

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

**September 9, 2025**

**FROM**

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

**ARLENE MOLINA, Director, Preschool Services Department**

**SUBJECT**

Amendment to Lease Agreement with Elizabeth A. Burkle, Trustee of the Burkle Family Trust Dated November 8, 1999, for Classroom, Office, and Playground Space in Yucaipa

**RECOMMENDATION(S)**

1. Find that approval of Amendment No. 2 to Lease Agreement No. 17-891 with Elizabeth A. Burkle, Trustee of the Burkle Family Trust Dated November 8, 1999, for classroom, office, and playground space, is an exempt project under the California Environmental Quality Act Guidelines, Section 15301 – Existing Facilities (Class I).
2. Approve **Amendment No. 2 to Lease Agreement No. 17-891** with Elizabeth A. Burkle, Trustee of the Burkle Family Trust Dated November 8, 1999, 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 five years, for the period of October 1, 2025, through September 30, 2030, by exercising the existing option to extend, following a permitted holdover period from February 1, 2025, through September 30, 2025;
  - b. Adjust the rental rate schedule;
  - c. Add one five-year option to extend the term of the lease;
  - d. Update the termination language, and standard lease agreement language;
  - e. Continue leasing approximately 4,648 square feet of classroom and office space, and approximately 3,006 square feet of playground area, located at 12236 California Street in Yucaipa for the Preschool Services Department;
  - f. Increase the total lease amount by \$468,788, from \$496,676 to \$965,464, inclusive of \$50,888 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. 2 (Amendment) to Lease Agreement No. 17-891 (Lease) will not result in the use of Discretionary General Funding (Net County Cost), as Preschool Services Department (PSD) lease costs are 87% federally funded, 11% state funded, and 2% other funded. The total cost of the Amendment is \$468,788. Lease payments will be made from the Real Estate Services Department (RESA) Rents budget (7810001000) and reimbursed from the

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PSD budget (5911682220). Sufficient appropriation is included in the 2025-26 budget and will be included in future recommended budgets. Annual lease costs are as follows:

<b>Lease Year</b>	<b>Annual Lease Cost</b>
*February 1, 2025 – September 30, 2025	\$50,888
October 1, 2025 – September 30, 2026	\$78,708
October 1, 2026 – September 30, 2027	\$81,072
October 1, 2027 – September 30, 2028	\$83,508
October 1, 2028 – September 30, 2029	\$86,016
October 1, 2029 – September 30, 2030	\$88,596
<b>Total Lease Cost:</b>	<b>\$468,788</b>

\*Permitted holdover period.

**BACKGROUND INFORMATION**

On December 5, 2017 (Item No. 46), the Board of Supervisors (Board) approved a five-year Lease, with one five-year option to extend, with Elizabeth A. Burkle, Trustee of the Burkle Family Trust Dated November 8, 1999 (Elizabeth A. Burkle) for approximately 4,648 square feet of classroom and office space and approximately 3,006 square feet of playground space, located at 12236 California Street in Yucaipa (Premises). The original term of the Lease was for the period of January 1, 2018, through December 31, 2022.

On January 10, 2023 (Item No. 40), the Board approved Amendment No. 1 to extend the term, remove the County's termination rights, and update standard lease agreement language.

PSD requested RESD to negotiate an amendment to extend the existing term, which expired on January 31, 2025. Negotiations were delayed due to rental rate and termination rights discussions. On February 1, 2025, the Lease went into a permitted holdover and PSD has continued to occupy the Premises and abide by the terms of the Lease.

The Amendment will extend the term for the period of October 1, 2025, through September 30, 2030, by exercising the existing option to extend, adjust the rental rate schedule, add one five-year option to extend the term, update the termination language to allow PSD the right to terminate beginning year three of the extended term, and update standard lease agreement language. Should PSD decide to exercise the added extension option, PSD will have the right to terminate the Lease beginning year three of the second extended term. 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.

**Summary of Lease Terms**

Lessor: Elizabeth A. Burkle, Trustee of the Burkle Family Trust dated November 8, 1999

Location: 12236 California Street, Yucaipa

Size: Approximately 4,648 square feet of classroom and office space

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	and 3,006 square feet of playground space
Second Extended Term:	October 1, 2025 through September 30, 2030
Options:	One five-year option
Rent:	Cost per square foot per month: \$1.41 Monthly: \$6,559 Annual: \$78,708 *Low-range for comparable facilities in the Yucaipa area per the competitive set analysis on file with RESD
Annual Increases:	Approximately 3%
Improvement Costs:	None
Custodial:	Provided by County
Maintenance:	Provided by Lessor; except the County provides minor interior maintenance, servicing fire extinguishers and fire suppression equipment, and air-conditioning, heating and ventilation system maintenance
Utilities:	Provided by County
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 beginning year three of the second extended term by providing a 120-day written notice
Parking:	Sufficient for County's needs

**PROCUREMENT**

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 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 three-year extended term, to be competitive. The site meets the current requirements of PSD, and if the

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extension is approved by the Board, it would minimize disruption to PSD operations and save moving costs.

**REVIEW BY OTHERS**

This item has been reviewed by County Counsel (John Tubbs II, Deputy County Counsel, and Bonnie Uphold, Supervising Deputy County Counsel, 387-5455) on August 11, 2025; Preschool Services (Arlene Molina, Director, 383-2028) on August 5, 2025; Purchasing (Ariel Gill, Supervising Buyer, 387-2070) on August 7, 2025; and County Finance and Administration (Allegra Pajot, 388-0218, and Eduardo Mora, 387-4376, Administrative Analysts) on August 20, 2025.

(YG: 655-0268)

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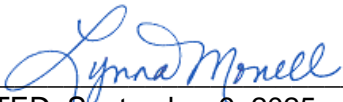
Record of Action of the Board of Supervisors  
San Bernardino County

**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: September 9, 2025



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

MBA 09/11/2025