

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

October 21, 2025

FROM

**TERRY W. THOMPSON, Director, Real Estate Services Department
MELANIE OROSCO, County Librarian, County Library**

SUBJECT

Amendment to Lease Agreement with the City of Grand Terrace for Library Space in Grand Terrace

RECOMMENDATION(S)

1. Find that approval of Amendment No. 7 to Lease Agreement No. 04-427 with the City of Grand Terrace for library space, is an exempt project under the California Environmental Quality Act Guidelines, Section 15301 – Existing Facilities (Class 1).
2. Approve **Amendment No. 7 to Lease Agreement No. 04-427** with the City of Grand Terrace to:
 - a. Extend the term of the lease for six years, for the period of November 1, 2025, through October 31, 2031, following a permitted holdover period from July 1, 2024, through October 31, 2025.
 - b. Adjust the rental rate schedule.
 - c. Update the existing three-year option to a five-year option to extend.
 - d. Update standard lease agreement language.
 - e. Continue leasing approximately 3,500 square feet of library space, located at 22795 Barton Road in Grand Terrace for the County Library.
 - f. Increase the total lease amount by \$343,780, from \$386,923 to a new total amount of \$730,703, inclusive of \$31,360 for the permitted holdover period.
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.

FINANCIAL IMPACT

Approval of Amendment No. 7 (Amendment) to Lease Agreement No. 04-427 (Lease) will not result in the use of Discretionary General Funding (Net County Cost). The Amendment increases the lease cost by \$343,780, for a total of \$730,703, inclusive of \$31,360 for the permitted holdover period. Lease payments will be made from the Real Estate Services Department (RESD) Rents budget (7810001000) and reimbursed from the County Library (Library) budget (6402202600). Sufficient appropriation is included in the 2025-26 budget and will be included in future recommended budgets. Annual lease costs are as follows:

Lease Year	Annual Lease Cost
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**Amendment to Lease Agreement with the City of Grand Terrace for
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*July 1, 2024 – October 31, 2025	\$31,360
November 1, 2025 – October 31, 2026	\$48,300
November 1, 2026 – October 31, 2027	\$49,752
November 1, 2027 – October 31, 2028	\$51,240
November 1, 2028 – October 31, 2029	\$52,776
November 1, 2029 – October 31, 2030	\$54,360
November 1, 2030 – October 31, 2031	\$55,992
Total Lease Cost:	\$343,780

*Permitted holdover period.

BACKGROUND INFORMATION

On May 25, 2004 (Item No. 42), the Board of Supervisors (Board) approved the Lease, with three two-year options to extend the term for 3,500 square feet of library space for the County Library located at 22795 Barton Road in Grand Terrace (Premises). The original term of the Lease was for the period of June 1, 2004, through May 31, 2009. In the 21 years since the Lease was originally approved, the Board has approved six amendments to exercise the initial options to extend the term, add two three-year options to extend the term, exercise two additional options to extend the term, adjust the rental rate schedule, and update standard lease agreement language.

Amendment No.	Approval Date	Item No.
1	April 21, 2009	30
2	May 17, 2011	60
3	May 21, 2013	50
4	April 21, 2015	52
5	May 22, 2018	111
6	June 22, 2021	74

Library requested that RESD negotiate an amendment to extend the existing term which expired on June 30, 2024. Approval of this Amendment was delayed due to continued negotiations concerning the rental rate and lease term. On July 1, 2024, the Lease went into a permitted holdover and Library has continued to occupy the Premises and abide by the terms of the Lease.

The Amendment will extend the term for the period of November 1, 2025, through October 31, 2031, adjust the rental rate schedule, update the existing three-year option to a five-year extension option and update standard lease agreement language. 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 - Class 1 Existing Facilities because the proposed Lease is to secure property to operate within the existing structure with negligible or no expansion of existing use.

RESD, acting in its approved capacity as the CAO designee to review proposed real property leases under Policy 12-02, completed a market analysis of comparable properties and found the current rental rate, including annual increases during the five-year extended term, to be competitive.

Summary of Lease Terms

**Amendment to Lease Agreement with the City of Grand Terrace for
Library Space in Grand Terrace
October 21, 2025**

Lessor: City of Grand Terrace
Konrad Bolowich, City Manager

Location: 22795 Barton Road, Grand Terrace

Size: 3,500 square feet

Term: November 1, 2025, through October 31, 2031

Options: One five-year option

Rent: Cost per square foot: \$1.15
Monthly: \$4,025
Annual: \$48,300
*Low-range for comparable facilities in the Grand Terrace area
per the competitive set analysis on file with RESD

Annual Increases: Approximately 3%

Improvement Costs: None

Custodial: Provided by Lessor

Maintenance: Provided by Lessor

Utilities: Provided by Lessor

Insurance: The Certificate of Liability Insurance, as required by the 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

Right to Terminate: County has the right to terminate by providing a 180-day written
notice

Parking: Sufficient for County's needs

PROCUREMENT

Not applicable.

REVIEW BY OTHERS

This item has been reviewed by County Counsel (John Tubbs II, and Daniella Hernandez, Deputies County Counsel, 387-5455) on September 17, 2025; Library (Melanie Orosco, County Librarian, 387-2220) on September 19, 2025; Purchasing (Ariel Gill, Supervising Buyer, 387-2070) on September 19, 2025; and County Finance and Administration (Celia McDonald, 387-4286, and Eduardo Mora, 387-4376, Administrative Analysts) on October 1, 2025.

(YG: 655-0268)

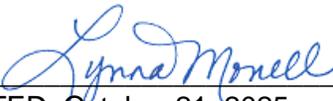
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Record of Action of the Board of Supervisors
San Bernardino County

APPROVED (CONSENT CALENDAR)

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

Lynna Monell, CLERK OF THE BOARD

BY  _____
DATED: October 21, 2025



cc: RESD - Thompson w/agree
Contractor - c/o RESD w/agree
File - w/agree
CCM 10/22/2025