BY: COUNTY COUNSEL BY: EATRICIA MUNICIPAL DATE

'an Wagenen, Asst. D.A.

 \boxtimes

Consent

Dep't Recomm.:

Ofc.:

Per Exec.

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

145



FROM: Economic Development Agency / Facilities Management

SUBJECT: Lease Agreement - District Attorney, Indio

RECOMMENDED MOTION: That the Board of Supervisors:

- 1. Approve the attached Lease Agreement and authorize the Chairman of the Board to execute the same on behalf of the County of Riverside; and
- 2. Find that the project is exempt from the California Environmental Quality Act (CEQA) pursuant to CEQA Guidelines Section 15301, Existing Facilities.

	BACKCHOONES: Christophe	(Commences on Pager Hans	e 2)	MA In	d				
2	FISCAL PROCEDURES			Robert Field					
		UDITOR-CONTROLLER		Assistant Count	y Executive Offic	er/EDA			
	SAMUEL WONG								
2		Current F.Y. Total Cost	t:	\$ 1,212,258	In Current Year	Budget:	N	lo	
2	FINANCIAL	Current F.Y. Net Count	y Cost:	\$ O	Budget Adjustm	ent:	N	lo	
2	DATA	Annual Net County Co	st:	\$ 0	For Fiscal Year:		201	13/14	
	COMPANION ITEM ON BOARD AGENDA: No								
2	SOURCE OF FUNDS: East County Detention (Conton i loloci Duagot			ns To Be Per A-30		
5				2		Requires	4/5 Vote		
	C.E.O. RECOMM	ENDATION:	APPRO	OVE A					
Policy	County Executiv	e Office Signature	BY: Jen	nnifer L. Sargent					
7		¥	1	U					
Consent									
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ECENTER RIVERSIDE COUNTY. 2013 JUN 25 PM 2: 01

Prev. Agn. Ref.:

District: 4/4

Agenda Number:

EDA-001s-F11-Departmental Concurrence Form 11 (Rev 06/2003) Economic Development Agency / Facilities management Lease Agreement – District Attorney, Indio June 20, 2013 Page 2

BACKGROUND:

In 2011, California Governor Jerry Brown signed into law Assembly Bill 109, known as the "Realignment Plan" which shifts the responsibility from the state to the counties for the custody, treatment and supervision of certain offenders. This legislation, combined with the current level of demand for detention facilities in the County, has resulted in the need for additional detention system capacity.

To aid in the financing of such a facility, on March 27, 2012 the Board of Supervisors approved item 3.10, entitled "Acceptance of \$100 Million AB 900 Funding Award from the Corrections Standards Authority", formally accepting a funding award in the amount of \$100 million to be applied to the planning, design, and construction of a new detention facility in the County.

The Indio CAC facility at 82-675 Highway 111, Indio was deemed to be the location most suitable for this project and on November 6, 2012, the Board of Supervisors approved item 3.21 for an architectural services agreement to be executed between an architectural firm and the County for the design of a new detention facility at that location.

The County is in the process of designing and constructing a detention facility on the Indio CAC site which will be known as the East County Detention Center (ECDC). The site is currently improved with office and related facilities totaling approximately 122,000 square feet built from 1968 to 1975. The County plans to relocate the occupants, demolish the facilities, and construct the new detention complex. The new detention complex will feature 1,627 detention beds. On February 26, 2013, the Board of Supervisors approved the Monthly Progress Report Regarding the ECDC, which enumerated the documents required by the State to date in connection with the state-provided bond financing and confirmed the submittal of these documents to the State and compliance by County.

As a companion project to the ECDC project, the Economic Development Agency (EDA) identified County-owned land of approximately 5.68 acres on the southwest corner of Highway 111 and Jackson Street in the City of Indio as the location most suitable for the construction of a privately owned leased office building of approximately 90,000 square feet with a ground lease to the county to accommodate these departments and entities. The District Attorney, Public Defender, County Counsel, and Law Library will be permanently relocated into this new leased facility. As a result of these moves, TLMA and the Assessor-clerk Recorder also need to be relocated.

On June 24, 2012, EDA issued a Request for Proposal to real estate developers for the planning, design, and construction of a 90,000 square foot office building to be known as the County Law Building and recommended the Board approve a Pre-Development Agreement with the Trammell Crow Company which was approved by the Board of Supervisors on April 9, 2013 as item 3-2. EDA is working to negotiate a Ground Lease and Facilities lease with Riverside Communities Properties Development Inc. as landlord and will bring these negotiated documents to the Board in the future for Board of Supervisors consideration. The estimated completion timeframe for the County Law Building is no later than the first calendar quarter of 2015.

Due to the necessity to commence demolition of the Indio CAC project in November of 2013, and the inability of the Indio CAC occupants (including the Public Defender and the Offices of the District Attorney) and other entities to occupy the new County Law Building until the first calendar quarter of 2015, there is a need for temporary and/or permanent facilities. The purpose of this Form 11 is to recommend approval of a lease agreement for a temporary facility for the Offices of the District Attorney.

(Continued)

Economic Development Agency / Facilities Management Lease Agreement – District Attorney, Indio June 20, 2013 Page 3

BACKGROUND: (Continued)

This Lease was reviewed and determined to be categorically exempt from CEQA Guidelines Section 15301, Class 1 – Existing Facilities. The proposed project, the Lease, is the letting of property involving existing facilities. No expansion of an existing use will occur.

A summary of the Lease is as follows:

Lessor:

Axious Investments LLC

341 West 2nd Street, Suite 1

San Bernardino, California 92401

Premises:

74-923 Hovley Lane and 41-555 Cook Street

Indio, California

Size:

33,457 square feet

Term:

Eighteen months commencing on completion and acceptance

of tenant improvements. Anticipated occupancy September 1, 2013.

Rent:

\$1.00 per sq. ft.

\$33,457.00 per month \$401,484.00 per year

Annual Adjustment:

Four percent

Utilities:

County pays for electric, telephone; Lessor provides all others.

Custodial:

Provided by County

Maintenance:

Provided by Lessor

RCIT:

\$123,970.00

Improvements:

Not to exceed \$674,324.00

This Lease Agreement has been reviewed and approved by County Counsel as to legal form.

FINANCIAL DATA:

All associated costs for this Lease Agreement will be fully funded through the ECDC Project budget. EDA will request a budget adjustment during the first quarter of FY 2013/14.

Attachments:

Exhibit A

Lease

Exhibit A

District Attorney Lease Cost Analysis FY 2013/14 74-923 Hovley Lane and 41-555 Cook Street, Indio, California

Total Square Footage to be Leased: EXPECTED AMOUNTS Current office: Total Expected Lease Cost for FY 2013/14 ACTUAL AMOUNTS		33,457	SQFT
Current Office:		33,457	SQFT SQFT
Approximate Cost per SQFT (Sept - Jun)	\$	1.00	
Lease Cost per Month (Sept - Jun)	_\$_	33,457.00	-
Total Lease Cost (Sept - Jun) Total Actual Lease Cost for FY 2013/14			\$ 334,570.00 \$ 334,570.00 \$ 334,570.00
Estimated Additional Costs: EXPECTED AMOUNTS			
Utility Cost per Square Foot Estimated Utility Costs per Month (Sept - June)	\$ \$	0.12 4,014.84	
Total Estimated Utility Cost for FY 2013/14			
RCIT			
EDA Lease Management Fee (Based @ 3.89%) Total Estimated Expected Cost for FY 2013/14			\$ -
ACTUAL AMOUNTS Utility Cost per Square Foot	\$	0.12	
Costs per Month (Sept - Jun) Total Estimated Actual Utility Cost for FY 2013/14		4,014.84	\$ 40,148.40
RCIT			\$ 123,970.00
Tenant Improvements: \$174,846 Elevator; T.I. \$499,478			\$ 674,324.00
EDA Lease Management Fee (Based @ 3.89%) Total Estimated Actual Cost for FY 2013/14			\$ 39,245.98 \$ 877,688.38
Total Estimated Cost Variance for FY 2013/14			\$ 877,688.38
TOTAL ESTIMATED COST FOR FY 2013/14			<u>\$1,212,258.38</u>

LEASE

COOK STREET BUSINESS PARK

Palm Desert, California

AXIOS INVESTMENTS LLC, a California limited liability company, herein called "Lessor," leases to the COUNTY OF RIVERSIDE, a political subdivision of the State of California, herein called "County," the property described below under the following terms and conditions:

1. **Description**. The premises leased hereby consist of approximately 33,457 square feet located within those certain buildings located at 74-923 Hovley Lane and 41-555 Cook Street, Palm Desert, California, also identified as Assessor Parcel Number 624-290-001, as more particularly shown on Exhibit A, attached hereto, and by this reference made a part of this Lease ("Leased Premises").

2. Use.

- (a) The Leased Premises are leased to County primarily for the purpose of providing office space for use by the District Attorney's office, but the Leased Premises may be used as office space by County for any other official business.
- (b) County shall have the exclusive possession of the Leased Premises and the secured parking area adjacent to the Leased Premises, and common usage of the walkways, rest rooms, driveways, unreserved vehicular parking spaces, and other similar facilities maintained by Lessor for other tenants and the public.

