

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



ITEM  
3.2  
(ID # 2816)

**MEETING DATE:**

Tuesday, March 21, 2017

**FROM :** ECONOMIC DEVELOPMENT AGENCY (EDA):

**SUBJECT:** ECONOMIC DEVELOPMENT AGENCY (EDA): Third Amendment to Revenue Lease with Clinicas De Salud De Pueblo, Inc. Lessee and County of Riverside, Mecca, District 4 [\$0]

**RECOMMENDED MOTION:** That the Board of Supervisors:

1. Approve the attached Third Amendment to Revenue 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 CEQA pursuant to State CEQA Guidelines Section 15301, Class 1 Existing Facilities Exemption and Section 15061 (b)(3) "Common Sense" Exemption", and direct the Clerk of the Board to file the Notice of Exemption.

**ACTION: (Policy)**

Robert Field, Assistant County Executive Officer/EDA

2/2/2017

---

**MINUTES OF THE BOARD OF SUPERVISORS**

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

Ayes: Jeffries, Tavaglione and Washington  
Nays: None  
Absent: Ashley  
Date: March 21, 2017  
xc: EDA, Recorder

Kecia Harper-Ihem  
Clerk of the Board  
By:   
Deputy

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

<b>FINANCIAL DATA</b>	<b>Current Fiscal Year:</b>	<b>Next Fiscal Year:</b>	<b>Total Cost:</b>	<b>Ongoing Cost</b>
<b>COST</b>	\$ 0	\$ 0	\$ 0	\$ 0
<b>NET COUNTY COST</b>	\$ 0	\$ 0	\$ 0	\$ 0
<b>SOURCE OF FUNDS:</b>			<b>Budget Adjustment:</b>	No
			<b>For Fiscal Year:</b>	2016/17- 2020/21

**C.E.O. RECOMMENDATION:** Approve

**BACKGROUND:**

**Summary**

On January 11, 2012, the Board of Supervisors approved a Second Amendment to Revenue Lease granting Clinicas de Salud Del Pueblo, Inc. a health service provider under contract with Community Health Agency now Riverside University Health Systems (RUHS), the use of County-owned space.

Clinica's de Salud Del Pueblo Inc. continues to provide public service to area residents and would like to extend their contract with the County of Riverside through September 14, 2021. Therefore, the County would like to amend the Revenue Lease by extending the Lease for five years.

Pusuant to the California Environmental Quality Act (CEQA), the Lease was reviewed and determined to be categorically exempt from CEQA under CEQA guidelines 15301, class 1 – Existing Facilities and Section 15061 (b)(3) Common Sense Exemption. The proposed project, the Lease, is the letting of property involving existing facilities with minor tenant improvement alterations and no expansion of an existing use will occur.

This Third Amendment to Revenue Lease is summarized below:

**Location:** Riverside University Health Systems  
91-275 Avenue 66, Mecca

**Lessee:** Clinicas De Salud Del Pueblo, Inc.

**Size:** Approximately 7,877 square feet

**Term:** Five years, September 15, 2016 through  
September 14, 2021

**Monthly Revenue:** \$10,161.33

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

Yearly Revenue: \$121,935.96

EDA Management Fee \$4.92% will be deducted from Monthly rent and revenue RUHS

Annual Increase: Three percent

Utilities: Lessee pays for telephone, data and electrical services for leased premises.

Custodial: Lessee pays for custodial services provided by the County within the leased premises.

Maintenance: County, at its expense, provides interior and exterior maintenance.

The attached Third Amendment to Revenue Lease has been reviewed and approved by County Counsel as to form.

**SUPPLEMENTAL:**  
**Additional Fiscal Information**

All associated costs for the Third Amendment to Revenue Lease will be fully reimbursed by RUHS through Revenue Funds. RUHS has budgeted for these costs in FY 2016/17.

**Impact on Citizens and Businesses**

The public benefit continues with this location serving clients in the community and region.

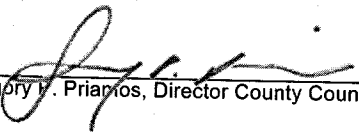
**Contract History and Price Reasonableness**

This is a 5-year revenue lease extension. The lease rate is competitive based on the current real estate market.

