

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

July 26, 2022

FROM

**BRENDON BIGGS, Chief Flood Control Engineer, Flood Control District
TERRY W. THOMPSON, Director, Real Estate Services Department**

SUBJECT

Amendment to Revenue Lease Agreement with Loving Savior of the Hills Lutheran Church for Use of Flood Control District Land

RECOMMENDATION(S)

Acting as the governing body of the San Bernardino County Flood Control District, approve **Amendment No. 1 to Revenue Lease Agreement No. 17-665** with Loving Savior of the Hills Lutheran Church, to extend the term of the Revenue Lease Agreement for the use of a parking lot, by exercising the final five-year extension option for the period of August 1, 2022 through July 31, 2027, for approximately 12,200 square feet of San Bernardino County Flood Control District-owned land in Chino Hills, for total revenue in the amount of \$18,700. (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 require Discretionary General Funding (Net County Cost). The San Bernardino County Flood Control District (District) is funded by property taxes, fees, and other local, state, and federal funding. The total revenue anticipated to be received by the District is \$18,700. Revenue will be deposited in the District's Zone 1 fund (1910002518). Total revenue is as follows:

Year	Annual Rent	Annual Inspection Fee
August 1, 2022 – July 31, 2023	\$2,312	\$1,236*
August 1, 2023 – July 31, 2024	\$2,404	\$1,236*
August 1, 2024 – July 31, 2025	\$2,500	\$1,236*
August 1, 2025 – July 31, 2026	\$2,600	\$1,236*
August 1, 2026 – July 31, 2027	<u>\$2,704</u>	<u>\$1,236*</u>
Total Revenue	\$12,520	\$6,180*

*Current fee per District's Annual Schedule of Fees Ordinance (Ordinance No. FCD 22-01), which is subject to change.

BACKGROUND INFORMATION

The recommended action will amend the existing Revenue Lease Agreement, with Loving Savior of the Hills Lutheran Church (Church), to extend the term of the lease for the period of

**Amendment to Revenue Lease Agreement with Loving Savior of the Hills Lutheran Church for Use of Flood Control District Land
July 26, 2022**

August 1, 2022 through July 31, 2027, for the continued use of approximately 12,200 square feet of District land south of Morning Field Avenue and west of Peyton Drive in Chino Hills for maintenance of landscaping and a parking area.

On April 20, 2022, the District received notice from the Church of its intention to exercise its five-year extension option. Amendment No. 1 extends the term of the revenue lease agreement by exercising the final five-year option for the period of August 1, 2022 to July 31, 2027, adjusts the rent schedule and related provisions, and updates standard lease agreement language. All other terms and conditions of Revenue Lease Agreement No. 17-665 remain unchanged.

On August 29, 2000 (Item No. 60), the Board of Supervisors (Board) approved a five-year Lease Agreement No. 00-855, with three five-year options to extend the term of the lease with the Church for the placement and maintenance of landscaping and parking area along Carbon Canyon Creek Channel in Chino Hills. The original term of the lease was for the period of September 1, 2000 through August 31, 2005. The Board approved two amendments, extending the term for the period of September 1, 2005 through August 31, 2010, and from September 1, 2010 through August 31, 2015. During negotiations regarding the provisions of a new lease, the prior Lease Agreement No. 00-855, went into holdover September 1, 2015. The Church continued to occupy the land and abide by the provisions of the lease on a month-to-month basis.

On July 25, 2017 (Item No. 67), the Board approved a new five-year Lease Agreement No. 17-665, with one five-year option to extend the lease, with the Church. The original term of the lease was from August 1, 2017 through July 31, 2022, including payment of a one-time prorated rent fee for the holdover period of September 1, 2015 through July 31, 2017.

The District requested that the Real Estate Services Department (RESA) prepare Amendment No. 1 to extend the term of the lease at the request of the Church for the period of August 1, 2022 through July 31, 2027. RESA prepared the lease amendment including the Annual Inspection Fee and provided for an appropriate increase in the rental rate schedule for the extended term.

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

Lessee: Loving Savior of the Hills Lutheran Church
(Thomas J. Stys, President)

Location: Within District right-of-way along the Carbon Canyon Creek Channel between Morning Field Avenue and west of Peyton Drive in Chino Hills

Size: Approximately 12,200 square feet of land

Term: Five years commencing August 1, 2022

Options: No Options Remain

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July 26, 2022**

Rent: Cost per square feet per month: \$0.02*
Monthly: \$192.64
Annual: \$2,311.64
*Low-range for comparable land in the San Bernardino area per the competitive set analysis on file with RESD

Annual Increases: 4%

Improvement Costs: None

Custodial: None

Maintenance: Provided by Lessee

Utilities: Provided by Lessee

Insurance: The Certificate of Liability Insurance, as required by the lease, is on file with the Real Estate Services Department

Right to Terminate: Lessee may terminate with 90-days' written notice

Parking: None

PROCUREMENT

Not applicable.

REVIEW BY OTHERS

This item has been reviewed by County Counsel (Kristina Robb, Principal Assistant County Counsel, and Sophie Akins, Deputy County Counsel, 387-5455) on June 23, 2022; Flood Control District (Grant Mann, Deputy Director, 387-7918) on June 3, 2022; Finance (Carl Lofton, Administrative Analyst, 387-5404) on June 11, 2022; and County Finance and Administration (Diana Atkeson, Deputy Executive Officer, 387-4376) on June 12, 2022.

(BR: 531-2674)

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Record of Action of the Board of Supervisors
San Bernardino County Flood Control District

APPROVED (CONSENT CALENDAR)

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

Lynna Monell, CLERK OF THE BOARD

BY 
DATED: July 26, 2022



cc: Flood - Biggs w/agree
Contractor - C/O Flood w/agree
File - w/agree
CCM 08/11/2022