

ITEM: 3.21 (ID # 26692) MEETING DATE: Tuesday, February 25, 2025

#### FROM : FACILITIES MANAGEMENT

**SUBJECT:** FACILITIES MANAGEMENT - REAL ESTATE AND RIVERSIDE UNIVERSITY HEALTH SYSTEM (FM-RE): Approval of Notice to Terminate Lease with Eleven10 Apartment Homes, 1110 W. Town and Country Road, Orange, California Environmental Quality Act Exempt per State CEQA Guidelines Sections 15301 and 15061(b)(3), [Total Cost: \$7,036 - 100% General Fund - (RUHS Department Budget Fund 10000)] (Clerk to File Notice of Exemption)

**RECOMMENDED MOTION:** That the Board of Supervisors:

- 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 15061(b)(3), "Common Sense" Exemption; and
- 2. Approve the Notice to Terminate Lease with Eleven10 Apartment Homes, and authorize the Chairman of the Board to execute the same on behalf of the County.

ACTION:Policy

# MINUTES OF THE BOARD OF SUPERVISORS

On motion of Supervisor Spiegel, seconded by Supervisor Perez and duly carried by unanimous vote, IT WAS ORDERED that the above matter is approved as recommended.

Ayes:	Medina, Spiegel, Washington, Perez and Gutierrez
Nays:	None
Absent:	None
Date:	February 25, 2025
XC:	FM

Kimberly A. Rector Clerk of the Board 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	\$7,036	\$0	\$7,036	\$0	
NET COUNTY COST	\$0	\$0	\$0	\$0	
SOURCE OF FUNDS: 100% General Fund – RUHS Budget Adjustment: No   Department Budget Fund 10000 Budget Adjustment: No					
	For Fiscal Ye	ar: 24/25			

#### C.E.O. RECOMMENDATION: Approve

#### BACKGROUND:

#### Summary

The County of Riverside (County) has been a tenant of Eleven 10 Apartment Homes (Lessor) since August 1, 2020 in order to provide the necessary residential accommodations to Riverside University Health System (RUHS) doctors who are pursuing residency programs at out-of-county hospitals for the benefit of RUHS and the County.

Lessor and County, entered into an 18-month lease on December 20, 2023, to occupy an apartment unit located at 1110 W. Town & Country Road, Apt. # 104, Orange, California, 92868 (Lease). The current Lease houses two residents and expires on July 31, 2025 with the current rent being \$3,518.00 per month. This Lease was executed with Facilities Management (FM) delegated authority pursuant to Board Policy B-8 and County Ordinance No. 861.

To minimize expenses, and to accommodate a third student of the RUHS Residency Program, a three-bedroom apartment was required and has been secured with a new rent of \$4,467.00 per month under delegated authority (Ordinance No. 861). The students are training at the Children's Hospital of Orange County (CHOC) and gaining valuable knowledge and skills in pediatrics. These skills will greatly benefit RUHS and the citizens of Riverside County.

County therefore elects to exercise its Right to Early Termination as provided in Section E.26 of the Lease with 30-days' written notice. As a condition of terminating early, the Lease requires the County to pay two (2) months' rent for the Right to Early Termination and also continue to pay rent through the termination date. The cost of the termination fee is estimated to be \$7,036.00. The attached letter provides the required notice to the Lessor.

Pursuant to the California Environmental Quality Act (CEQA), the project, the termination of the Lease, was viewed 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. This is a mere termination of an agreement resulting in no further

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

action or changes and does not cause significant changes in the land or impacts to the environment.

The Notice to Terminate Lease has been approved as to form by County Counsel.

#### Impact on Citizens and Businesses

No impact with providing services to the community are expected.

#### Attachments:

- Aerial Photograph
- Termination Notice
- Notice of Exemption

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Vincent Yzaguirre, Director of Facilities Management

February 25, 2025

TPG Property Management, Inc. DBA: Picerne Residential 1110 W. Town and Country Road Orange, California 92868

# RE: Exercising Early Termination of Lease for 1110 W. Town and County Road, Apt. # 104, Orange, CA 92868

Dear Property Owner:

Pursuant to the terms of the above-referenced lease dated December 20, 2023 (Lease), the County of Riverside (County) is hereby exercising its Early Termination Option.

Based on the Early Termination Option in Section E. 26 of the Lease, the County is obligated to pay two (2) months' rent and give notice of Resident's election at least thirty (30) days before the Early Termination Date. Accordingly, enclosed is a check in the amount of \$7,036 and the County's final date of tenancy shall be March 27, 2025.

Thank you in advance. Please feel free to reach out to David Curtis, Senior Real Property Agent (davcurtis@rivco.org; 951.955.5781) if you have any questions or concerns.

Sincerely,

V. M. Al-

V. Manuel Perez Chair of the Board of Supervisors County of Riverside

FORM APPROVED COUNTY COUNSEL RYAND YABKC

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 ATTEST: KIMBERLY A. RECTOR, Clerk By DEPUTY

> Project Management Office Maintenance & Custodial Real Estate & Parking Energy Efficiency Administration

Success means exceeding our customer's expectations.

# **AERIAL PHOTOGRAPH**

Eleven 10 Apartments 1110 Town & Country Rd. Orange, California 92868



FM staff to file

# NOTICE OF EXEMPTION

December 9, 2024

Project Name: Approval of Notice to Terminate Lease with Eleven10 Apartment Homes, Orange, California

Project Number: FM042889000100

Project Location: 1110 West Town and Country Road, Apartment #104, west of South Lawson Way, Orange, CA 92868

**Description of Project:** Eleven10 Apartment Homes, entered into an 18-month lease with the County of Riverside (County) on February 1, 2024, to occupy a 2-bedroom, 2- bathroom apartment located at 1110 W. Town & Country Road, Apt. # 104, Orange, California, 92868, ("Lease"). The current lease expiration is July 31, 2025.

To reduce costs, and to accommodate an additional student of RUHS' residency program, a three-bedroom apartment was required. The students are training at the Children's Hospital of Orange County (CHOC) and gaining valuable knowledge and skills in pediatrics. These skills will greatly benefit the citizens of Riverside County.

County therefore elects to exercise its Right to Early Termination as provided in Section 26 of the Lease Agreement with 60-days' written notice. As a condition of terminating early, the Lease requires the County to pay two months' rent for the right to exercise Early Termination. It is estimated to be \$7,036.00. The attached letter gives notice to the Lessor. The termination of the lease agreement with Eleven10 Apartment Homes is identified as the proposed project under CEQA. The project is limited to the termination of an existing lease and no additional direct or indirect physical environmental impacts would occur.

# 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 termination of 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 the termination of a lease agreement. The termination of the lease agreement would not require any expansion of public services and facilities; 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, there is no possibility that the project may have a significant effect on the environment. The proposed termination of the Lease Agreement will not result in any direct or indirect physical environmental impacts. The direct effects from the termination of the Lease Agreement will result in the release of contractual responsibilities for use of the apartment by the County. No changes to the existing use 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: 12-9-2024

Mike Sullivan, County of Riverside, Facilities Management