



ORIGINAL

Contract Number

94-315 A5

SAP Number

Real Estate Services Department

| | |
|---|---|
| Department Contract Representative | Terry W. Thompson, Director |
| Telephone Number | (909) 387-5000 |
| Contractor | RED OAK PARTNERS, a California Joint Venture |
| Contractor Representative | August H. Reiter III |
| Telephone Number | 909-481-9946 |
| Contract Term | 6/1/1995 – 5/31/2040 |
| Original Contract Amount | \$21,783,585.62 |
| Amendment Amount | \$18,185,784.00 |
| Total Contract Amount | \$39,969,369.62 |
| Cost Center | 7810001000 |
| GRC/PROJ/JOB No. | 5700 0994 |
| Grant Number (if applicable) | |

IT IS HEREBY AGREED AS FOLLOWS:

WHEREAS, San Bernardino County ("COUNTY"), as tenant and, RED OAK PARTNERS, a California Joint Venture, as landlord ("LANDLORD"), have entered into a Lease Agreement, Contract No. 94-315 dated April 19, 1994, as amended by a First Amendment dated March 15, 2005, a Second Amendment dated March 23, 2010, a Third Amendment dated June 2, 2015, and a Fourth Amendment dated April 21, 2020 (collectively the "Lease"), wherein LESSEE leases certain premises, comprising a total of approximately 33,000 square feet, at 10825 Arrow Route, Rancho Cucamonga, CA to COUNTY, for a term that is currently scheduled to expire May 31, 2025; and,

WHEREAS, the LESSEE and COUNTY now desire to amend the Lease to extend the term of the Lease for the period of June 1, 2025, through May 31, 2040, adjust the rent schedule, update the termination language and amend other terms of the Lease as more specifically set forth in the amendment ("Fifth Amendment").

NOW, THEREFORE, in consideration of the mutual covenants and conditions set forth herein, the parties hereto agree that the Lease is amended as follows:

1. Effective June 1, 2025, DELETE in its entirety the existing **Paragraph 3., TERM** and SUBSTITUTE therefore the following as a new **Paragraph 3., TERM**:

3. **TERM:** The term of the Lease is extended for fifteen (15) years for the period of June 1, 2025, through May 31, 2040 (the "**Fifth Extended Term**").

2. Effective June 1, 2025, DELETE in its entirety, **Subparagraph 4.a, RENT**, and SUBSTITUTE therefore the following as a new **Subparagraph 4.a, RENT**, which shall read as follows:

4. **RENT:**

- a. COUNTY shall pay to LANDLORD the following monthly rental payments in arrears on or before the last day of each month during the Fifth Extended Term, subject to approximately 3.5% annual increases as set forth below:

| Lease Year | Monthly Rent |
|--------------------------------|---------------------|
| June 1, 2025 thru May 31, 2026 | \$78,540.00 |
| June 1, 2026 thru May 31, 2027 | \$81,289.00 |
| June 1, 2027 thru May 31, 2028 | \$84,134.00 |
| June 1, 2028 thru May 31, 2029 | \$87,079.00 |
| June 1, 2029 thru May 31, 2030 | \$90,126.00 |
| June 1, 2030 thru May 31, 2031 | \$93,281.00 |
| June 1, 2031 thru May 31, 2032 | \$96,546.00 |
| June 1, 2032 thru May 31, 2033 | \$99,925.00 |
| June 1, 2033 thru May 31, 2034 | \$103,422.00 |
| June 1, 2034 thru May 31, 2035 | \$107,042.00 |
| June 1, 2035 thru May 31, 2036 | \$110,788.00 |
| June 1, 2036 thru May 31, 2037 | \$114,666.00 |
| June 1, 2037 thru May 31, 2038 | \$118,679.00 |
| June 1, 2038 thru May 31, 2039 | \$122,833.00 |
| June 1, 2039 thru May 31, 2040 | \$127,132.00 |

3. Effective June 1, 2025, DELETE in its entirety the existing **Paragraph 5, ELECTRIC UTILITY CAP**, and SUBSTITUTE a new **Paragraph 5, ELECTRIC UTILITY CAP**, which shall read as follows:

5. **ELECTRIC UTILITY CAP:**

- a. For the purpose of this paragraph, the following terms and definitions apply:

(1) **Electric Utility Expenses:** The term "Electric Utility Expenses", as used in the paragraph, shall include all direct costs and related taxes for electrical services billed to LANDLORD by the utility company for electrical service. Electrical Utility Expenses shall be calculated on a cents-per-square-foot-per-month basis. All common area Electrical Utility Expenses attributed to the COUNTY lease shall be at LANDLORD's sole expense and without reimbursement.