Attachments:  
Amendment

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

RF:JWW:VC:VY:YK:tg ME002 18.491 13394  
MinuteTraq #2816

  
\_\_\_\_\_  
Gregory V. Priamos, Director County Counsel 2/21/2017

  
\_\_\_\_\_  
Rahini Basma, Principal Management Analyst 3/13/2017

  
\_\_\_\_\_  
Gregory V. Priamos, Director County Counsel 2/21/2017

1 **THIRD AMENDMENT TO REVENUE LEASE**

2 (Clinicas De Salud Del Pueblo)

3 91-275 Avenue 66, Mecca, California

4  
5 This THIRD AMENDMENT TO REVENUE LEASE ("Third Amendment"), dated  
6 as of March 21, 2017, is entered by and between the **COUNTY OF**  
7 **RIVERSIDE**, a political subdivision of the State of California ("County"), and **CLINICAS**  
8 **DE SALUD DEL PUEBLO INC.**, a California nonprofit corporation, ("Lessee") and,  
9 sometimes collectively referred to as the Parties.

10 **RECITALS**

11 **A.** County and Lessee have entered into that certain Revenue Lease dated  
12 August 23, 2005, between them for the premises located at 91-275 Avenue 66, Mecca  
13 ("Revenue Lease") pursuant to which County has agreed to lease to Lessee and  
14 Lessee has agreed to lease from County of that certain building located at 91-275  
15 Avenue 66, Mecca as more particularly described within the Original Lease (the  
16 "Original Premises").

17 **B.** The Original Lease has been amended by:

18 1. That certain First Amendment to Revenue Lease dated January 25,  
19 2011, by and between County of Riverside, a political subdivision of the State of  
20 California and Clinicas De Salud Del Pueblo Inc., a California corporation (the "First  
21 Amendment") whereby the Parties amended the lease to extend the term and the  
22 rental amounts.

23 2. That certain Second Amendment to Revenue Lease dated January 24,  
24 2012, by and between County of Riverside, a political subdivision of the State of  
25 California and Clinicas De Salud Del Pueblo Inc., a California corporation (the "First  
26 Amendment") whereby the Parties amended the lease to extend the term, rental  
27 amount and addition of custodial services.

28 **MAR 21 2017 3.2**

1 C. The Original Revenue Lease, together with this Third Amendment, are  
2 collectively referred to as the "Revenue Lease".

3 D. The Parties now desire to amend the Revenue Lease by extending the  
4 term, modifying the rent and deleting custodial costs.

5 **NOW THEREFORE**, for good and valuable consideration the receipt and  
6 adequacy of which is hereby acknowledged, the parties agree as follows:

7 1. **Term.** Section 4(a) of the Original Lease is hereby amended by the  
8 following:

9 The term of this Lease shall be extended for a period of (5) five years  
10 commencing on September 15, 2016 and terminating on September 14, 2021.

11 2. **Rent.** Section 6(a) of the Original Lease is hereby amended by the  
12 following:

13 Lessee shall pay to County for the premises during the extended term Ten  
14 Thousand One Hundred Sixty One Dollars and Thirty-three Cents (\$10,161.33) per  
15 month, payable directly to County of Riverside on the first day of each month.

16 3. **Rent Increases.** Section 6(b) of the Original Lease is hereby amended  
17 by the following:

18 The rent indicated in section 2 shall increase three percent (3%) on the first day  
19 of each year of the Term of this Lease.

20 4. **Custodial.** Section 10(b) of the Original Lease is hereby amended by  
21 the following:

22 Lessee shall pay the following amounts for custodial services performed within  
23 the leased premises as follows:

24	2016/17	\$8500
25	2017/18	\$8500
26	2018/19	\$8500
27	2019/20	\$8500
28	2020/21	\$8500

1           **5. Third Amendment to Prevail.** The provisions of this Third Amendment  
2 to Revenue Lease shall prevail over any inconsistency of conflicting provisions of the  
3 Lease, as heretofore amended, and shall supplement the remaining provisions thereof.

4           **6. Miscellaneous.** Except as amended or modified herein, all the terms of  
5 the Original Lease shall remain in full force and effect and shall apply with the same  
6 force and effect. Time is of the essence in this Amendment and the Lease and each  
7 and all of their respective provisions. Subject to the provisions of the Lease as to  
8 assignment, the agreements, conditions and provisions herein contained shall apply to  
9 and bind the heirs, executors, administrators, successors and assigns of the parties  
10 hereto. If any provisions of this Amendment or the Lease shall be determined to be  
11 illegal or unenforceable, such determination shall not affect any other provision of the  
12 Lease and all such other provisions shall remain in full force and effect. The language  
13 in all parts of the Lease shall be construed according to its normal and usual meaning  
14 and not strictly for or against either County or Lessee. Neither this Amendment, nor the  
15 Original Lease, nor any notice nor memorandum regarding the terms hereof, shall be  
16 recorded by Lessee.

