L-298 AirFresnoDrive Fresno-Air/5610/DSS

AMENDMENT I TO LEASE AGREEMENT

AMENDMENT I TO LEASE ("AMENDMENT I") is made and entered into this

2nd day of November, 2021, between Fresno-Air LTD, a California Limited

Partnership, 8050 N. Palm Ave., Suite 300, Fresno, CA 93711 ("LESSOR") and the COUNTY

OF FRESNO, a political subdivision of the State of California, 333 W. Pontiac, Clovis, CA

93612 ("LESSEE"). LESSOR and LESSEE may be referred to individually as a "Party," or collectively as the "Parties" to this Amendment I.

WHEREAS, LESSOR and LESSEE are parties to that certain Lease Agreement #13-515, dated August 20, 2013 ("LEASE"), for lease of space at the property at the location commonly known as 2719 N. Air Fresno Drive, Suite 107, Fresno CA 93727 (the "Premises");

WHEREAS, LESSEE uses the Premises as office space for its Department of Social Services;

WHEREAS, the LESSEE's date of possession of the Premises ("Delivery of Possession") was December 1, 2013, so pursuant to Section 2 of the LEASE, the LEASE expires on November 30, 2021; and

WHEREAS, the Parties desire to update the Notices provision of the LEASE, extend the LEASE term month-to-month on a month-to-month basis, effective December 1, 2021, and add an audit provision to the LEASE.

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

1. Section 2, "TERM," of this LEASE, located on page 1, lines 11 through 28 and page 2, line 1, is deleted in its entirety, and replaced with the following:

"2. <u>TERM</u>

The initial term of this LEASE shall be for five (5) years ("Initial Term") commencing on the Delivery of Possession, which shall be December 1, 2021. Upon determination of the Delivery of Possession, LESSOR and LESSEE shall execute a "Memorandum to Lease" that memorializes the Delivery of Possession, and the date of expiration of the Initial Term.

At the expiration of the Initial Term, the LEASE shall be renewable for one (1) three-

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year period (hereinafter "Extension Term"). Such renewal shall take place automatically unless LESSEE provides LESSOR with written notice to terminate this LEASE at least one hundred eighty (180) days prior to the expiration of the Initial Term.

Notwithstanding any other provisions of this LEASE, effective December 1, 2021, following the expiration of the Initial Term and Extension Term, this LEASE shall continue on a month-to-month basis ("Month-to-Month Term"), subject to all the terms and conditions herein, until LESSEE provides thirty (30) days' prior written notice to terminate this LEASE or LESSOR provides thirty (30) days' prior written notice to terminate the LEASE. LESSOR shall not provide such notice of termination any earlier than February 28, 2022. As to LESSEE, the County Administrative Officer or the Director of Internal Services/Chief Information Officer, or a designee of one of them, is authorized to provide written notice to terminate this LEASE, and to terminate this LEASE."

3. Section 3 "Rent," of the LEASE, located on page 2, lines 2 - 14, is deleted in its entirety, and replaced with the following:

"LESSEE shall pay rent for the Premises ("Rent") of seventy-five cents (\$0.75) per square foot to LESSOR, and the Rent shall increase two percent (2%), effective twelve (12) months from the Delivery of Possession, and thereafter the Rent shall increase by two percent (2%) every twelve (12) months during the Initial Term of the LEASE, and any Extension Term of the LEASE.

Effective December 1, 2021, the rent for the month-to-month period of the LEASE shall be \$34,536.93 per month. The rent shall be paid in advance on or about the first of each month according to the following schedule:

Rent Year	Rent Per Month
Year One	\$ 29,190.75
Year Two	\$ 29,774.57
Year Three	\$ 30,370.06
Year Four	\$ 30,977.46
Year Five	\$ 31,597.01
Year Six	\$ 32,228.95
Year Seven	\$ 32,873.53
Year Eight	\$ 33,531.00
December 1, 2021	\$ 34,536.93

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4. Section 22 "Notices," of the LEASE, located on page 12, lines 10 through 28, and page 13, lines 1-5, is deleted in its entirety, and replaced with the following:

"The persons and their addresses having authority to give and receive notices under this LEASE include the following:

LESSEE:
County of Fresno (L-298)
Director of Internal Services
333 W. Pontiac Way
Clovis, CA 93612
(559) 600-6200
Director of Internal Services

LESSOR: Fresno Air, LTD c/o Russell G. Smith, Inc. 8050 N. Palm Ave., Suite 300 Fresno, CA 93711 (559) 449-2424 Director of Internal Services

All notices between the LESSEE and the LESSOR provided for or permitted under this LEASE must be in writing and delivered either by personal service, by first-class United States mail, by an overnight commercial courier service, or by telephonic facsimile transmission. A notice delivered by personal service is effective upon service to the recipient. A notice delivered by first-class United States mail is effective three LESSEE business days after deposit in the United States mail, postage prepaid, addressed to the recipient, A notice delivered by an overnight commercial courier service is effective one LESSEE business day after deposit with the overnight commercial courier service, delivery fees prepaid, with delivery instructions given for next day delivery, addressed to the recipient. A notice delivered by telephonic facsimile is effective when transmission to the recipient is completed (but, if such transmission is completed outside of LESSEE business hours, then such delivery shall be deemed to be effective at the next beginning of a LESSEE business day), provided that the sender maintains a machine record of the completed transmission. For all claims arising out of or related to this LEASE, nothing in this section establishes, waives, or modifies any claims presentation requirements or procedures provided by law, including but not limited to the Government Claims Act (Division 3.6 of Title 1 of the Government Code, beginning with section 810)."

- A new Section 26 is added to the LEASE, as follows:
- "26. AUDITS AND INSPECTIONS:

LESSOR shall at any time during business hours, and as often as the LESSEE may

Fresno, California

L-298 AirFresnoDrive Fresno-Air/5610/DSS 1 deem necessary, make available to the LESSEE for examination all of its records and data 2 with respect to the matters covered by this LEASE. The LESSOR shall, upon request by the 3 LESSEE, permit the LESSEE to audit and inspect all of such records and data necessary to 4 ensure LESSOR's compliance with the terms of this LEASE. 5 If this LEASE exceeds ten thousand dollars (\$10,000.00), LESSOR shall be subject to 6 the examination and audit of the California State Auditor for a period of three (3) years after 7 final payment under contract (Government Code Section 8546.7)." 8 The Parties agree that this Amendment I is sufficient to amend the LEASE, and that, 9 upon execution of this AMENDMENT I, the LEASE and this AMENDMENT I shall together be 10 considered the LEASE. 11 All provisions, terms, covenants, conditions, and promises set forth in the LEASE and 12 not amended herein shall remain in full force and effect. 13 14 // 15 16 17 // 18 19 20 // 21 22 23 // 24 25 26 // 27 28

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1	EXECUTED as of the date first herein specified.	
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3	LESSOR: Fresno-Air, LTD ₇ a California Limited	LESSEE: COUNTY OF FRESNO
4	Partnership	
5	ByRussell G. Smith, Managing Member	Steve Erandau, Chairman of the
6	of High Sierra Development, LLC, General Partner	Board of the Board of Supervisors of the County of Fresno
7		ATTEST:
8		Bernice E. Seidel Clerk of the Board of Supervisors
9		County of Fresno, State of California
10		Deputy Deputy
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12	Fund No. 0001 Subclass 10000	
13	Org. No. 56107001 Acct. No. 7340	
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