(2) **Electric Utility Expense Cap:** The term "Electric Utility Expense Cap", as used in this paragraph, shall be defined as the point above which LANDLORD payment of Electric Utility Expenses become reimbursable to LANDLORD by COUNTY.

- b. The Electric Utility Expense Cap is forty-two cents (42¢) per square foot per month and will increase annually four percent (4%) commencing June 1, 2025.

- c. No later than sixty (60) days after the end of each lease year, including the last lease year, LANDLORD shall notify the COUNTY in writing of any excess in Electric Utility Expenses over the Electric Utility Expense Cap for the previous one (1) year lease period ending the last day in February of each year. LANDLORD shall provide COUNTY with receipts and invoices necessary to verify the cost and payment of all Electric Utility Expenses. COUNTY shall review the Electric Utility Expenses within sixty (60) days of receiving the receipts and invoices, and reimburse LANDLORD for the verified expenses in excess of the Electric Utility Expense Cap. Failure by LANDLORD to notify COUNTY in writing of any such increase in Electric Utility Expenses or to provide COUNTY with receipts and invoices shall be a waiver of any increase due for that billing period only. Any waiver of expense cap overage for any one (1) year period will not be a waiver for any succeeding one (1) year period.

4. Effective June 1, 2025, DELETE in its entirety the existing **Paragraph 6, OPTION TO EXTEND**, and SUBSTITUTE a new **Paragraph 6, OPTION TO EXTEND**, which shall read as follows:

6. OPTION TO EXTEND: LANDLORD gives COUNTY the option to extend the term of the Lease on the same provisions and conditions, except for the monthly rent, for one (1) five-year period ("Sixth Extended Term") following expiration of the Fifth Extended Term, by COUNTY giving notice of its intention to exercise the option to LANDLORD nine (9) months prior to the expiration of the Fifth Extended Term or during any holding over pursuant to Paragraph 8, "HOLDING OVER". The rent for the Sixth Extended Term shall be adjusted by good faith negotiation of the parties to the fair market rental rate then prevailing based upon the rental rates of comparable leased property in San Bernardino County. The fair market rental rate shall be based upon the Base Rent set forth in Paragraph 4, RENT.

5. Effective June 1, 2025, DELETE in its entirety the existing **Paragraph 45, COUNTY'S RIGHT TO TERMINATE LEASE**, and SUBSTITUTE a new **Paragraph 45, COUNTY'S RIGHT TO TERMINATE LEASE**, which shall read as follows:

45. COUNTY'S RIGHT TO TERMINATE LEASE: The COUNTY shall have the right to terminate the Lease effective June 1, 2034, or at any time thereafter if COUNTY, in its sole discretion, determines it would be in COUNTY's best interest to terminate this Lease by giving LESSOR notice at least one (1) year prior to the effective termination date. If COUNTY opts to exercise its right to terminate the Lease pursuant to this Paragraph 45, the Director of the Real Estate Services Department (RESA) is hereby authorized by COUNTY to deliver to LESSOR on behalf of COUNTY a notice of termination. In the event COUNTY terminates the Lease pursuant to this Paragraph 45, no termination fees, or other costs shall be due or payable to LESSOR for exercising COUNTY's termination right, except that LESSOR shall have the right to receive from COUNTY the rent which will have been earned under the Lease through the effective termination date.

6. Effective May 20, 2025, ADD in its entirety **Paragraph 54, Levine Act Campaign Contribution Disclosure and Exhibit "F" – Levine Act Campaign Contribution Disclosure** incorporated and attached herein, which new Paragraph 54 shall read as follows:

54. Levine Act Campaign Contribution Disclosure: LANDLORD has disclosed to the COUNTY using Exhibit "F" - Campaign Contribution Disclosure Senate Bill 1439, whether it has made any campaign contributions of more than \$500 to any member of the Board of Supervisors or other County elected officer [Sheriff, Assessor-Recorder-Clerk, Auditor-Controller/Treasurer/Tax Collector and the District Attorney] within the earlier of: (1) the date of the submission of LANDLORD's proposal to the COUNTY, or (2) 12 months before the date this Lease was approved by the Board of Supervisors. LANDLORD acknowledges that under Government Code section 84308, LANDLORD is prohibited from making campaign contributions

of more than \$500 to any member of the Board of Supervisors or other COUNTY elected officer for 12 months after the COUNTY's consideration of the Lease.

