

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



**ITEM: 3.13
(ID # 26175)**

MEETING DATE:

FROM : FACILITIES MANAGEMENT AND DPSS

Tuesday, December 10, 2024

SUBJECT: FACILITIES MANAGEMENT-REAL ESTATE (FM-RE) AND DEPARTMENT OF PUBLIC SOCIAL SERVICES (DPSS): Approval of the Notice Exercising the Option to Extend to The Alchalel Real Estate Investment Trust, DPSS, Perris, 5-Year Lease Extension, California Environmental Quality Act (CEQA) Exempt pursuant to State CEQA Guidelines Section 15301 and 15061(b)(3), District 1. [Total Cost: \$7,357,768; Federal 49%; State 28%; Realignment 12%; County 11% (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 to The Alchalel Real Estate Investment Trust, 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;
4. Authorize the Director of Facilities Management, or their designee, to exercise the remaining Option to Extend 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 5 (five) business days of approval by the Board.

ACTION:Policy


Charity Douglas, DPSS Director

11/8/2024

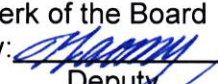

Rose Salgado, Director of Facilities Management

11/14/2024

MINUTES OF THE BOARD OF SUPERVISORS

On motion of Supervisor Spiegel 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: December 10, 2024
xc: FM, DPSS, State Clearinghouse, Recorder

Kimberly A. Rector
Clerk of the Board
By: 
Deputy

**SUBMITTAL TO THE BOARD OF SUPERVISORS COUNTY OF RIVERSIDE,
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FINANCIAL DATA	Current Fiscal Year:	Next Fiscal Year:	Total Cost:	Ongoing Cost
COST	\$432,810	\$1,731,239	\$ 7,357,768	\$ 0
NET COUNTY COST	\$ 47,609	\$190,436	\$809,354	\$ 0
SOURCE OF FUNDS: Federal 49%; State 28%, Realignment 12%, County 11% (DPSS Dept. Budget) Fund 10000			Budget Adjustment:	No
			For Fiscal Year:	24/25 - 29/30

C.E.O. RECOMMENDATION: Approve

BACKGROUND:

Since April 10, 2012, the County of Riverside (County) has been a tenant under a lease at 201 Redlands Avenue, Perris, CA 92571 (Lease). This leased facility is used by the Department of Public Social Services Self-Sufficiency Division (DPSS) to provide programs and services in this region of the County. This facility continues to meet the needs of DPSS, and the County, through this action, intends to exercise its option to extend the Lease term for an additional five (5) years and provide the proper and required ninety (90) day notice to Lessor.

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

A summary of terms are as follows:

Lessor: The Alchalel Real Estate Investment Trust
12361 Imperial Highway, Suite G-232-1
Santa Fe Springs, CA 92571

Location: 201 Redlands Avenue
Perris, CA 92571

Size: 50,000 square feet

Term: Five (5) years commencing April 1, 2025, to March 31, 2030.

Rent:

<u>Current</u>	<u>New</u>
\$2.21 per square foot	\$2.54 per square foot
\$110,275.00, per month	\$126,816.00 per month
\$1,323,300.00 per year	\$1,521,792.00 per year

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STATE OF CALIFORNIA**

Rent Adjustment: No additional adjustments or increases during the extension term.

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.

Day Porter Service: Lessor to provide day-porter service at County Cost. Current cost is \$5,316.06 monthly, subject to increases not to exceed ten (10) percent of the current cost with thirty (30) days written notice.

Impact on Residents and Businesses

DPSS will continue to provide program services that will benefit the residents of this region of the County. This facility will continue to provide an economic impact to the area and through long-term County jobs.