3. Term.

(a) The term of this Lease shall be for a period of eighteen (18) months commencing after County's approval of this Lease or the date thereafter upon which County can take useful occupancy of the Leased Premises, subject to the provisions contained in Paragraph 13 herein. County reserves the right to determine if

the Leased Premises are prepared for useful occupancy, provided that such determination will not be unreasonable. County and Lessor agree that the definition of useful occupancy shall not include completion of the elevators or elevator infrastructure improvements. The Leased Premises shall automatically be deemed fit for useful occupancy by County upon County taking occupancy of the Leased Premises. The term of this Lease may be extended as provided in Paragraph 4.

- (b) Any holding over by County after the expiration of the term of this Lease shall be deemed a month-to-month tenancy upon the same terms and conditions of this Lease, provided, however, rent shall be increased to 125% of the then existing rent payment.
- 4. Option to Extend. Lessor grants to County three (3) options to extend the Lease term (each an "Extension Option"). Each option shall be for a period of six (6) months. The Extension Options may be exercised by County, provided County is not in Default by delivering to Lessor written notice of County's election to exercise and Extension Option no later than sixty (60) days prior to the expiration of the term of this Lease or any extension thereof.

5. Rent.

- (a) County shall pay the sum of Thirty-Three Thousand Four Hundred Fifty-Seven Dollars (\$33,457.00) per month to Lessor as rent for the Leased Premises, payable, in advance, on the first day of the month or as soon thereafter as a warrant can be issued in the normal course of County's business, but in no event later than the 10th day of the month; provided, however, in the event County cannot take useful occupancy of the Leased Premises until after the first day of the month, the rentals for the first and last months shall be pro-rated on a thirty (30) day calendar basis, payable on the date of occupancy for the first month and on the first day of the last month, or as soon thereafter as a warrant can be issued in the normal course of County's business.
- (b) Nothwithstanding the provisions of Paragraph 5(a) herein, the monthly rent shall be increased on each anniversary of this Lease by an amount equal

to four (4%) percent of such monthly rental. In the event County exercises its option to extend the term of the Lease pursuant to Paragraph 4 above, the monthly rent shall be increased by three (3%) percent for each respective option period.

- Custodial Services. County shall provide all custodial services in the interior of the Leased Premises.
- 7. Utilities. County shall pay for all electric, internet, data cabling and telephone services used in connection with the Leased Premises. Lessor shall provide, or cause to be provided, and pay for all other utility services, including, but not limited to, water, gas, refuse collection and sewer services, as may be required in the maintenance, operation and use of the Leased Premises. There shall be no abatement of rent and Lessor shall not be liable or responsible for the inadequacy, stoppage, interruption, or discontinuance of any utility or service due to riot, strike, labor dispute, breakdown, accident, repair, or other cause beyond Lessor's reasonable control or in cooperation with governmental request or directions.

8. Maintenance.

- (a) Lessor shall keep the Leased Premises in such good condition, and in compliance with all federal, state, and local laws, ordinances, rules, codes, and regulations including, but not limited to, fire, health, and safety. Additionally, Lessor shall maintain the exterior and interior of the Leased Premises, including, but not limited to, insect/pest control services, air conditioning equipment, heating equipment, plumbing, electrical wiring and fixtures, windows, and structural parts, in good working condition and repair and in compliance with all laws, ordinances, rules, and regulations, including, but not limited to, the Americans with Disabilities Act. Notwithstanding the foregoing, County shall reimburse Lessor for the cost of all maintenance and repairs required due to the negligence or willful misconduct of County or County's employees or invitees, normal wear and tear excepted.
- (b) In the event Lessor fails, or refuses, to make any repairs to the Leased Premises as may be required or necessitated, County reserves the right to

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undertake such repairs, subject to two (2) weeks prior notice to Lessor in writing. The costs and expenses of such repairs shall be deducted from any rents due hereunder.

(c) Notwithstanding the provisions contained in Paragraph 8(a) above, in the event an emergency arises including a failure of HVAC which requires or necessitates repairs to the Leased Premises in order to insure the health and safety of persons or property or both, and Lessor fails, or refuses, to make such repairs in an expeditious manner, County may undertake such repairs and notify Lessor thereof in writing promptly thereafter. The costs and expenses of such repairs shall be deducted from any rents due hereunder.

9. Improvements by Lessor.

Lessor, at its expense, shall prepare the Leased Premises for useful occupancy as shown on the site plans, interior space plans and related drawings on Exhibit B, attached hereto and by this reference made a part of this Lease. The improvements to the premises include the elevator improvements and certain interior tenant improvements and secured parking area improvements. Lessor shall complete the elevator improvements and install two (2) elevator systems and related elevator infrastructure improvements. Lessor shall all install elevator infrastructure improvements prior to occupancy of the premises by County. Thereafter, Lessor shall install the two (2) elevator carriages. Lessor shall utilize Lessor's commercially reasonable efforts together with Lessor's contractor and related vendors and employees to minimize any disruption to the operations of the County and County employees while installing the elevator carriages. Lessor shall complete the improvements in compliance with all applicable governmental law. After completion and acceptance of the improvements by County, County shall reimburse Lessor fifty (50%) of the elevator improvement costs not to exceed \$174,846.00. A cost breakdown of the elevator improvements is attached as Exhibit "C-1." Within thirty (30) days of the completion and acceptance of all elevator improvements, Lessor shall provide an itemized invoice to County. Payment for the elevator improvements shall be

made by County within forty – five (45) days of County's receipt of the itemized invoice. In addition to the elevator improvements, Lessor shall complete the interior tenant improvements and exterior parking lot secured area improvements as shown in the site plan, interior space plans, and other drawings attached as Exhibit B prior to occupancy of the premises by County. After completion and acceptance of the improvements by County, County will reimburse Lessor for the cost of the improvement not to exceed \$499,478.00 as shown in Exhibit "C". Within thirty (30) days of the completion and acceptance of all improvements, Lessor shall provide an itemized invoice to County. Payment for the improvements shall be made by County to Lessor within forty-five (45) days of County's receipt of the itemized invoice.

- (b) Lessor recognizes and understands that said preparation of the Leased Premises shall be subject to the provisions contained in the California Labor Code (commencing with Section 1720) relating to general prevailing wage rates and other pertinent provisions therein.
- (c) Lessor shall comply and stay current with all applicable building standards, which may change from time to time, including but not limited to, the Americans with Disabilities Act, in preparing the Leased Premises for occupancy as specified in Paragraph 9(a) above.

10. Improvements by County.

- (a) Any alterations, improvements, or installation of fixtures to be undertaken by County shall have the prior written consent of Lessor after County has submitted plans for any such proposed alterations, improvements, or fixtures to Lessor in writing. Such consent shall not be unreasonably withheld by Lessor.
- (b) All alterations, improvements made, and fixtures installed by County shall remain County property and may be removed by County at or prior to the expiration of this Lease; provided, however, that such removal does not cause injury or damage to the Leased Premises, or in the event it does, the Leased Premises shall be restored at County's expense. Any improvements to the Leased Premises made by

County shall be removed by County, at County's expense upon the expiration or termination of this Lease if Lessor requests such removal in writing.

(c) County shall pay, when due, all sums of money that may become due for any labor, services, materials, supplies, or equipment alleged to have been furnished or furnished to County in, upon, or about the Leased Premises for any improvements completed by County pursuant to this section, and which may be secured by a mechanic's, material man's, or other lien against the Leased Premises or County's interest in the Leased Premises. County shall cause each such lien to be fully discharged and released at the time the performance of any obligation secured by such lien matures or becomes due; provided, however, that if County desires to contest any such lien, it may do so, but notwithstanding any such contest, if such lien is reduced to a final judgment and enforcement is not stayed or any stay of enforcement expires, County shall immediately pay and discharge such lien.

11. Indemnification and Hold Harmless.

- (a) Lessor shall indemnify and hold harmless the County and the County's employees and officers ("County Parties") from any liability, including, but not limited to, property damage, bodily damage, bodily injury, or death, arising out of or related to any services provided by Lessor or on Lessor's behalf under this Lease or any act, error, or omission of the Lessor Parties (defined below) or of any invitee, guest, or licensee of Lessor in, on, or about the Leased Premises. When indemnifying County Parties, Lessor shall defend at its sole cost and expense, including, but not limited to, attorney fees, cost of investigation, defense, and settlements or awards, the County Parties in any claim or action based upon such liability.
- (b) County shall indemnify and hold harmless Lessor and Lessor's members, officers, directors, employees, predecessors, successors, and assigns ("Lessor Parties") from any liability, including, but not limited to, property damage, bodily injury, or death, arising from or related to events which may occur within the Leased Premises or arising out of or from County's use or occupancy of the Leased

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Premises. County shall not indemnify the Lessor Parties for liability arising within the Leased Premises when such liability arises out of or from Lessor's responsibilities under the terms of this Lease. When indemnifying the Lessor Parties, County shall defend at its sole cost and expense, including, but not limited to, attorney fees, cost of investigation, defense, and settlements or awards, the Lessor Parties in any claim or action based upon such liability.

