



City of Arts & Innovation

City Council Memorandum

TO: HONORABLE MAYOR AND CITY COUNCIL **DATE: APRIL 25, 2017**

FROM: COMMUNITY & ECONOMIC DEVELOPMENT **WARD: 1**
DEPARTMENT

SUBJECT: FOURTH AMENDMENT TO TEMPORARY REVOCABLE LICENSE AGREEMENT
WITH BEST BEST & KRIEGER LLP – MISSION SQUARE OFFICE BUILDING,
3750 UNIVERSITY AVENUE, SUITE 110 – MONTH TO MONTH TEMPORARY
LICENSE AGREEMENT FOR \$3,250 PER MONTH

ISSUE:

Approve a Fourth Amendment to Temporary Revocable License Agreement with Best Best & Krieger LLP, of Riverside, California for approximately 1,185 square feet of rentable space in the Mission Square Building located at 3750 University Avenue, Suite 110.

RECOMMENDATIONS:

That the City Council:

1. Approve the Fourth Amendment to Temporary Revocable License Agreement with Best Best & Krieger LLP; and
2. Authorize the City Manager, or his designee, to execute the Fourth Amendment to Temporary License Agreement, including making minor, non-substantive changes, and to sign all documents and instruments necessary to complete the transaction.

BOARD RECOMMENDATION:

On April 10, 2017, the Board of Public Utilities with 8 of 8 members present, unanimously voted to recommend that City Council approve the Fourth Amendment to Temporary Revocable License Agreement with Best Best & Krieger LLP (BB&K), of Riverside, California, for approximately 1,185 square feet of rentable space in the Mission Square Building located at 3750 University Avenue, Suite 110.

BACKGROUND:

On October 13, 2015, the City acquired the Mission Square Office Building at 3750 University Avenue (Property), which was funded by Riverside Public Utilities (RPU). As such, RPU is now the Landlord of the Property. The Property consists of approximately 127,533 square feet of

rentable office and retail space in a six-story building, plus a basement level and a 490 parking stall garage situated on approximately 2.5 acres of land.

On January 22, 2016, the Riverside Public Utilities Board approved the Third Amendment to the Temporary Revocable License Agreement for the use of 1,185 square feet of office space designated as Suite 110, which extended the term to March 22, 2017 and increased the base rent to \$2,600 per month.

DISCUSSION:

BB&K has been a tenant in the Property since 2004 and their Temporary Revocable License Agreement for Suite 110 expires on March 22, 2017. Staff has reviewed the Fourth Amendment to Temporary Revocable License Agreement (License) and recommends renewal. The basic deal points of the Fourth Amendment to Temporary License are summarized below:

1. Term: On March 22, 2017, the License shall convert to a month-to-month basis.
2. Base Rent (License Fee): The license fee shall be adjusted to \$3,250 per month.

FISCAL IMPACT:

All lease revenue will be deposited into the Mission Square Building Property Management Trust Account managed by RPU and used to pay operating expenses for the Property.

Prepared by:	Rafael Guzman, Community & Economic Development Director
Certified as to availability of funds:	Scott G. Miller, PhD, Chief Financial Officer/Treasurer
Approved by:	Al Zelinka, FAICP, Assistant City Manager
Approved as to form:	Gary G. Geuss, City Attorney

Attachments:

1. Fourth Amendment to Temporary Revocable License Agreement
2. PUB, April 24, 2017, draft minutes