

# LEASE AGREEMENT HALO CONNECT, LLC MISSION SQUARE BUILDING, SUITE 110

#### **Riverside Public Utilities**

Board of Public Utilities September 26, 2022

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# **BACKGROUND**

- 1. Mike Kim, Laura Kim and Paramount Cellular LLC occupied the space from June 14, 2017, to June 22, 2022.
- 2. Mike Kim, Laura Kim and Paramount Cellular LLC sold the franchise to Halo Connect, LLC, necessitating a new lease with Halo Connect, LLC.



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# **PROPOSED 5-YEAR LEASE TERMS**

- 1. <u>Term:</u> June 12, 2022 through June 30, 2027
- 2. <u>Premises</u>: Approximately 1,185 rentable square feet of space located at 3750 University Avenue, Suite 110
- 3. Base Rent Schedule (Triple-Net Lease):

Months	Monthly Base Rental Rate/Sq. Ft.	Monthly Base Rent	Annual Base Rent
1-12	\$2.75	\$3,259.00	\$39,108.00
13-24	\$2.83	\$3,357.00	\$40,284.00
25-36	\$2.92	\$3,457.00	\$41,484.00
37-48	\$3.01	\$3,561.00	\$42,732.00
49-60.5	\$3.10	\$3.668.00	\$46,339.07



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## PROPOSED 5-YEAR LEASE TERMS CONT.

- 4. Options to Renew: Tenant will have one option to extend the lease for an additional five-years each at the prevailing market rent at the time of exercising the options to extend.
- 5. <u>Broker</u>: Pursuant to the existing Exclusive Authorization to Lease Agreement with NKF, City to pay NKF a leasing commission equal to 5% of lease consideration in the amount of \$10,497.35.
- 6. <u>Parking:</u> Tenant will have five unreserved parking spaces at current prevailing garage rates, currently unreserved rates are \$70.00 per stall.



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## STRATEGIC PLAN ALIGNMENT



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

#### **Cross-Cutting Threads**

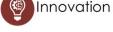












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## **RECOMMENDATIONS**

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

- 1. Approve the Lease Agreement with Halo Connect, LLC dba T-Mobile for a five-year term from June 12, 2022, through June 30, 2027, with one optional five-year extension and;
- 2. Authorize the City Manager, or designee, to execute the Lease Agreement, including making minor and non-substantive changes, and to sign all documents and instruments necessary to complete the transaction.

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