

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



**ITEM: 3.17  
(ID # 25794)**

**MEETING DATE:**

**FROM :** FACILITIES MANAGEMENT

Tuesday, October 22, 2024

**SUBJECT:** FACILITIES MANAGEMENT (FM-RE) AND DEPARTMENT OF PUBLIC SOCIAL SERVICES (DPSS): Approval of Second Amendment to Lease with Bel Air Plaza, LTD, 5-Year Extension, DPSS, Moreno Valley, California Environmental Quality Act (CEQA) Exempt pursuant to State CEQA Guidelines Sections 15301 and 15061(b)(3); District 5. [Total Cost \$4,623,088; 31% Federal, 13% State, 48% Realignment, 8% County (DPSS Dept. Budget) Fund 10000] (Clerk of the Board to file Notice of Exemption with County Clerk and State Clearinghouse)

**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, 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;
4. Authorize the Director of Facilities Management, or designee, to exercise the Options to Extend pursuant to Section 3 of the Second Amendment to Lease; and,
5. Direct the Clerk of the Board to file the Notice of Exemption with the County Clerk and State Clearinghouse within five (5) working days of approval by the Board.

**ACTION:**Policy, CIP

  
Charity Douglas, DPSS Director

10/1/2024

  
Rose Salgado, Director of Facilities Management

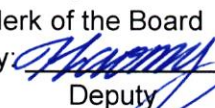
10/2/2024

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**MINUTES OF THE BOARD OF SUPERVISORS**

On motion of Supervisor Gutierrez, 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 22, 2024  
xc: FM-RE, DPSS, Recorder/State Clearinghouse

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>	\$ 509,454	\$ 887,861	\$4,623,088	\$ 0
<b>NET COUNTY COST</b>	\$ 40,756	\$ 71,029	\$ 369,847	\$ 0
<b>SOURCE OF FUNDS:</b> 31% Federal, 13% State, 48% Realignment, 8% County (DPSS 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**

Since 1995, the County of Riverside has been under a lease for office space at 23119 Cottonwood Avenue, Bldg. B, Moreno Valley, and under the most recent lease since December 2012 (Lease). This leased facility is occupied by the Department of Public Social Services (DPSS) and continues to meet the needs of the Department for use by the Children’s Services Division.

DPSS now desires to extend the Lease and will be amending the Lease through this Second Amendment to Lease (Second Amendment). Approval of the attached Second Amendment by the Board of Supervisors will extend the Lease term five years through November 30, 2029, at a negotiated and reduced lease rate as summarized below.

Pursuant to the California Environmental Quality Act (CEQA), the attached 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 approval of the Second Amendment, is the letting of property involving existing facilities. No expansion of an existing use will occur.

A summary of the Second Amendment is as follows:

Lessor: Bel Air Plaza, LTD  
9150 Wilshire Blvd. #210  
Beverly Hills, CA 90212

Premises: 23119 Cottonwood Ave., Bldg. B  
Moreno Valley, CA 92553

Size: 30,656 square feet.

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

Term: Five-year extension commencing December 1, 2024, and expiring November 30, 2029.

Rent:	<u>Current</u>	<u>New</u>
	\$2.49 per sq. ft.	\$2.15 per sq. ft.
	\$76,504.18 per month	\$65,910.40 per month
	\$918,050.16 per year	\$790,924.80 per year

Rent Adjustment: Three percent (3%) annually commencing December 1, 2025

Option to Terminate: For any reason with ninety (90) days prior written notice after completion of the 2<sup>nd</sup> year of the extended term.

Utilities: Electricity paid by County. All others paid by Lessor.

Custodial: Provided by Lessor

Interior/Exterior  
Maintenance: Provided by Lessor

County Counsel has approved the Second Amendment as to form.

**Impact on Residents and Businesses**

This Amendment will allow the DPSS and Children Services Division to continue to provide beneficial services to the community. The occupancy of this facility by DPSS will benefit the residents and businesses in this region of the County.