17           **7. Effective Date.** This Third Amendment to Lease shall not be binding or  
18 consummated until its approval by the Riverside County Board of Supervisors and fully  
19 executed by the Parties

20 ///

21 ///

22 ///

23 ///

24 ///

25 ///

26 ///

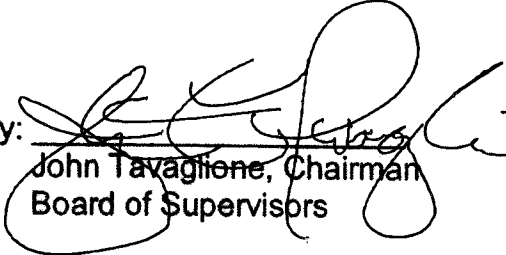
27 ///

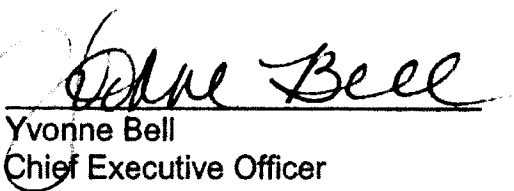
28 ///

1                   **IN WITNESS WHEREOF**, the Parties have executed this **Amendment** as  
2 of the date first written above.

3  
4  
5 **COUNTY:**  
6 **COUNTY OF RIVERSIDE**

**LESSEE:**  
**CLINICAS DE SALUD DEL PUEBLO, Inc.**

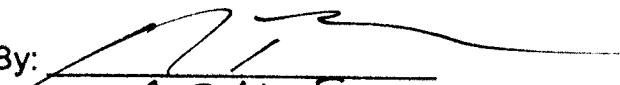
7  
8 By:   
9 **John Tavaglione, Chairman**  
**Board of Supervisors**

By:   
**Yvonne Bell**  
**Chief Executive Officer**

10  
11 **ATTEST:**  
12 **Kecia Harper-Ihem**  
13 **Clerk of the Board**

14 By:   
15 **Deputy**

16  
17 **APPROVED AS TO FORM:**  
18 **Gregory P. Priamos, County Counsel**

19 By:   
20 **R. Todd Franks**  
21 **Deputy County Counsel**

22  
23  
24  
25  
26  
27 YK:tg/010517/ME002/18.484 S:\Real Property\TYPING\Docs-18.000 to 18.499\18.484.doc





Original Negative Declaration/Notice of Determination was routed to County Clerk for posting on. 3/24/17 kb Date Initial

NOTICE OF EXEMPTION

December 6, 2016

Project Name: Riverside University Health System Clinic, Third Amendment to Lease, Mecca, County of Riverside, California.

Project Number: FM047460000200

Project Location: 91-275 Avenue 66, east of Highway 111, Mecca, California 92254; Assessor's Parcel Number (APN): 727-272-030 (See attached exhibit).

Description of Project: The County of Riverside (County) approved a Second Amendment to Revenue Lease on January 11, 2102. The Revenue Lease agreement granted Clinics de Salud Del Pueblo, a health service provider under contract with the Riverside University Health System, the use of approximately 8,685 square feet of County-owned space located at 91-275 Avenue 66 in Mecca. The square footage has been verified by Space Management due to the common core areas the correct square footage is 7,877. Clinicas de Salud Del Pueblo continues to provide public services to area residents and would like to extend their contract with the County of Riverside through September 14, 2021. Therefore, the County is seeking to amend the Lease by extending the term for five years. The five-year extension to the existing Lease would commence on September 15, 2016 and expire on September 14, 2021. The Third Amendment to the Lease is identified as the proposed Project under the California Environmental Quality Act (CEQA). The operation of the facility will continue to provide County services and no expansion of the existing use would occur. No additional direct or indirect physical environmental impacts are anticipated.

Name of Public Agency Approving Project: County of Riverside, Economic Development Agency

Name of Person or Agency Carrying Out Project: County of Riverside, Economic Development Agency; Clinicas Del Salud De Pueblo, Inc. and Riverside University Health System

Exempt Status: State CEQA Guidelines, Section 15301, Class 1, Existing Facilities Exemption; Section 15061(b) (3), General Rule or "Common Sense" Exemption, Codified under Title 14, Articles 5 and 19, Sections 15061 and 15300 to 15301.

Reasons Why Project is Exempt: The proposed Project is categorically exempt from the provisions of CEQA specifically by the State CEQA Guidelines as identified below. The Project will not result in any specific or general exceptions to the use of the categorical exemption as detailed under State CEQA Guidelines Section 15300.2. The Project will not cause an impact to an environmental resource of hazardous or critical concern nor would the Project include a reasonable possibility of having a significant effect on the environment due to unusual circumstances. The Project would not result in impacts to scenic highways, hazardous waste sites, historic resources, or other sensitive natural environments, or have a cumulative effect on the environment. No significant environmental impacts are anticipated to occur with the Third Amendment to the Revenue Lease Agreement.

