

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



**ITEM: 3.11**  
(ID # 25570)

**MEETING DATE:**  
Tuesday, October 08, 2024

**FROM :** FACILITIES MANAGEMENT

**SUBJECT:** FACILITIES MANAGEMENT-REAL ESTATE (FM-RE) AND PROBATION DEPARTMENT: Approval of the Notice of Exercising Option to Extend Lease with OTS Iowa, LLC, Riverside, 5 Year Lease, California Environmental Quality Act Exempt pursuant to State CEQA Guidelines Section 15301 and 15061(b)(3); District 1. [Total Cost: \$2,914,857 - 100% State (Probation Dept. Budget) Fund 10000] (Clerk of the Board to File Notice of Exemption within five business days)

**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 Notice of Exercising Option to Extend Lease to OTS Iowa, LLC, a Delaware limited liability company (as successor-in-interest to 1020 Iowa Avenue, Inc., a California corporation), and authorize the Chair of the Board to execute the same on behalf of the County; and
3. Authorize the Director of Facilities Management, or their designee, to execute any other documents and administer all actions necessary to complete this transaction.

**ACTION:Policy, CIP**

  
Christopher Wright, Chief Probation Officer 9/26/2024

  
Rose Salgado, Director of Facilities Management 9/26/2024

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**MINUTES OF THE BOARD OF SUPERVISORS**

On motion of Supervisor Gutierrez, seconded by Supervisor Jeffries 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 8, 2024  
xc: FM-RE, Probation

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>	\$164,612	\$554,406	\$2,914,857	\$ 0
<b>NET COUNTY COST</b>	\$0	\$ 0	\$ 0	\$ 0
<b>SOURCE OF FUNDS:</b> 100% State (Probation Dept. Budget) Fund 10000			<b>Budget Adjustment:</b> No	
			<b>For Fiscal Year:</b> 24/25-29/30	

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

**BACKGROUND:**

**Summary**

The County of Riverside has been under a lease at 1020 Iowa Avenue, Riverside, CA 92507 since June 15, 2013, for use by the Probation Department. This leased facility continues to meet the needs of the Probation Department in serving the community and effectively improving public safety. County intends to execute its option to extend the Lease term for an additional five (5) years at the agreed fair market value. The approved notice letter will provide the required one hundred eighty (180) day Notice to Lessor.

Pursuant to the California Environmental Quality Act (CEQA), the Option to Extend Notice was reviewed 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. The proposed project is the extension of letting of property involving existing facilities.

Terms are as follows:

**Lessor:** OTS Iowa, LLC  
12911 Via Latina  
Del Mar, CA 92014

**Location:** 1020 Iowa Avenue, Riverside, CA 92507

**Size:** 24,830 Square Feet

**Term:** Five (5) years commencing April 22, 2025, through April 21, 2030

**Rent:**

<b>Current</b>	<b>New</b>
\$1.62 per sq. ft.	\$1.65 per sq. ft.
\$40,289.17 per month	\$40,969.50 per month
\$483,470.04 per year	\$491,634.00 per year

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

Annual Escalator: Two- and one-half percent (2.5%) annually commencing April 22, 2026

Utilities: County pays for electricity. Lessor is responsible for all other services.

Maintenance: Lessor is responsible for maintenance.

Custodial Lessor is responsible for custodial.

**Impact on Citizens and Businesses**

The Probation Department's presence throughout the County continues to provide an important public benefit to the community by effectively improving public safety.

**SUPPLEMENTAL:**

**Additional Fiscal Information**

See Exhibits A, B & C. The Probation Department will budget these costs in FY24/25 through FY29/30 and will reimburse FM-RE for all associated lease costs on a monthly basis.

**Contract History and Price Reasonableness**

The lease rate is deemed competitive based on the current fair market.

**Lease & Amendments**

**Date and M.O.**

Lease	June 25, 2013 (M.O. 3.8)
First Amendment to Lease	Delegated Authority
Second Amendment to Lease	March 10, 2020 (M.O. 3.16)

**ATTACHMENTS:**


- Notice of Exercising Option to Extend
- Exhibits A, B & C
- Notice of Exemption
- Aerial Image

  
Rebecca S. Cortez, Principal Management Analyst 9/26/2024

  
Stacy Orton 9/27/2024

  
Aaron Gattis, Chief of Deputy County Counsel 9/26/2024

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

FOR COUNTY CLERK USE ONLY		
<b>FILED / POSTED</b>		
County of Riverside Peter Aldana Assessor-County Clerk-Recorder		
E-202401108 10/08/2024 02:17 PM Fee: \$ 50.00 Page 1 of 2		
Removed:	By:	Deputy
		

### NOTICE OF EXEMPTION

August 5, 2024

**Project Name:** Riverside County Probation Approval of the Notice of Exercising Option to Extend Lease to OTS Iowa, Iowa, LLC, Riverside,

**Project Number:** FM042611050500

**Project Location:** 1020 Iowa Avenue, Riverside, California, Assessor's Parcel Number (APN) 249-060-021

**Description of Project:** The County of Riverside has been a tenant under a lease at 1020 Iowa Avenue, Riverside, CA 92507 (Premises) since June 15, 2013, for use by the Probation Department. This leased facility continues to meet the needs of the Probation Department in serving the community and effectively improving public safety. County intends to execute its option to extend the Lease term for an additional five (5) years at the agreed upon fair market value and with the approved notice letter will properly give one hundred eighty (180) day notice to Lessor. The extension of Lease Agreement with OTS Iowa, LLC 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 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 Lease extension.

