

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



ITEM: 3.29
(ID # 26093)

MEETING DATE:
Tuesday, November 05, 2024

FROM : FACILITIES MANAGEMENT AND DPSS

SUBJECT: FACILITIES MANAGEMENT-REAL ESTATE (FM-RE) AND DEPARTMENT OF PUBLIC SOCIAL SERVICES (DPSS): Approval of the Notice Exercising Option to Extend to Parkridge Avenue 517 Corp., DPSS, Norco, 5-Year Extension, California Environmental Quality Act Exempt pursuant to State CEQA Guidelines Section 15301 and 15061(b)(3), District 2. [Total Cost: \$10,109,129; Federal 63%; State 30%; Realignment 1%; County 6% (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 Notice Exercising Option to Extend Lease to Parkridge Avenue 517 Corp., a California 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 their designee, to execute any other documents and administer all actions necessary to complete this transaction, including the notice to exercise the Option to Extend pursuant to Section 6 of the Lease; and
4. Direct the Clerk of the Board to file the Notice of Exemption with the County Clerk and State Clearinghouse within 5 (five) business days of approval by the Board.

ACTION:Policy


Charity Douglas, DPSS Director

10/23/2024

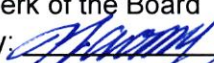

Rose Salgado, Director of Facilities Management

10/23/2024

MINUTES OF THE BOARD OF SUPERVISORS

On motion of Supervisor Jeffries, seconded by Supervisor Gutierrez 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: November 5, 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**

FINANCIAL DATA	Current Fiscal Year:	Next Fiscal Year:	Total Cost:	Ongoing Cost
COST	\$214,082	\$ 1,904,803	\$ 10,109,129	\$0
NET COUNTY COST	\$12,845	\$114,288	\$606,548	\$0
SOURCE OF FUNDS: Federal 63%; State 30%; Realignment 1%; County 6% (DPSS Dept. Budget) Fund 10000			Budget Adjustment: No	
			For Fiscal Year: 24/25 - 29/30	

C.E.O. RECOMMENDATION: Approve

BACKGROUND:

Summary

The County of Riverside has been a tenant under a lease at 517 Parkridge Avenue, Norco, CA 92860 (Premises) since May 11, 2015, for use by the Department of Public Social Services (DPSS). This leased facility continues to meet the needs of DPSS in serving the community. County intends to exercise its first option to extend the Lease term for an additional five (5) years and with the approved notice properly give one hundred eighty (180) day notice to Lessor.

Pursuant to the California Environmental Quality Act (CEQA), the Option to Extend Lease 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 property involving existing facilities.

The Lease terms are as follows:

Lessor: Parkridge Avenue 517 Corp.
2025 Pioneer Court
San Mateo, CA 94403

Location: 517 Parkridge Avenue
Norco, CA 92860

Size: 50,000 square feet

Term: Five (5) years commencing June 1, 2025 to May 31, 2030.

Rent: Current New
\$2.73 per square foot \$2.81 per square foot
\$136,348.78 per month \$140,500.00 per month
\$1,636,185.36 per year \$1,686,000.00 per year

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

Day Porter Service: \$5,065.11 with increases each January due to minimum wage increases not to exceed 10% annually.

Annual escalator: Three (3%) percent

Utilities: County pays for telephone, electric, water and sewer. Lessor is responsible for all other services.

Maintenance: Lessor responsible for maintenance.

Custodial: Lessor is responsible for custodial.

Impact on Residents and Businesses

DPSS will continue to provide program services that will benefit the residents of this region.

Additional Fiscal Information

See Exhibits A, B, and C. DPSS will budget these costs in FY24/25 through FY 29/30 and will reimburse FM-RE for all associated lease cost on a monthly basis.

Contract History and Price Reasonableness

The Lease rate is determined to be a competitive market rate.

Lease and Amendments

Date and M.O.