In the event of a proposed amendment to this Lease, the LANDLORD will provide the COUNTY a written statement disclosing any campaign contribution(s) of more than \$500 to any member of the Board of Supervisors or other COUNTY elected officer within the preceding 12 months of the date of the proposed amendment.

Campaign contributions include those made by any agent/person/entity on behalf of the LANDLORD or by a parent, subsidiary or otherwise related business entity of LANDLORD.

7. This Fifth Amendment may be executed in any number of counterparts, each of which so executed shall be deemed to be an original, and such counterparts shall together constitute one and the same Fifth Amendment. The parties shall be entitled to sign and transmit an electronic signature of this Fifth Amendment (whether by facsimile, PDF or other email transmission), which signature shall be binding on the party whose name is contained therein. Each party providing an electronic signature agrees to promptly execute and deliver to the other party an original signed Fifth Amendment upon request.

[REMAINDER OF THIS PAGE LEFT INTENTIONALLY BLANK]

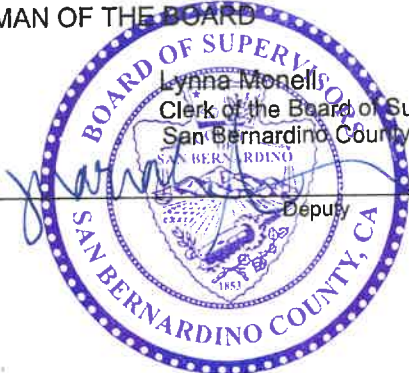
8. All other provisions and terms of the Lease as previously amended, shall remain the same and are hereby incorporated by reference.

END OF FIFTH AMENDMENT.

SAN BERNARDINO COUNTY

► *Dawn Rowe*
Dawn Rowe, Chair, Board of Supervisors

Dated: MAY 20 2025
SIGNED AND CERTIFIED THAT A COPY OF THIS
DOCUMENT HAS BEEN DELIVERED TO THE
CHAIRMAN OF THE BOARD

By *Lynna Monelli*
Lynna Monelli
Clerk of the Board of Supervisors
San Bernardino County
Deputy


RED OAK PARTNERS, a California Joint
Venture

By ► *[Signature]*
(Authorized signature - sign in blue ink)
Name August H. Reiter III

Title Trustee of the Reiter Family Trust –
Tenants-in-Common

Dated 4-28-2025
Address 9650 Business Center
Rancho Cucamonga, CA 91730

By ► *Gail Laverne Reiter*
(Authorized signature - sign in blue ink)
Name Gail Laverne Reiter

Title Trustee of the Reiter Family Trust –
Tenants-in-Common

Dated 4-28-2025
Address 9650 Business Center
Rancho Cucamonga, CA 91730

By ► *Jon Lee*
(Authorized signature - sign in blue ink)
Name Jon Lee

Title Trustee of the Reiter Family Trust –
Tenants-in-Common

Dated 4-28-2025
Address 9650 Business Center
Rancho Cucamonga, CA 91730

FOR COUNTY USE ONLY

Approved as to Legal Form
► *[Signature]*
John Tubbs II, Deputy County Counsel
Date 5/5/25

Reviewed for Contract Compliance
► _____
Date _____

Reviewed/Approved by Department
► _____
Lyle Ballard, Real Property Manager, RESD
Date _____



EXHIBIT "F"

Levine Act Campaign Contribution Disclosure **(formerly referred to as Senate Bill 1439)**

The following is a list of items that are not covered by the Levine Act. A Campaign Contribution Disclosure Form will not be required for the following:

- Contracts that are competitively bid and awarded as required by law or County policy
- Contracts with labor unions regarding employee salaries and benefits
- Personal employment contracts
- Contracts under \$50,000
- Contracts where no party receives financial compensation
- Contracts between two or more public agencies
- The review or renewal of development agreements unless there is a material modification or amendment to the agreement
- The review or renewal of competitively bid contracts unless there is a material modification or amendment to the agreement that is worth more than 10% of the value of the contract or \$50,000, whichever is less
- Any modification or amendment to a matter listed above, except for competitively bid contracts.