MAR 21 2017 3.2

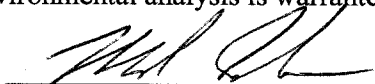
P.O. Box 1180 • Riverside, California • 92502 • T: 951.955.8916 • F: 951.955.6486 www.rivceda.org

- Administration, Aviation, Business Intelligence, Cultural Services, Community Services, Custodial, Housing, Housing Authority, Information Technology, Maintenance, Marketing, Economic Development, Edward-Dean Museum, Environmental Planning, Fair & National Date Festival, Foreign Trade, Graffiti Abatement, Parking, Project Management, Purchasing Group, Real Property, Redevelopment Agency, Workforce Development

- **Section 15301 – Class 1 Existing Facilities Exemption:** This categorical exemption includes the operation, repair, maintenance, leasing, or minor alteration of existing public or private structures or facilities, provided the exemption only involves negligible or no expansion of the previous site’s use. The Project, as proposed, is limited to the extension of an existing Revenue Lease Agreement. The Third Amendment to the Revenue Lease Agreement would not result in a change of use or require any expansion of public services and facilities; therefore, the Project is exempt as the Project meets the scope and intent of the Class 1 Exemption identified in Section 15301, Article 19, Categorical Exemptions of the CEQA Guidelines.
- **Section 15061 (b) (3) – “Common Sense” Exemption:** In accordance with CEQA, the use of the Common Sense Exemption is based on the “general rule that CEQA applies only to projects which have the potential for causing a significant effect on the environment.” State CEQA Guidelines, Section 15061(b) (3). The use of this exemption is appropriate if “it can be seen with certainty that there is no possibility that the activity in question may have a significant effect on the environment.” *Ibid*. This determination is an issue of fact and if sufficient evidence exists in the record that the activity cannot have a significant effect on the environment, then the exemption applies and no further evaluation under CEQA is required. See *No Oil, Inc. v. City of Los Angeles* (1974) 13 Cal. 3d 68. The ruling in this case stated that if a project falls within a category exempt by administrative regulation or 'it can be seen with certainty that the activity in question will not have a significant effect on the environment', no further agency evaluation is required. With certainty, there is no possibility that the Project may have a significant effect on the environment. The Third Amendment to the Revenue Lease Agreement, which includes a five-year extension, will not result in any direct or indirect physical environmental impacts. The use and operation of the facility will be consistent with the existing use and will not create any new environmental impacts to the surrounding area. No alterations and no impacts beyond the ongoing, existing use of the site would occur. Therefore, in no way, would the Project as proposed have the potential to cause a significant environmental impact and the Project is exempt from further CEQA analysis.

Based upon the identified exemption above, the County of Riverside, Economic Development Agency hereby concludes that no physical environmental impacts are anticipated to occur and the project as proposed is exempt under CEQA. No further environmental analysis is warranted.

Signed:



Date:

12/6/16

Mike Sullivan, Senior Environmental Planner  
County of Riverside, Economic Development Agency

**RIVERSIDE COUNTY CLERK & RECORDER**

**AUTHORIZATION  
TO BILL  
BY JOURNAL VOUCHER**

**Project Name: RUHS Clinic 3rd Amendment to Lease, Mecca**

**Accounting String: 524830-47220-7200400000 - FM047460000200**

DATE: December 6, 2016

AGENCY: Riverside County Economic Development Agency

THIS AUTHORIZES THE COUNTY CLERK & RECORDER TO BILL FOR FILING AND HANDLING FEES FOR THE ACCOMPANYING DOCUMENT(S).

NUMBER OF DOCUMENTS INCLUDED: One (1)

AUTHORIZED BY: Mike Sullivan, Senior Environmental Planner, Economic Development Agency

Signature: 

PRESENTED BY: Yolanda King, Real Property Agent II, Economic Development Agency

-TO BE FILLED IN BY COUNTY CLERK-

ACCEPTED BY: -

DATE: -

RECEIPT # (S) -



Date: December 6, 2016

To: Mary Ann Meyer, Office of the County Clerk

From: Mike Sullivan, Senior Environmental Planner, Project Management Office

Subject: **County of Riverside Economic Development Agency Project # FM047460000200**  
RUHS Clinic 3rd Amendment to Lease, Mecca

The Riverside County's Economic Development Agency's Project Management Office is requesting that you post the attached Notice of Exemption. Attached you will find an authorization to bill by journal voucher for your posting fee.