Lease

November 14, 2013, Minute Order 3.18

First Amendment

September 10, 2015, Minute Order 3.12

Second Amendment

March 17, 2016, Minute Order 3.18

ATTACHMENTS:


- Option Letter
- Exhibits A, B and C
- Notice of Exemption
- Aerial Image

Veronica Santillan
Veronica Santillan, Principal Management Analyst 10/28/2024

Ryan Yabko
Ryan Yabko 10/24/2024

Aaron Gettis
Aaron Gettis, Chief of Deputy County Counsel 10/24/2024

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

FILED / POSTED		
County of Riverside		
Peter Aldana		
Assessor-County Clerk-Recorder		
E-202401183		
11/06/2024 08:00 AM Fee: \$ 50.00		
Page 1 of 2		
Removed:	By:	Deputy
		

NOTICE OF EXEMPTION

September 24, 2024

Project Name: Department of Public Social Services (DPSS) Norco Approval of Option to Extend Lease Agreement with Parkview Avenue 517 Corporation

Project Number: FM042490000600

Project Location: 517 Parkridge Avenue, west of North Main Street, Norco, California 92860 Assessors Parcel Number (APN) 122-061-007

Description of Project: The County of Riverside has been a tenant under a lease at 517 Parkridge Avenue, Norco, California (Premises) since May 11, 2015, for use by DPSS as office space. This leased facility continues to meet the needs of DPSS in serving the community. County intends to execute its option to extend the Lease term for an additional five years and with the approved notice properly give one hundred eighty (180) day notice to Lessor.

The Option to Extend the Lease Agreement with Parkview Avenue 517 Corporation 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 services to the public. The Lease will not result in an increase in capacity or 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

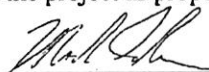
Exempt Status: State CEQA Guidelines Section 15301, Class 1, Existing Facilities Exemption; Section 15061(b) (3), "Common Sense" Exemption. Codified under California Code of Regulations Title 14, Article 5, Section 15061.

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 option to extend 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 an extension of an existing Lease Agreement. The extension of the Lease Agreement will continue to provide public service at an existing County facility and will result in the ongoing use, operation, and maintenance of the facility. The use of the facility would not result in any changes as a result of the occupancy and no expansion of public services would occur. 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 option to extend the Lease Agreement will result in the continued use of existing building and 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: 9-24-2024

Mike Sullivan,
County of Riverside, Facilities Management

Department of Public Social Services (DPSS) Norco Approval of Option to Extend Lease Agreement with Parkview Avenue 517 Corporation

Summary

SCH Number

2024110163

Public Agency

Riverside County

Document Title

Department of Public Social Services (DPSS) Norco Approval of Option to Extend Lease Agreement with Parkview Avenue 517 Corporation

Document Type

NOE - Notice of Exemption

Received

11/6/2024

Posted

11/6/2024

Document Description

The County of Riverside has been a tenant under a lease at 517 Parkridge Avenue, Norco, California (Premises) since May 11, 2015, for use by DPSS as office space. This leased facility continues to meet the needs of DPSS in serving the community. County intends to execute its option to extend the Lease term for an additional five years and with the approved notice properly give one hundred eighty (180) day notice to Lessor.

The Option to Extend the Lease Agreement with Parkview Avenue 517 Corporation 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 services to the public. The Lease will not result in an increase in capacity or the intensity of the use of the site. No additional direct or indirect physical environmental impacts are anticipated.

Contact Information

Name

Michael Sullivan

Agency Name



Rose Salgado
Director of Facilities Management

November 5, 2024

Parkridge Avenue 517 Corp.
2025 Pioneer Court
San Mateo, CA 94403

RE: Exercise of Option to Extend – Lease Agreement between County of Riverside and Parkridge Avenue 517 Corp., dated November 14, 2013, 517 Parkridge Avenue, Norco, California, 92860

Dear Lessor,

Please consider this letter formal written notice to Parkridge Avenue 517 Corp. (as Lessor), that pursuant to Section 6 of the above-referenced lease agreement dated November 14, 2023, that the County of Riverside formally exercises its option to extend the term of said lease by five (5) years, commencing June 1, 2025, through May 31, 2030. Pursuant to Section 6.1.2 of the lease agreement, beginning June 1, 2025, the monthly rent shall be \$140,500.00/month.