DEFINITIONS

Actively supporting the matter: (a) Communicate directly with a member of the Board of Supervisors or other County elected officer [Sheriff, Assessor-Recorder-Clerk, District Attorney, Auditor-Controller/Treasurer/Tax Collector] for the purpose of influencing the decision on the matter; or (b) testifies or makes an oral statement before the County in a proceeding on the matter for the purpose of influencing the County's decision on the matter; or (c) communicates with County employees, for the purpose of influencing the County's decision on the matter; or (d) when the person/company's agent lobbies in person, testifies in person or otherwise communicates with the Board or County employees for purposes of influencing the County's decision in a matter.

Agent: A third-party individual or firm who, for compensation, is representing a party or a participant in the matter submitted to the Board of Supervisors. If an agent is an employee or member of a third-party law, architectural, engineering or consulting firm, or a similar entity, both the entity and the individual are considered agents.

Otherwise related entity: An otherwise related entity is any for-profit organization/company which does not have a parent-subsidary relationship but meets one of the following criteria:

- (1) One business entity has a controlling ownership interest in the other business entity;
- (2) there is shared management and control between the entities; or
- (3) a controlling owner (50% or greater interest as a shareholder or as a general partner) in one entity also is a controlling owner in the other entity.

For purposes of (2), "shared management and control" can be found when the same person or substantially the same persons own and manage the two entities; there are common or commingled funds or assets; the business entities share the use of the same offices or employees, or otherwise share activities, resources, or personnel on a regular basis; or there is otherwise a regular and close working relationship between the entities.

Parent-Subsidiary Relationship: A parent-subsidiary relationship exists when one corporation has more than 50 percent of the voting power of another corporation.

Landlord must respond to the questions on the following page. If a question does not apply respond N/A or Not Applicable.

1. Name of Landlord:

Red Oak Partners

2. Is the entity listed in Question No. 1 a non-profit organization under Internal Revenue Code section 501(c)(3)?

Yes ☐ If yes, skip Question Nos. 3 - 4 and go to Question No. 5.

No

3. Name of Principal (i.e., CEO/President) of entity listed in Question No. 1, if the individual actively supports the matter and has a financial interest in the decision:

4. If the entity identified in Question No. 1 is a corporation held by 35 or less shareholders, and not publicly traded ("closed corporation"), identify the major shareholder(s):

N/A

5. Name of any parent, subsidiary, or otherwise related entity for the entity listed in Question No. 1 (see definitions above):

| Company Name | Relationship |
|--------------|--------------|
| <i>N/A</i> | |
| | |

6. Name of agent(s) of Landlord:

| Company Name | Agent(s) | Date Agent Retained (if less than 12 months prior) |
|--------------|----------------------|---|
| | <i>August Reiter</i> | |
| | | |

7. Name of Subcontractor(s) (including Principal and Agent(s)) that will be providing services/work under the awarded contract if the subcontractor (1) actively supports the matter and (2) has a financial interest in the decision and (3) will be possibly identified in the contract with the County or board governed special district:

| Company Name | Subcontractor(s): | Principal and/or Agent(s): |
|-------------------------|-------------------|----------------------------|
| <i>Red Oak Partners</i> | | <i>August Reiter</i> |
| | | |

8. Name of any known individuals/companies who are not listed in Questions 1-7, but who may (1) actively support or oppose the matter submitted to the Board and (2) have a financial interest in the outcome of the decision:

| Company Name | Individual(s) Name |
|--------------|--------------------|
| <u>N/A</u> | |
| | |

9. Was a campaign contribution, of more than \$500, made to any member of the San Bernardino County Board of Supervisors or other County elected officer within the prior 12 months, by any of the individuals or entities listed in Question Nos. 1-8?

No ☒ If **no**, please skip Question No. 10. Yes ☐ If **yes**, please continue to complete this form.

10. Name of Board of Supervisor Member or other County elected officer: _____

Name of Contributor: _____

Date(s) of Contribution(s): _____

Amount(s): _____

By signing below, Landlord certifies that the statements made herein are true and correct. Landlord understands that the individuals and entities listed in Question Nos. 1-8 are prohibited from making campaign contributions of more than \$500 to any member of the Board of Supervisors or other County elected officer while this matter is pending and for 12 months after a final decision is made by the County.

Signature 

Date 4-29-2025

Print Name AUGUST REITER

Print Entity Name, if applicable _____