



2nd AMENDMENT TO LEASE AGREEMENT - FIRE UP GRILL

PUBLIC UTILITIES DEPARTMENT

Board of Public Utilities
August 28, 2023

RiversideCA.gov

BACKGROUND

1. On August 8, 2017, the City Council approved a Commercial Lease Agreement with Ruben Barragan and Luis Hernandez doing business as Fire Up Grill for approximately, 1,000 square feet of rentable office space located at 3750 University Avenue, Suite 570.
2. On September 11, 2018, the City Council approved the First Amendment to the Commercial Lease Agreement with Ruben Barragan and Luis Hernandez doing business as Fire Up Grill revising the Commencement date from January 10, 2018 to September 1, 2018.



2

RiversideCA.gov

PROPOSED 60-MONTH LEASE TERMS

1. Term: September 1, 2023 through August 31, 2028.
2. Premises: Approximately 1,000 rentable square feet of space located at 3750 University Avenue, Suite 190.
3. Base Rent Schedule (Triple Net Lease):

| <u>Period</u> | <u>Monthly Base Rent</u> |
|-------------------------------------|--------------------------|
| September 1, 2023 – August 31, 2024 | \$3,000 |
| September 1, 2024 – August 31, 2025 | \$3,090 |
| September 1, 2025 – August 31, 2026 | \$3,183 |
| September 1, 2026 – August 31, 2027 | \$3,278 |
| September 1, 2027 – August 31, 2028 | \$3,377 |



3

RiversideCA.gov

PROPOSED 60-MONTH LEASE TERMS CONT.

4. Security Deposit: Lessee will deposit an additional security deposit of \$1,352.00 for a grand total of \$3,377.00.
5. Options to Renew: One (1) five (5) year option to extend the Term for an additional sixty (60) months.
6. Broker: Pursuant to the existing Exclusive Authorization to Lease Agreement with NKF, City to pay NKF a leasing commission equal to 2.5% of the lease consideration in the amount of \$4,778.40.
7. Other: All other terms of the original lease and First Amendment shall remain unmodified and in full force and effect.



4

RiversideCA.gov

STRATEGIC PLAN ALIGNMENT

Priority 3 – Economic Opportunity

Goal 3.3 – Cultivate a business climate that welcomes innovation, entrepreneurship, and investment.

Cross-Cutting Threads



Community Trust



Fiscal Responsibility



Sustainability &
Resiliency



Equity



Innovation



5

RiversideCA.gov

RECOMMENDATIONS

That the Board of Public Utilities recommend that the City Council:

1. Approve a Second Amendment to the Commercial Lease Agreement to extend the lease for a 60-month term with Ruben Barragan and Luis Hernandez, doing business as Fire Up Grill, of Riverside, California from September 1, 2023 through August 31, 2028; and
2. Authorize the City Manager, or designee, to execute the Second Amendment to the Commercial Lease Agreement, including making minor, non-substantive changes, and to sign all documents and instruments necessary to complete the transaction.



6

RiversideCA.gov