

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



ITEM: 3.15  
(ID # 27060)

MEETING DATE:  
Tuesday, April 15, 2025

FROM : FACILITIES MANAGEMENT

**SUBJECT:** FACILITIES MANAGEMENT - REAL ESTATE (FM-RE) AND RIVERSIDE UNIVERSITY HEALTH SYSTEM - BEHAVIORAL HEALTH (RUHS-BH): Approval of First Amendment to Lease between the County of Riverside and City of Riverside in Riverside, Lease Extension, District 1. California Environmental Quality Act exempt per State CEQA Guidelines Sections 15301 and 15061(b)(3), District 1. [Total Cost: \$3,228,129 - 100% RUHS-BH 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(b)(3), Existing Facilities exemption, and Section 15061(b)(3), Common Sense exemption;
2. Approve the attached First Amendment to Lease with the City of Riverside and authorize the Chair of the Board to execute the same on behalf of the County; and
3. Direct the Clerk of the Board to file the attached Notice of Exemption with the County Clerk and the State Clearinghouse for filing within five (5) working days of approval by the Board.

**ACTION:**Policy, CIP

*Vincent Yzaguirre*  
Vincent Yzaguirre

3/4/2025

*Matthew Chang*  
Matthew Chang, Director

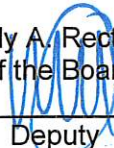
3/27/2025

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MINUTES OF THE BOARD OF SUPERVISORS

On motion of Supervisor Spiegel, seconded by Supervisor Gutierrez 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: April 15, 2025 ✓  
xc: FM-RE, RUHS-BH, Recorder, State Clearinghouse

Kimberly A. Rector  
Clerk of the Board  
By:   
Deputy

**SUBMITTAL TO THE BOARD OF SUPERVISORS COUNTY OF RIVERSIDE,  
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<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>	\$ 2,969,522	\$ 0	\$ 3,228,129	\$ 0
<b>NET COUNTY COST</b>	\$ 0	\$ 0	\$ 0	\$ 0
<b>SOURCE OF FUNDS: 100% RUHS-BH Dept. Budget Fund 10000</b>			<b>Budget Adjustment: No</b>	
			<b>For Fiscal Year: 2024/25-2054/55</b>	

**C.E.O. RECOMMENDATION:** Approve

**BACKGROUND:**

**Summary**

The County of Riverside (County/Tenant) has been under lease with the City of Riverside (City/Lessor) since September 2006 for use of a facility by Riverside University Health System – Behavioral Health’s (RUHS-BH) Safehaven Permanent Housing Program (Safehaven Program).

Facilities Management - Real Estate Division (FM-RE) negotiated new terms with the City to remain under lease at the current City-owned location and a new 10-year lease (Lease) was approved by the board on November 16, 2021, Minute Order (M.O. 3.4). The Lease provided provisions for an expansion of the Premises from 4,680 square feet to 8,760 square feet and increased residence rooms from 13 to 33. Included in the Lease is \$2,338,176 to be paid by RUHS-BH to fund the tenant improvements, to be performed by the City.

Upon completion of design and bidding, it was discovered that the approved funding would be insufficient for the proposed project and a new estimated total project budget of \$5,053,151 would be necessary to complete the project. In exchange for this proposed additional commitment, the Lease term will be extended to thirty (30) years commencing upon completion of the Tenant Improvements. These terms are memorialized in the proposed First Amendment.

The Lease rent is \$1.00 per year and the County will be responsible during the term for providing and paying for all interior and exterior maintenance and custodial services.

**Lessor:** City of Riverside  
3900 Main Street  
Riverside, CA92522

**Location:** 2800 Hulen Place  
Riverside, CA 92507

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STATE OF CALIFORNIA**

Size: 8,760 square feet

Term: Thirty years, commencing upon completion of improvements

Lease extensions: Two, 5-year extensions upon mutual written agreement

Utilities: Paid by County

Gustodial: Paid by County

Interior/Exterior  
Maintenance: Paid by County

Tenant  
Improvements: Provided by City and reimbursed by County  
Budgeted not to exceed \$5,053,151.00 total.

