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

August 5, 2025

FROM

TERRY W. THOMPSON, Director, Real Estate Services Department BRADLEY GATES, Director, Workforce Development Department

SUBJECT

Amendment to Lease Agreement with City of Barstow for Office Space in Barstow

RECOMMENDATION(S)

- 1. Find that approval of Amendment No. 4 to Lease Agreement No. 17-278 with the City of Barstow, for office space is an exempt project under the California Environmental Quality Act Guidelines Section 15301 Existing Facilities (Class I).
- 2. Approve Amendment No. 4 to Lease Agreement No. 17-278 with the City of Barstow, to extend the term of the lease for one year, for the period of September 1, 2025, through August 31, 2026, by exercising one of the two existing one-year options to extend, following a permitted holdover period from July 1, 2021, through August 31, 2025, adjust the rental rate schedule, and update standard lease agreement language for approximately 401 square feet of office space located at 681 North First Street for the Workforce Development Department, and increase the lease amount by \$22,789, for a new total lease amount of \$38.385.
- 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. 4 (Amendment) to Lease Agreement No. 17-278 (Lease) will not result in the use of Discretionary General Funding (Net County Cost) as Workforce Development Department (WDD) lease costs are federally funded through the Workforce Innovation and Opportunity Act (WIOA). The total cost of the Amendment is \$22,789, which includes \$16,121 for the holdover period. Lease payments will be made from the Real Estate Services Department (RESD) Rents budget (7810001000) and reimbursed from the Workforce Development Department (WDD) budget (5712242260). Sufficient appropriation is included in the 2025-26 budget and will be included in future recommended budgets. Annual lease costs are as follows:

| Lease Year | Annual Lease Cost | |
|-------------------------------------|-------------------|--|
| July 1, 2021 – August 31, 2025* | \$16,121 | |
| September 1, 2025 - August 31, 2026 | \$6,668 | |

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| Total Lease Cost: | \$22,789 |
|-------------------|----------|
| | |

^{*}Permitted holdover period.

BACKGROUND INFORMATION

On May 23, 2017 (Item No. 103), the Board of Supervisors (Board) approved the 13-month Lease, with two one-year options to extend the term with the City of Barstow for approximately 217 square feet of office space at 681 North 1st Street, Suite 212, in Barstow (Premises). The original term of the Lease was for the period of June 1, 2017, through June 30, 2018. In the eight years since the Lease was originally approved, the Board has approved three amendments to extend the term, expand the leased Premises to 401 square feet, adjust the rental rate, add options to extend the term, and update standard lease agreement language.

| Amendment No. | Approval Date | Item No. |
|---------------|----------------|----------|
| 1 | May 1, 2018 | 36 |
| 2 | June 25, 2019 | 45 |
| 3 | April 21, 2020 | 49 |

WDD requested that RESD process the proposed Amendment to extend the existing term, which expired on June 30, 2021. Approval of this Amendment was delayed due to continued negotiations concerning the terms of the Amendment. On July 1, 2021, the Lease went into a permitted holdover and WDD has continued to occupy the Premises and abide by the terms of the Lease.

The proposed Amendment will extend the term for the period of September 1, 2025, through August 31, 2026, by exercising one of the two existing one-year options to extend, following a permitted holdover period from July 1, 2021, through August 31, 2025, adjust the rental rate schedule, and update standard lease agreement language. All other Lease terms remain unchanged.

Approval of the Amendment was reviewed pursuant to the California Environmental Quality Act and determined to be categorically exempt under Section 15301 - Class 1 Existing Facilities because the proposed Amendment 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 Barstow

Nikki Salas, City Manager

Location: 681 North First Street, Suite 212, in Barstow

Size: Approximately 401 square feet of office space

Term: September 1, 2025, through August 31, 2026

Options: One one-year option remains

Rent: Cost per square foot per month: \$1.41

Monthly: \$567 Annual: \$6,804

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*Low-range for comparable facilities in the Barstow area per the

competitive set analysis on file with RESD

Annual Increases: N/A

Improvement Costs: None

Custodial: Provided by County

Maintenance: Provided by Lessor

Utilities: Provided by Lessor

Insurance: Both the County and the Lessor are self-insured public entities

Holdover: Month-to-month term upon the same terms and conditions,

including the rent which existed at the time of expiration

Right to Terminate: County has the right to terminate with 60 days' 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 July 2, 2025; Workforce Development (Fred Burks, Deputy Director, 387-9845) on July 1, 2025; Purchasing (Ariel Gill, Supervising Buyer, 387-2070) on July 1, 2025; and County Finance and Administration (Carl Lofton, 387-5404, and Eduardo Mora, 387-4376, Administrative Analysts) on July 16, 2025.

(YG: 655-0268)

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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

DATED: August 5, 2025



cc: RESD - Thompson w/agree Contractor - c/o RESD w/agree

File - w/agree

MBA 08/12/2025