

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

820



FROM: EXECUTIVE OFFICE

SUBMITTAL DATE: May 13, 2003

SUBJECT: Amendment #5 to Equipment Lease (Hospital Project)

RECOMMENDED MOTION: That Resolution No. 2003-216 authorizing execution and delivery of an Amendment No. 5 to Equipment Lease, relating to the County of Riverside Asset Leasing Corporation Leasehold Revenue Bonds (County of Riverside Hospital Project) be approved.

BACKGROUND: On September 22, 1999 the CORAL Board approved Resolution Number 99-01, which authorized the transfer of an undeveloped parcel of the hospital property from the Corporation to the County through an Amendment No. 5 to Lease and Option to Purchase. On April 1, 2003, Item 3.14, the Board of Supervisors approved Resolution Number 2003-124, which authorized the sale of 4.95 acres of real property to Campus Medical Center, LLC. The subject property is located immediately east of the Riverside County Regional Medical Center, west of Nason Street, and south of East Hospital Road. The sale of the property will facilitate the development of an approximately 74,000 square foot County office building for use by various County agencies, including the hospital and the Department of Public Social Services. In addition, the sale of the property will generate nearly \$1.2 million in revenue to help reduce the debt of the hospital.

FORM APPROVED
COUNTY COUNSEL

MAY 6 2003

BY

Dean Deines
Dean Deines
Principal Management Analyst

- Consent
- Policy
- Consent
- Policy

FINANCIAL DATA:
CURRENT YEAR COST \$N/A
NET COUNTY COST \$N/A

ANNUAL COST: \$ N/A
IN CURRENT YEAR BUDGET: Yes/ No/
BUDGET ADJUSTMENT FY: Yes/ No/

SOURCE OF FUNDS: N/A

C.E.O. RECOMMENDATION: APPROVE.

Edward Cowan

County Executive Officer Signature

Department Recommendation:

Per Executive Office:

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OFFICE OF THE COUNTY COUNSEL

Amendment #5 to Equipment Lease (Hospital Project)

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In order to facilitate the transfer of the land to Campus Medical Center, the buyer has requested that a certain equipment lease be removed from title. The subject equipment lease appears as an exception to title for the real property transaction, however the equipment lease was never intended to serve as a lien on the real property of the hospital campus. Therefore, the equipment lease amendment before the Board today is meant to definitively clarify that the equipment lease is not a lien on the real property, but rather it is only a lien on the actual equipment of the hospital.

RESOLUTION NO. 2003 - 216

RESOLUTION OF THE BOARD OF SUPERVISORS OF THE COUNTY OF RIVERSIDE AUTHORIZING EXECUTION AND DELIVERY OF AN AMENDMENT NO. 5 TO EQUIPMENT LEASE, RELATING TO THE COUNTY OF RIVERSIDE ASSET LEASING CORPORATION LEASEHOLD REVENUE BONDS (COUNTY OF RIVERSIDE HOSPITAL PROJECT).

WHEREAS, the County of Riverside (the "County") and County of Riverside Asset Leasing Corporation, a California public benefit, nonprofit corporation (the "Corporation"), have entered into that certain Equipment Lease, dated as of July 1, 1989 (the "Original Equipment Lease"), for the purpose of facilitating the acquisition, delivery and installation of certain items of equipment (the "Equipment") to be utilized in the new County of Riverside General Hospital (the "Equipment Project"), construction of which had not begun as of the date of the Original Equipment Lease;

WHEREAS, the Corporation and the County have entered into that certain Amendment No. 1 to Equipment Lease, dated as of February 1, 1997 for the purpose of amending and restating the Original Equipment Lease (the "First Equipment Lease Amendment") and providing additional terms regarding the acquisition, delivery and installation of the Equipment;

WHEREAS, Section 20 of the First Equipment Lease Amendment permits the First Equipment Lease Amendment to be amended in accordance with and as permitted by Article XI of the Indenture;

WHEREAS, the Corporation and the County have amended and supplemented the First Equipment Lease Amendment and propose to enter into Amendment No. 5 to Equipment Lease in order to effect certain changes therein;

NOW, THEREFORE, THIS BOARD OF SUPERVISORS DOES HEREBY FIND, RESOLVE, DETERMINE AND ORDER as follows:

SECTION 1. The Amendment No. 5 to Equipment Lease is hereby approved substantially in the form presented herewith. The officers of the County and their authorized representatives are, and each of them acting alone is, hereby authorized and directed, for and in the name of and on behalf of the County, to execute by manual or facsimile signature, deliver and record the Amendment No. 5 to Equipment Lease in substantially the form presented herewith with such changes therein as they may approve, in their discretion, as being in the best interests of the County, such approval to be conclusively evidenced by the execution and delivery thereof.

SECTION 2. The officers of the County and their authorized representatives are, and each of them acting alone is, hereby authorized to take any and all actions and execute and deliver such documents as they deem necessary or advisable to carry out the purposes of this Resolution and to consummate the transactions contemplated by the documents referred to herein and all actions heretofore taken by any of them with respect to the execution, delivery and recordation of the Amendment No. 5 to Equipment Lease are hereby approved, confirmed and ratified.

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