THE INFORMATION IN THIS BOX IS NOT A PART OF THE CONTRACT AND IS FOR COUNTY USE ONLY



Contract Number

94-315 A5

SAP Number

Real Estate Services Department

Department Contract Representative Terry W. Thompson, Director (909) 387-5000 **Telephone Number** 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

IT IS HEREBY AGREED AS FOLLOWS:

Grant Number (if applicable)

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**:

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- 3. <u>TERM:</u> 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 arears 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) <u>Electric Utility Expenses:</u> 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) <u>Electric Utility Expense Cap</u>: 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.

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- 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 (RESD) 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:
 - **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

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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.

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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 COUNT	Y	RED OAK PARTNERS, a California Joint Venture
•		Ву ▶
Dawn Rowe, Chair, Board of Su	pervisors	(Authorized signature - sign in blue ink)
Dated:SIGNED AND CERTIFIED THA	T A COPY OF THIS	Name August H. Reiter III
DOCUMENT HAS BEEN DELIV CHAIRMAN OF THE BOARD Lynna Mon		Trustee of the Reiter Family Trust – Title Tenants-in-Common
San Bernard		
Ву	Deputy	Dated
Deputy	Deputy	Address 9650 Business Center
		Rancho Cucamonga, CA 91730
		By (Authorized signature - sign in blue ink)
		Name Gail Laverne Reiter
	Trustee of the Reiter Family Trust – Title Tenants-in-Common	
	Dated	
	Address 9650 Business Center	
	Rancho Cucamonga, CA 91730	
		Ву 🕨
	(Authorized signature - sign in blue ink)	
		Name Jon Lee
		Trustee of the Reiter Family Trust – Title Tenants-in-Common
		Dated
	Address 9650 Business Center	
	Rancho Cucamonga, CA 91730	
FOR COUNTY USE ONLY		
pproved as to Legal Form	Reviewed for Contract C	ompliance Reviewed/Approved by Department
•		<u></u>
hn Tubbs II, Deputy County Counsel		Lyle Ballard, Real Property Manager, RESD
	Date	Date

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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.

<u>Agent:</u> 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-subsidiary 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.

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

	ndlord must respond to the ques Not Applicable.	stions on the fol	llowing page. If	a question does not apply respond N/A	
1.	Name of Landlord:	04 7	nd wels		
2.	'Is the entity listed in Question No.	1 a non-profit org	ganization under	nternal Revenue Code section 501(c)(3)?	
	Yes ☐ If yes, skip Question Nos	s. 3 - 4 and go to	Question No. 5.		
3.	Name of Principal (i.e., CEO/Presimatter and has a financial interest		ted in Question N	o. 1, <u>if</u> the individual actively supports the	
4.	If the entity identified in Question I traded ("closed corporation"), iden			less shareholders, and not publicly	
5.	Name of any parent, subsidiary, or above):	r otherwise relate	d entity for the en	tity listed in Question No. 1 (see definitions	
	Company Name		Relationship		
	W/ *	Ber			
6.	Name of agent(s) of Landlord:				
	Company Name	Age	ent(s)	Date Agent Retained (if less than 12 months prior)	
-		August	桂拉		
7.	awarded contract if the subcontra	actor (1) actively	supports the mat	will be providing services/work under the ter <u>and</u> (2) has a financial interest in the unty or board governed special district:	
	Company Name	Subcon	tractor(s):	Principal and/or Agent(s):	
	TEO CAL PARMIS			August REITE	

	Company Name	Individual(s) Name
	N/A	
9.	Was a campaign contribution, of more than \$500, of Supervisors or other County elected officer with listed in Question Nos. 1-8?	made to any member of the San Bernardino County Board hin the prior 12 months, by any of the individuals or entities
	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 Co	unty elected officer:
	Name of Contributor:	
	Date(s) of Contribution(s):	
	Amount(s):	
tha mo	at the individuals and entities listed in Question Nostre than \$500 to any member of the Board of Supending and for 12 months after a final decision is many signature. Signature.	7:29.2025 Date
	Print Name	Print Entity Name, if applicable