**SUPPLEMENTAL:**

**Additional Fiscal Information**

See attached Exhibits A, B & C.

DPSS will budget these costs in FY24/25 through FY29/30 and will reimburse Facilities Management – Real Estate (FM-RE) for all associated lease costs.

**Contract History and Price Reasonableness**

The lease rate is reasonable and consistent with current fair market real estate lease rates.

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

ATTACHMENTS:

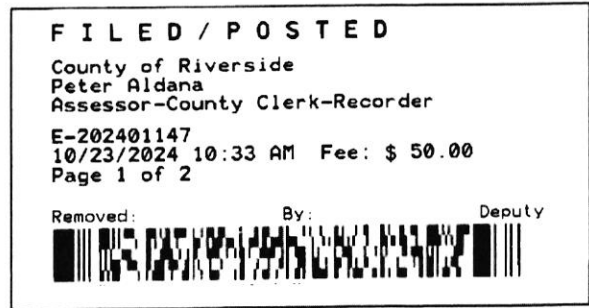
- Exhibits A, B & C
- Second Amendment to Lease
- Notice of Exemption
- Aerial Map

File MV036

*Stacy Orton* 10/10/2024 *Braden Holly* 10/7/2024  
Stacy Orton Braden Holly, Deputy County Counsel

*Aaron Gettis* 10/8/2024  
Aaron Gettis, Chief of Deputy County Counsel

County of Riverside  
Facilities Management  
3450 14<sup>th</sup> Street, Riverside, CA 92501



## NOTICE OF EXEMPTION

August 15, 2024

**Project Name:** Department of Public Social Services (DPSS) Approval of Second Amendment to the Lease Agreement with Bel Air Plaza, LTD, Moreno Valley

**Project Number:** FM042462003600

**Project Location:** 23119 Cottonwood Avenue, Building B, Moreno Valley, California; 92553, Assessor's Parcel Number (APN) 296-151-029

**Description of Project:** The County of Riverside has been under a lease at 23119 Cottonwood Avenue, Bldg. A, Moreno Valley, since September 2012 (Lease). The office, occupied by DPSS, continues to meet the needs of the Department for use by the Children's Services Division. DPSS desires to continue the Lease and will be amending the Lease with a second amendment, which will extend the term through November 30, 2029. The Second Amendment to the Lease is defined as the proposed project under the California Environmental Quality Act (CEQA). The project is the letting of property involving existing facilities; no substantial expansion of the existing facility will occur. The operation of the facility will continue to provide public services. 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 a Lease Agreement regarding continued lease of an existing facility. The Second Amendment will not substantially increase or expand the use of the site and the lease extension would result in the continued use of the site in a similar capacity; 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 to the Lease 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: 8-15-2024  
Mike Sullivan  
County of Riverside, Facilities Management

# Department of Public Social Services (DPSS) Approval of Second Amendment to the Lease Agreement with Bel Air Plaza, LTD, Moreno Valley

## Summary

**SCH Number**

2024101005

**Public Agency**

Riverside County

**Document Title**

Department of Public Social Services (DPSS) Approval of Second Amendment to the Lease Agreement with Bel Air Plaza, LTD, Moreno Valley

**Document Type**

NOE - Notice of Exemption

**Received**

10/23/2024

**Posted**

10/23/2024

**Document Description**

The County of Riverside has been under a lease at 23119 Cottonwood Avenue, Bldg. A, Moreno Valley, since September 2012 (Lease). The office, occupied by DPSS, continues to meet the needs of the Department for use by the Children's Services Division. DPSS desires to continue the Lease and will be amending the Lease with a second amendment, which will extend the term through November 30, 2029. The Second Amendment to the Lease is defined as the proposed project under the California Environmental Quality Act (CEQA). The project is the letting of property involving existing facilities; no substantial expansion of the existing facility will occur. The operation of the facility will continue to provide public services. No additional direct or indirect physical environmental impacts are anticipated.

