

ORN APPROVED COUNTY COUNSEL
 12/19/13
 DATE
 MUNROE

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

FROM: Economic Development Agency/Facilities Management

SUBMITTAL DATE:
 December 23, 2013

SUBJECT: First Amendment to Sports Park Sublease, 25 – Year Extension, District 2, CEQA Exempt, [\$0]

RECOMMENDED MOTION: That the Board of Supervisors:

1. Approve the attached First Amendment;
2. Authorize the chairman of the Board to execute the same on behalf of the County; and
3. Find that the project is exempt from the California Environmental Quality Act (CEQA) pursuant to CEQA Guidelines Section 15301, Existing Facilities.

Departmental Concurrence

BACKGROUND:
Summary (Commences on Page 2)

Robert Field
 Assistant County Executive Officer/EDA

FINANCIAL DATA	Current Fiscal Year:	Next Fiscal Year:	Total Cost:	Ongoing Cost:	POLICY/CONSENT (per Exec. Office)
COST	\$ 0	\$ 0	\$ 0	\$ 0	Consent <input type="checkbox"/> Policy <input checked="" type="checkbox"/>
NET COUNTY COST	\$ 0	\$ 0	\$ 0	\$ 0	
SOURCE OF FUNDS: N/A				Budget Adjustment: No	
				For Fiscal Year: 2013/14	

C.E.O. RECOMMENDATION:

APPROVE

BY:
 Rohini Dasika

County Executive Office Signature

MINUTES OF THE BOARD OF SUPERVISORS

- A-30
- Positions Added
- 4/5 Vote
- Change Order

Prev. Agn. Ref.: 4.47 of 4/6/99; 3.18 of 11/18/08

District: 2/2

Agenda Number:

3-17

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

Economic Development Agency/Facilities Management

FORM 11: First Amendment to Sports Park Sublease, 25 - Year Extension, District 2, CEQA Exempt, [\$0]

DATE: December 23, 2013

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BACKGROUND:

Summary

Big League Dreams Jurupa, LLC (BLD) and the County have negotiated an amendment to the Sports Park Sublease Agreement to update the Sports Park legal description, extend the term, and amend the portion of revenue rents paid to the County. BLD shall continue to pay to the County the revenue rent amount equal to ten percent of gross revenues. However, one percent of the ten percent revenue rent will now be deposited into a capital improvement account, to provide a reserve account for capital renewal projects and major repairs as per the terms of the First Amendment to Sports Park Sublease Agreement. BLD shall pay the balance of nine percent of its gross revenues by check payable to the County.

This First Amendment to Sublease is summarized below:

Lessee:	Big League Dreams Jurupa, LLC 16339 Fairfield Ranch Road Chino Hills, CA 91709
Premises Location:	Big League Dreams Jurupa, LLC Sports Park 10550 Cantu-Galleano Ranch Road Jurupa, CA 91752
Revenue Rent:	Nine percent of gross revenues
Reserve Account:	One percent of gross revenues
Term:	Twenty five years, terminating on June 30, 2055
Annual Increase:	N/A
Custodial:	None
Maintenance:	Tenant
RCIT:	None
Improvements:	None

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

(Continued)

SUBMITTAL TO THE BOARD OF SUPERVISORS, COUNTY OF RIVERSIDE, STATE OF CALIFORNIA
Economic Development Agency/Facilities Management
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Impact on Residents and Businesses

There will be no foreseeable impact on residents and local businesses.

SUPPLEMENTAL:

Additional Fiscal Information

None.

Contract History and Price Reasonableness

This is a 25 year extension to an existing Sports Park Sublease Agreement with BLD that provides revenues to the County.

Attachment:

First Amendment to Sports Park Sublease

1 **FIRST AMENDMENT TO SPORTS PARK SUBLEASE**
2 **BETWEEN COUNTY OF RIVERSIDE (AS ASSIGNEE OF THE RIVERSIDE**
3 **REDEVELOPMENT AGENCY)**
4 **AND**
5 **BIG LEAGUE DREAMS JURUPA, LLC**
6

7 **THIS FIRST AMENDMENT TO SPORTS PARK SUBLEASE LEASE (“First**
8 **Amendment”)**, dated as of _____, is entered by and between County of
9 Riverside, a political subdivision of the State of California (“County” or “Lessor”) as
10 assignee of the Redevelopment Agency (“Original Lessor” or “RDA”), and Big League
11 Dreams Jurupa, LLC, a California limited liability company, (“Lessee”), collectively
12 referred to as the “Parties.”

13
14 **RECITALS**

15 A. WHEREAS, the Original Lessor and Lessee entered into a Sublease, dated
16 April 6, 1999, (the “Sublease”), pursuant to which RDA agreed to Sublease from RDA
17 the premises Improvements located at 10550 Canto-Galleano Ranch Rd., Mira Loma,
18 California (collectively referred to as the “Sports Park”), as more particularly described
19 in the Sublease and in the attached Exhibit A.