**After posting, please return the document to:**

**Mail Stop #1330**

**Attention: Mike Sullivan, Senior Environmental Planner,**

**Economic Development Agency,**

**3403 10<sup>th</sup> Street, Suite 400, Riverside, CA 92501**

**If you have any questions, please contact Mike Sullivan at 955-8009.**

Attachment

cc: file

**REVENUE LEASE**  
(MECCA FAMILY SERVICE CENTER AND COMMUNITY HEALTH CLINIC,  
91-275 Avenue 66, Mecca, California)

The COUNTY OF RIVERSIDE, herein called County, leases to **CLINICAS DE SALUD DEL PUEBLO**, Incorporated, herein called Lessee, the property described below upon the following terms and conditions:

1. Recitals.

(a) County has established a clinical health services program pursuant to the provisions of Section 1200 et seq. of the Health and Safety Code, and moreover, such program has been deemed by County through its Community Health Agency to meet the social needs of its residents relating to health and welfare pursuant to Section 26227 of the Government Code.

(b) Lessee represents that it is capable of providing such clinical health services and willing to do so at County's Mecca Family Health Center.

(c) Pursuant to Section 26227 of the Government Code, County has determined that the premises in which the Mecca Family Health Center is situated will not be needed for other County purposes during the contemplated term of this Lease and County is willing to make the Mecca Health Center available to Lessee to carry out the operation thereof.

2. Description. The premises leased hereby consists of approximately 8,685 square feet located in the facility at 91-275 Avenue 66, Mecca, California, as more particularly shown on Exhibit "A", attached hereto and by this reference made a part of this Lease.

3. Use.

(a) The premises are leased hereby for the purpose of providing clinical health care services to patients referred by County and to the general public pursuant to the provisions contained in Section 1200 et seq. of the Health and Safety Code and as provided herein.

(b) The leased premises shall not be used for any other purpose without first obtaining the written consent of County, which consent shall be in the absolute discretion of County.

(c) Lessee shall have the exclusive use of the leased premises, and the common use of walkways, driveways, vehicular parking facilities maintained and operated by County for itself and members of the general public at said Mecca Family Health Center.

4. Term.

(a) The term of this Lease shall be five (5) years commencing upon Lessee's occupancy of the leased premises.

(b) Any holding over by Lessee after the expiration of this Lease shall be on a day-to-day basis strictly, and continuing tenancy rights shall not accrue to Lessee.

5. Option to Extend. Lessee shall have the option to extend the term of this Lease for a separate and consecutive five (5) year period, which option shall be exercised by Lessee giving County notice of its election thereof, in writing, no later than sixty (60) days prior to the expiration of the initial term of this Lease.

6. Rent.

(a) Lessee shall pay to County the monthly sums as rent for the leased premises during the term of this Lease as indicated below:

<u>Amount</u>	<u>Year</u>
\$7,382.25	First
\$7,990.20	Second
\$9,206.10	Third
\$9,482.28	Fourth
\$9,776.75	Fifth

(b) Notwithstanding the provisions of Paragraph 6(a) herein, the monthly rent shall be increased by an amount equal to three percent (3%) upon the commencement of the sixth year of this Lease and each anniversary thereafter should Lessee exercise its option to extend an additional five (5) years.

7. Equipment/Furnishings.

(a) County has certain equipment and furnishings within the leased premises for Lessee's use during the term of this Lease. A list of such equipment and furnishings is set forth in Exhibit "B", Equipment and Furnishings, attached hereto. Said equipment and furnishings shall remain within the leased premises.

(b) County, at its expense, shall maintain said equipment and furnishings in good working condition and repair; provided, however, in the event any of said equipment and/or furnishings are deemed by County to be beyond economical repair, they shall be returned to County for disposition and Lessee, at its expense, shall replace any such equipment and/or furnishings. Equipment or furnishings purchased, or otherwise acquired, by Lessee shall remain the property of Lessee.

(c) On or about June 30 of each year of this Lease, County shall conduct an on-site inventory of its equipment and furnishings for the purpose of

accounting for, and evaluating the condition of, said equipment and furnishings. If necessary, a revised list of said equipment and furnishings shall be executed by duly authorized agents of County and Lessee and shall be filed with the Clerk of the Board of Supervisors.

8. Signs. Lessee shall not erect, maintain or display any signs or other forms of advertising upon the leased premises without first obtaining the written approval of County, which approval shall not be unreasonably withheld.

9. Utilities.

(a) Lessee shall pay for all telephone, data, and electrical services used in connection with the leased premises. County shall provide, or cause to be provided, and pay for all other utility services as may be required in the maintenance, operation, and use of the leased premises.