## Contact Information

**Name**

Michael Sullivan

**Agency Name**

County of Riverside Facilities Management

1 **SECOND AMENDMENT TO LEASE**

2 (Department of Public Social Services)

3 23119 Cottonwood Ave, Building B, Moreno Valley, California

4  
5 This SECOND AMENDMENT to Lease ("Second Amendment"), dated as of  
6 October 22, 2024, is entered by and between the **COUNTY OF**  
7 **RIVERSIDE**, a political subdivision of the State of California ("County"), as Lessee, and  
8 **BEL AIR PLAZA, LTD**, a California limited partnership, ("Lessor") and, sometimes  
9 collectively referred to as the Parties.

10 **RECITALS**

11 **A.** Bel Air Plaza LTD, and County, entered into that certain Lease dated  
12 December 11, 2012 ("Original Lease") pertaining to the premises located at 23119  
13 Cottonwood Ave., Building B, Suite 200, Moreno Valley as more particularly described  
14 in the Lease.

15 **B.** The Original Lease has been amended by:

16 **1.** That certain First Amendment to Lease dated December 12,  
17 2017 (the "First Amendment"), whereby the Parties amended the Lease to extend the  
18 Term to November 30, 2022, adjust the Rent, and provide for Tenant Improvements.

19 **C.** The Original Lease contained two options to extend its term. The first of  
20 which was exercised as follows:

21 **1.** The Original Lease was extended as of December 1, 2022,  
22 when the County exercised one of their options to extend the Original Lease for two  
23 years through November 30, 2024.

24 **D.** The Original Lease, together with the Amendments, are collectively  
25 referred to as the "Lease."

26 **E.** The Parties now desire to amend the Lease by extending the term,  
27 modifying the rent, adding a new option to extend the term of the lease, and modifying  
28 the option to terminate.

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1           **NOW THEREFORE**, for good and valuable consideration the receipt and  
2 adequacy of which is hereby acknowledged, the parties agree as follows:

3           **1. Term.** Section 4.1 of the Original Lease is hereby amended by the  
4 following: The term of this Lease shall be extended for a period of five (5) years,  
5 effective December 1, 2024, and expiring on November 30, 2029 (“Extended Term”).

6           **2. Rent.** Section 5.1 of the Original Lease is hereby amended by the  
7 following: County shall pay to Lessor the monthly sum of Sixty-Five Thousand Nine  
8 Hundred Ten Dollars and Forty Cents (\$65,910.40) per month to Lessor.

9                               (b) Notwithstanding the provisions of Section 5.1 herein,  
10 commencing December 1, 2025, the monthly rent shall be increased annually by an  
11 amount equal to three percent (3%) of such monthly rental for the preceding Lease  
12 year.

13           **3. Options.** Section 6.1 of the Original Lease is hereby deleted in its  
14 entirety and replaced with the following:

15           **6.1 Option to Extend Term.** Lessor grants to County two (2) options to extend  
16 the Lease term (“Extension Option”). The Extension Options shall be for a period of  
17 one (1) year (“Extension Option Term”) subject to the conditions described in this  
18 Section 6.1.

19                               **6.1.1 Exercise of Option.** The Extension Option shall be exercised by  
20 County delivering to Lessor written notice thereof no later than ninety (90) days prior to  
21 the expiration of the Extended Term.

22                               **6.1.2 Option Rent.** The monthly rent payable by County during the  
23 Extension Option Term shall be increased by an amount equal to three percent (3%) of  
24 such monthly rent for the preceding Lease year.

25           **4. Option to Terminate.** Section 6.4 of the Original Lease is hereby  
26 amended as follows: County, in its sole discretion and without penalty, may terminate  
27 the Lease and vacate the Premises any time after two (2) years into the Extended  
28

1 Term. County must provide advance, written notice to Lessor at least ninety (90) days  
2 prior to the Termination Date.

