FL – 117 Reedley Regional Center Workforce/DSS5610

## FIRST AMENDMENT

This FIRST AMENDMENT TO SUB-LEASE AGREEMENT NO. 15-286 ("First Amendment") is made and entered into this \_\_4th \_\_\_ day of December 2018 ("Effective Date of the First Amendment"), between the COUNTY OF FRESNO, a political subdivision of the State of California, 333 W. Pontiac Way, Clovis, CA 93612 ("COUNTY") and Fresno Area Workforce Investment Corporation, a California public benefit corporation, 2125 Kern Street, Suite 208, Fresno, CA 93721 ("WORKFORCE"). COUNTY and WORKFORCE may be referred to as a "Party" or collectively as "Parties" to this First Amendment.

## WITNESSETH:

WHEREAS, COUNTY is the lessee under that certain lease with Reedley Center, Inc. ("Master Lessor") entered into on June 16, 2015, Lease Agreement No. 15-285/L-302 ("Master Lease"), for use of 27,177 square feet of office space and parking at the location commonly known as 1670-1690 East Manning, Reedley, CA 93654 ("Premises"); and

WHEREAS, COUNTY and WORKFORCE are Parties to that certain Sub-Lease Agreement No. 15-286 (FL-117), entered into on June 16, 2015 ("Sub-Lease"), in which the Master Lessor approved COUNTY sub-leasing to WORKFORCE 10,078 square feet of office space at the Premises; and

WHEREAS, the Parties now desire to amend the Sub-Lease to allow WORKFORCE to decrease the square footage of the Subleased Premises from 10,078 square feet to 6,580 square feet, effective on the Effective Date of the First Amendment, and to provide for any future decrease in square footage of the Subleased Premises, as provided herein.

NOW, THEREFORE, for good and valuable consideration, the receipt and adequacy of which is hereby acknowledged, the Parties agree as follows:

1. The portion of Section 1. PREMISES/REDUCTION IN SPACE SUBLEASED of the Sublease, beginning on page 2, line 4, with the word "COUNTY" and ending on page 2,

line 11, with the word "Lease.," is hereby deleted and replaced with the following:

"From July 1, 2015 to the Effective Date of the First Amendment, COUNTY shall Sub-Lease to WORKFORCE 10,078 square feet of office space as depicted on Exhibit A, attached and incorporated by reference, at the location commonly known as the Reedley Regional Center, 1670-1690 East Manning, Reedley, CA 93654 ("Subleased Premises").

Effective as of Effective Date of the First Amendment," the Subleased Premises leased by COUNTY to WORKFORCE shall be reduced to a total of 6,580 square feet of office space, as depicted on Exhibit A, at the Subleased Premises.

As to COUNTY, the Director of Internal Services/Chief Information Officer is authorized to consent in writing, subject to the County Counsel approval as to legal form and County Auditor-Controller/Treasurer-Tax Collector approval as to accounting form, to any such modification in regard to a decrease in square footage of the Subleased Premises. The rental rate for the modified Subleased Premises shall be a pro-rate amount of the rental rate in effect at the time of such modification. Such decreases will be identified as A-1, A-2, and so on; each subpart lettering will identify any continued reduction of square footage of the Subleased Premises. All "A" subpart letterings are incorporated by this reference and are made a part of this Sub-Lease.

WORKFORCE shall only be permitted to use the Subleased Premises for services and activities consistent with its official mission. Notwithstanding anything to the contrary in this Sub-Lease, this Sub-lease shall be subject to and subordinate to the terms and conditions of the Master Lease."

2. The portion of Section 4. RENT), beginning on page 3, line 13, with the word "WORKFORCE" and ending on page 3, line 22, with the number "\$9,740.51" is hereby deleted and replaced with the following:

"WORKFORCE shall pay rent ("Rent") on a monthly basis for the Subleased Premises beginning July 1, 2015. The monthly Rent from July 1, 2015 to June 30, 2016 shall be \$0.875 per square foot ("Rent per Square Foot"). Thus, effective July 1,

2015, WORKFORCE will be charged monthly Rent in the amount of \$8,882.28 for 10,078 square feet of office space. Beginning July 1, 2016, the Rent shall increase by two percent (2%) per square foot and by another two percent (2%) per square foot each July 1 thereafter:

Rent Period	Price Per Square Foot with Annual 2%		
	Increase		
July 1, 2015	\$0.875 per square foot		
July 1, 2016	\$0.893 per square foot		
July 1, 2017	\$0.911 per square foot		
July 1, 2018	\$0.929 per square foot		
July 1, 2019	\$0.948 per square foot		
July 1, 2020	\$0.967 per square foot		

In the event of a conflict between the pricing set forth in the table above, and the two percent (2%) increase per square foot per year specified above, the two percent (2%) per square foot per year increase shall prevail.

