

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

March 14, 2023

FROM

**TERRY W. THOMPSON, Director, Real Estate Services Department
SHANNON D. DICUS, Sheriff/Coroner/Public Administrator**

SUBJECT

Amendment to Lease Agreement with Silver Lakes Association for Office Space in Helendale

RECOMMENDATION(S)

Approve **Amendment No. 4 to Lease Agreement No. 07-983** with Silver Lakes Association, to extend the term of the lease three years, for the period of April 1, 2023 through March 31, 2026, exercising the first of two existing extension options, following a permitted holdover for the period of October 1, 2022 through March 31, 2023, adjust the rental rate schedule, and update standard lease agreement language, for approximately 170 square feet of office space for the Sheriff/Coroner/Public Administrator at 27801 Mountain Springs Road in Helendale, in the amount of \$3.50.

(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 this item will not result in the use of Discretionary General Funding (Net County Cost). The total cost of this three-year amendment, including the permitted holdover, is \$3.50, which will be paid from the Sheriff/Coroner/Public Administrator (Sheriff) operating budget (4434501000) upon approval and execution of this amendment by the Board of Supervisors (Board). Janitorial costs, which are considered minimal, will be paid from the Sheriff's budget. Sufficient appropriation is included in the 2022-23 budget and will be included in future recommended budgets. Annual lease costs are as follows:

<u>Period</u>	<u>Lease Cost</u>
October 1, 2022 – March 31, 2023*	\$0.50
April 1, 2023 – March 31, 2024	\$1.00
April 1, 2024 – March 31, 2025	\$1.00
April 1, 2025 – March 31, 2026	<u>\$1.00</u>
Total Cost	\$3.50

*Holdover Costs pro-rata for the period

BACKGROUND INFORMATION

Amendment No. 4 to Lease Agreement No. 07-983 (Lease) with Silver Lakes Association (SLA) extends the term of the lease three years due to San Bernardino County's (County) exercise of the first of two existing extension options. Following a permitted holdover for the period of

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October 1, 2022 through March 31, 2023, the lease term will be adjusted to April 1, 2023 through March 31, 2026, the rental rate schedule will be adjusted, and standard lease agreement language will be adjusted, which will provide for the Sheriff's continued use of approximately 170 square feet of office space as a reporting station in support of law enforcement activities in the Helendale area.

On November 6, 2007 (Item No. 48), the Board approved the five-year Lease, with two three-year options to extend the term, with SLA for approximately 170 square feet of office space located at 27801 Mountain Springs Road in Helendale. The original term of the Lease was for the period of October 1, 2007 through September 30, 2012. In the 15 years since the Lease was originally approved, the Board has approved three amendments, adding two three-year options to extend the term of the Lease, extending the term of the Lease through September 30, 2022, through the exercise of two three-year options, adjusting the rental rate schedule, and updating standard lease agreement language.

<u>Amendment No.</u>	<u>Approval Date</u>	<u>Item No.</u>
1	January 29, 2013	48
2	May 3, 2016	45
3	September 24, 2019	39

The Sheriff requested the Real Estate Services Department (RESO) prepare an amendment extending the term of the Lease three years from April 1, 2023 through March 31, 2026, due to the County's exercise of an existing extension option, adjusting the rental rate schedule, and updating standard lease agreement language for the continued use of the leased space. During negotiations concerning the terms of the amendment, the Lease went into holdover on October 1, 2022. The County has continued to occupy the leased space and abide by the terms of the Lease.

The amendment allows for the RESO Director in administering the Lease, to execute subsequent lease amendments that solely reflect a successor landlord following the original landlord's sale of the real property and assignment of the Lease, but will not amend any other terms and conditions of the Lease.

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:	Silver Lakes Association (Susan Bellani, General Manager)
Location:	27801 Mountain Springs Road, Helendale
Size:	Approximately 170 square feet of office space
Term:	Three years commencing April 1, 2023
Options:	One three-year option
Rent:	Monthly: \$0.08

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Annual: \$1.00

*Low-range for comparable facilities in the Helendale 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

Insurance: The Certificate of Liability Insurance, as required by the lease, is
on file with the RESD

Right to Terminate: County has the right to terminate with 90-days' notice

Parking: Sufficient for County needs

Holdover: Month-to-month term upon the same terms and conditions,
including the rent which existed at the time of expiration

PROCUREMENT

On November 6, 2007 (Item No. 48), the Board approved a five-year lease agreement with SLA, with two three-year options to extend the term of the Lease, which was procured in accordance with County Policy 12-02 – Procuring Privately Owned Real Property for County Use (Policy 12-02), using an alternative procedure. The procurement process required by Policy 12-02 does not apply to amendments of existing agreements, provided the amendment does not exceed the maximum term (including options) of the Lease.

REVIEW BY OTHERS

This item has been reviewed by County Counsel (Agnes Cheng, Deputy County Counsel, and Richard Luczak, Deputy County Counsel, 387-5455) on March 6, 2023; Sheriff (Jose Torres, Administrative Manager, 387-3648) on February 21, 2023; Purchasing (Bruce Cole, Supervising Buyer, 387-2148) on February 16, 2023; Finance (Erika Rodarte, Administrative Analyst, 387-4919, and Penelope Chang, Administrative Analyst, 387-4886) on February 23, 2023; and County Finance and Administration (Valerie Clay, Deputy Executive Officer, 387-5423) on February 23, 2023.

(KB: 677-7961)

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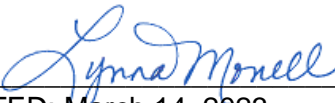
Record of Action of the Board of Supervisors
San Bernardino County

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: March 14, 2023



cc: RESD - Thompson w/agree
Contractor - C/O RESD w/agree
File - w/agree

CCM 03/17/2023