

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

**August 9, 2022**

**FROM**

**TERRY W. THOMPSON, Director, Real Estate Services Department  
JACQUELYN GREENE, Director, Preschool Services Department**

**SUBJECT**

Amendment to Lease Agreement with IV3 662-696 S Tippecanoe Ave, LLC for Office Space for the Preschool Services Department in San Bernardino

**RECOMMENDATION(S)**

Approve **Amendment No. 5 to Lease Agreement No. 06-1152** with IV3 662-696 S Tippecanoe Ave, LLC to reflect a change of property ownership from Tip Property Two, LLC to IV3 662-696 S Tippecanoe Ave, LLC, for the remaining term of the lease expiring December 31, 2024, and to update standard lease agreement language for approximately 18,000 square feet of office space at 662 South Tippecanoe Avenue in San Bernardino for the Preschool Services Department at no cost.

(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 additional Discretionary General Funding (Net County Cost). There is no cost to San Bernardino County (County) associated with this amendment to reflect the change of property ownership from Tip Property Two, LLC (Tip) to IV3 662-696 S Tippecanoe Ave, LLC (IV3) and to update standard lease agreement language.

**BACKGROUND INFORMATION**

The recommended action will amend an existing lease agreement to reflect a change of property ownership from Tip to IV3, and to update standard lease agreement language for approximately 18,000 square feet of office space located at 662 South Tippecanoe Avenue in San Bernardino to provide for the continuing administration of the Preschool Services Department.

On November 28, 2006 (Item No. 21), the Board of Supervisors (Board) approved a 10-year Lease Agreement No. 06-1152, with three, three-year options to extend the term of the lease with Perris Campus Plaza, LLC for approximately 18,000 square feet of office space located at 662 South Tippecanoe Avenue in San Bernardino. The original term of the lease was for the period of June 1, 2007 through May 31, 2017. In the 15 years since the lease was originally approved, the Board has approved four amendments, which extended the term of the lease through December 31, 2024, adjusted the monthly rental rate schedule, adjusted the commencement and expiration dates of the lease, adjusted the critical completion date of the

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building, reflected a change of property ownership, and updated standard lease agreement language.

<u>Amendment No.</u>	<u>Approval Date</u>	<u>Item No.</u>
1	August 21, 2007	32
2	October 7, 2008	51
3	July 24, 2018	34
4	December 14, 2021	54

On April 26, 2022, Tip notified the Real Estate Services Department (RESD) of its sale of the property to IV3. Amendment No. 5 to Lease Agreement No. 06-1152, reflects a change of property ownership from Tip to IV3 and updates standard lease agreement language specific to delivery of notices. All other terms and conditions of the lease remain unchanged.

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:	IV3 662-696 S Tippecanoe Ave, LLC (Joonas Partanen, Senior Vice President)
Location:	662 South Tippecanoe Avenue, San Bernardino
Size:	Approximately 18,000 square feet of office space
Term:	Three years commencing January 1, 2022, and expiring December 31, 2024; two years five months remain of the second extended term
Options:	One three-year option remains
Improvement Costs:	None
Custodial:	Provided by Lessor
Maintenance:	Provided by Lessor
Utilities:	Provided by Lessor
Insurance:	The Certificate of Liability Insurance, as required by the lease, is on file with RESD
Right to Terminate:	County has the right to terminate with 90-days' notice
Parking:	Sufficient for County needs

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**PROCUREMENT**

On November 28, 2006 (Item No. 21), the Board approved a 10-year Lease Agreement, No. 06-1152, with three, three-year options to extend the term of the lease, procured using an alternative procedure process as provided in County Policy 12-02 – Leasing Privately Owned Real Property for County Use (Policy). The procurement process required by the Policy does not apply to amendments of existing leases, 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 Adam Ebright, Deputy County Counsel, 387-5455) on June 10, 2022; Preschool Services (Jacquelyn Greene, Director, 383-2005) on May 18, 2022; Purchasing (Bruce Cole, Supervising Buyer, 387-2148) on May 19, 2022; Finance (Paul Garcia, Administrative Analyst, 386-8392, and Carl Lofton, Administrative Analyst, 387-5404) on July 25, 2022; and County Finance and Administration (Diana Atkeson, Deputy Executive Officer, 387-4376) on July 25, 2022.

(KB: 677-7961)

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Record of Action of the Board of Supervisors  
San Bernardino County

**APPROVED (CONSENT CALENDAR)**

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

Lynna Monell, CLERK OF THE BOARD

BY   
DATED: August 9, 2022



cc:    RESD - Thompson w/agree  
      Contractor - C/O RESD w/agree  
      File - w/agree  
CCM  08/9/2022