

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



**ITEM: 3.22
(ID # 25894)**

MEETING DATE:
Tuesday, December 03, 2024

FROM : FACILITIES MANAGEMENT

SUBJECT: FACILITIES MANAGEMENT (FM-RE) AND OFFICE ON AGING: Approval of the Notice of Exercising Option to Extend Lease to B.H. Central, LLC, Riverside, 3-Year Extension, California Environmental Quality Act Exempt pursuant to State CEQA Guidelines Sections 15301 and 15061(b)(3); District 1. [Total Cost: \$1,497,461 - 7.31% OOA Dept General Fund; 10.12% Interfund, 40.29% State and 42.28% Federal] (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 of Exercising Option to Extend Lease to B.H. Central, 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;

Continued on page 2

ACTION:Policy

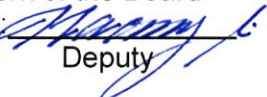

Rose Salgado, Director of Facilities Management 10/30/2024

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: December 3, 2024
xc: FM, Recorder, State Clearinghouse

Kimberly A. Rector
Clerk of the Board

By: 
Deputy

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

RECOMMENDED MOTION: That the Board of Supervisors:

4. Authorize the Director of Facilities Management, or designee, to exercise the remaining Option(s) pursuant to Section 6 of the 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.

FINANCIAL DATA	Current Fiscal Year:	Next Fiscal Year:	Total Cost:	Ongoing Cost
COST	\$162,495	\$491,343	\$1,497,461	\$ 0
NET COUNTY COST	\$11,878	\$35,917	\$109,464	\$ 0
SOURCE OF FUNDS: 7.31% General Fund (OOA Dept. Budget); 10.12% Interfund, 40.29% State and 42.28% Federal			Budget Adjustment: No	
			For Fiscal Year: 24/25-27/28	

C.E.O. RECOMMENDATION: Approve

BACKGROUND:

Summary

The County of Riverside has been under lease at 3610 Central Avenue, Riverside, since February 11, 2020 (Lease) for use by the Department of Office on Aging (OOA). The Lease expires on February 28, 2025, and the location and facility continues to meet the needs of the Department. OOA has requested the County execute its option to extend the Lease for an additional three (3) years. With the approved and required notice letter, the County will properly provide the required sixty (60) day notice to Lessor to extend the Lease.

Pursuant to the California Environmental Quality Act (CEQA), the Notice Exercising the Option to Extend 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.

The extension terms are as follows:

Lessor: B.H. Properties, LLC
11111 Santa Monica Blvd., #1800
Los Angeles, CA 90025

Location: 3610 Central Avenue, Suite 102 and 300, Riverside, CA

Size: 17,114 Square Feet

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STATE OF CALIFORNIA**

Term: Three (3) years commencing March 1, 2025 and expiring
February 29, 2028

Rent:	<u>Current:</u>	<u>New:</u>
	\$2.10 per sq. ft.	\$2.15 per sq. ft.
	\$35,892.25 per month	\$36,789.56 per month
	\$430,707.00 per year	\$441,474.72 per year

Rent Adjustment: 2.5% annually commencing March 1, 2026

Utilities: Under the same terms and conditions as stated in the Lease

Maintenance: Under the same terms and conditions as stated in the Lease

Custodial: Under the same terms and conditions as stated in the Lease

Impact on Citizens and Businesses

OOA continues to provide an important public benefit to the community through its continued services. The continued occupancy by OOA will benefit both residents and Businesses within this region of the County.

SUPPLEMENTAL:

Additional Fiscal Information

See Exhibits A, B, & C. OOA will budget these costs in FY24/25 through FY27/28 and will reimburse FM-RE for all associated lease costs on a monthly basis. The General Fund Contributions to Office on Aging were approved by the Board of Supervisors on June 25, 2024, in the FY 24/25 Adopted Budget.

Contract History and Price Reasonableness

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

Lease & Amendments

Date and M.O.

