

CITY COUNCIL

For City Clerk's Use:

☐ **APPROVED** ☐ **DENIED**

Reso No. _____ File No. _____

Ord No. _____

Agenda Item No.: 7

Date: August 22, 2012

TO: Honorable Mayor and Members of the City Council

FROM: Edward N. Domingue, Director of Engineering Services
Debra Lundy, Real Property Manager

SUBJECT: First Amendment to Lease Agreement with Haircuts Plus at 2255 East Valley Parkway

RECOMMENDATION:

It is requested that Council adopt Resolution No. 2012-145 authorizing the Real Property Manager and City Clerk to execute a First Amendment to Lease Agreement with Haircuts Plus at 2255 East Valley Parkway.

FISCAL ANALYSIS:

Rental revenue in the amount of \$1,159.28 is deposited into the Recreation Fund monthly, with annual 3% rent increases.

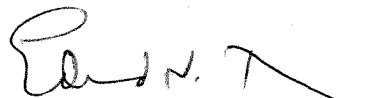
PREVIOUS ACTION:

Resolution 92-247 authorized the original lease agreement, which has been subsequently renewed by Council action several times since 1992.

BACKGROUND:

The City of Escondido purchased the retail center on East Valley Parkway for its East Escondido Community Center and inherited tenant Haircuts Plus as a tenant. Since that time, Haircuts Plus has remained a tenant, operating a full service beauty salon and family haircutters at this location. The existing lease agreement expires on August 31, 2012. This First Amendment to Lease Agreement will establish an additional three (3) year term. All other terms and conditions of the existing lease agreement will remain in full force and effect.

Respectfully submitted,



Edward N. Domingue, P.E.
Director of Engineering Services



Debra Lundy
Real Property Manager

RESOLUTION NO. 2012-145

A RESOLUTION OF THE CITY COUNCIL OF
THE CITY OF ESCONDIDO, CALIFORNIA,
AUTHORIZING THE REAL PROPERTY
MANAGER AND CITY CLERK TO EXECUTE,
ON BEHALF OF THE CITY, A FIRST
AMENDMENT TO LEASE AGREEMENT
WITH HAIRCUTS PLUS

WHEREAS, the City of Escondido ("City") owns certain real property located at
2255 East Valley Parkway; and

WHEREAS, the City assumed a lease agreement with Haircuts Plus when it
acquired said real property; and

WHEREAS, the City and Haircuts Plus entered into a lease agreement in 1992
and said lease agreement has been renewed several times since then; and

WHEREAS, the current lease agreement expires on August 31, 2012; and

WHEREAS, the City and Haircuts Plus desire to enter into a First Amendment to
Lease Agreement to allow Haircuts Plus continued occupancy at said real property for
its beauty salon and family haircutters; and

WHEREAS, this City Council desires at this time and deems it to be in the best
public interest to approve of the First Amendment to Lease Agreement.

NOW, THEREFORE, BE IT RESOLVED by the City Council of the City of
Escondido, California, as follows:

1. That the above recitations are true.

2. The Real Property Manager and City Clerk are authorized to execute, on behalf of the City, the First Amendment to Lease Agreement with Haircuts Plus, which is attached hereto as Exhibit "1" and incorporated by this reference.

FIRST AMENDMENT TO LEASE AGREEMENT

(2255 E. Valley Parkway)

This FIRST AMENDMENT TO LEASE AGREEMENT is made as of this _____ day of _____, 2012.

Between: City of Escondido,
201 North Broadway
Escondido, California 92025
("City")

And: Haircuts Plus
2255 E. Valley Parkway
Escondido, CA 92027
("Lessee")

WITNESSES THAT WHEREAS:

- A. City and Lessee entered into a Lease Agreement dated September 1, 2007, ("ORIGINAL AGREEMENT") for the lease of real property for the purpose of operating a full-service beauty salon and family haircutters, at 2255 E. Valley Parkway, Escondido, California ("Premises"); and
- B. The ORIGINAL AGREEMENT expired on August 31, 2012; and
- C. City and Lessee desire to extend the term of the lease for another three-year period.

NOW THEREFORE, it is mutually agreed by and between City and Lessee as follows:

- 1. The term of the lease as specified in Section 3 of the ORIGINAL AGREEMENT shall be extended to August 31, 2015.
- 2. All other terms and conditions of the ORIGINAL AGREEMENT shall remain in full force and effect.
- 3. This FIRST AMENDMENT and the ORIGINAL AGREEMENT, together with their respective attachments, are the entire understanding of the parties, and there are no other terms or conditions, written or oral, controlling this matter.

IN WITNESS WHEREOF, the parties have executed this agreement as of the day and year first above written.

CITY OF ESCONDIDO

Date: _____

Debra Lundy
Real Property Manager

Date: _____

Diane Halverson
City Clerk

HAIRCUTS PLUS

Date: _____

Its: _____

Approved as to Form:

Office of the City Attorney
JEFFREY R. EPP, City Attorney

By: _____
Deputy City Attorney