

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



ITEM: 3.27
(ID # 24608)

MEETING DATE:
Tuesday, August 27, 2024

FROM : FACILITIES MANAGEMENT

SUBJECT: FACILITIES MANAGEMENT, REAL ESTATE DIVISION (FM-RE): Approval of the Second Amendment to Lease with Sunquitz EMC, LLC, Riverside University Health System, Palm Springs, Tenant Improvements, California Environmental Quality Act Exempt pursuant to State CEQA Guidelines Sections 15301 and 15061(b)(3); District 4. [Total Cost: \$120,132-(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 between the County of Riverside, a political subdivision of the State of California, and Sunquitz EMC, LLC, a California limited liability company, 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 and the State Clearinghouse within five (5) working days of approval by the Board.

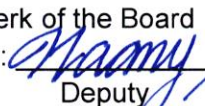
ACTION:Policy


Rose Salgado, Director of Facilities Management 7/22/2024

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: August 27, 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	\$120,132	\$0	\$120,132	\$0
NET COUNTY COST	\$0	\$0	\$0	\$0
SOURCE OF FUNDS: 40% Federal; 60% State			Budget Adjustment:	No
			For Fiscal Year:	24/25

C.E.O. RECOMMENDATION: Approve

BACKGROUND:

Summary

The County of Riverside (County) has been under lease at 191 N. Sunrise Way, Palm Springs since June 2021 (Lease) for use by Riverside University Health System's (RUHS) Community Health Center and RUHS – Behavioral Health (RUHS-BH).

Through a Second Amendment to the Lease (Second Amendment), RUHS-BH has requested interior tenant improvements to provide for delineating program operational areas as well as to improve a pod area designated for children during client visits. The Lessor will complete the improvements and the County is to reimburse the total cost of \$120,132.13 upon completion of the project.

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, is the letting of property involving existing facilities.

The Second Amendment is summarized below:

Location: 191 N. Sunrise Way
Palm Springs, CA

Lessor: Sunquitz EMC, LLC
650 Town Center Drive
Costa Mesa, CA 92626

Size: 35,000 square feet

Term: Lease expires June 30, 2051

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

Tenant

Improvements: Not to exceed \$120,132.13. To be paid by Lessor and reimbursed by County upon completion.

The Second Amendment has been approved as to form by County Counsel.

Impact on Residents and Businesses

The facility will continue to service the medical needs of the community and provide vital healthcare services to this region of the County.

Additional Fiscal Information

See attached Exhibit A

RUHS has budget for cost of FY 24/25 reimbursement to Facilities Management-Real Estate (FM-RE) for the total associated cost.

Contract History and Price Reasonableness

The current lease has been in place since 2021.

ATTACHMENTS:


- Second Amendment to Lease
- Exhibit A
- Notice of Exemption
- Aerial Map

HR:ii/04082024/PG028/40.051


Stacy Orton 8/8/2024


Aaron Gettis, Chief of Deputy County Counsel 8/5/2024

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

FOR COUNTY CLERK USE ONLY		
FILED / POSTED		
County of Riverside		
Peter Aldana		
Assessor-County Clerk-Recorder		
E-202400929		
08/28/2024 04:16 PM Fee: \$ 50.00		
Page 1 of 2		
Removed:	By:	Deputy
		

NOTICE OF EXEMPTION

May 3, 2024

Project Name: RUHS CHC Second Amendment to Lease Agreement with Sunquitz EMC, LLC, Palm Springs

Project Number: FM042551002800

Project Location: 191 North Sunrise Way, north of East Tahquitz Canyon Way, Palm Springs, California; APN 508-070-042

Description of Project: The County of Riverside has been under lease at 191 N. Sunrise Way, Palm Springs since June 2021 for use by Riverside University Health System's (RUHS) Community Health Center (CHC).

RUHS has requested some interior tenant improvements to provide for delineating program operation areas as well as improve a pod area designated for children during client visits. The Second Amendment to the Lease Agreement with Sunquitz EMC, LLC and minor interior tenant improvements are 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 Lease Agreement.

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.

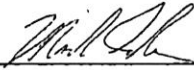
Reasons Why Project is Exempt: The proposed project is categorically exempt from the provisions of CEQA specifically by the State CEQA Guidelines as identified below. The project will not result in any specific or general exceptions to the use of the categorical exemption as detailed under State CEQA 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.

