



**Contract Number**

05-223 A-7

**SAP Number**

## Real Estate Services Department

<b>Department Contract Representative</b>	Terry W. Thompson, Director
<b>Telephone Number</b>	(909) 387-5000
<b>Contractor</b>	WGI, Inc.
<b>Contractor Representative</b>	Bob Basen
<b>Telephone Number</b>	(760) 792-8622
<b>Contract Term</b>	4/1/2005 – 2/29/2024
<b>Original Contract Amount</b>	\$ 1,042,363
<b>Amendment Amount</b>	\$ 148,212.00
<b>Total Contract Amount</b>	\$ 1,190,575
<b>Cost Center</b>	7810001000
<b>GRC/PROJ/JOB No.</b>	33002067
<b>Internal Order No.</b>	

### IT IS HEREBY AGREED AS FOLLOWS:

WHEREAS, WGI, Inc. ("LANDLORD"), and San Bernardino County ("COUNTY") have previously entered into a Lease Agreement, Contract No. 05-223 dated March 29, 2005, and amended by a First Amendment dated May 11, 2010, a Second Amendment dated March 13, 2012, a Third Amendment dated October 8, 2013, a Fourth Amendment dated March 1, 2016, a Fifth Amendment dated July 24, 2018 and a Sixth Amendment dated January 28, 2020 (collectively, "the Lease"), wherein the LANDLORD leases certain premises comprising approximately 3,285 square feet with an address of 4050 Phelan Road, Units 1 & 2, Phelan, California, as the premises is more specifically set forth in the Lease, to the COUNTY, which Lease is currently scheduled to expire on February 28, 2022; and,

WHEREAS, the COUNTY and LANDLORD now desire to amend the Lease to extend the lease term from March 1, 2022 through February 28, 2024 (the "Sixth Extended Term"), add one two-year option to extend the term of the lease, adjust the rent schedule and amend certain other provisions of the Lease as more specifically set forth in this amendment ("Seventh Amendment"); and,

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

1. Effective as of March 1, 2022, DELETE in its entirety the existing **Paragraph 3., TERM**, and SUBSTITUTE therefore a new **Paragraph 3., TERM**, which shall read as follows:

"3. **TERM:** The term of the Lease shall be extended for two (2) years, commencing on March 1, 2022 and expiring on February 29, 2024 (the "Sixth Extended Term")."

2. Effective as of March 1, 2022, DELETE in its entirety the existing **Paragraph 4. A., RENT**, and SUBSTITUTE therefore a new **Paragraph 4. A., RENT**, which shall read as follows:

"4. **RENT:**

A. COUNTY shall pay to LANDLORD the following monthly rental payments in arrears on the last day of each month, commencing on the last day of the month when the Sixth Extended Term Commences, and continuing during the Sixth Extended Term as follows:

March 1, 2022 through February 28, 2023 – monthly payments of \$6,077.00

March 1, 2023 through February 29, 2024 – monthly payments of \$6,274.00"

3. Effective March 1, 2022, DELETE in its entirety the existing **Paragraph 6., OPTION TO EXTEND TERM**, and SUBSTITUTE therefore the following as a new **Paragraph 6., OPTION TO EXTEND**, which shall read as follows:

"6. **OPTION TO EXTEND LEASE TERM:** A. 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) two-year period ("extended term") following the expiration of the current term, by COUNTY giving notice of its intention to exercise the option to LANDLORD prior to the expiration of the preceding term or during any holding over pursuant to **Paragraph 8, HOLDING OVER**. The rent for the 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.

B. If the Parties have been unable to agree on the fair market rental rate for the Premises within five (5) months of COUNTY's exercise of its option, said fair market rental rate shall be determined through arbitration conducted in accordance with the Commercial Arbitration Rules of the American Arbitration Association. During the period between the expiration of the then current term of the Lease and the determination of the monthly rent for the Premises by arbitration, COUNTY shall continue to pay the monthly rent for the Premises in the amount due for the month immediately preceding expiration of the then current term of the Lease. If the fair market rental rate for the Premises is determined by arbitration and COUNTY does not, for any reason, agree with such determination, COUNTY shall have the right to terminate the Lease by providing LANDLORD with written notice not later than thirty (30) days after COUNTY's receipt of the arbitration-determined fair market rental rate. In the event COUNTY does not so terminate the Lease, COUNTY shall commence paying the arbitration-determined fair market rental rate for the month immediately following COUNTY's receipt of said rate determination and for the duration of the then current term."

