



Contract Number

24-401 A1

SAP Number

Real Estate Services Department

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

Contractor Pepper Clinic, LLC
Contractor Representative Philip Lee, Director
Telephone Number (626) 384-5050
Contract Term Terminated
Original Contract Amount \$116,810,674.97
Amendment Amount -\$116,815,674.97
Total Contract Amount -\$5,000.00
Cost Center 7810001000
GRC/PROJ/JOB No. 6300-4105
Internal Order No.
Grant Number (if applicable)

IT IS HEREBY AGREED AS FOLLOWS:

WHEREAS, San Bernardino County ("COUNTY"), as tenant, and Pepper Clinic, LLC ("LESSOR"), as landlord, previously entered into Lease Agreement, Contract No. 24-401 dated May 21, 2024 (the "Lease") wherein LESSOR leased certain premises, comprising a total of approximately 60,000 square feet, build to suit, three-story clinic with 150 exclusive parking spaces located along North Pepper Avenue in Colton, portions of Accessor's Parcel Numbers 0254071100000 ("Premises") as more specifically set forth in the Lease, to the COUNTY for a term of 20 years yet to commence; and

WHEREAS, COUNTY and LESSOR desire to amend the Lease to reflect a mutual termination of the Lease, effective upon the full execution of this Amendment by both Parties; and

WHEREAS, COUNTY and LESSOR agree to a mutual release of claims in conjunction with the termination of the Lease, subject to a Five Thousand Dollar (\$5,000) termination payment from LESSOR to COUNTY.

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

1. **LEASE TERMINATION.** Effective as of the date this Amendment is fully executed by both Parties, TERMINATE the Lease in its entirety including any related Exhibits thereto, subject to the Mutual Release of Claims and Termination Payment as set forth below, and the Parties shall hereinafter have no further obligations to one another except those obligations created by this Amendment.

2. **TERMINATION PAYMENT.** LESSOR shall pay COUNTY a termination payment in the amount of Five Thousand Dollars (\$5,000) within two (2) business days following the Lessor's execution of this Amendment. LESSOR shall make check payable to "San Bernardino County" and send payment to:

San Bernardino County
Attn: Real Estate Services Department
385 North Arrowhead Avenue, Third Floor
San Bernardino, CA 92415

The payment is strictly contingent upon the full execution of this Amendment by the San Bernardino County Board of Supervisors. No further monetary payment shall be due or owed to or by either Party.

3. **MUTUAL RELEASE OF CLAIMS / NO ADMISSION.**

a. The Parties each incurred costs from the Lease implementation, design, planning, and financing of the Lease obligations and provisions (the "**Lease Expenses**"). As used herein the term "**Lease Expenses**" shall mean all costs, expenses, losses or damages of any nature or kind related to either Party's performance of the rights, duties, responsibilities, obligations, and provisions of the Lease. Due to potential delay, and in order to avoid the time and expense of litigation, and in consideration of the mutual covenants, agreements and releases contained herein, COUNTY and LESSOR do hereby release and forever discharge each other, and all of their successors, assigns, agents, representatives, attorneys, and all persons acting by, through, under or in concert with each of them, of and from any and all manner of action or actions, cause or causes of action, at law or in equity, suits, debts, liens, liabilities, claims, rights, obligations, demands, damages, losses, costs or expenses, of any nature whatsoever, known or unknown, fixed or contingent, which either Party may have against each other by reason of or related to the Lease or **Lease Expenses**. The foregoing release shall exclude all rights created under this Amendment.

b. By releasing and forever discharging claims both known and unknown, as above provided, COUNTY and LESSOR each expressly waive any rights under California Civil Code Section 1542 which provides:

"A general release does not extend to claims that the creditor or releasing party does not know or suspect to exist in his or her favor at the time of executing the release and that, if known by him or her, would have materially affected his or her settlement with the debtor or released party",

as well as under any other statutes and/or common law principles of similar effect arising in any jurisdiction. This agreement and mutual release of claims shall not constitute an admission of fault or liability by either party.

c. **NO ADMISSION.** This Amendment is entered into solely for the purpose of compromising disputed matters and effecting a mutual termination of the Lease. Neither this Amendment, nor the termination of the Lease, nor any payment made hereunder, shall constitute or be construed as an admission by either Party of any fault, liability, breach, default, wrongdoing, or violation of any duty or obligation under the Lease or otherwise. Each Party expressly denies any such fault, liability, breach, default, wrongdoing, or violation.

