

**REPORT/RECOMMENDATION TO THE BOARD OF DIRECTORS
OF SAN BERNARDINO COUNTY FIRE PROTECTION DISTRICT
AND RECORD OF ACTION**

June 25, 2024

FROM

**DAN MUNSEY, Fire Chief/Fire Warden, San Bernardino County Fire Protection District
TERRY W. THOMPSON, Director, Real Estate Services Department**

SUBJECT

Lease Agreement with San Bernardino City Unified School District for a Potential New Development of Fire Station 227 in San Bernardino

RECOMMENDATION(S)

Acting as the governing body of the San Bernardino County Fire Protection District:

1. Rescind the Board of Directors' approval, on May 7, 2024 (Item No. 58), of Agreement No. 24-354 with the San Bernardino City Unified School District for a ground lease of unimproved land described in Recommendation No. 2, due to the San Bernardino City Unified School District approving a different version of the ground lease agreement on May 7, 2024.
2. Approve a ground lease **Agreement No. 24-543** with the San Bernardino City Unified School District for a 50-year period commencing on the "Commencement Date" as defined in the lease, with one 49-year option to extend the term of the lease, for the use of approximately one acre of unimproved land (portion of Assessor's Parcel Number 015428101) located at 3825 North Mountain View Avenue in San Bernardino, for \$1 as an initial payment, and after the Commencement Date a lump sum payment of \$305,000, and \$1 in annual rent thereafter.

(Presenter: Terry W. Thompson, Director, 387-5000)

COUNTY AND CHIEF EXECUTIVE OFFICER GOALS & OBJECTIVES

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

Pursue County Goals and Objectives by Working with Other Agencies and Stakeholders.

FINANCIAL IMPACT

Approval of this item will not result in the use of Discretionary General Funding (Net County Cost). The total cost of this 50-year ground lease agreement is approximately \$305,050, consisting of a payment of \$1, and after the Commencement Date, a one lump sum payment of \$305,000, and subsequent annual rent payments of \$1 over the term. Lease payments will be made from the Real Estate Services Department (RESD) Rents budget (7810001000) and reimbursed from the San Bernardino County Fire Protection District (SBCFPD) Valley Regional Service Zone budget unit (5802272434).

On May 7, 2024 (Item No. 58), the Board of Directors (Board) for SBCFPD approved a \$305,000 budget adjustment to increase the Rents budget. Consequently, no additional adjustments are required.

**Lease Agreement with San Bernardino City Unified School District for a Potential New Development of Fire Station 227 in San Bernardino
June 25, 2024**

BACKGROUND INFORMATION

On May 7, 2024 (Item No. 58), the Board for SBCFPD approved ground lease Agreement No. 24-354 with the San Bernardino City Unified School District for a 50-year period commencing on the “Commencement Date” as defined in the lease, with one 49-year option to extend the term of the lease, for the use of approximately one acre of unimproved land [portion of Assessor’s Parcel Number (APN) 015428101] located at 3825 North Mountain View Avenue in San Bernardino, for \$1 as an initial payment and after the Commencement Date, a lump sum payment of \$305,000 and \$1 in annual rent thereafter.

The version of the ground lease agreement the San Bernardino City Unified School District approved on May 7, 2024, included some non-clerical changes not present in the version approved by the San Bernardino County Board of Supervisors on the same date. The purpose of this item is to rescind the version of the ground lease agreement previously approved by the San Bernardino County Board of Supervisors on May 7, 2024, and approve the version of the ground lease agreement approved by the San Bernardino City Unified School District on May 7, 2024 (Agreement).

Approval of the Agreement will enable the Project and Facilities Management Department (PFMD) to potentially solicit competitive bids for a Capital Improvement Program Project (Project). This Project aims to allow for the construction of a new fire station to replace the existing SBCFPD Station 227, currently located at 282 West 40th Street in San Bernardino.

Fire Station 227 was constructed over 60 years ago and has provided emergency services to the City of San Bernardino and other jurisdictions since its construction. The current facility is limited in its ability to provide modern fire service operations. Completion of the new, larger, modern station will enable SBCFPD to provide expanded emergency services and maintain public safety to the areas it serves, supporting San Bernardino County (County) and SBCFPD’s goals and objectives to operate in a fiscally responsible and business-like manner and provide for the safety, health, and social services needs of county residents.