4. Effective March 1, 2022, DELETE, in its entirety the existing **Paragraph 8., HOLDING OVER** and SUBSTITUTE therefore the following as a new **PARAGRAPH 8., HOLDING OVER**, which shall read as follows:

"8. **HOLDING OVER:** In the event the COUNTY shall hold over and continue to occupy the Premises with the consent of the LANDLORD, expressed or implied, the tenancy shall be deemed to be a tenancy from month-to-month upon the same terms and conditions, including rent, as existed and prevailed at the time of the expiration of the then current term of this Lease, but excluding any payments for amortized improvements. Notwithstanding anything to the contrary in the Lease, either party shall have the right to terminate the Lease during the holdover period by providing not less than ninety (90) days prior written notice to the other party. The Director of the Real Estate Services Department (RESD) shall have the right, on behalf of the COUNTY, to give notice of any termination pursuant to this paragraph."

5. Effective March 1, 2022, DELETE, in its entirety the existing **Paragraph 25., NOTICES** and SUBSTITUTE therefore the following as a new **PARAGRAPH 25., NOTICES**, which shall read as follows

25. **NOTICES**

A. Any notice, demand, request, consent, approval or communication that either party desires or is required to give to the other party, including but not limited to, notices required under the California unlawful detainer statutes, or any other person shall be in writing and either served personally, delivered by a reputable overnight courier service, or sent by postage prepaid, first-class United States mail, certified or registered, return receipt requested. Any notice, demand, request, consent, approval or communication that either party desires or is required to give to the other party shall be addressed to the other party at the addresses set forth in the Basic Lease Provisions. Either party may change its address by notifying the other party of the change of address. Notices shall be deemed delivered upon the earlier of: (i) actual receipt if such notice is personally delivered; (ii) the date of delivery if such notice is delivered by a reputable overnight courier service; or (iii) the date of delivery or refusal of the addressee to accept delivery if such notice is sent by postage pre-paid, first-class United States mail, certified or registered, return receipt requested. Any notices received after 5 pm local time on a business shall be deemed delivered on the following business day.

LANDLORD's address

WGI, Inc.  
c/o Coldwell Banker Commercial  
12138 Industrial Blvd. Suite 100  
Victorville, CA 92392

COUNTY's address

San Bernardino County  
Real Estate Services Department  
385 N. Arrowhead Avenue  
San Bernardino, CA 92415-0180"

B. If, at any time after the Commencement Date, LANDLORD intends to transfer its ownership interest (whether controlling or non-controlling) in the Premises and the real property on which the Premises is situated to a third party, LANDLORD shall notify COUNTY of such transfer at least fifteen (15) COUNTY working days prior to completion of such transfer. In the event of such a transfer of controlling interest, LANDLORD shall provide COUNTY with evidence of completion of transfer, including but not limited to a grant deed and an assignment of this Lease; in which case, the new property owner and COUNTY shall reflect by written amendment the new property owner as the successor landlord. In addition, the new property owner, as the successor landlord, shall, within five (5) days of acquiring the subject real property and becoming the successor landlord, provide COUNTY with evidence that it has obtained insurance in compliance with **Paragraph 17, HOLD HARMLESS** and **Paragraph 18, INSURANCE REQUIREMENTS AND SPECIFICATIONS**. The COUNTY's RESD Director shall have the authority on behalf of COUNTY to execute a COUNTY standard amendment to this Lease with any successor landlord solely for the purposes of reflecting the successor landlord as the LANDLORD under the Lease and to update the LANDLORD's notice address. The successor landlord's execution of such COUNTY standard amendment and submission of a valid W-9 are pre-requisites for Rents under this Lease to be paid to the successor landlord.

6. All other provisions and terms of the Lease shall remain the same and are hereby incorporated by reference. In the event of conflict between this Lease and this Seventh Amendment, the provisions and terms of this Seventh Amendment shall control.

**END OF SEVENTH AMENDMENT**

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**SAN BERNARDINO COUNTY**

**LANDLORD: WGI, INC.**

►  
Curt Hagman, Chairman, Board of Supervisors

By ►  
(Authorized signature - sign in blue ink)

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

Name William G. Ingalls  
(Print or type name of person signing contract)

Lynna Monell  
Clerk of the Board of Supervisors  
of San Bernardino County

Title President  
(Print or Type)

By \_\_\_\_\_  
Deputy

Dated: \_\_\_\_\_

Address c/o Coldwell Banker Commercial  
12138 Industrial Blvd. Suite 100  
Victorville, CA 92392

**FOR COUNTY USE ONLY**

Approved as to Legal Form

Reviewed for Contract Compliance

Reviewed/Approved by Department

►  
Agnes Cheng, Deputy County Counsel

►  
\_\_\_\_\_

►  
Lyle Ballard, Real Property Manager, RESD

Date \_\_\_\_\_

Date \_\_\_\_\_

Date \_\_\_\_\_