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	April 10, 2012 (M.O. 3.17)
First Amendment	March 19, 2013 (M.O. 3.14)
Second Amendment	May 2, 2023 (M.O. 3.16)

ATTACHMENTS:


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

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

Veronica Santillan 12/5/2024 *Ryan Yabko* 11/19/2024
Veronica Santillan, Principal Management Analyst Ryan Yabko

Aaron Gettis 11/22/2024
Aaron Gettis, Chief of Deputy County Counsel

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

FILED / POSTED		
County of Riverside		
Peter Aldana		
Assessor-County Clerk-Recorder		
E-202401309		
12/11/2024 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) Perris Approval of Option to Extend Lease Agreement The Alchalel Real Estate Investment Trust

Project Number: FM042552004300

Project Location: 201 Redlands Avenue, north of San Jacinto Avenue, Perris, California 92571 Assessor's Parcel Number (APN) 311-210-034

Description of Project: The County of Riverside has been a tenant under a lease at 201 Redlands Avenue, Perris, California (Premises) since April 10, 2012, 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 90 day notice to Lessor.

The Option to Extend the Lease Agreement with The Alchalel Real Estate Investment Trust 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

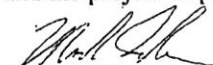
Name of Person or Agency Carrying Out Project: Riverside County Facilities Management

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: 10-01-2024
Mike Sullivan,
County of Riverside, Facilities Management

Document Root (Read-Only)

Selected Document

2024120471 - NOE - Department of Public Social Services (DPSS) Perris Approval of Option to Extend Lease Agreement The Alchalel Real Estate Investment Trust

Riverside County

Created - 12/10/2024 | Submitted - 12/11/2024 | Posted - 12/12/2024 | Received - 12/12/2024 | Published - 12/12/2024

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Document Details**Public Agency**

Riverside County

Document Type

Notice of Exemption

Document Status

Published

Title

Department of Public Social Services (DPSS) Perris Approval of Option to Extend Lease Agreement The Alchalel Real Estate Investment Trust

Document Description

The County of Riverside has been a tenant under a lease at 201 Redlands Avenue, Perris, California (Premises) since April 10, 2012, 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 90 day notice to Lessor. The Option to Extend the Lease Agreement with The Alchalel Real Estate Investment Trust 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.

Attachments (Upload Project Documents)**NOE_Department of Public Social Services (DPSS) Perris Approval.pdf**



Rose Salgado
Director of Facilities Management

December 10, 2024

The Alchalel Real Estate Investment Trust
12361 Imperial Highway, Suite G-232-1
Santa Fe Springs, Ca 90670

RE: Exercise of Option to Extend – Lease Agreement between County of Riverside and The Alchalel Real Estate Investment Trust, dated April 10, 2012, 201 Redlands Avenue, Perris, California 92571

Dear Lessor,

Please consider this letter formal written notice to The Alchalel Real Estate Investment Trust (as Lessor), that pursuant to Section 6 of the above-referenced lease agreement dated April 10, 2012 (Lease), that the County of Riverside formally exercises its option to extend the term of said Lease by five (5) years, commencing April 1, 2025, through March 31, 2030. Pursuant to Section 6.1.2 of the Lease, beginning April 1, 2025, the monthly rent shall be \$126,816.00/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 The Alchalel Real Estate Investment Trust.

By: 
Chuck Washington, Chair
Board of Supervisors

Attest:
Kimberly A. Rector
Clerk of the Board

Approved as to Form:
Minh C. Tran
County Counsel

By: 
Deputy

By: 
Ryan Yabko
Deputy County Counsel

AG:il/11042024/PR043/40.202

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

Exhibit A

FY 2024/25

The Alchalel Real Estate Investment Trust

201 Redlands Avenue, Perris, CA 92571

ESTIMATED AMOUNTS

Total Square Footage to be Leased:

Current Office:	50,000	SQFT	
Approximate Cost per SQFT (Jul-Mar)	\$ -		
Approximate Cost per SQFT (Apr-Jun)	\$ 2.54		
Lease Cost per Month (Jul-Mar)	\$ -		
Lease Cost per Month (Apr-Jun)	\$ 126,816.00		
Total Lease Cost (Jul-Mar)			\$ -
Total Lease Cost (Apr-Jun)			\$ 380,448.00
Total Estimated Lease Cost for FY 2024/25			\$ 380,448.00
Day Porter Cost per Month (Jul-Jun)	\$ 5,316.06		
Total Day Porter Cost (Jul-Jun)			\$ 15,948.18
Total Estimated Day Porter Cost for FY 2024/25			\$ 15,948.18

