

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

**November 19, 2024**

**FROM**

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

**MELANIE OROSCO County Librarian, County Library**

**SUBJECT**

Amendment to Lease Agreement with the City of Loma Linda for Library Office Space in Loma Linda

**RECOMMENDATION(S)**

1. Find that approval of Amendment No. 6 to Lease Agreement No. 08-431 with the City of Loma Linda for library office space is an exempt project under the California Environmental Quality Act Guidelines Section 15301 - Existing Facilities (Class 1).
2. Approve **Amendment No. 6 to Lease Agreement No. 08-431** with the City of Loma Linda, to exercise an option to extend the term of the lease two years and 11 months, commencing as of December 1, 2024, through October 31, 2027, for a new cumulative period of January 1, 2008, through October 31, 2027, following a permitted 11-month holdover period of January 1, 2024, through November 30, 2024; add one three-year option to extend the term of the lease; adjust the rental rate schedule for 6,081 square feet of library and office space; and update the standard lease agreement language to include additional costs for custodial services for a total of 16,400 square feet, at 25581 Barton Road in Loma Linda, for an increased amount of \$451,505, for a total amount of \$1,904,225.
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.**

**Pursue County Goals and Objectives by Working with Other Agencies.**

**FINANCIAL IMPACT**

Approval of this item will not result in the use of Discretionary General Funding (Net County Cost). The total cost of Amendment No. 6 (Amendment) to Lease Agreement No. 08-431 (Lease), including a permitted 11-month holdover period, is \$451,505. Lease payments will be made from the Real Estate Services Department (RESD) Rents budget (7810001000) and reimbursed from the County Library (Library) budget (6402162600). Sufficient appropriation is included in both the Library and RESD's 2024-25 budgets. Annual Lease costs are as follows:

<u>Year</u>	<u>Lease Cost</u>	<u>Additional Costs Associated with the Lease</u>	<u>Total Cost</u>
*January 1, 2024 - November 30, 2024	\$104,434		\$104,434

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December 1, 2024 – October 31, 2025	\$85,621	\$22,550	\$108,171
November 1, 2025 – October 31, 2026	\$94,378	\$24,600	\$118,978
November 1, 2026 – October 31, 2027	<u>\$95,322</u>	<u>\$24,600</u>	<u>\$119,922</u>
<b>Total Cost</b>	<b>\$379,755</b>	<b>\$71,750</b>	<b>\$451,505</b>

\*Permitted holdover period

**BACKGROUND INFORMATION**

The recommended action will amend the Lease with the City of Loma Linda (City) by exercising an option to extend the term of the Lease for two years and 11 months, for the period of December 1, 2024, through October 31, 2027, following a permitted 11-month holdover period, for a total cost of \$451,505, increasing the Lease from \$1,452,720 to \$1,904,225, add one three-year option to extend the term, adjust the rental rate schedule, and update standard lease agreement language to meet the continuing need for library and office space in the City.

On June 3, 2008 (Item No. 52), the Board of Supervisors (Board) approved the Lease with two, two-year options to extend the term for 6,081 square feet of library and office space at 25581 Barton Road in Loma Linda. The original term of the Lease was for the period of January 1, 2008, through December 31, 2012. In the 16 years since the Lease was originally approved, the Board has approved five amendments to exercise options to extend the term, adjust the rental rate, and update standard lease agreement language.

<u>Amendment No.</u>	<u>Approval Date</u>	<u>Item No.</u>	<u>Contract Total</u>
Original	June 3, 2008	52	\$387,408
1	December 4, 2012	25	\$167,100
2	December 2, 2014	33	\$170,028
3	December 20, 2016	64	\$172,944
4	December 4, 2018	59	\$216,816
<u>5</u>	<u>December 8, 2020</u>	<u>36</u>	<u>\$338,424</u>
<b>Total</b>			<b>\$1,452,720</b>

The City constructed approximately 10,319 square feet of additional library space during the initial five-year term of the Lease, increasing the total size of this library facility to approximately 16,400 square feet. The City agreed that there would be no additional rent for this additional space. The rental rate of approximately \$1.28 per square foot per month is applicable to the 6,081 square feet of library and office space, with annual rent increases of 1%; the additional 10,319 square feet of space is provided at no cost to the County. The City will provide custodial services to the library and office space consisting of 6,801 square feet. The Library will reimburse the City, on a monthly basis, for custodial services as part of the monthly rental rate.