20 B. Whereas, an Assignment, Assumption and Consent agreement was entered into
21 on November 18, 2008, whereby RDA assigned its interest in the Sublease to the
22 County.

23 C. Whereas, the Parties now desire to amend the Sublease to update the Sports
24 Park legal description, extend the term period and modify certain terms.

25 NOW THEREFORE, for good and valuable consideration the receipt and adequacy of
26 which is hereby acknowledged, the Parties agree as follows:

27 1. **SPORTS PARK LEGAL DESCRIPTION.** Section A of the Sublease is hereby
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1 amended and depicted as Exhibit 1-A attached hereto.

2 2. TERM. Section 3 (a) of the Sublease is hereby amended by adding the
3 following as a second paragraph:

4 The term of the Agreement shall be extended for twenty-five (25) years beyond the
5 initial Term, and terminating on June 30, 2055.

6 3. RENT. Section 4 (a) Percentage Rent of the Sublease is hereby amended by
7 the following:

8 Commencing the third calendar quarter of 2013 (November 14, 2013) and
9 continuing quarterly, Big League Dreams (BLD) Jurupa shall continue pay to County
10 the percentage rent in the amount of (10%) of quarterly Gross Revenues ("Percentage
11 Rent"). From each payment of Percentage Rent, BLD Jurupa shall pay one percent
12 (1%) of the total ten percent (10%) of Gross Revenues via a deposit into a capital
13 improvement reserve account ("Reserve Account"). The balance of nine (9%) percent
14 of Gross Revenues shall be paid by check payable to the County. The Reserve
15 Account shall be used solely for capital improvements. Capital Improvements shall be
16 defined as extensive structural replacements, i.e., extensive and major HVAC repairs,
17 including HVAC and ducting replacement parts; roof replacement; major or structural
18 field improvements; extensive parking lot, or light standard parking lot improvements;
19 overall major infrastructure improvements; or material additions to BLD Jurupa Sports
20 Park (collectively referred to as "Extensive Structural Replacements").

21 4. RESERVE ACCOUNT REIMBURSEMENT: The reimbursement for Extensive
22 Structural Replacements shall be governed by a separate agreement related to tenant
23 improvements that will define specific scopes of work and parameters for
24 reimbursement.

25 5. CAPITALIZED TERMS. Unless defined herein, or the context requires
26 otherwise, all capitalized terms shall have the meaning as defined in the Sublease.
27 The provisions of this First Amendment to Sublease shall prevail over any
28

1 inconsistency or conflicting provisions of the Sublease, as heretofore amended, and
2 shall supplement the remaining provisions thereof.

3 6. FIRST AMENDMENT TO PREVAIL. The provisions of this First Amendment to
4 Sublease shall prevail over any inconsistency or conflicting provisions of the Sublease,
5 as heretofore amended, and shall supplement the remaining provisions thereof.

6 7. MISCELLANEOUS. Except as amended or modified herein, all the terms of the
7 Original Sublease shall remain in full force and effect and shall apply with the same
8 force and effect. If any provisions of this First Amendment or the Sublease shall be
9 determined to be illegal or unenforceable, such determination shall not affect any other
10 provision of the Sublease and all such other provisions shall remain in full force and
11 effect. The language in all parts of the Sublease shall be construed according to its
12 normal and usual meaning and not strictly for or against either County or BLD Jurupa.
13 Neither this Amendment, nor the Sublease, nor any notice nor memorandum regarding
14 the terms hereof, shall be recorded by Lessee.

15
16 (SIGNATURES PROVISION ON THE FOLLOWING PAGE)
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1 8. EFFECTIVE DATE. This First Amendment to Sublease shall not be binding or
2 consummated until its approval by the Riverside County Board of Supervisors and fully
3 executed by the Parties.

4 IN WITNESS WHEREOF, the parties have executed this First Amendment to
5 Sublease as of the date first written above.

6
7 Dated: _____

8 COUNTY OF RIVERSIDE

Big League Dreams Jurupa LLC

9
10 By: _____

By:  _____

11 Jeff Stone, Chairman
12 Board of Supervisors

13 Scott Parks LeTellier
14 Chief Executive Officer

15
16 ATTEST:
17 Kecia Harper-Ihem
18 Clerk of the Board

19 By: _____
20 Deputy

21 APPROVED AS TO FORM:
22 Pamela J. Walls
23 County Counsel

24 By:  _____
25 Patricia Munroe
26 Deputy County Counsel

27 CC:ra/091113/JV003/16.198 S:\Real Property\TYPING\Docs-16.000 to 16.499\16.198.doc

Exhibit 1-A