(b) Lessee shall be invoiced monthly for electrical services. The formula used in calculating the cost of electrical used by Lessee and billed to Lessee shall be: Square foot percentage of total square footage assigned to the Community Health Agency times the cost of electrical billed.

Example: Leased premises is 8,685 square feet or 53% of the 16,394 square feet assigned to the Community Health Agency, multiply 53% times the monthly electrical charge to Community Health Agency. The total is the Lessee's portion of the bill.

(c) Notwithstanding Paragraph 9(a) and (b) herein, County shall invoice Lessee for Lessee's monthly T-1 connectivity charge.

10. Custodial.

(a) County shall provide, or cause to be provided, custodial services within the leased premises.

(b) Lessee shall be invoiced monthly for custodial services performed within the leased premises as follows:

<u>YEAR</u>	<u>AMOUNT</u>
1	\$4,264.91
2	\$5,306.59
3	\$6,348.00
4	\$6,348.00
5	\$6,348.00

11. Maintenance.

(a) County, at its expense, shall be responsible for keeping the interior and exterior of the leased premises in good and suitable condition for the uses contemplated hereunder during the term of this Lease.

(b) Notwithstanding the provisions of Paragraph 11(a) above, in the event of any damage or injury to the leased premises or areas of common use caused by Lessee, its agents, employees, contractors, subcontractors, patients or invitees, Lessee, shall compensate County forthwith for the cost of repair.

12. Inspection of Premises. County, through its duly authorized agents, shall have, at any time during normal business hours, the right to enter the leased premises for the purpose of inspecting, monitoring and evaluating the obligations of Lessee hereunder and for the purpose of doing any and all things which it is obligated and has a right to do under this Lease.

13. Lessee Semiannual Report to County.

Lessee shall prepare and submit to County a semiannual report to include: (a) demographic profile of patients seen, including economic and insurance payer status; and (b) number of patients seen each month by category of service (CHDP, prenatal, primary care, immunization, other).

14. Quiet Enjoyment. Lessee shall have, hold and quietly enjoy the use of the leased premises so long as it shall fully and faithfully perform the terms and conditions that it is required to do under this Lease.

15. Compliance with Government Regulations. Lessee shall, at its expense, comply with the requirements of all local, state and federal statutes, regulations, rules, ordinances and orders now in force or which may be hereafter in force, pertaining to the leased premises, including without limitation, an independent license to provide the clinical health care services contemplated hereunder, and current professional licenses for all persons performing such services. The final judgment, decree or order of any Court of competent jurisdiction, or the admission of Lessee in any action or proceedings against Lessee, whether Lessee is a party thereto or not, that Lessee has violated any such statutes, regulations, rules, ordinances, or orders, in the use of the leased premises, shall be conclusive of that fact as between County and Lessee.

16. Termination by County. County shall have the right to terminate this Lease forthwith:

(a) In the event a petition is filed for voluntary or involuntary bankruptcy for the adjudication of Lessee as debtors.

(b) In the event that Lessor makes a general assignment, or Lessee's interest hereunder is assigned involuntarily or by operation of law, for the benefit of creditors.

(c) In the event of abandonment of the leased premises by Lessee.



(d) In the event Lessee fails or refuses to perform, keep or observe any of Lessee's duties or obligations hereunder; provided, however, that Lessee shall have thirty (30) days in which to correct Lessee's breach or default after written notice thereof has been served on Lessee by County.

(e) Subject to sixty (60) days written notice without cause thereof to Lessee.

17. Termination by Lessee.

(a) Lessee shall have the right to terminate this Lease in the event County fails to perform, keep or observe any of its duties or obligations hereunder; provided, however, that County shall have thirty (30) days in which to correct its breach or default after written notice thereof has been served on it by Lessee; provided, further, however, that in the event such breach or default is not corrected, Lessee may elect to terminate this Lease in its entirety or as to any portion of the premises affected thereby, and such election shall be given by an additional fifteen (15) days written notice to County.

(b) Lessee shall have the right to terminate without cause this Lease subject to sixty (60) days written notice thereof to County.

18. Eminent Domain. If any portion of the leased premises shall be taken by eminent domain and a portion thereof remains which is usable by Lessee for the purposes set forth in Paragraph 4 herein, this Lease shall, as to the part taken, terminate as of the date title shall vest in the condemnor, or the date prejudgment possession is obtained through a court of competent jurisdiction, whichever is earlier, and the rent payable hereunder shall abate pro rata as to the part taken; provided, however, in such event County reserves the right to terminate this Lease as of the date when title to the part taken vests in the condemnor or as of such date of prejudgment possession. If all of the leased premises are taken by eminent domain, or such part be taken so that the leased premises are rendered unusable for the purposes set forth in Paragraph 4 herein, this Lease shall terminate. If a part or all of the leased premises be so taken, all compensation awarded upon such taking shall be payable to County and

Lessee shall have no claim thereto, and Lessee hereby assigns to County any right to compensation or damages, or both, to which Lessee may be entitled by reason of such taking.