- **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 Lease Agreement is a contractual action to permit the continued use of the existing 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 Lease extension 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: 8-6-2024

Mike Sullivan  
County of Riverside, Facilities Management

# Riverside County Probation Approval of the Notice of Exercising Option to Extend Lease to OTS Iowa, Iowa, LLC, Riverside,

## Summary

**SCH Number**

2024100332

**Public Agency**

Riverside County

**Document Title**

Riverside County Probation Approval of the Notice of Exercising Option to Extend Lease to OTS Iowa, Iowa, LLC, Riverside,

**Document Type**

NOE - Notice of Exemption

**Received**

10/8/2024

**Posted**

10/8/2024

**Document Description**

The County of Riverside has been a tenant under a lease at 1020 Iowa Avenue, Riverside, CA 92507 (Premises) since June 15, 2013, for use by the Probation Department. This leased facility continues to meet the needs of the Probation Department in serving the community and effectively improving public safety. County intends to execute its option to extend the Lease term for an additional five (5) years at the agreed upon fair market value and with the approved notice letter will properly give one hundred eighty (180) day notice to Lessor. The extension of Lease Agreement with OTS Iowa, LLC 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 Lease Agreement.

## Contact Information

**Name**

Michael Sullivan

**Agency Name**

County of Riverside Facilities Management

**Job Title**

Facilities Operations Manager

**Contact Types**

Lead/Public Agency

**Address**

3450 14th Street  
Riverside, CA 92501

**Phone**

(951) 955-8009

**Email**

MSullivan@rivco.org

## Location

**Cities**

Riverside

**Counties**

Riverside

**Regions**

Southern California

**Parcel #**

249-060-021

**Other Location Info**

1020 Iowa Avenue

## Notice of Exemption

**Exempt Status**

Categorical Exemption

**Type, Section or Code**

Section 15301

**Reasons for 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 Lease Agreement is a contractual action to permit the continued use of the existing 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. 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 Lease extension. 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.

**Exempt Status**

Other

**Type, Section or Code**

Section 15061(b)(3)

**Reasons for 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 Lease extension 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. 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 Lease extension. 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.

**County Clerk**

Riverside

## Attachments

**Notice of Exemption**

[NOE Approval to this Notice of Exercising](#) PDF 371 K



**Disclaimer:** The Governor's Office of Planning and Research (OPR) accepts no responsibility for the content or accessibility of these documents. To obtain an attachment in a different format, please contact the lead agency at the contact information listed above. For more information, please visit [OPR's Accessibility Site](#).



Rose Salgado  
Director of Facilities Management

October 8, 2024

Mr. Ryan Denk  
OTS Iowa, LLC  
12911 Via Latina  
Del Mar, CA 92014

RE: Notice of Exercising Option to Extend – Lease Agreement between County of Riverside and OTS Iowa, LLC (as successor-in-interest to 1020 Iowa Avenue, Inc., a California corporation), dated June 25, 2013, 1020 Iowa Avenue, Riverside, California; Probation Department

Dear Mr. Denk,

Please consider this letter formal written notice to OTS Iowa, LLC (as successor-in-interest to 1020 Iowa Avenue, Inc., a California corporation), that pursuant to Section 6.1 of the Lease (See Section 3 of the Second Amendment to Lease, dated March 10, 2020), the County of Riverside formally exercises its option to extend the term of said Lease by five (5) years, from April 22, 2025, through April 21, 2030. Moreover, pursuant to Section 6.1.2 (See Section 3(c) of the Second Amendment to Lease), beginning April 22, 2025, the mutually agreed monthly rent shall be at the current fair market value of \$40,969.50.

We look forward to our continued tenancy with OTS Iowa, LLC.

Thank you.

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

By: Chuck Washington  
Chuck Washington, Chair  
Board of Supervisors

Attest:  
Kimberly A. Rector  
Clerk of the Board

By: Mary Jo  
Deputy

Approved as to Form:  
Minh C. Tran  
County Counsel

By: Ryan Yabko  
for Ryan Yabko  
Deputy County Counsel

**Facilities Management**  
3450 14<sup>th</sup> Street, Suite 200  
Riverside CA 92501  
Main Line: 951.955.3345 Fax: 951.955.4828  
Facilities Emergency 24-Hour Line: 951.955.4850

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