

STAFF REPORT*CITY OF OCEANSIDE*

DATE: June 3, 2015

TO: Honorable Mayor and City Councilmembers

FROM: Property Management

SUBJECT: **AMENDMENT 2 TO THE LEASE AGREEMENT WITH INTERFAITH COMMUNITY SERVICES**

SYNOPSIS

Staff recommends that the City Council approve Amendment 2 to the Lease Agreement with Interfaith Community Services for a portion of the premises located in the Libby Lake Resource Center at 4700 North River Road, reducing the leased premises by 633 square feet for a revised total of approximately 761 square feet and reducing the annual compensation by \$7,596 to a revised total of \$9,132 annually; and authorize the City Manager to execute the amendment.

BACKGROUND

Interfaith Community Services ("ICS") has been providing emergency needs, which includes providing sheltering, food, clothing, family self-sufficiency case management programs and employment assistance services to economically disadvantaged persons in Oceanside since 1982.

ICS has been located at the Libby Lake Resource Center, located at 4700 North River Road (the "Center") since April 2014 pursuant to a Lease Agreement ("Lease"), and desires to continue operating at the Center. ICS has requested a reduction of the square footage of their leased premises from 1,394 square feet to 761 square feet ("Premises"). ICS no longer requires the use of Building #3, Suite C as they have relocated their veteran services to the Veteran's Association of North County building located at 1617 Mission Avenue. Building #3, Suite C will be available to lease to alternate agencies once ICS vacates the Premises.

ANALYSIS

The terms of the Lease as amended will allow ICS to have exclusive use of the first floor of Building #3, Suite A, consisting of approximately 731 square feet, and approximately 30 square feet of the kitchen facility for a total of 761 square feet. ICS shall pay \$761 per month for its use and occupation of the Premises at the Center. ICS's prorata share of the Common Area Maintenance Costs ("CAM Costs") for the Center and the common areas of the Buildings in which the Premises are located is reduced to 6 percent of the total CAM Costs. All other terms of the Lease shall remain the same.

FISCAL IMPACT

Annual rent to be paid by ICS for its use and occupation of the Premises is \$9,132. Rent revenue will be appropriated and deposited to account 900876000101.4353.0006. Additionally, ICS will be required to pay CAM costs, estimated to be \$ 2,672 annually.

INSURANCE REQUIREMENTS

ICS will be required to maintain the City's standard insurance requirement over the term of the Agreement.

COMMISSION OR COMMITTEE REPORT

Does not apply.

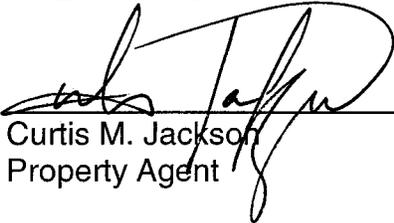
CITY ATTORNEY'S ANALYSIS

The referenced documents have been reviewed by the City Attorney and approved as to form.

RECOMMENDATION

Staff recommends that the City Council approve Amendment 2 to the Lease Agreement with Interfaith Community Services for a portion of the premises located in the Libby Lake Resource Center at 4700 North River Road, reducing the leased premises by 633 square feet for a revised total of approximately 761 square feet and reducing the annual compensation by \$7,596 to a revised total of \$9,132 annually; and authorize the City Manager to execute the amendment.

PREPARED BY:


Curtis M. Jackson
Property Agent

SUBMITTED BY:


Michelle Skaggs Lawrence
Interim City Manager

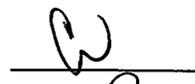
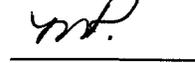
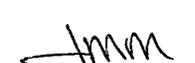
REVIEWED BY:

Peter A. Weiss, Assistant City Manager

Margery Pierce, Housing & Neighborhood Services Director

Jane McPherson, Interim Financial Services Director

Douglas Eddow, Real Estate Manager


AMENDMENT NO. 2 TO LEASE AGREEMENT

This Amendment No. 2 to Lease Agreement ("AMENDMENT"), dated June 26, 2015 for identification purposes, is made by and between the City of Oceanside, hereinafter called "CITY" and Interfaith Community Services, a California private non-profit corporation, hereinafter called "LESSEE".

RECITALS

WHEREAS, CITY and LESSEE entered into that certain Lease Agreement, dated April 30, 2014 for a portion of the Property located at 4700 North River Road, upon which is situated the Libby Lake Resource Center ("PREMISES"), consisting of approximately 58,480 square feet ("AGREEMENT");

WHEREAS, CITY and LESSEE entered into that certain Amendment No. 1, dated November 15, 2014, increasing the PREMISES by 731 square feet for a total of 1,394 square feet.

WHEREAS, LESSEE is desirous of reducing the leased space from the City within the PREMISES by 633 square feet for a revised total of approximately 761 square feet.

