

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

117



FROM: Economic Development Agency/Facilities Management

SUBMITTAL DATE:
July 17, 2014

SUBJECT: Second Amendment to Sublease – Palo Verde Health Care District, Five Year Renewal, District 4/District 4, CEQA Exempt [\$0]

RECOMMENDED MOTION: That the Board of Supervisors:

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

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: 2014/15

C.E.O. RECOMMENDATION:

APPROVE.

BY:
Rohini Dasika

County Executive Office Signature

MINUTES OF THE BOARD OF SUPERVISORS

On motion of Supervisor Tavaglione, seconded by Supervisor Jeffries and duly carried by unanimous vote, IT WAS ORDERED that the above matter is approved as recommended.

Ayes: Jeffries, Tavaglione, Stone, Benoit and Ashley
 Nays: None
 Absent: None
 Date: July 29, 2014
 xc: EDA

Keqia Harper-Ihem
 Clerk of the Board
 By:
 Deputy

Prev. Agn. Ref.: 3.41 of 9/30/08 | **District:** 4/4 | **Agenda Number:**

3-24

FORM APPROVED COUNTY COUNSEL
7/2/14
MUNROE

Departmental Concurrence

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

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

Economic Development Agency/Facilities Management

FORM 11: Second Amendment to Sublease – Palo Verde Health Care District, Five Year Renewal, District 4/District 4, CEQA Exempt [\$0]

DATE: July 17, 2014

Page 2 of 2

BACKGROUND:

Summary

On January 6, 1998 the County entered into a Revenue Sublease with the Palo Verde Health Care District for the County facility located at 205 N. 1st Street, Blythe. This facility continues to meet the needs and requirements of Palo Verde Health Care District and this Second Amendment to Sublease represents a five year extension. Ratification is due to time frame on Sublessee responding to renewal proposal. Pursuant to California Environmental Quality Act CEQA Guidelines Section 15301, Existing Facilities are exempt.

Lessor:	County of Riverside/EDA 3403 10 th Street, Suite 400 Riverside, California 92501	
Location:	205 N. 1 st Street Blythe, California 92225	
Size:	11,054 square feet	
Term:	Five years commencing September 1, 2013 expires August 31, 2018	
Rent:	Previous	Current
	\$1.49 per sq. ft.	\$1.54 per sq. ft.
	\$16,545.44 per month	\$17,021.20 per month
	\$198,545.28 per year	\$204,254.40 per year
Rental Adjustment:	Three percent	
Maintenance:	Provided by County	
Utilities:	Paid by Sublessee	
Custodial:	Paid by Sublessee	

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

Impact on Residents and Businesses

Palo Verde Health Care District provides professional full service medical care to the community from intensive care, imaging to ER and general medical service. These important services promote the health, safety and welfare of the residents and region. The Palo Verde Health Care District also employs an array of health professionals that provide a positive impact to area businesses and generate local sales tax revenue.

Contract History and Price Reasonableness

The original sublease was executed on January 16, 1998 and subsequent amendments executed thereafter.

Attachment:

Second Amendment to Sublease

1 **SECOND AMENDMENT TO SUBLEASE**

2
3 **THIS SECOND AMENDMENT TO SUBLEASE** ("Second Amendment"), dated
4 as of July 29, 2014, is entered into by and between the **COUNTY OF**
5 **RIVERSIDE**, a political subdivision of the State of California, County, and **PALO**
6 **VERDE HEALTH CARE DISTRICT**, Sublessee.

7 **RECITALS**

8 a. County and Sublessee have entered into that certain Sublease dated
9 January 6, 1998 (the "Sublease") pursuant to which County has agreed to Sublease to
10 Sublessee and Sublessee has agreed to Sublease from County that certain building
11 located at 205 North First Street, Blythe, as more particularly described in the
12 Sublease.

13 b. The amendments of the Sublease are summarized as follows:

14 1. The First Amendment to Sublease dated September 30, 2008 by and
15 between The County of Riverside, and Palo Verde Health Care District.

16 c. The Parties now desire to amend the Sublease to extend the term.

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

19 2. RENT. Section 6 of the Sublease is amended as follows: The
20 monthly rent during the extended term shall be as follows:

21 September 1, 2013 through August 31, 2014 - \$17,531.84

22 September 1, 2014 through August 31, 2015 - \$18,057.79

23 September 1, 2015 through August 31, 2016 - \$18,599.52

24 September 1, 2016 through August 31, 2017 - \$19,157.50

25 September 1, 2017 through August 31, 2018 - \$19,732.22

26 3. TERM. Section 4 of the Sublease shall be amended as follows:
27 The term of this Sublease shall be extended an additional five (5) years commencing
28 on September 1, 2013 and terminating on August 31, 2018.

1 4. CUSTODIAL. Section 7 of the Sublease shall be deleted in its
2 entirety.

3 5. SECOND AMENDMENT TO PREVAIL. The provisions of this
4 Second Amendment shall prevail over any inconsistency or conflicting provisions of the
5 Sublease. Any capitalized terms shall have the meaning defined in the Sublease,
6 unless defined herein or context requires otherwise.

7 6. MISCELLANEOUS. Except as amended or modified herein, all
8 terms of the Sublease shall remain in full force and effect. If any provisions of this
9 Amendment shall be determined to be illegal or unenforceable, such determination
10 shall not affect any other provision of the Sublease. Neither this Amendment nor the
11 Sublease shall be recorded by the County.

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1 7. EFFECTIVE DATE. This Second Amendment to Sublease shall
2 not be binding or consummated until its approval by the Riverside County Board of
3 Supervisors and fully executed by the Parties.

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

6
7 DATED: JUL 29 2014

8
9 COUNTY OF RIVERSIDE

PALO VERDE HEALTH CARE
DISTRICT

10
11 By: Jeff Stone
12 Jeff Stone, Chairman
13 Board of Supervisors

By: Trina Sartin
Trina Sartin, Board President

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

17 By: Patricia Munroe
18 Deputy

19 APPROVED AS TO FORM:
20 Pamela J. Walls, County Counsel

21 By: Patricia Munroe
22 Patricia Munroe
23 Deputy County Counsel

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