Lease

February 11, 2020 (M.O. 3.10)

ATTACHMENTS:

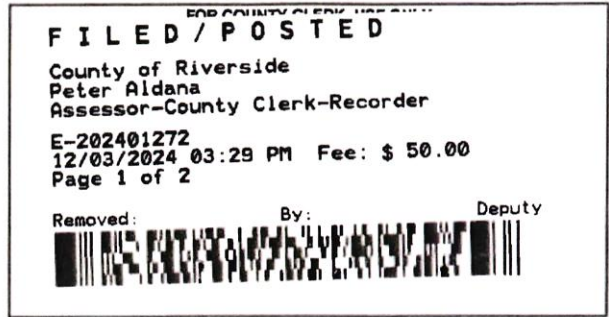
- Notice of Exercising Option to Extend
- Exhibits A, B, & C
- Notice of Exemption
- Aerial Image

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

Veronica Santillan
Veronica Santillan, Principal Management Analyst 11/21/2024

Aaron Gettis
Aaron Gettis, Chief of Deputy County Counsel 11/7/2024

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



NOTICE OF EXEMPTION

August 5, 2024

Project Name: Riverside County Office on Aging Approval of the Notice of Exercising Option to Extend Lease to B. H. Central LLC, Riverside,

Project Number: FM0426110622000

Project Location: 3610 Central Avenue, Suites 102 and 300, Riverside, California, 92506 Assessor's Parcel Number (APN) 245-242-052

Description of Project: The County of Riverside has been under lease at 3610 Central Avenue, Suite 102 and 300, Riverside, since February 11, 2020 (Lease) for use by the Department of Office on Aging (OOA) and it expires on February 28, 2025. This leased facility continues to meet the needs of the OOA, which intends to execute its option to extend the Lease term for an additional three years with a 2.5% rent increase and with the approved notice letter will properly give one sixty (60) day notice to Lessor. The extension of Lease Agreement with B. H. Central 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: 10-9-2024

Mike Sullivan
County of Riverside, Facilities Management

Document Root (Read-Only)

Selected Document

2024120088 - NOE - Riverside County Office on Aging Approval of the Notice of Exercising Option to Extend Lease to B. H. Central LLC, Riverside,

Riverside County

Created - 12/4/2024 | Submitted - 12/4/2024 | Posted - 12/4/2024 | Received - 12/4/2024 | Published - 12/4/2024

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Document Details

Public Agency

Riverside County

Document Type

Notice of Exemption

Document Status

Published

Title

Riverside County Office on Aging Approval of the Notice of Exercising Option to Extend Lease to B. H. Central LLC, Riverside,

Document Description

The County of Riverside has been under lease at 3610 Central Avenue, Suite 102 and 300, Riverside, since February 11, 2020 (Lease) for use by the Department of Office on Aging (OOA) and it expires on February 28, 2025. This leased facility continues to meet the needs of the OOA, which intends to execute its option to extend the Lease term for an additional three years with a 2.5% rent increase and with the approved notice letter will properly give one sixty (60) day notice to Lessor. The extension of Lease Agreement with B. H. Central 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.



Rose Salgado
Director of Facilities Management

December 3, 2024

Mr. Steve Gozini
B.H. Central, LLC.
11111 Santa Monica Blvd., #1800
Los Angeles, CA 90025

RE: Exercise of Option to Extend – Lease Agreement between County of Riverside and B.H. Central, LLC., a California limited liability company, dated February 11, 2020, 3610 Central Avenue, Suite 102 and 300, Riverside, California; Office on Aging

Dear Mr. Gozini,

Please consider this letter formal written notice to B.H. Central, LLC., a California limited liability company (as Lessor), that pursuant to Section 6 of the above-referenced lease agreement dated February 11, 2020, that the County of Riverside formally exercises its first option to extend the term of said lease for three (3) years, from March 1, 2025, through February 29, 2028. Pursuant to Section 6.1.2 of the lease agreement, beginning March 1, 2025, the monthly rent shall be increased 2.5% of the previous month's rent of \$36,789.56.

We look forward to our continued tenancy with B.H. Central, LLC.


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

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 Yabko
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.