RCIT: \$272,418.15

Pursuant to the California Environmental Quality Act (CEQA), 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 involves tenant improvements of currently occupied areas and expansion space.

The attached First Amendment has been reviewed and approved by County Counsel as to legal form.

**Impact on Residents and Businesses**

The Safehaven Program provides temporary housing and mental health treatment in order to address and resolve chronic homelessness and mental health disorders. The impact on residents and businesses will be positive as this program seeks to address these current and real issues.

**Additional Fiscal Information**

See attached Exhibit A, B, and C. RUHS-BH has budgeted these costs for FY2024/25 and will reimburse FM-RE for all associated rent and tenant improvement costs related to the Lease. The original project estimate included \$1 million in American Rescue Plan Act (ARPA) funds for the tenant improvements. The ARPA funds were granted to RUHS-BH from the Department of Housing and Workforce Solutions, which was obligated on September 10, 2024. ARPA funds will only be used for the tenant improvement costs as originally intended.

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**Contract History and Price Reasonableness**

The cost for the building improvements are in line with current construction costs.

Original Lease: November 16, 2021 (M.O. 3.4)

**Attachments:**

- First Amendment to Lease
- Exhibits A, B and C
- Aerial
- Notice of Exemption

HR:dr/07122021/RV351

  
Evangelina Gregorio EO, Principal Mgmt Analyst 4/4/2025

  
Aaron Gettis, Chief of Deputy County Counsel 3/31/2025

## FIRST AMENDMENT TO LEASE AGREEMENT

### COUNTY OF RIVERSIDE

THIS FIRST AMENDMENT TO LEASE AGREEMENT ("First Amendment") is made and entered into this 28th day of May, 2025, by and between the CITY OF RIVERSIDE, a California charter city and municipal corporation ("Lessor"), and the COUNTY OF RIVERSIDE, a political subdivision of the State of California ("Lessee"), with respect to the following facts:

### RECITALS

WHEREAS, on or about November 16, 2021, Lessor and Lessee entered into that certain Lease Agreement ("Agreement"), wherein the Lessor leased to Lessee that certain real property, commonly known by the street address of 2800 Hulen Place, in the City of Riverside, County of Riverside, State of California, 92507, as identified by Assessor's Parcel No. 210-130-025, consisting of approximately 8,760 square feet of leasable space ("Premises"), for use as a behavioral health services facility ("Program"); and

WHEREAS, the Lessor and Lessee desire to extend the Agreement for a term of three hundred sixty (360) months.

WHEREAS, the Lessor and Lessee desire to amend the Agreement to increase the Lessee's building improvement contribution amount to Five Million Fifty-Three Thousand One Hundred Fifty-One Dollars (\$5,053,151). Lessee's original contribution was Two Million Three Hundred Thirty-Eight Thousand One Hundred Seventy-Six Dollars (\$2,338,176) and will now contribute an additional Two Million Seven Hundred Fourteen Thousand Nine Hundred Seventy-Five Dollars (\$2,714,975).

WHEREAS, the Lessor and Lessee desire to amend the Agreement to include additional language requiring the Lessee to reimburse the Lessor for maintenance costs, including but not limited to, pest control and fire suppression.

WHEREAS, the Lessor and Lessee desire to amend the Agreement to grant a local prioritization preference to the order in which applicants are selected from the programming waiting list.

NOW, THEREFORE, in consideration of the foregoing recitals which are incorporated herein by this reference, Lessor and Lessee agree as follows:

1. Section 1.3.1, "Commencement" is hereby amended in its entirety to read as follows:

This Lease shall be effective upon the date of its full execution by the Parties hereto. The Term of this Lease shall be for a period of three hundred sixty (360) months ("Initial Term") commencing on the earlier of (a) the date Lessee staff occupies the Premises, or (b) the date on

which Lessee accepts the Premises for occupancy, which shall occur only after Lessor delivers to Lessee a copy of the Certificate of Occupancy executed by the appropriate governing authority and provided that Lessee, in its' sole discretion, is satisfied that all Lessor Improvements have been completed in accordance with the Improvement Plan, excepting minor punch list items (hereafter "Commencement Date"). The Original Term shall expire at midnight on the day following the last day of the three hundred sixtieth (360) month term ("Expiration Date").