- (c) With respect to any action or claim subject to indemnification herein, the indemnifying party shall, at their sole cost, have the right to use counsel of its choice and shall have the right to adjust, settle, or compromise any such action or claim without the prior consent of the indemnified party; provided, however, that any such adjustment, settlement, or compromise in no manner whatsoever limits or circumscribes the indemnifying party's obligation to indemnify as set forth herein.
- (d) The indemnifying party's obligation hereunder shall be satisfied when they have provided the indemnified party the appropriate form of dismissal relieving the indemnified party from any liability for the action or claim involved.
- (e) The specified insurance limits required in this Lease shall in no way limit or circumscribe the indemnifying party's obligation to indemnify as set forth herein.
- (f) In the event there is conflict between this Paragraph 11 and California Civil Code Section 2782, this Paragraph 11 shall be interpreted to comply with Civil Code 2782. Such interpretation shall not relieve the indemnifying party's obligation to provide indemnification to the fullest extent allowed by law.
- (g) **Survival of Indemnification.** The provisions of this Paragraph 11 shall survive the expiration or earlier termination of this Lease until all claims against County Parties and Lessor Parties involving any of the indemnified matters are fully, finally, and absolutely barred by the applicable statutes of limitations.

12. Insurance.

- (a) Lessor's Insurance. Without limiting or diminishing any indemnification contained within this Lease, Lessor and/or its authorized representatives, including, if any, a property management company, shall procure and maintain or cause to be maintained, at their sole cost and expense, the insurance coverage specified in this Paragraph during the term of this Lease.
- (b) Commercial General Liability. Commercial General Liability Insurance coverage, including but not limited to, premises liability, contractual liability, products/completed operations, personal and advertising injury, and cross liability coverage, covering bodily injury, property damage, and personal injury arising out of or relating, directly or indirectly, to the design, construction, maintenance, repair, alteration, and ownership of the Leased Premises and all areas appurtenant thereto, including claims which may arise from or out of Lessor's operations, use, and management of the Leased Premises, or the performance of its obligations hereunder. The policy limits shall not be less than One Million Dollars (\$1,000,000.00) per occurrence. If such insurance contains a general aggregate limit, it shall apply separately to this Lease or be no less than two (2) times the occurrence limit.

(c) **Property** (Physical Damage).

(1) All-Risk real property insurance coverage, including earthquake and flood, if applicable, for the full replacement cost value of buildings, structures, fixtures, all improvements therein, and building systems on the Leased Premises as the same exists at each early anniversary of the term of this Lease. The policy shall include Business Interruption, Extra Expense, and Expediting Expense coverage as well as coverage for off-premises power failure

(d) General Insurance Provisions – All Lines.

(1) Any insurance carrier providing Lessor's insurance coverage hereunder shall be admitted to the State of California and have an A.M. BEST rating of not less than an A:VIII (A:8) unless such requirements are waived, in

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writing, by the County Risk Manager. If the County's Risk Manager waives a requirement for a particular insurer, such waiver is only valid for that specific insurer and only for one (1) policy term.

- (2) The Lessor or Lessor's insurance carrier(s) must declare its insurance deductibles or self-insured retentions. If such deductibles or self-insured retentions exceed \$500,000.00 per occurrence such deductibles and/or retentions shall have the prior written consent of the County Risk Manager before the commencement of the Lease term. Upon notification of deductibles or self-insured retentions which are deemed unacceptable to the County, at the election of the County's Risk Manager, Lessor's carriers shall either: 1) reduce or eliminate such deductibles or self-insured retentions as respects this Agreement with the County, or 2) procure a bond which guarantees payment of losses and related investigations, claims administration, defense costs and expenses.
- (3) At the inception of this Lease and annually at the Lessor's insurance policy renewal date(s), the Lessor shall cause its insurance carrier(s) to furnish the County with 1) a properly executed original Certificate(s) of Insurance and certified original copies of Endorsements effecting coverage as required herein; or, 2) if requested to do so orally or in writing by the County Risk Manager, provide original Certified copies of policies including all Endorsements and all attachments thereto, showing such insurance is in full force and effect. Further, said Certificate(s) and policies of insurance shall contain the covenant of the insurance carrier(s) shall provide no less than thirty (30) days written notice be given to the County of Riverside prior to any material modification or cancellation of such insurance. In the event of a material modification or cancellation of coverage, County may terminate this Lease immediately upon written notice to Lessor, unless the County of Riverside receives, prior to such effective date, another properly executed original Certificate of Insurance and original copies of endorsements or certified original policies, including all endorsements and attachments thereto evidencing coverage and the insurance required herein is in full

force and effect. Individual(s) authorized by the insurance carrier to do so, on its behalf, shall sign the original endorsements for each policy and the Certificate of Insurance. The Lease term shall not commence until the County of Riverside has been furnished original Certificates of Insurance and certified original copies of endorsements or policies of insurance including all endorsements and any and all other attachments as required in this Section, unless County takes possession of the Leased Premises.

(4) It is understood and agreed by the parties hereto and the Lessor's insurance company(s) that the Certificate(s) of Insurance and policies shall so covenant and shall be construed as primary insurance, and the County's insurance and/or deductibles and/or self-insured retentions or self-insured programs shall not be construed as contributory. Lessor is aware that County participates in program of Self Insurance.

13. Options to Terminate.

(a) In the event County cannot take useful occupancy of the Leased Premises within ninety (90) days from final execution of this Lease, then County may, at its election, either (1) deduct from any rents that may become due hereunder the sum of Five Hundred Fifty Eight Dollars (\$558.00) for each day the Leased Premises are not prepared for useful occupancy as liquidated damages for failure to provide useful occupancy in a timely manner as prescribed hereunder. Lessor and County agree that such damages are to be one of the mutually exclusive remedies, as prescribed in this Paragraph 13, for such failure, in that at the time of entering into this Lease it would be impractical and extremely difficult to fix the actual damages that would flow from Lessor's failure to provide useful occupancy in a timely manner, including, but not limited to, the difference in money between the total sum to be paid by County to another party for rent to lease such party's real property, if the rental hereunder is less than the rental to be paid such other party; or (2) cancel this Lease and Lessor hereby waives any and all rights that it may have against County for any

costs, expenses, and/or charges that Lessor may have incurred as a result of preparing the Leased Premises for occupancy.

- (b) County shall have the option to terminate this Lease if the Leased Premises are destroyed or damaged to the extent that they cannot be repaired within sixty (60) days until such time as the Leased Premises have been repaired. If the damage can be repaired within sixty (60) days, it shall be the duty of the Lessor to make such repairs promptly, and during said period, the rent shall abate pro rata as to any portion of the Leased Premises not usable by the County. County reserves the right to determine what, if any portions of the Leased Premises are usable, in its reasonable discretion.
- (c) Lessor shall have the option to terminate this Lease if County is in Default after ten (10) days written notice to County. County shall be in "Default" if it fails to cure any breach or violation of this Lease within thirty (30) days of its receipt of written notice from Lessor specifying the breach or violation. County shall not be deemed in default if County has commenced action to cure the breach or violation and is diligently proceeding to prosecute to completion.
- **14. Notices.** Any notices required or desired to be served by either party upon the other shall be addressed to the respective parties as set forth below:

County: Lessor:

County of Riverside/EDA

Axios Investments LLC

Real Estate Division

341 West 2nd Street, Suite 1

3403 10th Street, Suite 500

Riverside, California 92501

San Bernardino, California 92401

or to such other addresses as from time to time shall be designated by the respective parties.

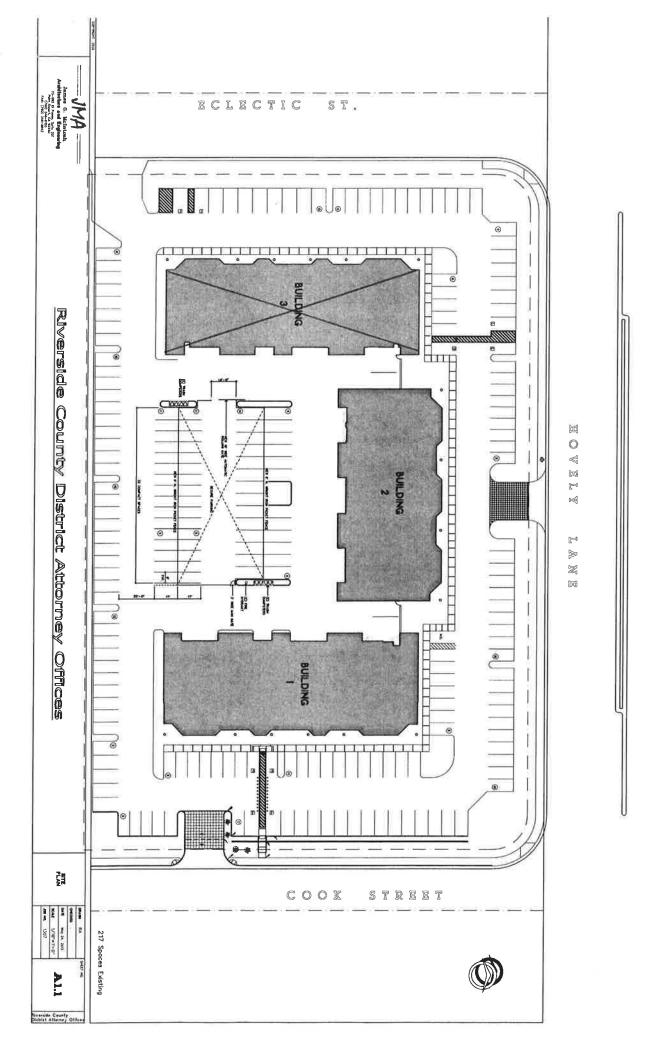
15. Quiet Enjoyment. Lessor covenants that County shall at all times during the term of this Lease peaceable and quietly have, hold, and enjoy the use of the

Leased Premises so long as County shall fully and faithfully perform the terms and conditions that it is required to do under this Lease.

