

**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
JOSHUA DUGAS, Director, Department of Public Health**

SUBJECT

Amendment to Lease Agreement with John R. Hosman, LLC for Office and Clinic Space in Twentynine Palms

RECOMMENDATION(S)

1. Find that approval of Amendment No. 10 to Lease Agreement No. 98-423 with John R. Hosman, LLC, for office and clinic space, is an exempt project under the California Environmental Quality Act Guidelines, Section 15301 – Existing Facilities (Class 1).
2. Approve **Amendment No. 10 to Lease Agreement No. 98-423** with John R. Hosman, LLC, through the use of an alternative procedure as allowed per County Policy 12-02 – Leasing Privately Owned Real Property for County Use, to:
 - a. Extend the term of the lease for one year, for the period of November 1, 2025, through October 31, 2026, following a permitted holdover period from November 1, 2024, through October 31, 2025.
 - b. Adjust the rental rate schedule and update standard lease agreement language.
 - c. Continue leasing approximately 1,800 square feet of office and clinic space, located at 6527 Desert Queen Avenue in Twentynine Palms, for the Department of Public Health, Women, Infants and Children Program.
 - d. Increase the total lease amount by \$61,560, from \$550,968 to \$612,528, inclusive of \$30,240 for the 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. 10 (Amendment) to Lease Agreement No. 98-423 (Lease) will not result in the use of Discretionary General Funding (Net County Cost), as the Department of Public Health (DPH) Women, Infants and Children Program (WIC) lease costs are federally funded. The total cost associated with the holdover period and the one-year extension is \$61,560, consisting of \$30,240 for the holdover period and \$31,320 for the Amendment term. Lease payments will be made from the Real Estate Services Department (RESA) Rents budget (7810001000) and reimbursed from the DPH-WIC budget (1007404). Sufficient appropriation is included in the 2025-26 budget and will be included in future recommended budgets. Annual lease costs are as follows:

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Lease Year	Annual Lease Cost
*November 1, 2024 – October 31, 2025	\$30,240
November 1, 2025 – October 31, 2026	\$31,320
Total Lease Cost:	\$61,560

*Permitted holdover period

BACKGROUND INFORMATION

On June 16, 1998 (Item No. 14), the Board of Supervisors (Board) approved the Lease, with three two-year options to extend the term for approximately 1,800 square feet of office and clinic space, located at 6527 Desert Queen Avenue in Twentynine Palms (Premises) for WIC. The original term was for the period of September 1, 1998, through August 31, 2003. In the 27 years since the Lease was originally approved, the Board has approved nine Amendments to extend the term, adjust the rental rate schedule, add options to extend the term, reflect a change of property ownership to John R. Hosman, LLC (Landlord) and update standard lease agreement language.

Amendment No.	Approval Date	Item No.
1	November 18, 2003	48
2	August 16, 2005	25
3	August 7, 2007	45
4	July 14, 2009	41
5	July 10, 2012	44
6	August 25, 2015	42
7	October 16, 2018	37
8	October 8, 2019	34
9	October 26, 2021	57

DPH requested that RESD negotiate an amendment to extend the existing term which expired on October 31, 2024. Approval of this Amendment was delayed due to continued negotiations concerning the rental rate and term. Due to the Landlord’s lender requirements, the Landlord requested that the Lease be extended for one year in lieu of exercising the County’s existing three-year extension option. On November 1, 2024, the Lease went into a permitted holdover and WIC 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, 2026, adjust the rental rate schedule, and update standard lease agreement language. All other Lease terms remain unchanged.

Policy 12-02 provides that the Board may approve the use of an alternative procedure to the use of a Formal Request for Proposal (RFP) process whenever the Board determines that compliance with the Formal RFP requirements would unreasonably interfere with the financial or programmatic needs of the County, or when the use of an alternative procedure would otherwise be in the best interest of the County.

RESD, acting in its approved capacity as the County Administrative Office designee for reviewing proposed real property leases under Policy 12-02, completed a market analysis of comparable properties and determined that the current rental rate for the one-year extension term is competitive. The site meets WIC’s operational requirements, minimizes disruption, and avoids relocation costs.

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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.

Summary of Lease Terms

Lessor: John R. Hosman, LLC
John R. Hosman

Location: 6527 Desert Queen Avenue, Twentynine Palms

Size: 1,800 square feet of office and clinic space

Term: November 1, 2025, through October 31, 2026

Options: One three-year option

Rent: Cost per square foot per month: \$1.45
Monthly: \$2,610
Annual: \$31,320
*Low-range for comparable facilities in the Twentynine Palms area per the competitive set analysis on file with RESD

Annual Increases: None

Improvement Costs: None

Custodial: Provided by County

Maintenance: Provided by Lessor

Utilities: Provided by Lessor except that County pays for interior electric and gas and telephone service

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 with 90-day notice

Parking: Sufficient for County's needs

PROCUREMENT

Not applicable.

REVIEW BY OTHERS

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This item has been reviewed by County Counsel (John Tubbs II, and Daniel Pasek, Deputies County Counsel, 387-5455) on September 10, 2025; Public Health (Joshua Dugas, Director, 387-9146) on September 17, 2025; Purchasing (Ariel Gill, Supervising Buyer, 387-2070) on September 10, 2025; and County Finance and Administration (Iliana Rodriguez, 387-4205, and Eduardo Mora, 387-4376, Administrative Analysts) on October 1, 2025.

(DM: 6778388)

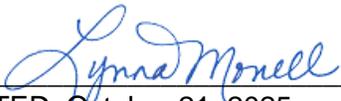
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Record of Action of the Board of Supervisors
San Bernardino County

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