The Library requested RESD process an amendment to the Lease to extend the term for three years commencing as of December 1, 2024, through October 31, 2027, following a permitted 11-month holdover period, add one three-year option to extend the term, adjust the rental rate schedule, and update standard lease agreement language. In the administration of the Lease, the amendment permits the RESD Director to execute amendments that solely reflect a successor landlord following a sale of the property, which is consistent with the existing administrative authority for RESD's Director to exercise the County's early termination right. All other terms and conditions of the Lease remain unchanged.

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Staff has reviewed the recommended action pursuant to the California Environmental Quality Act (CEQA) and has determined that it does not constitute a project. Accordingly, no further action is required under CEQA.

**Summary of Lease Terms**

Lessor:	City of Loma Linda Phillip Dupper, Mayor
Location:	25581 Barton Road, Loma Linda
Size:	16,400 total square feet; 6,081 square feet space at the agreed rental rate and 10,319 square feet of space at no cost to the County
Term:	2 years – 11 months commencing as of December 1, 2024
Options	One three-year option
Rent:	Cost per square foot: \$1.28* modified gross Monthly: \$7,783.73 Annual: \$85,621 (11 months) *Low-range for comparable facilities in the Loma Linda area as it relates to public entities entering into a lease agreement for the benefit of the public use
Annual Increases:	1%
Improvement Costs:	None
Custodial	Provided by Lessor; \$2,050 per month for 16,400 square feet of library and office space, paid to the Lessor as part of the monthly rent
Maintenance:	Provided by Lessor except that the County's contribution, if any, for major maintenance and capital improvement shall be negotiated
Utilities:	Provided by Lessor
Insurance:	Both parties are self-insured public entities
Right to Terminate:	Either party has the right to terminate with 180-days' notice
Parking:	Sufficient for County needs

**PROCUREMENT**

This Amendment is exempt from the procurement provisions of County Policy No. 12-02 – Leasing Privately Owned Real Property for County Use because the real property is owned by a public entity. Under Exceptions to Policy 12-02, Publicly Owned Real Property, County Policy 12-02 shall not apply to leases of real property owned by a federal agency, the State, a city, a

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county, a school district, special district, or other public entity. The Board shall, as required by law, approve all such leases.

**REVIEW BY OTHERS**

This item has been reviewed by County Counsel (John Tubbs II, and Daniella Hernandez, Deputies County Counsel, 387-5455) on October 31, 2024; Library (Melanie Orosco, County Librarian, 387-2220) on September 20, 2024; Purchasing (Ariel Gill, Supervising Buyer, 387-2070) on September 20, 2024; Finance (Elias Duenas, 387-4052, and Garrett Baker, 387-3077, Administrative Analysts) on November 1, 2024; and County Finance and Administration (Valerie Clay, Deputy Executive Officer, 387-5423) on November 1, 2024.

(AR: 501-7579)

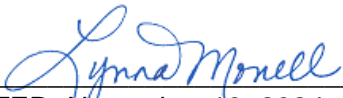
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Record of Action of the Board of Supervisors  
San Bernardino County

**APPROVED (CONSENT CALENDAR)**

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

Lynna Monell, CLERK OF THE BOARD

BY   
DATED: November 19, 2024



cc: Real Estate - Thompson w/agree  
Contractor - c/o Real Estate w/agree  
File - w/agree  
MBA 11/25/2024