

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

740



FORM APPROVED COUNTY COUNSEL
DATE: 10/4/12
BY: PATRICIA MUNROE
Department

FROM: Economic Development Agency / Facilities Management

SUBMITTAL DATE:
November 21, 2012

SUBJECT: Second Amendment to Lease – Hutchings Court Reporters

RECOMMENDED MOTION: That the Board of Supervisors:

1. Ratify the attached Second Amendment to Lease;
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 Guideline Section 15301, Existing Facilities.

BACKGROUND: (Commences on Page 2)

Robert Field

Robert Field
Assistant County Executive Officer/EDA

FINANCIAL DATA	Current F.Y. Total Cost:	\$ 0	In Current Year Budget:	Yes
	Current F.Y. Net County Cost:	\$ 0	Budget Adjustment:	No
	Annual Net County Cost:	\$ 0	For Fiscal Year:	2012/13

COMPANION ITEM ON BOARD AGENDA: No

SOURCE OF FUNDS: Revenue Lease	Positions To Be Deleted Per A-30	<input type="checkbox"/>
	Requires 4/5 Vote	<input type="checkbox"/>

C.E.O. RECOMMENDATION: APPROVE
BY: *Jennifer L. Sargent*
County Executive Office Signature Jennifer L. Sargent

MINUTES OF THE BOARD OF SUPERVISORS

On motion of Supervisor Stone, seconded by Supervisor Ashley and duly carried, IT WAS ORDERED that the above matter is approved as recommended.

Ayes: Buster, Stone, Benoit and Ashley
Nays: None
Absent: Tavaglione
Date: December 4, 2012
xc: EDA

Kecia Harper-Ihem
Clerk of the Board
By: *[Signature]*
Deputy

Policy
 Policy
 Consent
 Consent
 Dep't Recomm.:
 Per Exec. Ofc.:

Prev. Agn. Ref.: 3.20 of 2/23/10

District: 2/2

Agenda Number

3.8

ATTACHMENTS FILED
WITH THE CLERK OF THE BOARD

BACKGROUND:

Hutchings Court Reporters have occupied Suite 640 at Riverside Centre, 3403 10th Street, since July 1, 2004, and this facility continues to meet their needs and requirements. The Economic Development Agency's Real Estate Division has negotiated a three year renewal commencing October 1, 2012. Rent was reduced from \$2.40 per sq. ft. to \$2.10 per sq. ft. to reflect current market rates.

Pursuant to the California Environmental Quality Act (CEQA), this Lease Amendment was reviewed and determined to be categorically exempt from CEQA Guidelines 15301, Class 1 – Existing facilities and no expansion of an existing use will occur.

Lessor: County of Riverside
Economic Development Agency
3403 10th Street, Suite 500
Riverside, California 92501

Premises Location: 3403 10th Street, Suite 640
Riverside, California 92501

Size: 1,983 square feet

Term: Thirty six months commencing October 1, 2012

Rent:

Current	New
\$2.40 per sq. ft.	\$2.10 per square foot
\$4,767.11 per month	\$4,164.30 per month
\$57,204.00 per year	\$49,971.60 per year

Rental Adjustment: Three percent annually

Utilities: Provided by County

Custodial: Provided by County

Maintenance: Provided by County

Improvements: County to provide paint and carpet

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

Attachment:
Second Amendment to Lease

1 **SECOND AMENDMENT TO LEASE**

2
3 **THIS SECOND AMENDMENT TO LEASE** ("Second Amendment"), dated as of
4 December 4, 2012, is entered by and between the **COUNTY OF RIVERSIDE**, a
5 political subdivision of the State of California, as Lessor, and **HUTCHINGS COURT**
6 **REPORTERS, LLC**, a California limited liability company, Lessee, sometimes
7 collectively referred to as the "Parties."

8 **RECITALS**

9
10 a. Lessor and Lessee have entered into that certain Lease, dated July 1, 2004,
11 and its subsequent amendments, (collectively referred to as the "Original Lease")
12 pursuant to which Lessor has agreed to lease to Lessee and Lessee has agreed to
13 lease from Lessor that certain building located at 3403 10th Street, Suite 640,
14 Riverside, (the "Building"), as more particularly described in the Lease (the "Original
15 Premises").