- 16. Assignment/Subletting. County shall not, without prior written consent of Lessor, which may be withheld in Lessor's sole discretion, assign, mortgage, pledge, encumber, sublet, or otherwise transfer any portion of its interest under this Lease or any portion the Leased Premises.
- 17. Compliance with All Laws. County shall not do anything or suffer anything to be done in or about the Leased Premises which will in any way conflict with any law, statute, ordinance, or other governmental rule, regulation, or requirement now in force or which may hereafter be enacted or promulgated.
- 18. Lessor Entry. Lessor and its representatives may enter the Leased Premises at all reasonable times upon reasonable notice to County to (i) inspect the Leased Premises; (ii) show the Leased Premises to prospective purchasers, mortgagees or ground lessors, and, during the last six (6) months of the term of this Lease, prospective tenants; (iii) post notices of nonresponsibility; or (iv) alter, improve, or repair the Leased Premises. Landlord may also enter the Leased Premises at any time, without notice to Tenant, in emergency situations and as necessary to perform its obligations under this Lease.
- 19. Estoppel Certificates. Within ten (10) days following a request in writing by Lessor, County shall execute and deliver to Lessor an estoppel certificate in the form requested by Lessor, indicating any exceptions to the information contained in the estoppels certificate form that may exist at that time. Failure of County to timely execute and deliver an estoppel certificate shall constitute an acceptance of the Leased Premises and an acknowledgment by County that statements in the estoppel certificate are true and correct, without exception.
- 20. Exhibits. The Exhibits referenced in this Lease are a material part of this Lease and are hereby incorporated into and made a part of this Lease by this reference.

- 21. Binding on Successors. The terms and conditions herein contained shall apply to and bind the heirs, successors in interest, executors, administrators, representatives, and assigns of all the parties hereto.
- **22. Severability.** The invalidity of any provision in the Lease as determined by court of competent jurisdiction shall in no way affect the validity of any other provision hereof.
- 23. Venue. Any action at law or in equity brought by either of the parties hereto for the purpose of enforcing a right or rights provided for by this Lease shall be tried in a court of competent jurisdiction in the County of Riverside, State of California, and the parties waive all provisions of law providing for a change of venue in such proceedings to any other county.
- 24. Attorneys' Fees. In the event of any litigation or arbitration between Lessor and County to enforce any of the provisions of this Lease or any right of either party hereto, the non-prevailing party to such litigation or arbitration agrees to pay to the prevailing party all costs and expenses, including reasonable attorneys' fees, incurred therein by the prevailing party, all of which shall be included in and as a part of the judgment rendered in such litigation or arbitration.
- **25.** County's Representative. County hereby appoints the Assistant County Executive Officer / EDA as its authorized representative to administer this Lease.
- 26. Entire Lease. This Lease is intended by the parties hereto as a final expression of their understanding with respect to the subject matter hereof and as a complete and exclusive statement of the terms and conditions thereof and supersedes any and all prior and contemporaneous leases, agreements and understandings, oral or written, in connection therewith. This Lease may be changed or modified only upon the written consent of the parties hereto.
- **27. Interpretation.** The parties hereto have negotiated this Lease at arm's length with advice of their respective attorneys, and no provision contained herein shall

1	be construed against County solely because it prepared this Lease in its executed
2	form.
3	28. This Lease shall not be binding or consummated until its approval by the
4	County.
5	IN WITNESS WHEREOF, Lessor and Lessee have entered into this
6	Lease as of the date first written above.
7	
8	COUNTY OF RIVERSIDE AXIOS INVESTMENTS LLC
9	
10	By: By: Ably fousierles John J. Benoit, Chairman By: Ably fousierles member
11	John J. Benoit, Chairman Board of Supervisors
12	
13	Dated: Dated:
14	Attest:
15	Kecia Harper-Ihem Clerk of the Board
16	Clerk of the Board
17	Ву:
18	By: Deputy
19	
20	Approved as to Form: Pamela J. Walls
21	County Counsel
22	
23 24	By: Patricia Munroe, Deputy
2 4 25	
25 26	
20 27	
28	TW:ra/061913/15.970 S:\Real Property\TYPING\Docs-15.500 to 15.999\15.970.doc



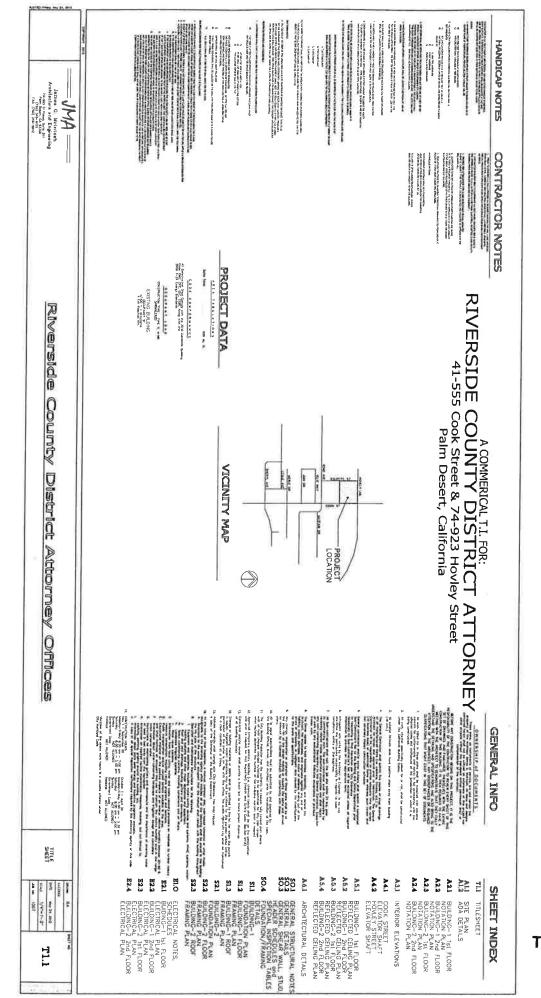
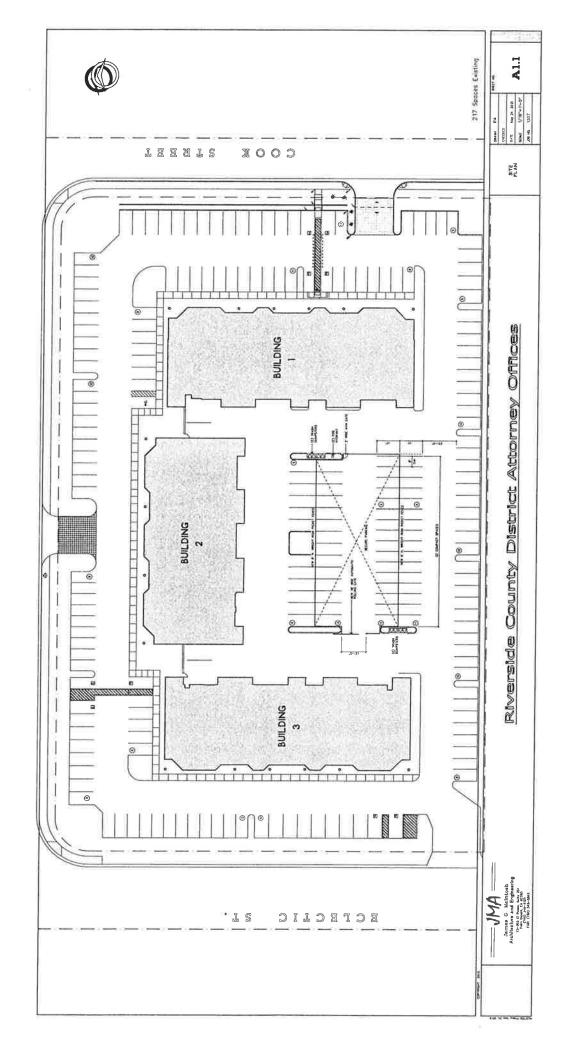
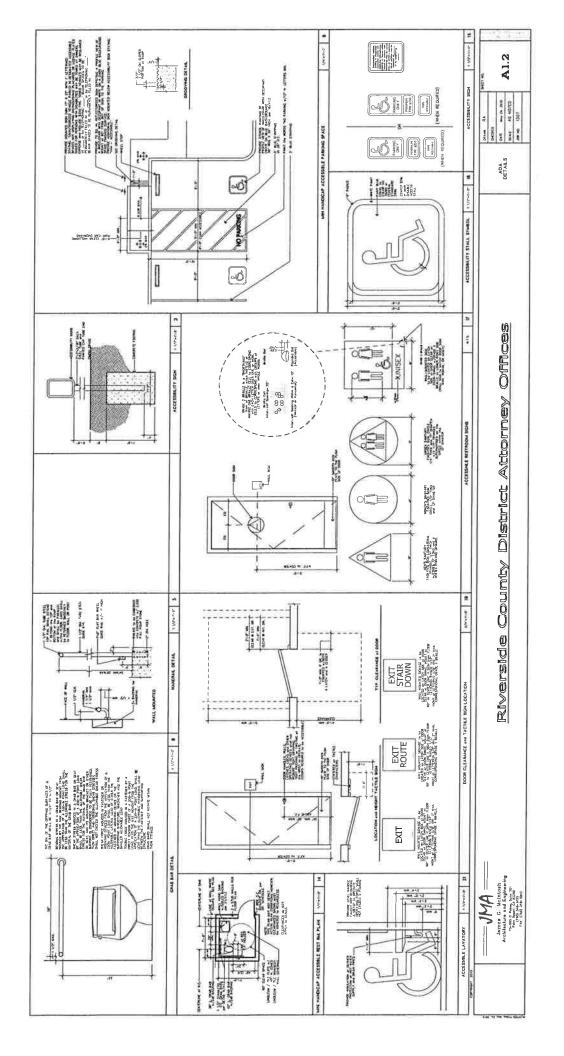
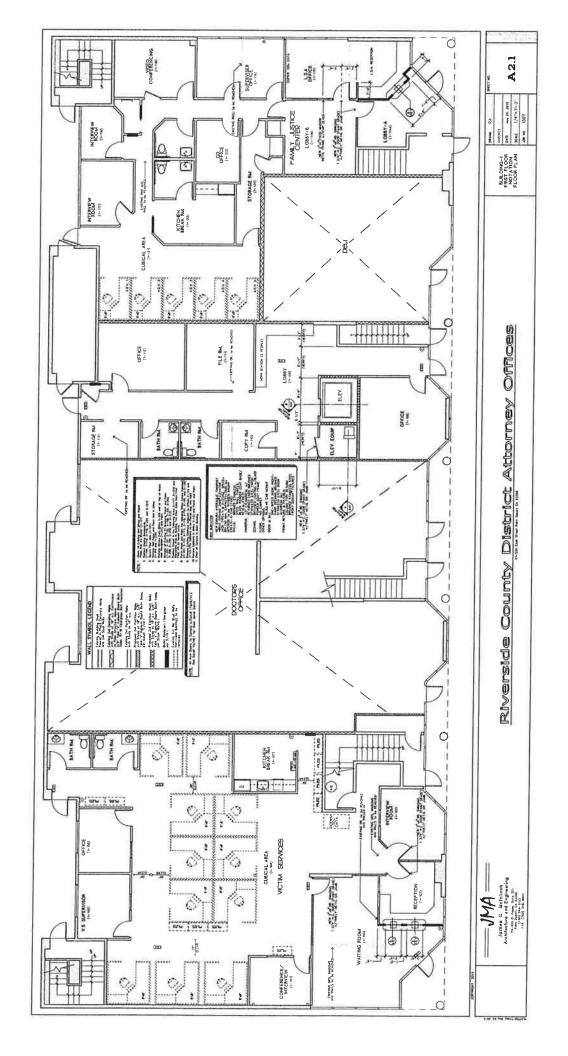
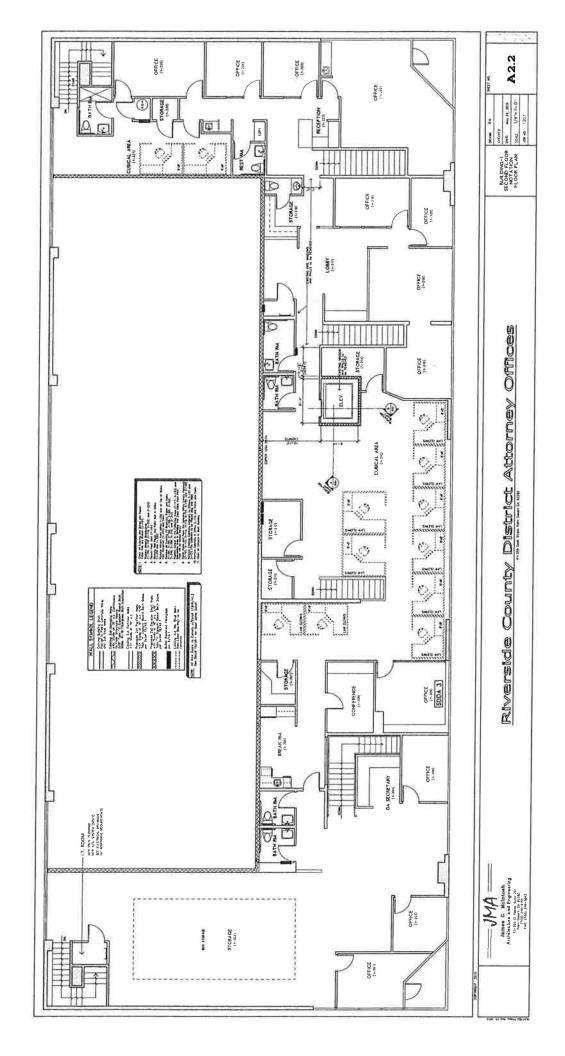


