

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

November 18, 2025

FROM

TERRY W. THOMPSON, Director, Real Estate Services Department
ARLENE MOLINA, Director, Preschool Services Department

SUBJECT

Amendment to Lease Agreement with the City of San Bernardino for Classroom, Playground and Parking Space in San Bernardino

RECOMMENDATION(S)

1. Find that approval of Amendment No. 1 to Lease Agreement No. 17-860 with the City of San Bernardino for classroom, playground and parking space, is an exempt project under the California Environmental Quality Act Guidelines, Section 15301 - Existing Facilities (Class 1).
2. Approve **Amendment No. 1 to Lease Agreement No. 17-860** with the City of San Bernardino, to:
 - a. Extend the term of the lease for three years, for the period of January 1, 2026, through December 31, 2028, by exercising an existing option, following a permitted holdover for the period of December 1, 2024, through December 31, 2025.
 - b. Add one three-year option to extend the term of the lease.
 - c. Update standard lease agreement language.
 - d. Continue leasing approximately 2,160 square feet of classroom space and approximately 1,340 square feet of playground and parking space, located at 2969 Flores Street in San Bernardino, for the Preschool Services Department.
 - e. Increase the total lease amount by \$104,179, from \$165,636 to a new total amount of \$269,815, inclusive of \$27,235 for the permitted 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.

Provide for the Safety, Health and Social Service Needs of County Residents.

FINANCIAL IMPACT

Approval of Amendment No. 1 (Amendment) to Lease Agreement No. 17-860 (Lease) with the City of San Bernardino (City) will not result in the use of Discretionary General Funding (Net County Cost). The Preschool Services Department (PSD) is 86% federally funded and 14% state funded. The total cost of this Amendment is \$104,179, which includes \$27,235 for the permitted holdover period. Lease payments will be made from the Real Estate Services Department (RESA) Rents budget (7810001000) and reimbursed from the PSD budget (5910002220). Other costs associated with this Lease include custodial, minor interior

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maintenance, utility, and telephone expenses, which will be paid from the PSD budget. Sufficient appropriation is included in the 2025-26 RESD and PSD budgets and will be included in future recommended budgets. Annual lease costs are as follows:

Year	Lease Cost
*December 1, 2024 – December 31, 2025	\$27,235
January 1, 2026 – December 31, 2026	\$25,140
January 1, 2027 – December 31, 2027	\$25,644
January 1, 2028 – December 31, 2028	\$26,160
Total Cost	\$104,179

*Holdover period

BACKGROUND INFORMATION

On November 14, 2017 (Item No. 30), the Board of Supervisors (Board) approved the Lease with one three-year option to extend, for approximately 2,160 square feet of classroom space and approximately 1,340 square feet of playground and parking space at 2969 Flores Street in San Bernardino (Premises). The original term was for the period of December 1, 2017, through November 30, 2024.

PSD requested that RESD negotiate an extension of the Lease. However, approval of this Amendment was delayed due to extended negotiations with the City. As a result, the Lease entered into a permitted holdover on December 1, 2024, during which PSD has continued to occupy the Premises under the existing terms.

The Amendment will extend the term for the period of January 1, 2026, through December 31, 2028, adjust the rental rate schedule, add one three-year option to extend the term and update standard lease agreement language. 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: City of San Bernardino
Eric Levitt, City Manager

Location: 2969 Flores Street, San Bernardino

Size: 2,160 square feet of classroom space and 1,340 square feet of playground and parking space

Term: January 1, 2026, through December 31, 2028

Options: One three-year option

Rent: Cost per square foot per month: \$0.97*
Monthly: \$2,095
Annual: \$25,140

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*Low-Mid range for comparable facilities in the San Bernardino area per the competitive set analysis on file with RESD

Annual Increases:	2%
Improvement Costs:	N/A
Custodial:	Provided by County
Maintenance:	Provided by City, except for minor interior maintenance
Utilities:	Provided by City and reimbursed by County
Insurance:	Both the County and City are self-insured public entities
Holdover:	Upon the end of the term, if permitted by Lessor, the Lease shall continue on a month-to-month term and can be terminated with 90 days' notice by either party
Right to Terminate:	County has the right to terminate with 90-day notice
Parking:	Sufficient for County needs

PROCUREMENT

Not applicable.

REVIEW BY OTHERS

This item has been reviewed by County Counsel (John Tubbs II, and Sophie Curtis, Deputies County Counsel, 387-5455) on November 13, 2025; Preschool Services (Arlene Molina, Director, 383-2028) on October 15, 2025; Purchasing (Ariel Gill, Supervising Buyer, 387-2070) on October 16, 2025; and County Finance and Administration (Allegra Pajot, 388-0218, and Eduardo Mora, 387-4376, Administrative Analysts) on October 29, 2025.

(YG: 665-0268)

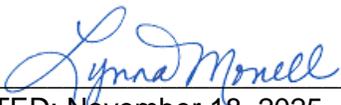
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Record of Action of the Board of Supervisors
San Bernardino County

APPROVED (CONSENT CALENDAR)

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

Lynna Monell, CLERK OF THE BOARD

BY 
DATED: November 18, 2025



cc: RESD - Thompson w/agree for sign
 Contractor - c/o RESD w/agree
 File - w/agree
MBA 11/25/2025