2. Section 1.4, "Rent", is hereby amended in its entirety to read as follows:

As consideration for rent of the Property, Lessee shall be required to provide the programming services set forth below in Paragraph 1.6, and to contribute an amount not to exceed Five Million Fifty-Three Thousand One Hundred Fifty-One Dollars (\$5,053,151) for building improvements as set forth in Paragraph 5.1. and to pay to Lessor the sum of One Dollar (\$1.00) per year during the Term of this Lease.

3. Section 5.1, subsection (a), "Premises", is hereby amended in its entirety to read as follows:

Lessee shall, at Lessee's sole cost and expense and at all times, keep in good order, condition, and repair the structural integrity of the Premises, interiorly and exteriorly, including all improvements, fixtures, walls, ceilings, floors, windows, doors, plate glass, skylights, signage, and equipment situated on or used in connection with the Premises, as well as HVAC and any other interior or exterior which exclusively serves the Premises. Lessee's obligation shall include restorations, or replacements when necessary to keep the Premises and all improvements thereon or a part thereof in good order, condition, and state of repair. Lessee shall reimburse the Lessor for maintenance costs, including but not limited to, pest control and fire suppression.

4. Section 5.1, subsection (b), "Lessor Improvement Costs", is hereby amended in its entirety to read as follows:

Lessee shall be financially responsible for the Lessor Improvements and shall provide funds not to exceed Five Million Fifty-Three Thousand One Hundred Fifty-One Dollars (\$5,053,151) for the work set forth in the Construction Plan, Preliminary Drawings, and Working Drawings (collectively the "**Improvement Plan**"), including any predevelopment costs associated therewith. Lessee shall pay the Lessor for the Lessor Improvements in accordance with a mutually agreeable schedule, not more often than biweekly, as Lessor initiates the work referenced in the Improvement Plan. Notwithstanding the foregoing, upon the Effective Date of this Lease, Lessor will request, in writing, and Lessee shall advance an upfront payment of Two Hundred Fifty Thousand Dollars (\$250,000) to Lessor for Lessor Improvements within forty-five (45) days of such request, and such amount count toward the Lessee's obligation set forth herein. Lessor acknowledges that Lessee has already advanced the aforementioned Two Hundred Fifty Thousand Dollars (\$250,000).

5. Section 5.1, subsection (d), "Programming", is hereby amended in its entirety to read as follows:

Lessee shall, at all times, operate the Premises as a behavioral health services facility, in accordance with the Programming Plan, and meet the performance standards set forth therein. And to the extent possible as permitted by Coordinated Entry System referral process, Lessee shall also give first prioritization to individuals who currently live within the city limits; then second prioritization to individuals who work within city limits; and then third prioritization to individuals with close family ties (parent, child, sibling(s)). Prioritization shall affect only the order in which applicants are selected from the waiting list. They do not make anyone eligible who is not otherwise eligible, and they do not change the Lessee's right to adopt and enforce client-screening criteria.

6. Section 11.4(a) of the Lease "Notices" shall be updated to reflect that Lessees' address for the purpose of notification is as follows:

County of Riverside  
Facilities Management  
Real Estate Division  
3450 14<sup>th</sup> Street, Suite 200  
Riverside, CA 92501  
Attn: Deputy Director of Real Estate  
Tel: (951) 955-4820

7. Exhibit "B" is hereby amended and replaced in its entirety with Exhibit "B-1", attached hereto and incorporated herein by reference.

8. All other terms and conditions of the Agreement between the parties, which are not inconsistent with the terms of this First Amendment, shall remain in full force and effect as if fully set forth herein.