19. Insurance. Lessee shall during the term of this Lease:

(a) Procure and maintain Workers' Compensation Insurance as prescribed by the laws of the State of California.

(b) Procure and maintain comprehensive general liability, and professional and malpractice liability insurance coverage that shall protect Lessee from claims for damages for personal injury, including, but not limited to, accidental and wrongful death, as well as from claims for property damage, which may arise from

Lessee's use of the leased premises or the performance of its obligations hereunder, whether such use or performance be by Lessee, by any subcontractor, or by anyone employed directly or indirectly by either of them. Such insurance shall name County as an additional insured with respect to this lease and the obligations of Lessee hereunder. Such insurance shall provide for limits of not less than \$1,000,000.00 per occurrence.

(c) Cause its insurance carriers to furnish County by direct mail with Certificate(s) of Insurance showing that such insurance is in full force and effect, and that County is named as an additional insured with respect to this Lease and the obligations of Lessee hereunder. Further, said Certificate(s) shall contain the covenant of the insurance carrier(s) that thirty (30) days written notice shall be given to County prior to modification, cancellation or reduction in coverage of such insurance. In the event of any such modification, cancellation or reduction in coverage and on the effective date thereof, this Lease shall terminate forthwith, unless County receives prior to such effective date another certificate from an insurance carrier of Lessee's choice that the insurance required herein is in full force and effect. Lessee shall not take possession or otherwise use the Leased premises until County has been furnished certificate(s) of insurance as otherwise required in this Paragraph 19.

20. Hold Harmless.

(a) Lessee represents that it has inspected the leased premises, accepts the condition thereof and fully assumes any and all risks incidental to the use thereof. County shall not be liable to Lessee, its officers, agents, employees, subcontractors or independent contractors for any personal injury or property damage suffered by them which may result from hidden, latent or other dangerous conditions in, on, upon or within the leased premises; provided, however, that such dangerous conditions are not caused by the sole negligence of County, its officers, agents or employees.

(b) Lessee shall indemnify and hold County, its officers, agents, employees and independent contractors free and harmless from any liability whatsoever, based or asserted upon any act or omission of Lessee, its officers, agents, employees, subcontractors and independent contractors, for property damage, bodily injury, or death (Lessee's employees included) or any other element of damage of any kind or nature, relating to or in anywise connected with or arising from its use and responsibilities in connection therewith of the leased premises or the condition thereof, and Lessee shall defend, at its expense, including without limitation attorney fees, expert fees and investigation expenses, County, its officers, agents, employees and independent contractors in any legal action based upon such alleged acts or omissions. The obligations to indemnify and hold County free and harmless herein shall survive until any and all claims, actions and causes of action with respect to any and all such alleged acts or omissions are fully and finally barred by the applicable statute of limitations.

(c) The specified insurance limits required in Paragraph 19 above shall in no way limit or circumscribe Lessee's obligations to indemnify and hold County free and harmless herein.

21. Assignment. Lessee cannot assign, sublet, mortgage, hypothecate or otherwise transfer in any manner any of its rights, duties or obligations hereunder to any person or entity without the written consent of County being first obtained, which consent shall be in the absolute discretion of County. In the event of any such transfer, as provided in this Paragraph 21, Lessee expressly understands and agrees that it shall remain liable with respect to any and all of the obligations and duties contained in this Lease.

22. Toxic Materials. During the term of this Lease and any extensions thereof, Lessee shall not violate any federal, state or local law, or ordinance or regulation, relating to industrial hygiene or to the environmental condition on, under or about the leased premises including, but not limited to, soil and groundwater conditions. Further, Lessee, its successors, assigns and Licensees, shall not use, generate, manufacture, produce, store or dispose of on, under or about the licensed premises or transport to or from the leased premises any flammable explosives, asbestos, radioactive materials, hazardous wastes, toxic substances or related injurious materials, whether injurious by themselves or in combination with other materials (collectively, "hazardous materials"). For the purpose of this Lease, hazardous materials shall include, but not be limited to, substances defined as "hazardous substances," "hazardous materials," or "toxic substances" in the Comprehensive Environmental Response, Compensation and Liability Act of 1980, as amended, 42 U.S.C. Section 9601, et seq.; the Hazardous Materials Transportation Act, 49 U.S.C. Section 1801, et seq.; the Resource Conservation and Recovery Act, 42 U.S.C. Section 6901, et seq.; and those substances defined as "hazardous wastes" in Section 25117 of the California Health and Safety Code or as "hazardous substances" in Section 25316 of the California Health and Safety Code; and in the regulations adopted in publications promulgated pursuant to said laws.