3 **5. Second Amendment to Prevail.** Unless defined herein or the context  
4 requires otherwise, all capitalized terms herein shall have the meaning defined in the  
5 Lease, as heretofore amended. The provisions of this Second Amendment shall prevail  
6 over any inconsistency of conflicting provisions of the Lease, as heretofore amended,  
7 and shall supplement the remaining provisions thereof.

8 **6. Miscellaneous.** Except as amended or modified herein, all the terms of  
9 the Original Lease shall remain in full force and effect and shall apply with the same  
10 force and effect. Time is of the essence in this Amendment and the Lease and each  
11 and all of their respective provisions. Subject to the provisions of the Lease as to  
12 assignment, the agreements, conditions, and provisions herein contained shall apply to  
13 and bind the heirs, executors, administrators, successors and assigns of the parties  
14 hereto. If any provisions of this Amendment or the Lease shall be determined to be  
15 illegal or unenforceable, such determination shall not affect any other provision of the  
16 Lease and all such other provisions shall remain in full force and effect. The language  
17 in all parts of the Lease shall be construed according to its normal and usual meaning  
18 and not strictly for or against either Lessor or Lessee. Neither this Amendment, nor the  
19 Original Lease, nor any notice nor memorandum regarding the terms hereof, shall be  
20 recorded by Lessee.

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

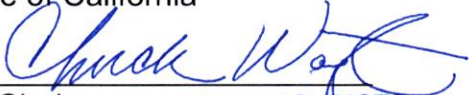
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26 Signatures on the following page  
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**IN WITNESS WHEREOF**, the Parties have executed this Second Amendment  
as of the date first written above.

LESSEE:  
COUNTY OF RIVERSIDE,  
A political subdivision of the  
State of California

LESSOR:  
BEL AIR PLAZA, LTD., a California limited  
partnership

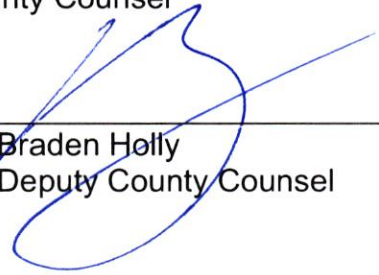
By:   
Chairman **CHUCK WASHINGTON**  
Board of Supervisors

By:   
Michelle Rubin, President

ATTEST:  
**KIMBERLY A. RECTOR**  
Clerk of the Board

By:   
Deputy

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

By:   
Braden Holly  
Deputy County Counsel

AN:il/07252024/MV036/40.091

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# Exhibit A

FY 2024/25

County of Riverside

23119 Cottonwood Ave Bldg B Moreno Valley, CA

## **ESTIMATED AMOUNTS**

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

Current Office:	30,656	SQFT		
Approximate Cost per SQFT (Dec - Jun)	\$	2.15		
Lease Cost per Month (Jul - Nov)	\$	-		
Lease Cost per Month (Dec - Jun)	\$	65,910.40		
Total Lease Cost (Dec - Jun)			\$	461,372.80
<b>Total Estimated Lease Cost for FY 2024/25</b>			<b>\$</b>	<b>461,372.80</b>

### **Estimated Additional Costs:**

Utility Cost per SQFT	\$	0.12		
Estimated Utility Costs per Month			\$	3,678.72
Total Estimated Utility Cost (Dec - Jun)			\$	25,751.04
<b>Total Estimated Utility Cost for FY 2024/25</b>			<b>\$</b>	<b>25,751.04</b>
FM Lease Management Fee as of 07/01/2024	4.84%		\$	22,330.44
<b>TOTAL ESTIMATED COST FOR FY 2024/25</b>			<b>\$</b>	<b>509,454.28</b>
<b>TOTAL COUNTY COST</b>	<b>8%</b>		<b>\$</b>	<b>40,756.34</b>

