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CITY OF RIVERSIDE

CITY COUNCIL MEMORANDUM



HONORABLE MAYOR AND CITY COUNCIL

DATE: December 7, 2004

ITEM NO: 31

SUBJECT: LIBRARY REQUESTS APPROVAL OF AMENDMENT TO LEASE AGREEMENT FOR EASTSIDE LIBRARY FOR COST OF LANDLORD IMPROVEMENTS – SUPPLEMENTAL APPROPRIATION

BACKGROUND:

On August 10, 2004 the City Council approved a new fifteen-year lease agreement for the 10,816 square feet of space at the Town Square Shopping Center located at 4033 Chicago Avenue, to relocate the Eastside Cybrary Connection into expanded quarters and turn it into a neighborhood branch library. Under the terms of this lease agreement, there were a number of tenant improvements that were to be completed by the landlord.

After the lease was signed on August 11, 2004 the electrical plan was completed which called for 15 power poles to be installed. Due to a 14 foot ceiling, the power poles would create obstacles and also be unattractive. The landlord has agreed to amend the lease agreement to include the sawcutting as part of the tenant improvements (Exhibit B-1 item). The City will reimburse Landlord for these additional expenses (\$17,420) as part of the first month's lease payment.

FISCAL IMPACT:

There will be no impact to the General Fund. Funds are available through appropriation from fund balance of Measure 'C' to pay for the cost of the sawcutting of the floor, for the purpose of installing electrical receptacles.

ALTERNATIVES:

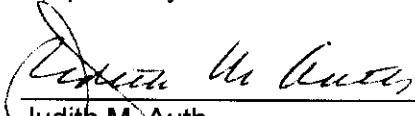
The alternative is to continue with the original plan to install 15 power poles. Staff does not recommend this option, as the power poles would create obstacles and also be unattractive.

RECOMMENDATIONS:

That the City Council:

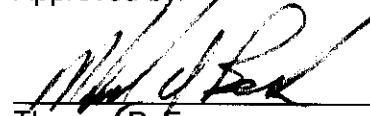
1. Approve the attached First Amendment to Shopping Center Lease with Sugarbush-1 Properties, L.L.C. for additional tenant improvements.
2. Authorize a supplemental appropriation in the amount of \$17,420 from Measure 'C' fund balance to pay for the cost of the tenant improvements.
3. Authorize the City Manager, or his designee, to execute the attached Lease Amendment.

Prepared by:



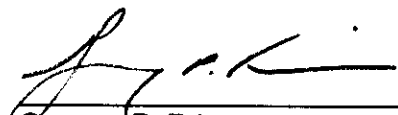
Judith M. Auth
Library Director

Approved by:



Thomas P. Evans
Interim City Manager

Approved as to form:



Gregory P. Priamos
City Attorney

Certifies availability of funds:



Paul C. Sundeen
Finance Director

Attachment:

FIRST AMENDMENT TO SHOPPING CENTER LEASE
(City-Sugarbush-1 Properties, L.L.C.)
(4033 Chicago Avenue, #C)

THIS FIRST AMENDMENT TO SHOPPING CENTER LEASE ("Lease"), is made and entered into this ^{10th} ~~22nd~~ day of ~~February~~ ^{December}, 2004, by and between SUGARBUSH-1 PROPERTIES, L.L.C., a California general partnership ("Lessor"), as the fee owner of the Premises, and the CITY OF RIVERSIDE, a municipal corporation ("City").

RECITALS

A. On August 11, 2004, Lessor and the City entered into that certain Shopping Center Lease ("Lease"), whereby Lessor leased to Lessee that certain real property, consisting of approximately Ten Thousand Eight Hundred Sixteen (10,816) square feet of office space ("Premises"), all having an address of 4033 Chicago Avenue, #C, Riverside, California.

B. The parties desire to amend the Lease to provide for additional tenant improvements and reimbursement.

AGREEMENT

For valuable consideration, the receipt and sufficiency of which are hereby acknowledged, Lessor and City amend the Lease in the following respects:

1. Section 3, Rent, is hereby amended with the addition of the following new paragraph:

"City shall also pay to Lessor, as additional rent for the first month of the first year of this Lease the sum of \$17,420.00 for reimbursement of tenant improvements as set forth in Section 7 and in the attached Exhibit B, which is incorporated herein by this reference, for a total monthly rent for the first month of the first year of the Lease the amount of \$29,920.00."

