



Contract Number

02-08 A7

SAP Number

San Bernardino County Fire Protection District

Department Contract Representative	Terry W. Thompson, Director
Telephone Number	(909) 387-5000
Contractor	Havasu Lake Firebelles, Inc.
Contractor Representative	Marjorie Jaramillo
Telephone Number	702-373-1992
Contract Term	7/1/2001 – 1/31/2028
Original Contract Amount	\$167,200
Amendment Amount	\$79,143
Total Contract Amount	\$246,343
Cost Center	
GRC/PROJ/JOB No.	52001746

IT IS HEREBY AGREED AS FOLLOWS:

WHEREAS, San Bernardino County Fire Protection District (“DISTRICT”) and Havasu Lake Firebelles, Inc. (“LANDLORD”) previously entered into Lease Agreement, Contract No. 02-08 dated January 8, 2002 as amended by the First Amendment dated July 25, 2006, the Second Amendment dated August 5, 2008, the Third Amendment dated June 22, 2010, the Fourth Amendment dated May 22, 2012, the Fifth Amendment dated January 12, 2016, and the Sixth Amendment dated May 21, 2019 (collectively, the “Lease”) wherein LANDLORD agreed to lease certain real property to DISTRICT, which Lease expired on May 31, 2022; and has continued on a permitted month-to-month holdover, and,

WHEREAS, DISTRICT and LANDLORD now desire to amend Lease to reflect a eight (8) month holdover period from June 1, 2022 through January 31, 2023 with LANDLORD’S consent, extend, following said holdover, the term of the Lease for five years from February 1, 2023 through January 31, 2028 due to DISTRICT’S exercise of its final one-year extension option and an agreed extension of four (4) additional years, adjust the rental rate schedule, add one three-year option to extend the term of the Lease, and amend certain other terms of the Lease as more specifically as set forth in this amendment (“Seventh Amendment”); and,

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

1. Pursuant to **Paragraph 7, HOLDING OVER**, DISTRICT shall, with LANDLORD’S express consent granted herein, occupy the Premises on a holdover tenancy for the period from June 1, 2022 through January 31, 2023 at a monthly rental amount of \$1,075 per month.

2. Effective February 1, 2023, pursuant to the DISTRICT's exercise of its option in Paragraph 5, **OPTION TO EXTEND TERM** and an agreed extension of four (4) additional years, DELETE the existing **Paragraph 3, TERM**, and SUBSTITUTE therefore the following as a new **Paragraph 3, TERM**

3. **TERM:** The term of the Lease for the Premises is extended for five years, commencing on February 1, 2023 and expiring on January 31, 2028 unless earlier terminated in accordance with this Lease (the "Seventh Extended Term")

3. Effective February 1, 2023, DELETE in its entirety the existing **Paragraph 4, RENT**, and SUBSTITUTE therefore the following as a new **Paragraph 4, RENT:**

4. **RENT:**

A. DISTRICT shall pay to LANDLORD the following annual rental payments in advance on each February 1st during the Seventh Extended Term, commencing when the Seventh Extended Term commences the amounts specifically set forth below:

Lease Year	Annual Rental Amount
February 1, 2023 to January 31, 2024	\$13,287
February 1, 2024 to January 31, 2025	\$13,686
February 1, 2025 to January 31, 2026	\$14,096
February 1, 2026 to January 31, 2027	\$14,519
February 1, 2027 to January 31, 2028	\$14,955

B. The parties agree that all parking spaces provided under this Lease are at no additional cost to DISTRICT during the Seventh Extended Term and any further extended terms.

C. Rent for any partial month shall be prorated based on the actual number of days of the month. LANDLORD shall accept all rent and other payments from DISTRICT under this Lease via electronic funds transfer (EFT) directly deposited into the LANDLORD's designated checking or other bank account. LANDLORD shall promptly comply with directions and accurately complete forms provided by DISTRICT required to process EFT payments.

4. Effective February 1, 2023, DELETE the existing **Paragraph 5, OPTION TO EXTEND**, and SUBSTITUTE therefore the following as a new **Paragraph 5, OPTION TO EXTEND:**

5. **OPTION TO EXTEND TERM:**

A. LANDLORD gives DISTRICT the option to extend the term of the Lease on the same provisions and conditions, except for the annual rent, for one (1) three-year option period ("Eighth Extended Term") following expiration of the Seventh Extended Term, by DISTRICT 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 7, HOLDING OVER**. The rent for the Eighth Extended Term, if exercised by DISTRICT, 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 upon the said fair market rental rate within five (5) months of DISTRICT's notice to exercise an option for the Eighth Extended Term, said fair market rental rate shall be determined through arbitration conducted in accordance with the Commercial Arbitration Rules of the American Arbitration Association. If the fair market rental rate is determined by arbitration, DISTRICT has the right to terminate the Lease by giving termination notice to the LANDLORD within thirty (30) days of being notified of the new fair market rental rate.

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

END OF SEVENTH AMENDMENT

SAN BERNARDINO COUNTY FIRE PROTECTION DISTRICT

► _____
Dawn Rowe, Chair, Board of Directors

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

Lynna Monell
Secretary of the Board of Directors
San Bernardino County

By _____
Deputy

HAVASU LAKE FIREBELLES, INC.

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

Name _____
(Print or type name of person signing contract)

Title _____
(Print or Type)

Dated: _____

Address _____

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 _____