**[SIGNATURES ON FOLLOWING PAGE.]**

IN WITNESS WHEREOF, the Lessor and Lessee hereto have caused this First Amendment to Lease Agreement to be duly executed the day and year first above written.


LESSOR

CITY OF RIVERSIDE, a  
California charter city and municipal  
corporation

By:   
For Mike Futrell  
City Manager

LESSEE

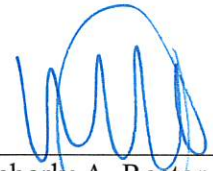
COUNTY OF RIVERSIDE, a political  
subdivision of the State of California

By:   
V. Manuel Perez, Chair  
Board of Supervisors

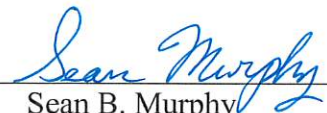
ATTEST:

By:   
for Donesia Gause  
City Clerk

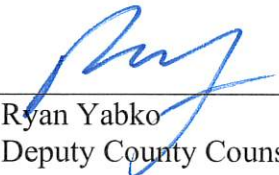
ATTEST:

By:   
Kimberly A. Rector  
Clerk of the Board

APPROVED AS TO FORM:

By:   
Sean B. Murphy  
Deputy City Attorney

APPROVED AS TO FORM:

By:   
Ryan Yabko  
Deputy County Counsel

CA #19-1458.2 SBM/jv 3/3/25  
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CERTIFIED AS TO FUNDS AVAILABILITY

By:   
ASSISTANT CHIEF FINANCIAL OFFICER

**EXHIBIT "B-1"**

PROGRAMMING PLAN  
(Attached)

## **Exhibit B-1**

### **Programming Plan**

1. **General.** Lessee shall operate a permanent supportive housing program consisting of 33 individual units (“Program”), housing primarily chronically homeless adults. The Program shall both house and service clients. The bulk of the housing is permanent as defined by Housing and Urban Development (HUD) Continuum of Care (CoC) regulations. However, all efforts shall be made to assist clients in transitioning to other forms of less resource intensive housing consistent with HUD and local CoC “moving on” initiatives.
2. **Purpose.** The purpose of the Program is to provide a safe and stable environment to meet the housing and services needs of clients. This shall include both the residential component of the program as well as drop-in center services that include screening/referral to social & healthcare services, showers, laundry, and refreshments.
3. **Hours of Operation.** Program will operate 7 days a week, 24 hours a day; drop-in center hours may vary.
4. **Daily Programming.** Per HUD CoC regulations residents must participate in housing case management services, but as a low-barrier, Housing First program participation in disability related services cannot be mandated. However, optional daily programming shall include scheduled activities, optional treatment groups for education, recovery, and support. Staff will also link participants to full service partnership services including intensive case management, individual therapy, group therapy, substance use treatment services, and medication support services, including appointments, medication reconciliation, and pharmacy refills.
5. **Staff.** All Program staff shall be trained in Nonviolent Crisis Intervention training (or equivalent) to assist clients during crisis, and be available, on-site, at all times for support and supervision.
6. **Requested Assessments.** At the request of Lessor, Lessee shall perform assessments of homeless adults who are seeking services, regardless of whether or not that particular individual formally enters the Program.
7. **Reports.** Lessee shall provide reports to Lessor upon request to the RUHS-BH Deputy over Housing or his or her designee with details as to how many clients received services in the preceding months, the nature of the services received, and how many individuals, if any, were turned away from the Program and the reasons as to why those individuals were denied Program services.
8. **Local Prioritization.** To the extent possible as permitted by Coordinated Entry System referral process, Lessee shall also give first prioritization to individuals who currently live within the city limits; then second prioritization to individuals who work within city limits; and then third prioritization to individuals with close family ties (parent, child,

sibling(s)). Prioritization shall affect only the order in which applicants are selected from the waiting list. They do not make anyone eligible who is not otherwise eligible, and they do not change the Lessee's right to adopt and enforce client-screening criteria.