

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



**ITEM: 3.3**  
(ID # 11380)

**MEETING DATE:**  
Tuesday, February 4, 2020

**FROM :** ECONOMIC DEVELOPMENT AGENCY (EDA):

**SUBJECT:** ECONOMIC DEVELOPMENT AGENCY (EDA): Ratification of Approval of First Amendment to Lease with Talat Radwan and Jason Radwan as Trustees of the Malki Living Trust Expressway Center, Riverside University Health System – Behavioral Health, Perris, 2-Year Lease, District 5, CEQA Exempt, [\$218,792; State Fund 100%] (Clerk of the Board to File the Notice of Exemption)

**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, Existing Facilities exemption and Section 15061(b)(3), "Common Sense" exemption;
2. Ratify and Approve the attached First Amendment to Lease with Talat Radwan and Jason Radwan as Trustees of the Malki Living Trust Expressway Center, and authorize the Chairman of the Board to execute the same on behalf of the County; and
3. Direct the Clerk of the Board to file the Notice of Exemption with the County Clerk within five (5) days of approval by Board.

**ACTION:**

Robert Field, Assistant County Executive Officer/ECD

12/23/2019

Matthew Chang, Director

1/16/2020

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**MINUTES OF THE BOARD OF SUPERVISORS**

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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>	\$59,406	\$94,504	\$188,531	\$0
<b>NET COUNTY COST</b>	\$0	\$0	\$0	\$0
<b>SOURCE OF FUNDS:</b> State 100%			<b>Budget Adjustment:</b> No	
			<b>For Fiscal Year:</b> 2019/20-2021/22	

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

**BACKGROUND:**

**Summary**

The County of Riverside (County) and Talat Radwan and Jason Radwan as Trustees of the Malki Living Trust Expressway Center (Lessor), entered into a lease agreement on April 29, 2014, Minute Order 3.2 (Lease) for the purpose of providing office space for the Riverside University Health System – Behavioral Health (RUHS-BH). The leased facility is located at 85 Ramona Expressway, Suites 1-3, Perris, California. This First Amendment to Lease represents a request from the Riverside University Health System – Behavioral Health to extend the lease for two years commencing on November 12, 2019 terminating November 11, 2021. The increase in rent is due to an increase in custodial and maintenance fees. This facility continues to meet the needs of the department.

Pursuant to the California Environmental Quality Act (CEQA), the First Amendment 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, the First Amendment, is the continuation of the letting of property involving existing facilities with no significant physical changes, and no expansion of an existing use will occur.

This First Amendment to Lease is summarized below:

Lessor: Talat Radwan and Jason Radwan as Trustees of the Malki Living Trust Expressway Center  
26371 Avery Parkway, Suite B  
Mission Viejo, Ca 92692

Premises Location: 85 Ramona Expressway, Suites 1-3, Perris, California

Size: Approximately 4,000 square feet

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Rent:	<u>Existing</u>	<u>New</u>
	\$ 1.69 per sq. ft.	\$ 1.74 per month
	\$ 6,753.05 per month	\$ 6,960.00 per month
	\$81,036.60 per year	\$83,520.00 per year
Term:	Two years commencing November 12, 2019 through November 11, 2021.	
Annual Increase:	Two (2%) percent	
Custodial:	Lessor is responsible	
Maintenance:	Lessor is responsible	

The attached First Amendment to Lease has been approved as to form by County Counsel.

**Impact on Residents and Businesses**

This facility will continue to provide important mental health adult services to the residents of the region. The continued occupancy of this facility provides a positive economic impact to this area's residents and businesses.

**Contract History and Price Reasonableness**

The Lease Agreement was approved by the Board on April 29, 2014 (M.O. 3.2). The lease rate is deemed competitive based upon the current market.

**Additional Fiscal Information**

The original five-year lease at this site for the period of November 12, 2014 to November 11, 2019 had an approved total cost of \$766,692. Projected total costs for the lease of this site at the conclusion of this two-year amendment will be \$954,223.


See attached Exhibits A, B, & C for a Fiscal Year breakdown of costs.

RUHS - BH has budgeted these costs in FY 2019/20 and will reimburse Economic Development Agency for all lease costs on a monthly basis.

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Attachments:

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

  
Steven Atkeson 1/29/2020

  
Gregory F. Priamos, Director County Counsel 1/20/2020