and year first above written.

LESSEE:

JUDICIAL COUNCIL OF CALIFORNIA

APPROVED AS TO FORM:
Judicial Council of California,
Legal Services


By: 
Name: Jeremy P. Ehrlich
Title: Attorney
Date: April 15, 2024


By: 
Name: Stephen Saddler
Title: Manager, Contracts
Date: April 15, 2024

LESSOR:


COUNTY OF RIVERSIDE

APPROVED AS TO FORM:
Minh C. Tran, County Counsel

By: 
Name: Braden Holly
Title: Deputy County Counsel
Date: July 16, 2024

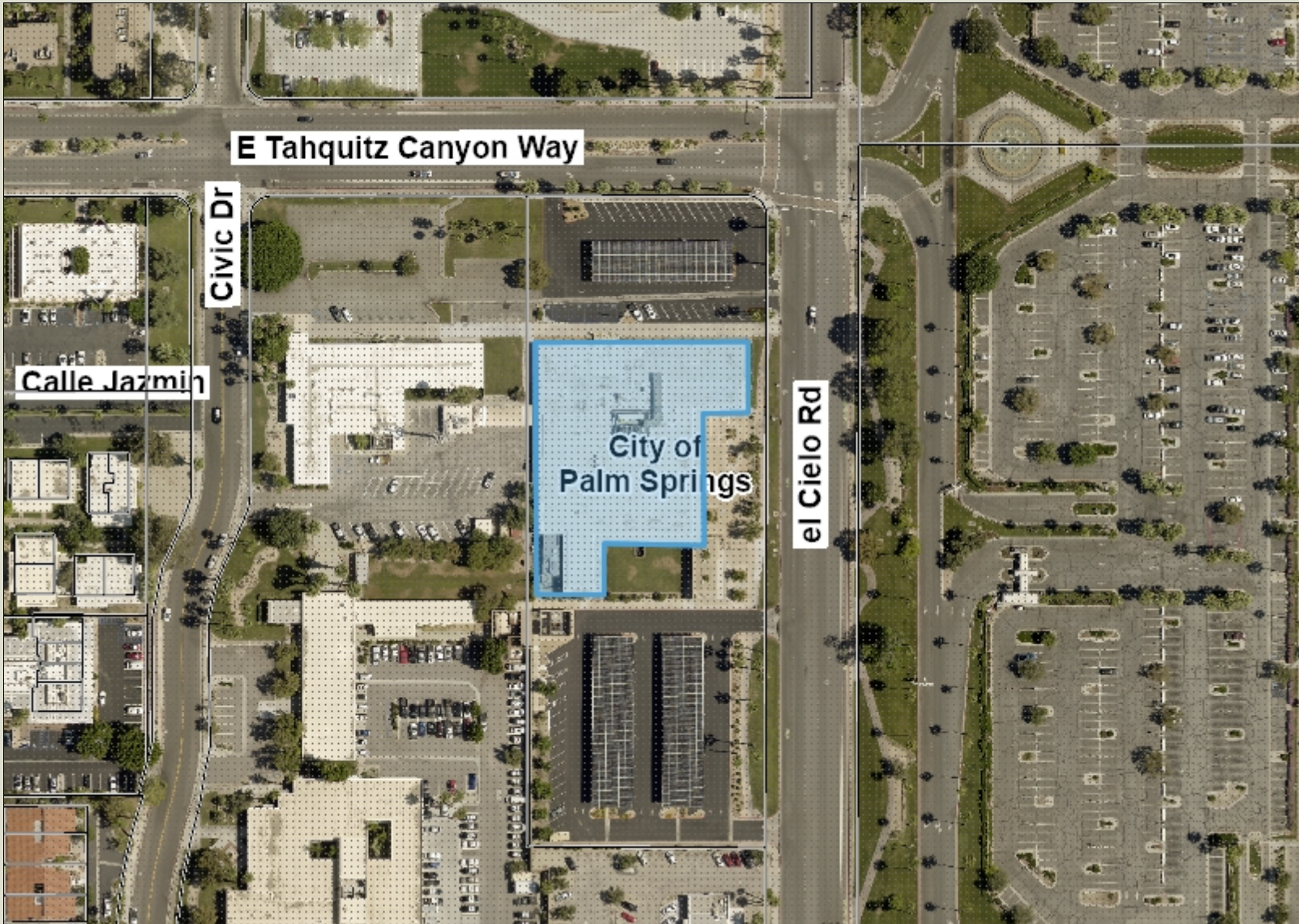
By: 
Name: CHUCK WASHINGTON
Title: Chair, Board of Supervisors
Date: 7/30/2024

ATTEST:
Kimberly Rector
Clerk of the Board

By: 
Name: Deputy

Palm Springs Courthouse

3255 E. Tahquitz Canyon Way, Suite 1, Palm Springs



Legend

- County Boundary
- City Boundaries
- Parcels, County



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.

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Notes

District 4
APN: 502-210-017
Building outlined in blue