

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

**May 20, 2025**

**FROM**

**TERRY W. THOMPSON, Director, Real Estate Services Department**

**JAMES LOCURTO, Director, Transitional Assistance Department**

**SUBJECT**

Amendment to Lease Agreement with Moss Colton Properties, LLC for Office Space in Colton

**RECOMMENDATION(S)**

1. Find that approval of Amendment No. 5 to Lease Agreement No. 13-997 with Moss Colton Properties, LLC for office space, is an exempt project under the California Environmental Quality Act Guidelines, Section 15301 - Existing Facilities (Class 1).
2. Approve **Amendment No. 5 to Lease Agreement No. 13-997** to extend the term of the lease for five years, for the period of June 1, 2025, through May 31, 2030, through the County's exercise of an existing extension option, for approximately 46,500 square feet of office space at 1900 West Valley Boulevard in Colton, for the Transitional Assistance Department in the amount of \$7,404,660, for a new total contract amount of \$20,646,010.
3. Direct the Real Estate Services Department to file the Notice of Exemption in accordance with the California Environmental Quality Act.

(Presenter: Terry W. Thompson, Director, 387-5000)

**COUNTY AND CHIEF EXECUTIVE OFFICER GOALS & OBJECTIVES**

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

**Provide for the Safety, Health and Social Service Needs of County Residents.**

**FINANCIAL IMPACT**

Approval of Amendment No. 5 (Amendment) to Lease Agreement No. 13-997 (Lease) will not result in the use of Discretionary General Funding (Net County Cost). The total cost of this five-year Amendment is \$7,404,660. Lease payments will be made from the Real Estate Services Department (RESA) Rents budget (7810001000) and reimbursed from the Human Services (HS) Administrative Claim budget (5010001000). The HS Administrative Claim budget is 85% federal and state funded, 15% Local Share which is comprised of Realignment revenue and Discretionary General Funding (Net County Cost). Sufficient appropriation is included in the 2024-25 Rents and HS Administrative Claim budgets and will be included in future recommended budgets. Annual lease costs are as follows:

<b>Year</b>	<b>Annual Lease Cost</b>
June 1, 2025 - May 31, 2026	\$1,395,000
June 1, 2026 - May 31, 2027	\$1,439,640
June 1, 2027 - May 31, 2028	\$1,478,700
June 1, 2028 - May 31, 2029	\$1,523,340
June 1, 2029 - May 31, 2030	\$1,567,980

**Amendment to Lease Agreement with Moss Colton Properties, LLC for  
Office Space in Colton  
May 20, 2025**

<b>Year</b>	<b>Annual Lease Cost</b>
<b>Total Cost:</b>	<b>\$7,404,660</b>

**BACKGROUND INFORMATION**

On December 17, 2013 (Item No. 57), the Board of Supervisors (Board) approved the Lease, with two five-year options to extend the term for 46,500 square feet of office space for the Transitional Assistance Department (TAD) at 1900 West Valley Boulevard in Colton (Premises). The original term of the Lease was for the period of January 1, 2015, through December 31, 2024. In the 12 years since the Lease was originally approved, the Board has approved four amendments to reflect a change of ownership from Bridge Financial Advisors, LLC to COLTAD, LLC, change the term for the period June 1, 2015, through May 31, 2025, change the date the County can terminate the Lease, adjust the rent schedule, revise the construction dates, reflect a change of ownership from COLTAD, LLC to Moss Colton Properties, LLC (Moss), update to reduce the parking premises, update the insurance provision to add Moss as additional insured, and update standard lease agreement language.

<b>Amendment No.</b>	<b>Approval Date</b>	<b>Item No.</b>
1	May 20, 2014	69
2	October 7, 2014	35
3	October 3, 2017	29
4	June 11, 2024	80

TAD requested RESD to negotiate this Amendment to extend the existing term, which is set to expire on May 31, 2025. The Amendment will extend the term for the period of June 1, 2025, through May 31, 2030, adjust the rental rate schedule, update the termination language to allow the County to terminate the Lease beginning June 1, 2028, and update standard lease agreement language. This Amendment keeps the Lease out of holdover and allows for Moss to review TAD's request for tenant improvements. All other Lease terms remain unchanged.

The project to approve the Amendment was reviewed pursuant to the California Environmental Quality Act (CEQA) and determined to be categorically exempt under Section 15301 - Existing Facilities (Class 1) because there is no possibility that the leasing of the subject property will have a significant effect on the environment.

**Summary of Lease Terms**

<b>Lessor:</b>	Moss Colton Properties, LLC Glenn Moss, Owner
<b>Location:</b>	1900 West Valley Boulevard in Colton
<b>Size:</b>	Approximately 46,500 square feet
<b>Term:</b>	June 1, 2025, through May 31, 2030
<b>Options:</b>	One five-year option remains
<b>Rent:</b>	Cost per square foot: \$2.50* Monthly: \$116,250

**Amendment to Lease Agreement with Moss Colton Properties, LLC for  
Office Space in Colton  
May 20, 2025**

	Annual: \$1,395,000 *Mid-range for comparable facilities in the Colton area per the competitive set analysis of file with RESD
Annual Increases:	3%
Improvement Costs:	None
Custodial:	Provided by Lessor
Maintenance:	Provided by Lessor
Utilities:	Provided by Lessor; County to pay electrical costs in excess of \$122,760 per year or \$0.22 per square foot per month (electrical utility expense cap) and to pay gas costs in excess of \$33,480 per lease year or \$0,06 per square foot per month (gas expense cap), both subject to 3% annual increase
Insurance:	The Certificate of Liability Insurance, as required by each lease, is on file with RESD
Holdover:	Upon the end of the term, if permitted by Lessor, the Lease shall continue on a month-to-month term upon the same terms and conditions which existed at the time of expiration with 3% annual increases
Right to Terminate:	County has the right to terminate beginning June 1, 2028, with a 90-day written notice
Parking:	Sufficient for County needs

**PROCUREMENT**

Not applicable.

**REVIEW BY OTHERS**

This item has been reviewed by County Counsel (John Tubbs II, and Adam Ebright, Deputies County Counsel, 387-5455) on April 22, 2025; Transitional Assistance (James Locurto, Director, 388-0245) on April 21, 2025; Purchasing (Dylan Newton, Buyer III, 387-3377) on April 21, 2025; Finance (John Hallen, 388-0208, and Eduardo Mora, 387-4376, Administrative Analysts) on April 28, 2025; and County Finance and Administration (Paloma Hernandez-Barker, Deputy Executive Officer, 387-5423) on May 4, 2025.

(YG: 665-0268)

**Amendment to Lease Agreement with Moss Colton Properties, LLC for  
Office Space in Colton  
May 20, 2025**

Record of Action of the Board of Supervisors  
San Bernardino County

**APPROVED (CONSENT CALENDAR)**

Moved: Joe Baca, Jr. Seconded: Curt Hagman  
Ayes: Col. Paul Cook (Ret.), Dawn Rowe, Curt Hagman, Joe Baca, Jr.  
Absent: Jesse Armendarez

Lynna Monell, CLERK OF THE BOARD

BY   
DATED: May 20, 2025



cc: RESD - Thompson w/agree  
Contractor - c/o RESD w/agree  
File - w/agree

MBA 05/27/2025