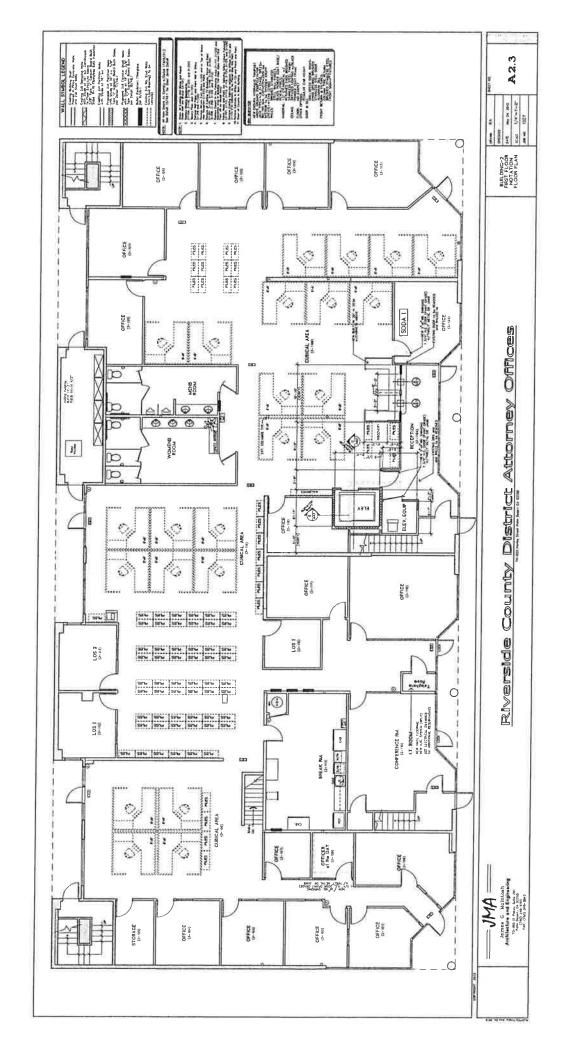
EXHIBIT B T1.1 through E2.4

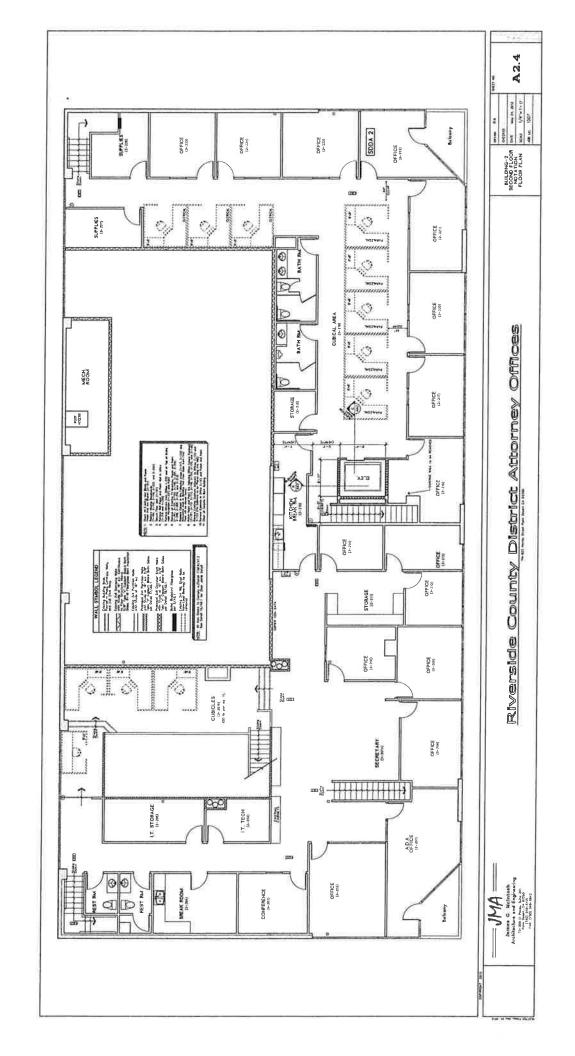


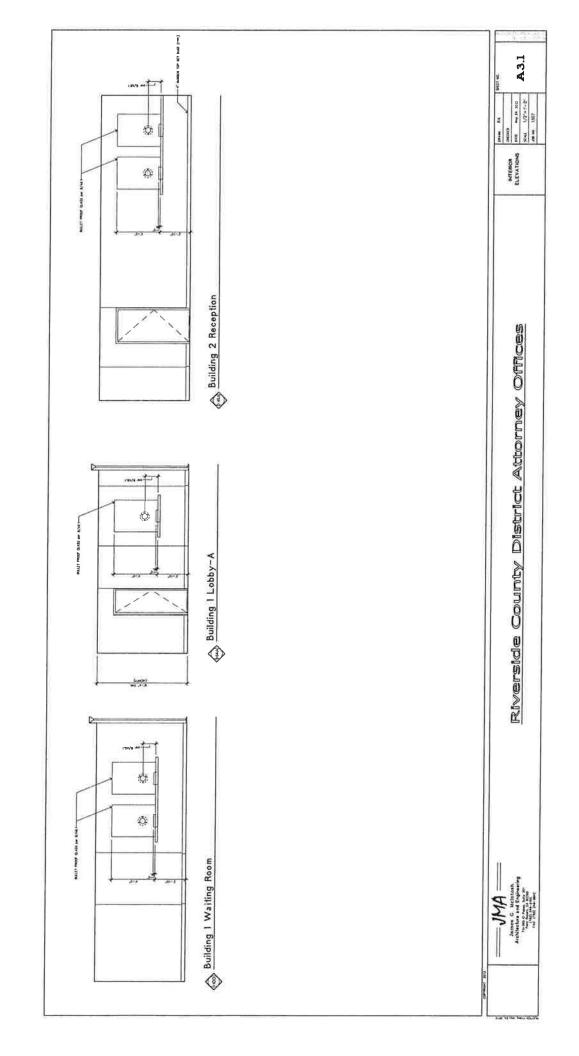


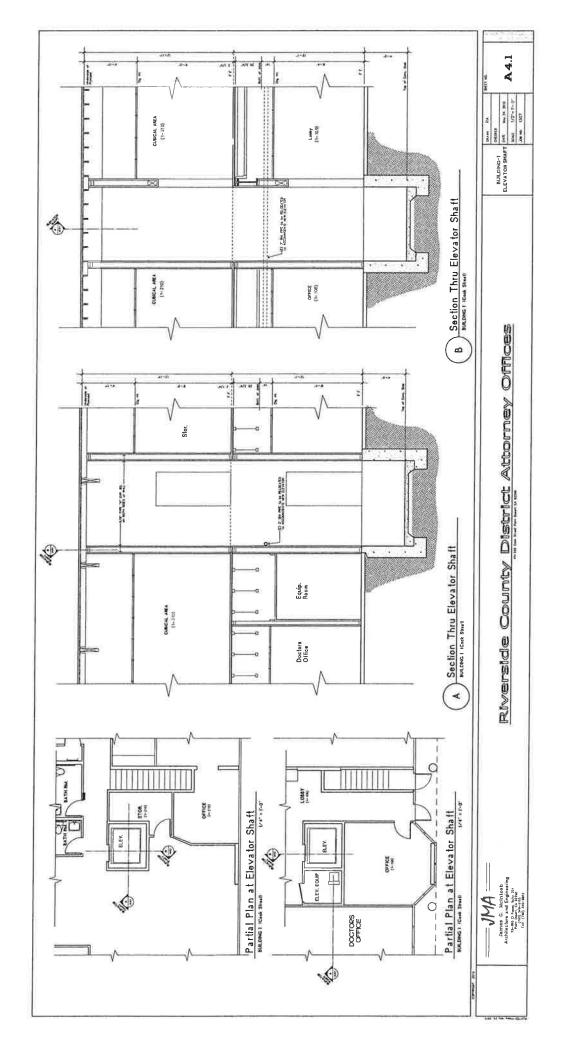


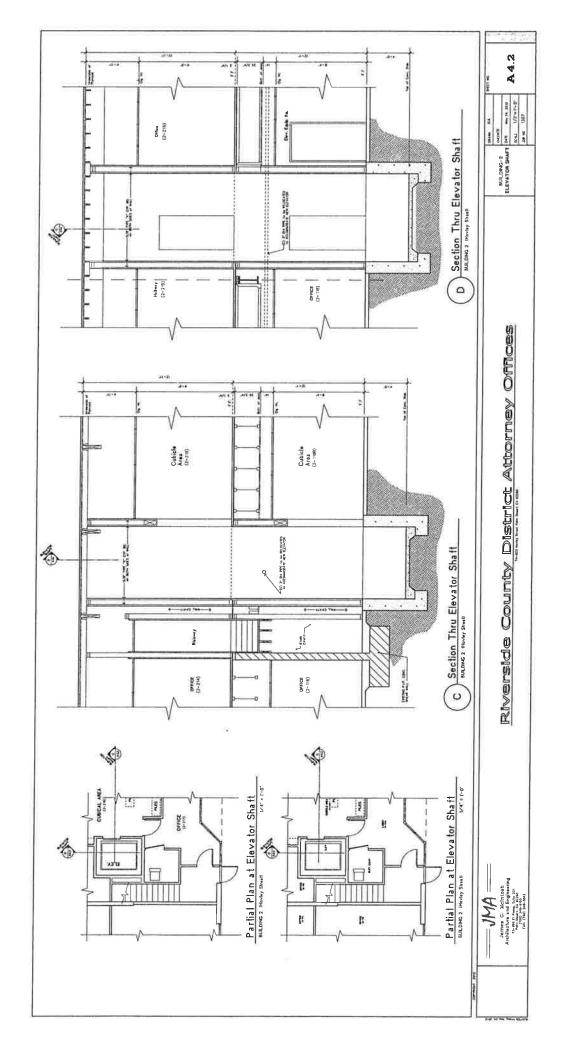


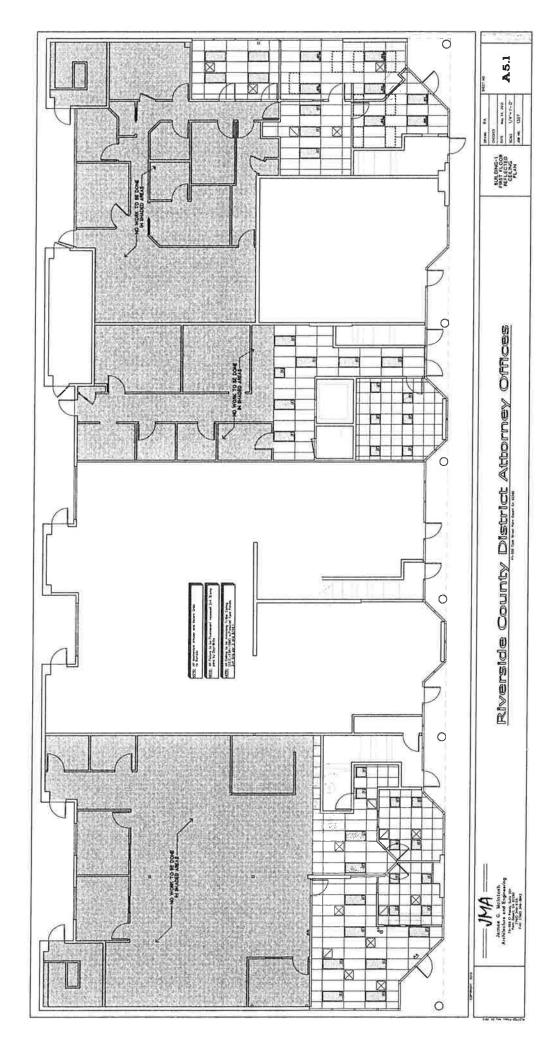


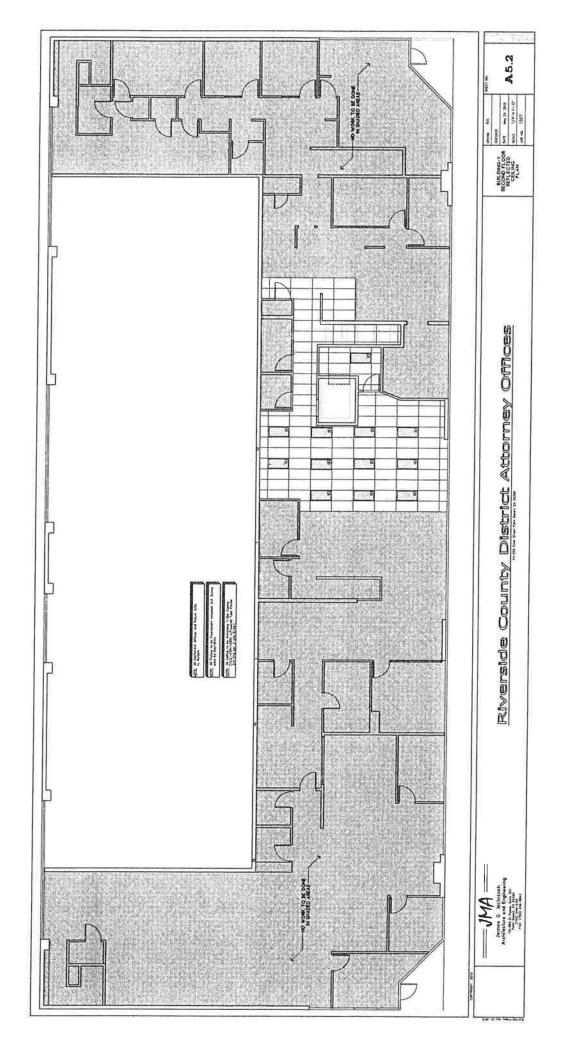


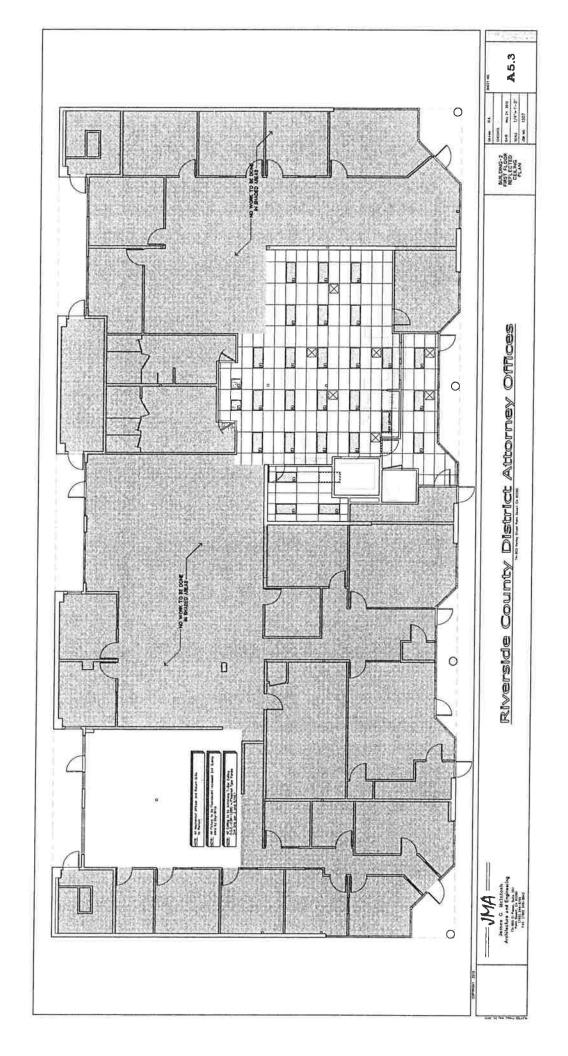


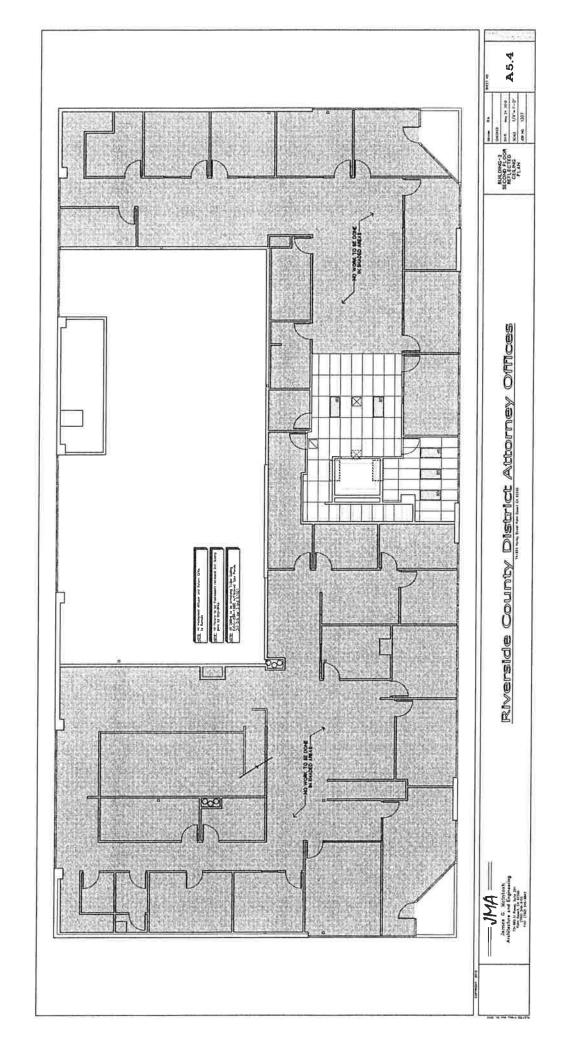


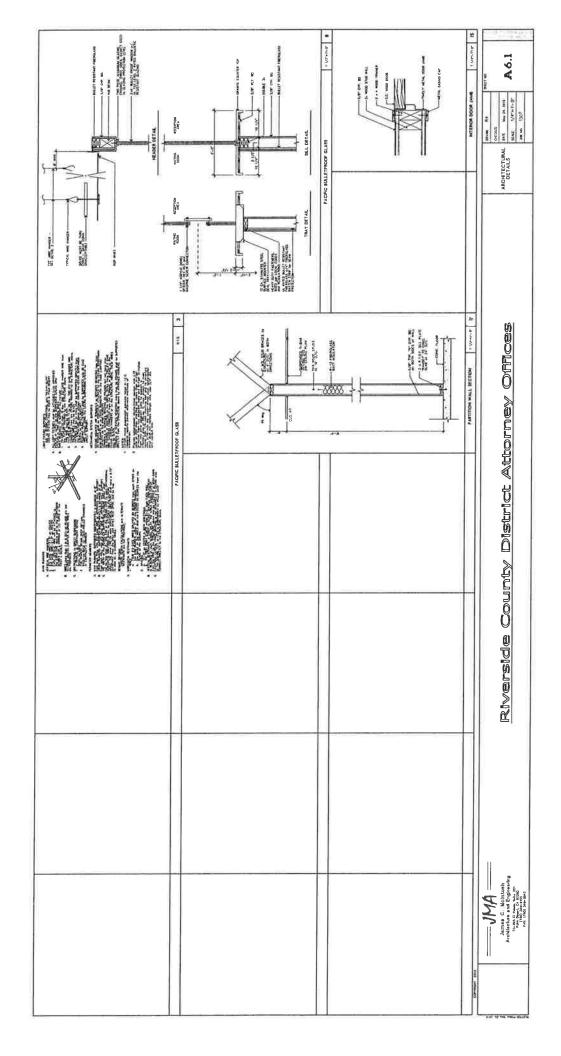


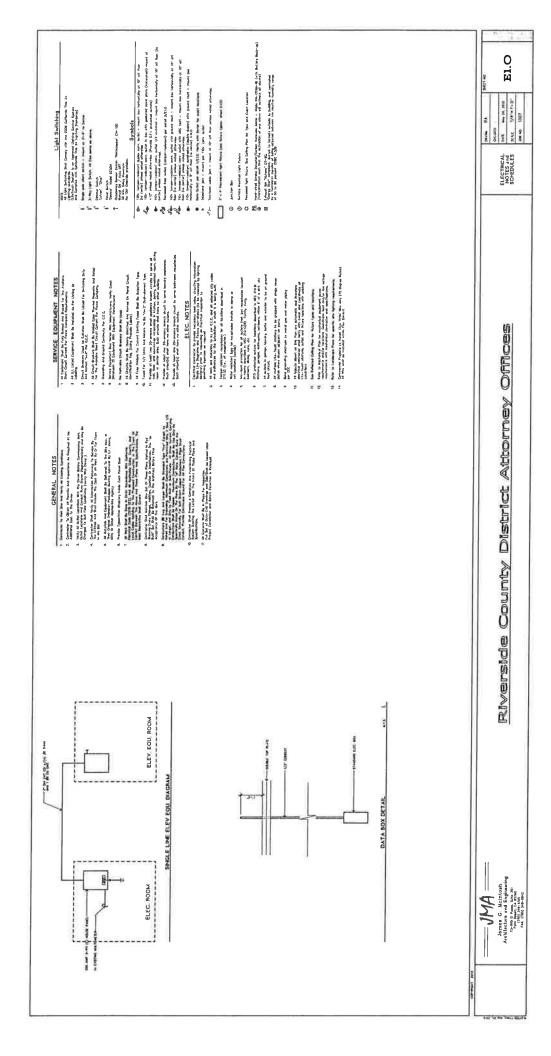


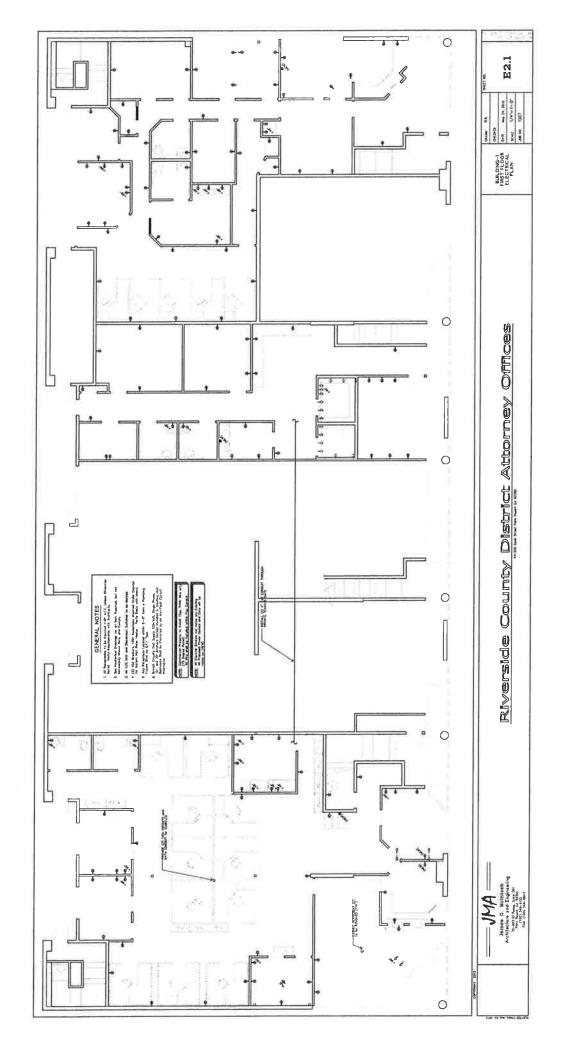


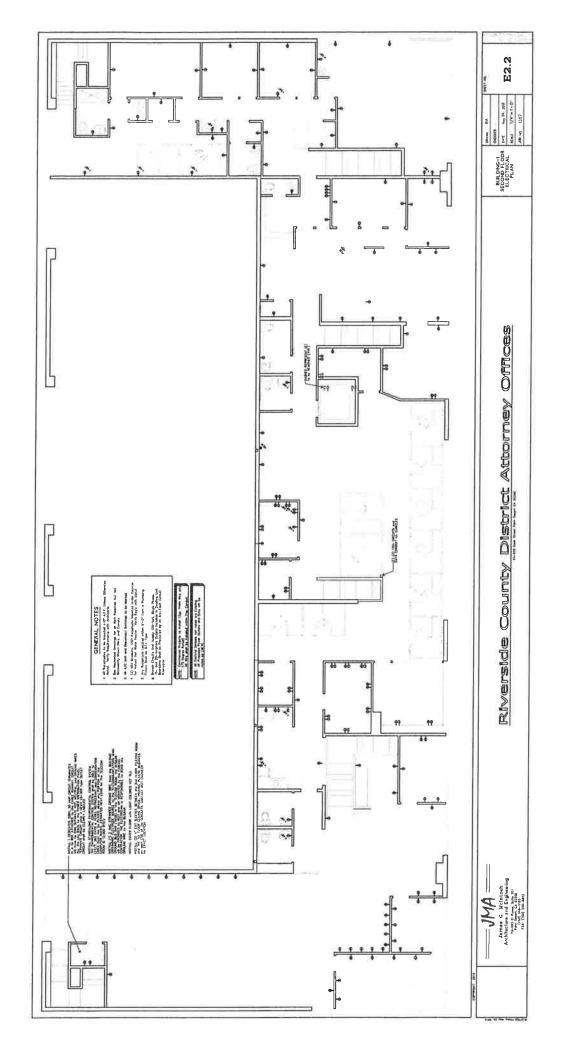


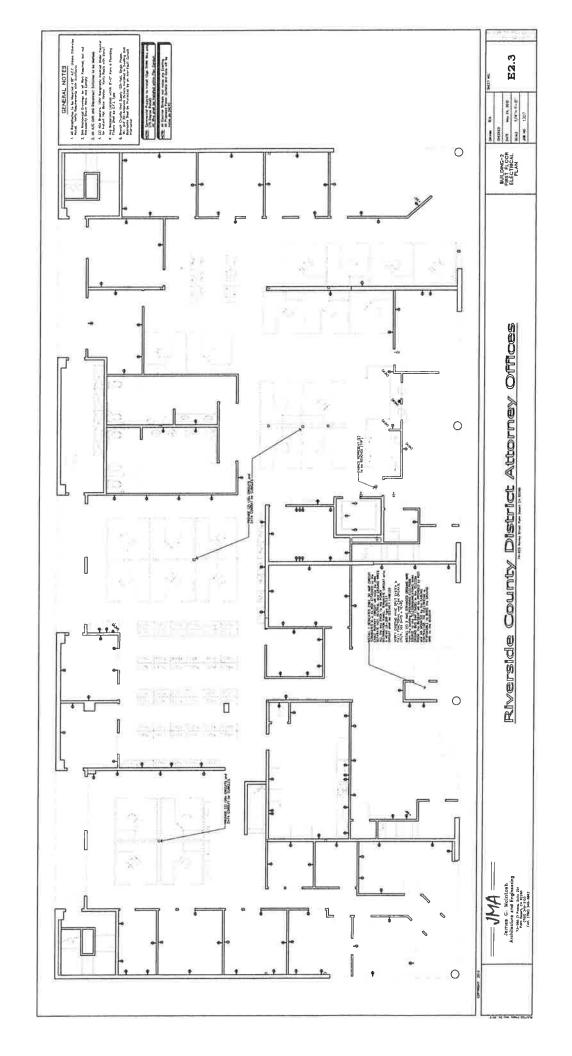


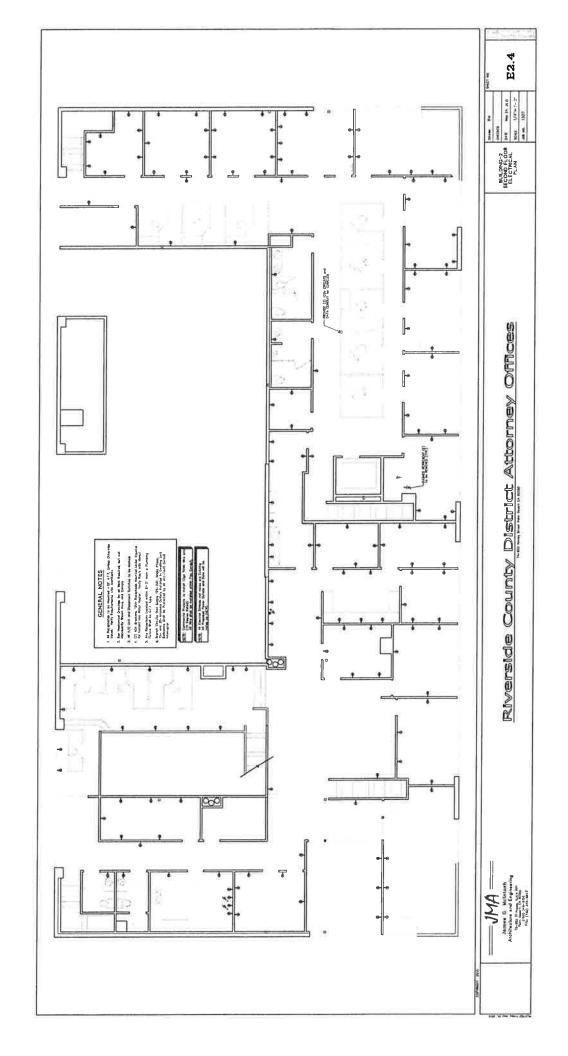












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Description				
demo				\$11,950
framing - labor an	d material			\$10,000
electrical				\$35,90
Hvac				\$21,050