Estimated Additional Costs:

Utility Cost per SQFT	\$ 0.12		
Estimated Utility Costs per Month		\$ 6,000.00	
Total Estimated Utility Cost (Jul-Mar)			\$ -
Total Estimated Utility Cost (Apr-Jun)			\$ 18,000.00
Total Estimated Utility Cost for FY 2024/25			\$ 18,000.00
FM Lease Management Fee as of 04/01/2025	4.84%		\$ 18,413.68
TOTAL ESTIMATED COST FOR FY 2024/25			\$ 432,809.86
TOTAL COUNTY COST	11%		\$ 47,609.08

Exhibit B

FY 2025/26

The Alchalel Real Estate Investment Trust

201 Redlands Avenue, Perris, CA 92571

ESTIMATED AMOUNTS

Total Square Footage to be Leased:

Current Office:	50,000	SQFT	
Approximate Cost per SQFT (Jul-Mar)	\$ 2.54		
Approximate Cost per SQFT (Apr-Jun)	\$ 2.54		
Lease Cost per Month (Jul-Mar)	\$	126,816.00	
Lease Cost per Month (Apr-Jun)	\$	126,816.00	
Total Lease Cost (Jul-Mar)		\$	1,141,344.00
Total Lease Cost (Apr-Jun)		\$	380,448.00
Total Estimated Lease Cost for FY 2025/26		\$	1,521,792.00
Day Porter Cost per Month (Jul-Jun)	\$	5,316.06	
Total Day Porter Cost (Jul-Jun)		\$	63,792.72
Total Estimated Day Porter Cost for FY 2025/26		\$	63,792.72

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 Lease Management Fee as of 04/01/2025	4.84%	\$	73,654.73
TOTAL ESTIMATED COST FOR FY 2025/26		\$	1,731,239.45
TOTAL COUNTY COST	11%	\$	190,436.34

Exhibit C

FY 2026/27 to 2029/30
The Alchalel Real Estate Investment Trust
201 Redlands Avenue, Perris, CA 92571

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-Mar)	\$ 2.54	\$ 2.54	\$ 2.54	\$ 2.54
Approximate Cost per SQFT (Apr-Jun)	\$ 2.54	\$ 2.54	\$ 2.54	-
Lease Cost per Month (Jul-Mar)	126,816	126,816.00	126,816.00	126,816.00
Lease Cost per Month (Apr-Jun)	126,816	126,816.00	126,816.00	-
Total Lease Cost (Jul-Mar)	\$ 1,141,344.00	\$ 1,141,344.00	\$ 1,141,344.00	\$ 1,141,344.00
Total Lease Cost (Apr-Jun)	\$ 380,448.00	\$ 380,448.00	\$ 380,448.00	-
Total Estimated Lease Cost for FY 2026/27 to 2029/30	\$ 1,521,792.00	\$ 1,521,792.00	\$ 1,521,792.00	\$ 1,141,344.00
Day Porter Cost per Month (Jul-Jun)	\$ 5,316.06	\$ 5,316.06	\$ 5,316.06	\$ 5,316.06
Total Day Porter Cost (Jul-Jun)	\$ 63,792.72	\$ 63,792.72	\$ 63,792.72	\$ 47,844.54
Total Day Porter Cost FY 2026/27 to FY 2029/30	\$ 63,792.72	\$ 63,792.72	\$ 63,792.72	\$ 47,844.54
<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	\$ 54,000.00
FM Lease Management Fee as of 04/01/2025 4.84%	\$ 73,654.73	\$ 73,654.73	\$ 73,654.73	\$ 55,241.05
TOTAL ESTIMATED COST FOR FY 2026/27 to 2029/30	\$ 1,731,239.45	\$ 1,731,239.45	\$ 1,731,239.45	\$ 1,298,429.59
F11 Total Cost	\$ 7,357,767.67			
F11 Total County Cost 11%	\$ 809,354.44			

Department of Public and Social Services

201 Redlands Avenue, Perris, CA 92571



Legend

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.

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Notes

District 1
Blue dot indicates location
APN 311-210-020