Should you have any questions, please feel free to contact April Gallup, Real Property Agent at 951-955-2892 or email at Agallup@rivco.org.


We look forward to our continued tenancy with Parkridge Avenue 517 Corp.

By: 
Chuck Washington, Chair
Board of Supervisors

Attest:
Kimberly A. Rector
Clerk of the Board

By: 
Deputy

Approved as to Form:
Minh C. Tran
County Counsel

By: 
Ryan Rabko
Deputy County Counsel

Facilities Management
3450 14th 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

Success means exceeding our customer's expectations.

NOV 05 2024 3:29

FINANCIAL DATA	Current Fiscal Year:	Next Fiscal Year:	Total Cost:
COST	\$ 367,382	\$ 1,909,222	\$ 10,115,129
NET COUNTY COST	\$ 22,043	\$ 114,553	\$ 606,908

*Complete all yellow highlighted fields.

Last updated on 6/12/2019

Current Fiscal Year:	7/1/2024 through 6/30/2025	
Name:	Parkridge Avenue 517 Corporation	
Premises:	517 Parkridge Avenue, Norco, CA 92860	
Term:	5 years	0 months
Effective Date	5/1/2025	
Termination Date	4/30/2030	
Fiscal Year Split:	(Jul-Apr) 10	
	(May-Jun) 2	
	12 months	
Size:	50,000 SQFT	
Rent:	Current	New
	\$ 2.81 SQFT	\$ 2.81 SQFT
	\$ 140,500 per month	\$ 140,500 per month
	\$ 1,686,000 per year	\$ 1,686,000 per year
Custodial:	Current	New
	\$ - SQFT	\$ - SQFT
	per month	per month
	per year	per year
Rental Adjustment %:	3.00%	
Estimated Additional Costs:		
Utility Cost per SQFT	\$ 0.12	
RCIT	\$ -	
Tenant Improvement	\$ -	
Lease Management Fee	4.84% New agreement	
Total County Cost %	6.00%	

Exhibit A

FY 2024/25

Parkridge Avenue 517 Corporation
517 Parkridge Avenue, Norco, CA 92860

ESTIMATED AMOUNTS

Total Square Footage to be Leased:

Current Office:	50,000	SQFT	
Approximate Cost per SQFT (Jul-Apr)	\$ -		
Approximate Cost per SQFT (May-Jun)	\$ 2.81		
Lease Cost per Month (Jul-Apr)		\$ -	
Lease Cost per Month (May-Jun)		\$ 140,500.00	
Total Lease Cost (Jul-Apr)		\$ -	
Total Lease Cost (May-Jun)		\$ 281,000.00	
Total Estimated Lease Cost for FY 2024/25		\$ 281,000.00	
Day Porter Cost per Month (Jul-Jun)	\$ 5,065.11		
Total Day Porter Cost (Jul-Jun)		\$ 60,781.32	
Total Estimated Day Porter Cost for FY 2024/25		\$ 60,781.32	

Estimated Additional Costs:

Utility Cost per SQFT	\$ 0.12		
Estimated Utility Costs per Month		\$ 6,000.00	
Total Estimated Utility Cost (Jul-Apr)		\$ -	
Total Estimated Utility Cost (May-Jun)		\$ 12,000.00	
Total Estimated Utility Cost for FY 2024/25		\$ 12,000.00	
FM-RE Lease Management Fee as of 7/1/2024	4.84%	\$ 13,600.40	
TOTAL ESTIMATED COST FOR FY 2024/25		\$ 367,381.72	
TOTAL COUNTY COST	6%	\$ 22,042.90	

Exhibit B

FY 2025/26

Parkridge Avenue 517 Corporation
517 Parkridge Avenue, Norco, CA 92860

ESTIMATED AMOUNTS

Total Square Footage to be Leased:

Current Office:	50,000	SQFT	
Approximate Cost per SQFT (Jul-Apr)	\$ 2.81		
Approximate Cost per SQFT (May-Jun)	\$ 2.89		
Lease Cost per Month (Jul-Apr)		\$ 140,500.00	
Lease Cost per Month (May-Jun)		\$ 144,715.00	
Total Lease Cost (Jul-Apr)			\$ 1,405,000.00
Total Lease Cost (May-Jun)			\$ 289,430.00
Total Estimated Lease Cost for FY 2025/26			\$ 1,694,430.00
Day Porter Cost per Month (Jul-Jun)	\$ 5,065.11		
Total Day Porter Cost (Jul-Jun)			\$ 60,781.32
Total Estimated Day Porter Cost for FY 2025/26			\$ 60,781.32

Estimated Additional Costs:

Utility Cost per SQFT	\$ 0.12		
Estimated Utility Costs per Month		\$ 6,000.00	
Total Estimated Utility Cost (Jul-Jun)			\$ 72,000.00
FM-RE Lease Management Fee as of 7/1/2024	4.84%		\$ 82,010.41
TOTAL ESTIMATED COST FOR FY 2025/26			\$ 1,909,221.73
TOTAL COUNTY COST	6%		\$ 114,553.30

Exhibit C

FY 2026/27 to 2029/30
Parkridge Avenue 517 Corporation
517 Parkridge Avenue, Norco, CA 92860

ESTIMATED AMOUNTS

Total Square Footage to be Leased:

Current Office: 50,000 SQFT

	FY 2026/27	FY 2027/28	FY 2028/29	FY 2029/30
Approximate Cost per SQFT (Jul-Apr)	\$ 2.89	\$ 2.98	\$ 3.07	\$ 3.16
Approximate Cost per SQFT (May-Jun)	\$ 2.98	\$ 3.07	\$ 3.16	\$ -
Lease Cost per Month (Jul-Apr)	144,715	\$ 149,056.45	\$ 153,528.14	\$ 158,133.98
Lease Cost per Month (May-Jun)	149,056	153,528.14	158,133.98	-
Total Lease Cost (Jul-Apr)	\$ 1,447,150.00	\$ 1,490,564.50	\$ 1,535,281.40	\$ 1,581,339.80
Total Lease Cost (May-Jun)	\$ 298,112.90	\$ 307,056.28	\$ 316,267.96	\$ -
Total Estimated Lease Cost for FY 2026/27 to 2029/30	\$ 1,745,262.90	\$ 1,797,620.78	\$ 1,851,549.36	\$ 1,581,339.80
Day Porter Cost per Month (Jul-Jun)	\$ 5,065.11	\$ 5,065.11	\$ 5,065.11	\$ 5,065.11
Total Day Porter Cost (Jul-Jun)	\$ 60,781.32	\$ 60,781.32	\$ 60,781.32	\$ 60,781.32
Total Estimated Day Porter Cost for FY 2026/27 to 2029/30	\$ 60,781.32	\$ 60,781.32	\$ 60,781.32	\$ 60,781.32
<u>Estimated Additional Costs:</u>				
Utility Cost per SQFT	\$ 0.12	\$ 0.12	\$ 0.12	\$ 0.12
Estimated Utility Costs per Month	\$ 6,000.00	\$ 6,000.00	\$ 6,000.00	\$ 6,000.00
Total Estimated Utility Cost	\$ 72,000.00	\$ 72,000.00	\$ 72,000.00	\$ 66,000.00
FM-RE Lease Management Fee as of 7/1/2024 4.84%	\$ 84,470.72	\$ 87,004.85	\$ 89,614.99	\$ 76,536.85
TOTAL ESTIMATED COST FOR FY 2026/27 to 2029/30	\$ 1,962,514.94	\$ 2,017,406.95	\$ 2,073,945.67	\$ 1,784,657.97

F11 Total Cost		\$ 10,115,128.98
F11 Total County Cost	6%	\$ 606,907.74

Department of Public and Social Services

517 Parkridge Avenue, Norco, CA 92860



Legend

- County Boundary
- City Boundaries
- Parcels, County
- County Centerline Names



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

District 2
Blue dot indicates location
APN 122-061-007

0 206 413 Feet

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