# Exhibit B

FY 2025/26

County of Riverside

23119 Cottonwood Ave Bldg B Moreno Valley, CA

## ESTIMATED AMOUNTS

### Total Square Footage to be Leased:

Current Office:	30,656	SQFT	
Approximate Cost per SQFT (Jul - Nov)	\$	2.15	
Approximate Cost per SQFT (Dec - Jun)	\$	2.21	
Lease Cost per Month (Jul - Nov)	\$	65,910.40	
Lease Cost per Month (Dec - Jun)	\$	67,887.71	
Total Lease Cost (Jul - Nov)			\$ 329,552.00
Total Lease Cost (Dec - Jun)			\$ 475,213.98
<b>Total Estimated Lease Cost for FY 2025/26</b>			<b>\$ 804,765.98</b>
<b>Estimated Additional Costs:</b>			
Utility Cost per SQFT	\$	0.12	
Estimated Utility Costs per Month			\$ 3,678.72
<b>Total Estimated Utility Cost for FY 2025/26</b>			<b>\$ 44,144.64</b>
FM Lease Management Fee as of 07/01/2024	4.84%		<b>\$ 38,950.67</b>
<b>TOTAL ESTIMATED COST FOR FY 2025/26</b>			<b>\$ 887,861.30</b>
<b>TOTAL COUNTY COST</b>	<b>8%</b>		<b>\$ 71,028.90</b>

# Exhibit C

**FY 2026/27 to 2029/30**  
**County of Riverside**  
**23119 Cottonwood Ave Bldg B Moreno Valley, CA**

**ESTIMATED AMOUNTS**

**Total Square Footage to be Leased:**

Current Office:

	30,656 SQFT				
	FY 2026/27	FY 2027/28		FY 2028/29	FY 2029/30
Approximate Cost per SQFT (Jul - Nov)	\$ 2.21	\$ 2.28	\$	2.35	\$ 2.42
Approximate Cost per SQFT (Dec - Jun)	\$ 2.28	\$ 2.35	\$	2.42	
Lease Cost per Month (Jul - Nov)	\$ 67,887.71	\$ 69,924.34	\$	72,022.07	\$ 74,182.74
Total Lease Cost (Jul - Nov)	\$ 339,438.56	\$ 349,621.72	\$	360,110.37	\$ 370,913.68
Lease Cost per Month (Dec - Jun)	\$ 69,924.34	\$ 72,022.07	\$	74,182.74	
Total Lease Cost (Dec - Jun)	\$ 489,470.40	\$ 504,154.52	\$	519,279.15	\$ -
<b>Total Estimated Lease Cost for FY 2026/27-2029/30</b>	<b>\$ 828,908.96</b>	<b>\$ 853,776.23</b>	<b>\$</b>	<b>879,389.52</b>	<b>\$ 370,913.68</b>
<b><u>Estimated Additional Costs:</u></b>					
Utility Cost per SQFT	\$ 0.12	\$ 0.12	\$	0.12	\$ 0.12
Estimated Utility Cost per Month	\$ 3,678.72	\$ 3,678.72	\$	3,678.72	\$ 3,678.72
<b>Total Estimated Utility Cost</b>	<b>\$ 44,144.64</b>	<b>\$ 44,144.64</b>	<b>\$</b>	<b>44,144.64</b>	<b>\$ 18,393.60</b>
Lease Management Fee as of 7/1/2024	4.84%	\$ 40,119.19	\$	41,322.77	\$ 42,562.45
					\$ 17,952.22
<b>TOTAL ESTIMATED LEASE COST FOR FY 2026/27 - 2029/30</b>	<b>\$ 913,172.80</b>	<b>\$ 939,243.64</b>	<b>\$</b>	<b>966,096.61</b>	<b>\$ 407,259.50</b>

<b>F11 Total Cost</b>			<b>\$ 4,623,088.13</b>
<b>F11 Total County Cost</b>	<b>8%</b>		<b>\$ 369,847.05</b>

# Department of Public Social Services



## Legend

- County Boundary
- City Boundaries
- County Centerline Names
- County Centerlines
- World Street Map



**\*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

APN 296-151-029  
District 5  
Lease Are Highlighted in Blue