Alarm				\$2,10
T-Bar ceiling				\$8,90
painting				\$34,141
Drywali				\$39,200
Finish Carpentry				\$4,97
cabinets	Lsa rec. 1	8 lf., 1-102 2	20 lf., 2-119 20 lf.	\$25,800
countertops				\$3,500
ballistic glass	Lsa rec. 2	4 sf., 1-102	36 sf., 2-119 72 sf.	\$34,593
keviar panels		240 sf te		\$9,890
flooring carpet an	d vinyl			\$8,750
window coverings	3			\$10,487
carpet cleaning				\$5,155
ada signage, hath	signs			\$2,200
fire extingishers				\$5,000
parkinglet fence a	nd automated	gate		\$37,069
everhead/prefit/li	i <mark>ability insura</mark> r	ICE	(12% of above)	\$37,279
Subtetal				\$347,937
General Con	ditions			
Supervision				\$20,800
general labor, suri	ace protection	1		\$12,200
obsite trash bin		_		\$5,000
construction clear	nuo			\$7,600
inal cleaning(exc		3		\$9,000
Misc espenses, blu				\$2,000
verhead/profit/li				\$6,792
ubtotal				\$63,392
rchitect				\$18,000
ees and permits				\$5,000
abtotal		 		\$23,000

contingency 15%			\$65,149
Total			\$499,478
Paint and Drywall Breakdown			
BUILDING 1, 1st floor;			
Lebby-A (1-114) and B new walls; LSA reception an	d office new walls	s and tie-ins;;	
Supervisor office tie-ins at wall removal; waiting	room/reception 1	-102; 1-103; victim	
services area new walls and tie-ins			
BUILDING 1, 2nd floor;			
Patch and paint after mirror removals at 1-225 & 1-	-221;		
Patch and paint after wall paper removal at 1-219	B. 1-220;		
tie-ins at haliway walls and door removals; patch		-201 & 1-202	
BUILDING 2, 1st floor;			
Patch holes from cabinets and paint at 2-123 and I	file wall; 2-124-126	6; 2-120-122 ;	
new walls at reception area 2-119A & B; 2-118			
2-112; 2-113; 2-107; 2-108 new wall; 2-109; 2-101 2-1	02;		
BUILDING 2, 2nd floor;			
Patch and paint at all TV bracket removals, 2-201;	2-202; 2-208-210;	; 2-213-214;	
"Includes painting entire rooms at patch & paint,			
patching and painting at all electrical and HYAC r	elecates.		

Elevators	
Demo	\$10,500
shoring	\$7,000
concrete	\$12,700
backfill and compaction	\$4,500
compaction testing and special inspections	\$3,000
fire sprinkler modifications	\$10,000
framing	\$23,000
special hardware	\$2,000
electrical	\$7,000
hvac	\$16,000
drywali	\$11,900
paint	\$3,700
elevators	\$126,000
interior finish of elevators	\$5,000
low voltage and communications	\$6,000
supervision	\$10,400
general labor/surface protection	\$4,300
barricades (interior)	\$5,500
Final Clean	\$3,000
overhead/profit/liability insurance 12%	\$32,580
Contingency 15%	\$45,612
Sub total elevators	\$349,692