Any decrease in square footage of the Subleased Premises will affect the total Rent owed by WORKFORCE. Any corresponding decrease in Rent shall be documented in each "A" subpart lettering series. Each subpart lettering series shall include the total square feet of office space sub-leased to WORKFORCE, price per square foot, total Rent per month, and effective dates."

The Parties agree that this First Amendment is sufficient to amend the SUB-LEASE and that, upon execution of this FIRST AMENDMENT, the SUB-LEASE and this FIRST AMENDMENT shall together be considered the SUB-LEASE. All provisions set forth in the SUB-LEASE and not amended herein shall remain in full force and effect.

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1 2 3	This FIRST AMENDMENT TO SUB-LEASE AGREEMENT NO. 15-286 is EXECUTED as of the date first herein specified.							
4 5	WORKFORCE:	COUNTY:						
6	FRESNO AREA WORKFORCE INVESTMENT, CORPORATION	COUNTY OF FRESNO						
7 8 9	Paul J. Bauer, Chairman	Sal Quintero, Chairperson of the Board of Supervisors of the County of Fresno						
10	10-23-2018							
11	Date	ATTECT.						
13	The undersigned Master Lessor	Bernice E. Seidel						
14 15	under the referenced Master Lease hereby acknowledges, Accepts and approves this Sub-	Clerk of the Board of Supervisors County of Fresno, State of California						
16	Lease of the designated Subleased premises by COUNTY (the SUB-LESSOR)							
17	to the designated SUB-LESSEE.							
18 19								
20	REEDLEY CENTER, INC.							
21	By:							
22	Roger W. Burnell, President							
23	Date: 10-9-18							
24 25								
26 27	Fund No. 0001 Subclass 10000 Org. No. 5610 Acct. No. 5800							

Rent Per Month										
Base Rent	Effective Dates	Cost per Square Foot	Total Leased Square Feet	Monthly Rent	Annual Rent					
2% increase	7/1/2015-6/30/2016	\$0.875	10,078	\$8,822.28	\$285,488.95					
2% increase	7/1/2016-6/30/2017	\$0.893	10,078	\$8,998.73	\$291,198.73					
2% increase	7/1/2017-6/30/2018	\$0.911	10,078	\$9,178.70	\$297,022.70					
2% increase	7/1/2018-12/3/2018	\$0.929	10,078	\$9,362.28	\$112,347.30					
	12/4/2018-6/30/2019	\$0.929	6,580	\$6,112.70	\$73,352.38					
2% increase	7/1/2019-6/30/2020	\$0.948	6,580	\$6,234.95	\$74,819.43					
2% increase	7/1/2020-6/30/2021	\$0.967	6,580	\$6,359.65	\$76,315.81					

## Space Calculations

Ref.	TOTAL SQFT	Who Description		% of Direct
13	93	Common Janitor's Closet		
15	742	Common	Central Supply/PG&E	-
17	504	Common	Large Conf. Room	
18	565	Common	Break Room	
19	596	Common	Staff Restrooms	
26	267	Common	Public Restrooms	
28	251	Common		
30		Common Circulation		
		Common Total	35%	
25		DSS	Children's Room	
1	3,507		Lobby/Reception/Offices	1
2		DSS	Office 1	
3	161	DSS	DSS Office 2	
4		DSS	Office 3	
5		DSS	Office 4	
6	161	DSS	Office 5	
7		DSS	Office 6	
8	161	DSS	Office 7	
9	161	DSS	Office 8	
10		DSS Office 9		
11		DSS Office 10		
12	218	DSS	File Room	
14	265	DSS	Mail Room	
16	244	DSS	Sm. Conf Room.	9
27		DSS	M.H. Office	
29a	4,680	DSS	Cubicles (52 @ 90 sf)	
11,164		DSS Total		41%
20	895	Workforce	Office Cluster (6)	
21	1,335	Workforce	Job Club Room A & B	
22	526	Workforce	Training Room	
.23	1,309	Workforce	Youth Area	
24	1,345	Workforce	Adult Resource Room	
29b		Workforce	Cubicles (13 @ 90 sf)	
		Workforce Total		24%
	27,177	COMBINED TOTAL		100%

## Reedley Regional Center EXHIBIT A Large Conf. Rm Workforce DSS Common (22) [0000] W