23. Free from Liens. Lessee shall pay, when due, all sums of money that may become due for any labor, services, material, supplies, or equipment, alleged to have been furnished or to be furnished to Lessee, in, upon, or about the leased premises, and which may be secured by a mechanics', material men's or other lien against the leased premises or County's interest therein, and will cause each such lien to be fully discharged and relicensed at the time the performance of any obligation secured by such lien matures or becomes due; provided, however, that if Lessee desires to contest any such lien, it may do so, but notwithstanding any such contest, if such lien shall be reduced to final judgment, and such judgment or such process as may be issued for the enforcement thereof is not promptly stayed, or if so stayed, and said stay thereafter expires, then and in such event, Lessee shall forthwith pay and discharge said judgment.

24. Employees and Agents of Lessee. It is understood and agreed that all persons hired or engaged by Licensee shall be considered to be employees or agents of Lessee and not of County.

25. Binding on Successors. Lessee, its assigns and successors in interest, shall be bound by all the terms and conditions contained in this Lease, and all of the parties thereto shall be jointly and severally liable hereunder.

26. Waiver of Performance. No waiver by County at any time of any of the terms and conditions of this Lease shall be deemed or construed as a waiver at any time thereafter of the same or of any other terms or conditions contained herein or of the strict and timely performance of such terms and conditions.

27. Severability. The invalidity of any provision in this Lease as determined by a court of competent jurisdiction shall in no way affect the validity of any other provision hereof.

28. 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 hereby waive all provisions of law providing for a change of venue in such proceedings to any other County.

29. Attorneys' Fees. In the event of any litigation or arbitration between Lessee and County to enforce any of the provisions of this Lease or any right of either party hereto, the unsuccessful party to such litigation or arbitration agrees to pay to the successful party all costs and expenses, including reasonable attorneys' fees, incurred therein by the successful party, all of which shall be included in and as a part of the judgment or award rendered in such litigation or arbitration.

30. 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

County of Riverside  
Department of Facilities  
Management  
3133 Mission Inn Avenue  
Riverside, California 92507-4199

LESSEE

Clínicas De Salud Del Pueblo  
Chief Executive Officer  
P.O. Box 1279  
Brawley, California 92227

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

31. Permits, Licenses and Taxes. Lessee shall secure, at its expense, all necessary permits and licenses as it may be required to obtain, and Lessee shall pay for all fees and taxes levied or required by any authorized public entity. Lessee recognizes and understands that this Lease may create a possessory interest subject to property taxation and that Lessee may be subject to the payment of property taxes levied on such interest.

32. Paragraph Headings. The paragraph headings herein are for the convenience of the parties only, and shall not be deemed to govern, limit, modify or in any manner affect the scope, meaning or intent of the provisions or language of this Lease.

33. County's Representative. County hereby appoints the Director of the Department of Facilities Management as its authorized representatives to administer this Lease.

34. Agent for Service of Process. It is expressly understood and agreed that in the event Lease is not a resident of the State of California or it is an association or partnership without a member or partner resident of the State of California, or it is a foreign corporation, then in any such event, Lessee shall file with County's Director of the Department of Facilities Management, upon its execution hereof, a designation of a natural person residing in the State of California, giving his or her name, residence and business addresses, as its agent for the purpose of service of process in any court action arising out of or based upon this Lease, and the delivery to such agent of a copy of any process in any such action shall constitute valid service upon Lessee. It is further expressly understood and agreed that if for any reason service of such process upon such agent is not feasible, then in such event Lessee may be personally served with such process out of this County and that such service shall constitute valid service upon Lessee. It is further expressly understood and agreed that Lessee is amenable to the process so served, submits to the jurisdiction of the Court so obtained and waives any and all objections and protests thereto.

///

///

///

35. 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.

Dated: 04-28-05

**CLINICAS DE SALUD DEL PUEBLO,  
Incorporated**

By: *Yvonne Bell*

Title: CHIEF EXECUTIVE OFFICER

By: \_\_\_\_\_

Title: \_\_\_\_\_

ATTEST:

NANCY ROMERO  
Clerk of the Board

By: *Schlemmer*  
Deputy

**COUNTY OF RIVERSIDE**

By: *Marion Ashley*  
MARION ASHLEY  
Chairman  
Board of Supervisors

SE:ss  
12/27/24  
ME002  
9.312

FORM APPROVED  
COUNTY COUNSEL

MAY 18 2005  
BY *Jordan V. Ubo*