NOW, THEREFORE, in consideration of the covenants and conditions contained herein, the parties hereto agree as follows:

AGREEMENT

The AGREEMENT shall be amended to read as follows:

1. Subsection 1.02 Premises of SECTION 1: PREMISES is deleted in its entirety and replaced with the following language:

1.02 Premises. CITY hereby leases to LESSEE and LESSEE hereby leases from CITY, in accordance with the terms, conditions, covenants, and provisions of this Lease, Building #3, Suite A consisting of approximately 731 square feet, Building #3, as well as approximately 30 square feet of the kitchen facility located in Building #2. Said spaces total 761 square feet (hereinafter collectively called the "PREMISES").

2. Subsection 3.02 Rent of SECTION 3: PAYMENT is deleted in its entirety and replaced with the following language:

3.02 Rent. City hereby agrees that the programs, services and activities provided by Lessee at the Premises are valuable consideration received from Lessee, that the provision of such programs, services and activities shall constitute a portion of the rent to

be paid by Lessee for its use and occupation of the Premises in accordance with the terms, covenants, conditions and provisions of the Lease. In addition to providing said programs, services and activities, Lessee shall pay to City a minimum annual rent amount of **Nine Thousand One Hundred Thirty-Two Dollars (\$9,132.00)** and rent shall be payable monthly in advance, without demand from City, at a monthly rate of **Seven Hundred Sixty-One Dollars (\$761.00)** as set forth in Subsection 3.01 above. In addition, Lessee shall be required to pay its prorata share of Common Area Maintenance Costs as set forth in Section 5 below and other costs as set forth in this Lease.

3. Subsection 5.04(a), Lessee's Share, of SECTION 5: COMMON AREAS is deleted in its entirety and replaced with the following language:

5.04 Lessee's Share.

a. Lessee shall pay City an amount equal to Lessee's prorata share of the CAM Costs for the Center and the Buildings common areas in which the Premises are located in the amount of six percent (6%). Said amount is determined by dividing the Premises square feet of 761 SF by the total square feet of the Buildings consisting of 12,726 SF.

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4. All other terms, conditions, covenants and provisions of the AGREEMENT shall remain in full force and effect. In the event of any conflict between the terms of the AGREEMENT and this AMENDMENT, the terms of this AMENDMENT shall control.

“CITY”

THE CITY OF OCEANSIDE,
a California charter City

APPROVED AS TO FORM:

By: _____
City Manager

By: *Robert Hamilton, ASST.*
City Attorney

“LESSEE”

INTERFAITH COMMUNITY SERVICES
a California private non-profit corporation

By: *Craig Bruce Jones*

Name: *Craig Bruce Jones*

Title: *Chief Operating Officer*

NOTARY ACKNOWLEDGEMENT OF LESSEE’S SIGNATURE(S) MUST BE ATTACHED

CALIFORNIA ALL-PURPOSE ACKNOWLEDGMENT

CIVIL CODE § 1189

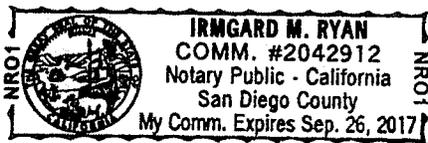
A notary public or other officer completing this certificate verifies only the identity of the individual who signed the document to which this certificate is attached, and not the truthfulness, accuracy, or validity of that document.

State of California)
County of San Diego)
On May 26, 2015 before me, Irmgard M. Ryan
Date Here Insert Name and Title of the Officer
personally appeared Craig B. Jones
Name(s) of Signer(s)

who proved to me on the basis of satisfactory evidence to be the person(s) whose name(s) is/are subscribed to the within instrument and acknowledged to me that he/she/they executed the same in his/her/their authorized capacity(ies), and that by his/her/their signature(s) on the instrument the person(s), or the entity upon behalf of which the person(s) acted, executed the instrument.

I certify under PENALTY OF PERJURY under the laws of the State of California that the foregoing paragraph is true and correct.

WITNESS my hand and official seal.



Signature Irmgard M. Ryan
Signature of Notary Public

Place Notary Seal Above

OPTIONAL

Though this section is optional, completing this information can deter alteration of the document or fraudulent reattachment of this form to an unintended document.

Description of Attached Document

Title or Type of Document: City of Oceanside Lease Agreement Document Date: 6-26-2015
Number of Pages: 3 Signer(s) Other Than Named Above: _____

Capacity(ies) Claimed by Signer(s)

Signer's Name: Craig B. Jones
 Corporate Officer — Title(s): Chief Operating Officer
 Partner — Limited General
 Individual Attorney in Fact
 Trustee Guardian or Conservator
 Other: _____

Signer's Name: _____
 Corporate Officer — Title(s): _____
 Partner — Limited General
 Individual Attorney in Fact
 Trustee Guardian or Conservator
 Other: _____

Signer Is Representing: Interfaith Community Services

Signer Is Representing: _____