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- **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 Second Amendment to the Lease Agreement is a contractual action to permit the provision of minor tenant improvements consisting of interior alterations to make the space more functional. The improvements would be limited to the existing building and consistent with the existing land use, and no 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 Second 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: 5-3-2024

Mike Sullivan
County of Riverside, Facilities Management

1 **12.1.9** Lessor at its expense, and subject to reimbursement from
2 County, shall construct and install those certain leasehold improvements defined per
3 Exhibit "F" of the Original Lease and Exhibit "L" attached hereto commencing promptly
4 upon approval of this Second Amendment by the Riverside County Board of
5 Supervisors. Work to be done during business hours where possible and agreed by
6 County and after business hours where required.

7 Leasehold improvement costs per the attached Exhibit "L" shall not
8 exceed \$110,204.13 plus a \$9,928.30 County contingency for County requested
9 Change Orders for a total project cost of \$120,132.43. County shall reimburse Lessor in
10 multiple payments as work is completed with receipt of associated invoicing and
11 approvals by County. Final payment will be issued upon substantial completion.

12 **6. Notice.** Section 20.17 of Lease to be amended as follows:

13 **County's Notification Address:**

14 County of Riverside
15 3450 14th Street, Suite 200
16 Riverside, CA 92501
17 Attn: Deputy Director of Real Estate
18 Telephone: (951) 955-4820
19 Additional Inquiries: FM-Leasing@Rivco.org

20 **Lessor's Notification Address:**

21 Sunquitz EMC, LLC, or its assignee
22 c/o The Boureston Companies
23 650 Town Center Drive, Suite 890
24 Costa Mesa, CA 92626
25 Attention: Rich Boureston

26 With a copy to:
27 Richard S. Gordon, Esq.
28 10655 Park Run Drive, Suite 160
 Las Vegas, CA 89144

7. Second 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 Second Amendment shall

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

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

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

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16 Signatures On The Following Page
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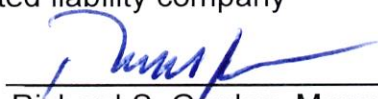
1 **IN WITNESS WHEREOF**, the Parties have executed this Amendment as of the
2 date first written above.

3 Dated: June 1, 2024

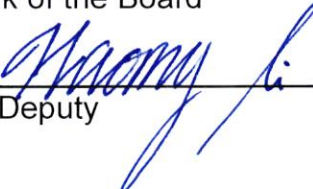
4 LESSEE:
5 County of Riverside

LESSOR:
6 Sunquitz EMC, LLC, a California limited
7 limited liability company

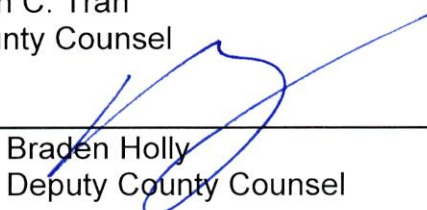
8 By: 
9 Chuck Washington, Chair
10 Board of Supervisors

By: 
Richard S. Gordon, Manager

11 ATTEST:
12 Kimberly A. Rector
13 Clerk of the Board

14 By: 
15 Deputy

16 APPROVED AS TO FORM:
17 Minh C. Tran
18 County Counsel

19 By: 
20 Braden Holly
21 Deputy County Counsel

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26 HR:il/05302024/PG028/40.051

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EXHIBIT "L"

HALLWAY:

- 1. Mobilize and install plastic covering to protect from construction debris.
- 2. Cut flooring vinyl to install new wall.
- 3. Furnish and install new 6' long x 1`0' high metal stud wall per A5.1 detail 5.
- 4. Furnish and install drywall on both sides of new wall.
- 5. Paint new wall on both sides (customer to provide paint color).
- 6. Furnish and install (1) new 3070-man door and frame per A5.1 detail 3.

CHILDREN'S POD:

- 1. Mobilize and install plastic covering to protect from construction debris.
- 2. Infill existing opening with new wall, custom paneling, woodwork, and tempered glass per A9.1.1 detail 5.
- 3. Furnish and install new pony wall caps as needed to match existing.
- 4. Furnish and install (2) new glass doors and frames per A5.1.1 detail 1 and 2.
- 5. Furnish and install (3) new glass panels per job walk.
- 6. Repair flooring in (2) locations, customer to provide linoleum.

WINDOW FILM:

- 1. Furnish and install approximately 235 square feet of Olee Creative Thicket Privacy Glaze File 465PGF.

PERMITS & FEES:

- 1. Pay permit fees and pull permit from the city of Palm Springs.

