

**REPORT/RECOMMENDATION TO THE BOARD OF SUPERVISORS
OF THE COUNTY OF SAN BERNARDINO
AND RECORD OF ACTION**

August 25, 2020

FROM

BEAHTA R. DAVIS, Director, Regional Parks Department

SUBJECT

Revenue Lease Agreement with Prado Recreation, Inc. for Dog Training Facility at Prado Regional Park

RECOMMENDATION(S)

Approve **Revenue Lease Agreement No. 20-686** with Prado Recreation, Inc. for approximately 502.62 acres of land located within Prado Regional Park for a month-to-month tenancy commencing September 1, 2020 for the operation of a dog training concession, in which the County will receive lease fees of not less than \$60,000 during the projected five-year month-to-month tenancy.

(Presenter: Beahta R. Davis, Director, 387-2340)

COUNTY AND CHIEF EXECUTIVE OFFICER GOALS & OBJECTIVES

Operate in a Fiscally-Responsible and Business-Like Manner.

FINANCIAL IMPACT

Approval of this Revenue Lease Agreement (Agreement) will not result in the use of additional Discretionary General Funding (Net County Cost). Under this Agreement, Prado Recreation, Inc. (Tenant) will pay the Regional Parks Department (Department) a minimum monthly fee of one-thousand dollars or ten percent of gross income, whichever is greater, for the five year term of this Agreement to lease approximately 502.62 acres of unimproved land in the Prado Dam Basin area, also known as Prado Regional Park (Park), from September 1, 2020 through August 31, 2025.

The Tenant will also submit a \$1,000 security deposit following the execution of the Agreement to secure compliance with lease terms. Adequate appropriation and revenue has been included in the Department's 2020-21 budget and will be included in subsequent recommended budgets throughout the life of the agreement.

BACKGROUND INFORMATION

The Department operates and maintains ten regional parks including Prado Regional Park, located in the City of Chino, and provides for the rental of park property through Board approved fees. The recommended Agreement with the Tenant allows for a month-to-month tenancy commencing September 1, 2020 for the operation of a dog training concession.

Approval of this Agreement aligns with the County and Chief Executive Officer Goal and Objective to Operate in a Fiscally-Responsible and Business-Like Manner by allowing the

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Department to leverage its amenities and land to raise revenue to support park maintenance and development.

The property underlying the Park is owned by the U.S. Department of the Army, Corps of Engineers (COE), which has historically been leased to the County. Under Agreement No. 76-507, the Tenant has subleased property from the County for operation of the Prado Recreation dog training facility since September 20, 1976. Amendment No. 3 to Agreement No. 76-507 was approved by the Board of Supervisors (Board) on September 17, 2002 (Item No. 16) extending the lease term through July 31, 2021 contingent upon the County's renewal of its lease with COE. This lease between the County and COE expired on September 30, 2015, therefore altering Agreement No. 76-507 with the Tenant to a month-to-month lease. The Department continues to work with COE to secure a new lease. In the interim, on December 18, 2019, the Department sent the Tenant a 30-Day Termination Notice to terminate this month-to-month agreement so that a new agreement could be negotiated.

Approval of this new Agreement will allow the continued operation of the concession wherein the Department will receive a monthly minimum lease of one-thousand dollars (\$1,000) or ten percent (10%) of gross income, whichever is greater for the five year term of this Agreement, from September 1, 2020 through August 31, 2025. Under the new Agreement with Tenant, the term will be a month-to-month tenancy, commencing September 1, 2020, until the County finalizes a longer term lease with COE. The County and COE are currently in negotiations for this longer term lease and it is anticipated that it will be approved by 2021. Subject to COE's approval, the Tenant's Agreement will be a five year term less the duration of time since the Agreement commencement date of September 1, 2020 to the date of approval by the COE. Regional Parks is currently finalizing developmental plans for the future operations of Prado Regional Park (Park). Extension or renewal of this Agreement will be dependent upon Tenant's compatibility with the Department's future plans for the Park.

PROCUREMENT

N/A

REVIEW BY OTHERS

This item has been reviewed by County Counsel (Dawn Martin, Deputy County Counsel, 387-4322) on July 17, 2020; Finance (Elias Duenas, Administrative Analyst, 387-4052) on August 4, 2020; County Finance and Administration (Robert Saldana, Deputy Executive Officer, 387-5423) on August 10, 2020; Real Estate Services (Keith Burke, Real Property Agent II, 677-7961) on August 17, 2020.

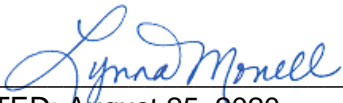
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Facility at Prado Regional Park
August 25, 2020**

Record of Action of the Board of Supervisors
County of San Bernardino

APPROVED (CONSENT CALENDAR)

Moved: Josie Gonzales Seconded: Robert A. Lovingood
Ayes: Robert A. Lovingood, Janice Rutherford, Dawn Rowe, Curt Hagman, Josie Gonzales

Lynna Monell, CLERK OF THE BOARD

BY  _____
DATED: August 25, 2020



cc: Parks - Davis w/agree
Contractor - C/O Parks w/agree
File - w/agree
CCM 09/10/2020