SBCFPD staff has identified the approximately one acre of unimproved land (portion of APN 015428101) located at 3825 North Mountain View Avenue in San Bernardino (Property) as a preferred site for replacement Station 227. However, the acquisition of the Property shall not constitute a commitment to the Fire Station 227 replacement Project or other public project as a whole or to any particular features. The recommended Agreement conditions all future uses and/or development of the Property upon compliance with the California Environmental Quality Act (CEQA), which will be conducted for the development of the Property at such time as there is a development proposal for the Property.

As a result, on May 7, 2024 (Item No. 58), the Board for SBCFPD found that Agreement No. 24-354 to acquire the Property is not a project as defined by the CEQA because there are no specific development plans in existence for the future use and development of a fire station or other public project at the Property that would allow environmental review to be meaningful at this time. Alternatively to the finding that the lease was not a project as defined by the CEQA, on May 7, 2024 (Item No. 58), the Board found that the Agreement No. 24-354 is exempt from CEQA pursuant to Section 15061(b)(3) – Common Sense of the CEQA Guidelines (Title 14 of the California Code of Regulations) because the lease is intended to acquire the Property as a preferred site for consideration for a potential future use and development, if any, of a fire station, subject to CEQA compliance at such time. No further CEQA findings are necessary

**Lease Agreement with San Bernardino City Unified School District for a Potential New Development of Fire Station 227 in San Bernardino
June 25, 2024**

because the project scope in Agreement No. 24-354, which will be rescinded upon approval of Recommendation No. 1, does not substantively differ from the recommended Agreement.

SBCFPD requested that RESD prepare the Agreement for the development of a potential new fire station to relocate Fire Station 227 for 50 years in San Bernardino. The Agreement period is from the "Commencement Date" as defined in the lease, with one 49-year option to extend the term of the lease, which requires the approval of both parties by way of an amendment to the Agreement.

The proposed Agreement is to secure property for a use that will be evaluated under CEQA at a future date.

Summary of Lease Terms

Lessor:	San Bernardino City Unified School District Dr. Scott Wyatt Board President
Location:	3825 North Mountain View Avenue, San Bernardino, CA 92410
Size:	One acre portion of APN 015428101
Term:	50 Years
Options:	One 49-year Option to extend
Rent:	\$1 as an initial payment and after the Commencement Date, a lump sum payment of \$305,000 and \$1 in annual rent thereafter
Custodial:	Provided by SBCFPD
Maintenance:	Provided by SBCFPD
Utilities:	Provided by SBCFPD
Insurance:	The Notice of Insurance, as required by the Lease, is on file with RESD
Holdover:	Month-to-month basis upon the same provisions of the Lease including the rent
Right to Terminate:	SBCFPD may terminate with 90-day notice
Parking:	Sufficient for SBCFPD needs

PROCUREMENT

County Policy 12-02, Leasing Privately Owned Real Property for County Use shall not apply to leases of real property owned by a federal agency, the State, a city, a county, a school district, special district, or other public entity. The Board or the County Administrative Office, pursuant to County Resolution No. 2000-248 shall, as required by law, approve all such leases.

**Lease Agreement with San Bernardino City Unified School District for a
Potential New Development of Fire Station 227 in San Bernardino
June 25, 2024**

REVIEW BY OTHERS

This item has been reviewed by County Counsel (John Tubbs II, Deputy County Counsel, and Scott Runyan, Principal Assistant County Counsel, 387-5455) on June 3, 2024; San Bernardino County Fire Protection District (Dan Munsey, Fire Chief/Fire Warden, 387-5952) on June 3, 2024; Purchasing (Ariel Gill, Supervising Buyer, 387-2070) on March 6, 2024; Finance (Ivan Ramirez, 387-4020, and Stephanie Maldonado, 387-4378, Administrative Analysts, and Yael Verduzco, Principal Administrative Analyst, 387-5285) on June 6, 2024; and County Finance and Administration (Valerie Clay, Deputy Executive Officer, 387-5423) on June 7, 2024

(LB: 453-5227)

**Lease Agreement with San Bernardino City Unified School District for a
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June 25, 2024**

Record of Action of the Board of Directors
San Bernardino County Fire Protection District

APPROVED (CONSENT CALENDAR)

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

Lynna Monell, SECRETARY

BY 
DATED: June 25, 2024



cc: RESD - Thompson w/ agree
 Contractor c/o RESD w/ agree
 File w/ agree
JLL 06/27/2024