DEC 03 2024

3.22

Exhibit A

FY 2024/25

Riverside County Office on Aging

3610 Central Avenue, Suite 102 and 300, Riverside, CA

ESTIMATED AMOUNTS

Total Square Footage to be Leased:

Current Office:	17,114	SQFT	
Approximate Cost per SQFT (Jul-Feb)	\$	-	
Approximate Cost per SQFT (Mar-Jun)	\$	2.15	
Lease Cost per Month (Jul-Feb)	\$	-	
Lease Cost per Month (Mar-Jun)	\$	36,789.56	
Total Lease Cost (Jul-Feb)	\$	-	
Total Lease Cost (Mar-Jun)	\$	147,158.24	
Total Estimated Lease Cost for FY 2024/25			\$ 147,158.24

Estimated Additional Costs:

Utility Cost per SQFT	\$	0.12	
Estimated Utility Costs per Month			<u>\$ 2,053.68</u>
Total Estimated Utility Cost (Jul-Feb)			\$ 8,214.72
Total Estimated Utility Cost (Mar-Jun)			<u>\$ 8,214.72</u>
FM Lease Management Fee as of 07/01/2024	4.84%		<u>\$ 7,122.46</u>
TOTAL ESTIMATED COST FOR FY 2024/25			<u>\$ 162,495.42</u>
TOTAL COUNTY COST	7.31%		\$ 11,878.42

Exhibit B

FY 2025/26

Riverside County Office on Aging

3610 Central Avenue, Suite 102 and 300, Riveside, CA

ESTIMATED AMOUNTS

Total Square Footage to be Leased:

Current Office:	17,114	SQFT	
Approximate Cost per SQFT (Jul-Feb)	\$	2.15	
Approximate Cost per SQFT (Mar-Jun)	\$	2.20	
Lease Cost per Month (Jul-Feb)			\$ 36,789.56
Lease Cost per Month (Mar-Jun)			\$ 37,709.30
Total Lease Cost (Jul-Feb)			\$ 294,316.48
Total Lease Cost (Mar-Jun)			\$ 150,837.20
Total Estimated Lease Cost for FY 2025/26			\$ 445,153.68

Estimated Additional Costs:

Utility Cost per SQFT	\$	0.12	
Estimated Utility Costs per Month			\$ 2,053.68
Total Estimated Utility Cost (Jul- Feb)			\$ 16,429.44
Total Estimated Utility Cost (Mar-Jun)			\$ 8,214.72
			\$ 24,644.16
FM Lease Management Fee as of 07/01/2024	4.84%		\$ 21,545.44
TOTAL ESTIMATED COST FOR FY 2025/26			\$ 491,343.27
TOTAL COUNTY COST	7.31%		\$ 35,917.19

Exhibit C

FY 2026/27 - FY2027/28

Riverside County Office on Aging

3610 Central Avenue, Suite 102 and 300, Riverside, CA

ESTIMATED AMOUNTS

Total Square Footage to be Leased:

Current Office: 17,114 SQFT

	FY 2026/27	FY 2027/28
Approximate Cost per SQFT (Jul-Feb)	\$ 2.20	\$ 2.26
Approximate Cost per SQFT (Mar-Jun)	\$ 2.26	
Lease Cost per Month (Jul-Feb)	\$ 37,709.30	\$ 38,652.03
Lease Cost per Month (Mar-Jun)	\$ 38,652.03	\$ -
Total Lease Cost (Jul-Feb)	\$ 301,674.39	\$ 309,216.25
Total Lease Cost (Mar-Jun)	\$ 154,608.13	\$ -
Total Estimated Lease Cost for FY 2026/27 - 2027/28	\$ 456,282.52	\$ 309,216.25

Estimated Additional Costs:

Utility Cost per SQFT	\$ 0.12	\$ 0.12
Estimated Utility Costs per Month	\$ 2,053.68	\$ 2,053.68
Total Estimated Utility Cost	\$ 24,644.16	\$ 16,429.44
FM Lease Management Fee as of 7/1/2024 4.84%	\$ 22,084.07	\$ 14,966.07
TOTAL ESTIMATED COST FOR FY 2026/27 - 2027/28	\$ 503,010.75	\$ 340,611.76

F11 Total Cost		\$ 1,497,461.20
F11 Total County Cost	7.31%	\$ 109,464.41

Riverside County Office on Aging

3610 Central Avenue, Suite 102 & 300, Riverside, CA 92506



Legend

- County Boundary
- City Boundaries



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 2
Leased area outlined in blue
APN 225-242-052