Contractor Cost:	\$ 99,283.00
Architectural fees separate:	-0-
County Contingency:	\$ 9,928.30
Lessor 10% project mgmt. fee	
of final cost not to exceed:	<u>\$ 10,921.13</u>
Total construction cost:	<u>\$120,132.43</u>

Exhibit A

FY2024/25

**Riverside University Health System
191 N. Sunrise Way, Palm Springs**

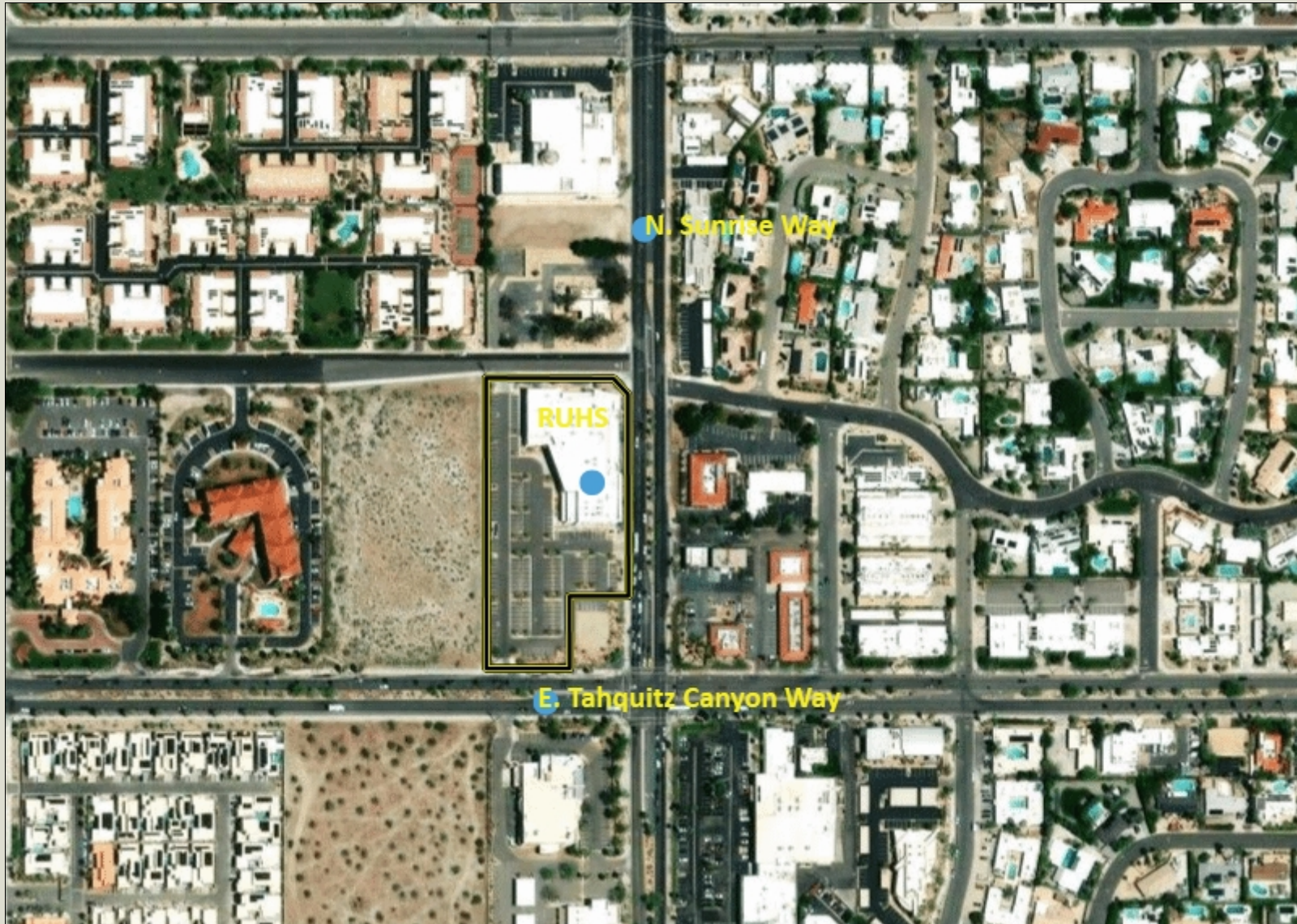
ESTIMATED AMOUNTS

Tenant Improvement Cost	\$	120,132.13
Total Tenant Improvement Cost (June)		.
Total Estimated Lease Cost for FY2024/25		.
<u>Estimated Additional Costs:</u>		\$0.00

TOTAL ESTIMATED COST FOR FY2024/25		.
TOTAL COUNTY COST	0.00%	

Riverside University Health System

191 N. Sunrise Way, Palm Springs



Legend



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.

Notes

APN: 508-070-051
District 4
Location indicated with blue dot and outlined.

0 376 752 Feet

REPORT PRINTED ON... 5/1/2024 9:39:44 AM

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