2. Exhibit B is amended and replaced in its entirety with the attached Exhibit B-1, which is incorporated herein by this reference.

3. Except as specifically modified by this Amendment, all of the terms and provisions of the Lease are and remain in full force and effect.

4. Lessor shall deliver the Premises, following all required inspections, with an occupancy permit on or before January 1, 2005. Should Lessor fail to deliver the Premises by January 1, 2005, City has the option to terminate this Lease. Payment of rent shall not commence until City has taken possession of the Premises.

[signatures on next page]



IN WITNESS WHEREOF, Lessor and City have caused this First Amendment To Shopping Center Lease to be executed the day and year first above written.

LESSOR

SUGARBUSH-1 PROPERTIES, L.L.C.,
a California general partnership

Address: c/o Reliable Properties
6399 Wilshire Blvd., Suite 604
Los Angeles, CA 900148-5709

By: *Jack Naurafston*

JACK NAURAFSTON

Printed Name

Its: *President/Manager*

By: _____

Printed Name

Its: _____

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CA 04-0894
06/17/04

CITY

CITY OF RIVERSIDE,
a municipal corporation

Address: 3560 University Avenue, Suite B
Riverside, CA 92501

By: *T. P. Evans*

Thomas P. Evans
Interim City Manager

ATTESTED:

By: *Sherry Motta*

for Colleen J. Nicol
City Clerk

APPROVED AS TO FORM
CITY ATTORNEY'S OFFICE

BY *Susan Wilson*
Deputy City Attorney

EXHIBIT "B-1"
DESCRIPTION OF LANDLORD'S WORK

LANDLORD will:

1. Provide and install Commercial grade vinyl flooring, 12" x 12" squares, (1 color) and 4" vinyl cover base, color to be specified by CITY.
2. Provide and install all new matching 2' x 4' drop-in ceiling tiles or all painted new.
3. Provide and install all new fluorescent light bulbs, in the existing fixtures, preferably energy conserving.
4. Construct and finish permanent, built in place dry walls as indicated in GM Business Interiors design ("GM Plans") a copy of which is attached hereto as Attachment 1.
5. Paint all interior wall surfaces in Frazee-brand single color white to be specified by the CITY.
6. New HVAC, represented by LANDLORD as installed on June 9, 2004 by Thermal-Cool. Upon occupancy, CITY will assume responsibility for maintenance, repair and replacement of unit.
7. Provide and install fifteen (15) 20 AMP circuits for computers with four (4) of these circuits terminated in junction boxes in the ceiling at locations designated on plans. Wire mold shall be used to bring power down the walls to feed receptacles that will accommodate the system furniture as designated on the GM Plans. Additional circuits shall be provided as necessary from the existing panel to feed electrical power to the system furniture as designated on the GM Plans. It is the sole responsibility of the LANDLORD to verify that the existing MAIN service panel is adequately sized to provide power to these and all other circuits within the Library space. All electrical plans and connections to furniture will be the responsibility of CITY per GM Plans. Install 16 two gang cast iron floor boxes and 9 single gang floor boxes for data at the Computer Center and one 2 gang and 4 one gang floor boxes and 6 single gang floor boxes for data at other locations shown on plans submitted, including underground 1" pipes, saw cutting, back filling, compaction, concrete and all necessary materials and labor.
8. Provide and install two (2) 30 AMP dedicated circuits for the telecom room as designated on the GM Plans..
9. Provide and install a dedicated 2-ton A/C unit for telecom room. Electrical power for this unit shall come from an additional dedicated circuit of sufficient size to power the unit.
- 10: Construct three (3) ADA compliant restrooms, single use type, one each for men, women, and one designated unisex to accommodate library staff as shown on the GM Plans.
11. Provide and install panic hardware if required by code
12. CITY acknowledges that any architectural/artist rendering of the project shall be an approximation only as to help CITY visualize the project's concept. The final building might end up somewhat different than the rendering.
13. All other works by CITY.