16 b. The amendments of the Original Lease are summarized as follows:

17 1. The First Amendment to Lease dated February 23, 2010 by and between
18 Hutchings Court Reporters, a California limited liability company, Lessee, and The
19 County of Riverside, a political subdivision of the State of California, Lessor. Whereby
20 the Parties amended the Lease to extend the term period, modify the rent, provide an
21 option to extend, improvements by County, modify tenants proportionate share,
22 Landlord's Broker and Notices.

23 c. The Parties now desire to amend the Original Lease and its amendments
24 collectively referred to as "Lease" to extend the term.

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

27 2. **TERM.** Section 2.6 of the Lease is hereby amended by adding the
28 following:

1 The term of this Lease shall be extended for thirty six (36) months commencing
2 on October 1, 2012 and terminating on September 30, 2015.

3 3. RENT. Section 2 of the First Amendment is hereby deleted in its entirety
4 and replaced with the following:

5 Commencing on October 1, 2012 through September 30, 2014 the
6 monthly rent shall be \$4,164.30 per month. Effective October 1, 2014 the monthly rent
7 shall be increased by an amount equal to three percent (3%) of such monthly rent.

8 4. OPTION TO RENEW. Section 36.1 of the Addendum to Lease is deleted
9 in its entirety and replaced with the following:

10 Lessor grants to Lessee two (2) options to extend its lease for two
11 separate one year periods on the same terms and conditions set forth in the
12 Addendum to Lease.

13 5. TENANT IMPROVEMENTS. County, at its sole cost and expense shall
14 replace the carpet and paint throughout the entire Suite.

15 6. OPERATING EXPENSES. Section 6 of the Lease is deleted in its
16 entirety.

17 7. PERMITS, LICENSES AND TAXES. Lessee shall secure and maintain,
18 at its expense, all necessary permits and licenses as it may be required to obtain
19 and/or hold, Lessee shall pay for all fees and taxes levied or required by any
20 authorized public entity. Lessee recognizes and understands that this Lease shall
21 create a possessory interest subject to property taxation and that Lessee shall be
22 subject to the payment of property taxes levied on such interest.

23 8. SECOND AMENDMENT TO PREVAIL. The provisions of this Second
24 Amendment shall prevail over any inconsistency or conflicting provisions of the
25 Original Lease.

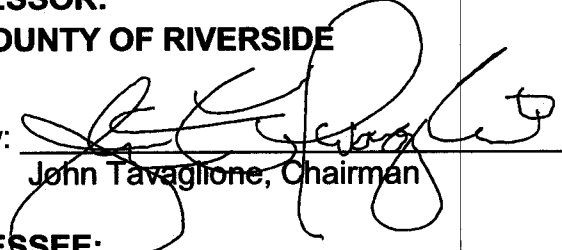
26 9. MISCELLANEOUS. Except as amended or modified herein, all the terms
27 of the Original Lease shall remain in full force and effect and shall apply with the same
28 force and effect. Time is of the essence in the Lease and each and all of its

1 respective provisions. If any provisions of the Lease shall be determined to be illegal
2 or unenforceable, such determination shall not affect any other provision of the Lease
3 and all such other provisions shall remain in full force and effect. The language in all
4 parts of the Lease shall be construed according to its normal and usual meaning and
5 not strictly for or against either Lessor or Lessee. Neither this Second Amendment,
6 nor the Original Lease, nor any notice nor memorandum regarding the terms hereof,
7 shall be recorded by Lessee.

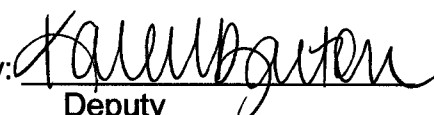
8 10. EFFECTIVE DATE. This Second Amendment to Lease shall not be
9 binding or consummated until its approval by the Riverside County Board of
10 Supervisors and fully executed by the Parties.

11 WITNESS WHEREOF, the parties have executed this Amendment as of the
12 date first written above.


13 LESSOR:
14 COUNTY OF RIVERSIDE

15 By: 
16 John Tavaglione, Chairman

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

20 By: 
21 Deputy

22 LESSEE:
23 HUTCHINGS COURT REPORTERS

24 By: 
25 Will A. Robberts
26 Chief Executive Officer

27 APPROVED AS TO FORM:
28 Pamela J. Walls, County Counsel

By: 
Patricia Munroe
Deputy County Counsel