4. **PUBLIC RECORDS DISCLOSURE.** LESSOR acknowledges and agrees that all information received by COUNTY from LESSOR or any source concerning the Lease, this Amendment or the Property, including the Lease itself, may be treated by COUNTY as public information, subject to disclosure under the provisions of the California Public Records Act (Government Code Section 7920.000 et seq.), the Ralph M Brown Act, or any other open records laws ("Public Records Laws"). LESSOR further acknowledges and agrees that, although all

information received by COUNTY in connection with the Lease or the Property are intended for the exclusive use of COUNTY, such information is potentially subject to disclosure under Public Records Laws.

5. **ATTORNEYS' FEES AND COSTS.** If any legal action is instituted to enforce or declare a Party's rights hereunder, each Party, including the prevailing Party, must bear its own attorneys' fees and costs.

6. **LEVINE ACT CAMPAIGN CONTRIBUTION DISCLOSURE.** LESSOR has disclosed to the COUNTY using "Attachment A" – LEVINE ACT CAMPAIGN CONTRIBUTION DISCLOSURE, 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 LESSOR's proposal to the County, or (2) 12 months before the date this Lease was approved by the Board of Supervisors. LESSOR acknowledges that under Government Code section 84308, LESSOR 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 LESSOR 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 LESSOR or by a parent, subsidiary, or otherwise related business entity of LESSOR.

7. **COUNTERPARTS.** This First 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 First Amendment. The parties shall be entitled to sign and transmit an electronic signature of this First 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 First Amendment upon request.

END OF FIRST AMENDMENT.

SAN BERNARDINO COUNTY

Pepper Clinic, LLC

(Print or type name of corporation, company, contractor, etc.)

►

Dawn Rowe, Chair, Board of Supervisors

By ► _____
(Authorized signature - sign in blue ink)

Dated: _____

Name Philip Lee
(Print or type name of person signing contract)

SIGNED AND CERTIFIED THAT A COPY OF THIS DOCUMENT HAS BEEN DELIVERED TO THE CHAIRMAN OF THE BOARD

Title Director
(Print or Type)

Lynna Monell
Clerk of the Board of Supervisors
San Bernardino County

By _____
Deputy

Dated: _____

Address 17777 Center Court Dr. N. 725,
Cerritos, CA 90703

FOR COUNTY USE ONLY

Approved as to Legal Form
►
John Tubbs II, Deputy County Counsel
Date _____

Reviewed for Contract Compliance
►
Date _____

Reviewed/Approved by Department
►
John Gomez, Real Property Manager, RESD
Date _____



Attachment "A"

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 or opposing 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-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.

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

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

1. Name of LESSOR: Pepper Clinic, LLC
2. Is the entity listed in Question No.1 a nonprofit 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: Phyllis Shih, Manager
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): Not applicable.
5. Name of any parent, subsidiary, or otherwise related entity for the entity listed in Question No. 1 (see definitions above):

Company Name	Relationship
Not applicable.	

6. Name of agent(s) of LESSOR:

Company Name	Agent(s)	Date Agent Retained (if less than 12 months prior)
Not applicable.	Not applicable.	

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):
Not applicable.	Not applicable.	

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
Not applicable.	Not applicable.

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 involved with this Contract within the prior 12 months, by any of the individuals or entities listed in Question Nos. 1-8?

No

Yes If **yes**, please provide the contribution information in Question 11.

10. Has an agent of LESSOR made a campaign contribution of any amount to any member of the San Bernardino County Board of Supervisors or other elected officer involved with this Contract while award of this Contract is being considered?

No If no, please skip question 11.

Yes If **yes**, please provide the contribution information in Question 11.

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

Name of Contributor: _____

Date(s) of Contribution(s): _____

Amount(s): _____

Please add an additional sheet(s) to identify additional Board Members or other County elected officers to whom anyone listed made campaign contributions.

By signing the Contract, LESSOR certifies that the statements made herein are true and correct. LESSOR acknowledges that agents are prohibited from making any campaign contributions, regardless of amount, to any member of the Board of Supervisors or other County elected officer involved with this Contract, while award of this Contract is being considered and for 12 months after a final decision by the County. LESSOR understands that the other individuals and entities (excluding agents) 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 involved with this Contract, while award of this Contract is being considered and for 12 months after a final decision by the County.