

**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
JOSHUA DUGAS, Director, Department of Public Health**

SUBJECT

Amendment to Lease Agreement with Victor Valley Hospital Acquisition, Inc. dba Victor Valley Global Medical Center for Office Space in Victorville

RECOMMENDATION(S)

1. Find that approval of Amendment No. 5 to Lease Agreement No. 08-1249 with Victor Valley Hospital Acquisition, Inc., dba Victor Valley Global Medical Center for office space, is an exempt project under the California Environmental Quality Act Guidelines, Section 15301 - Existing Facilities (Class 1).
2. Approve **Amendment No. 5 to Lease Agreement No. 08-1249** with Victor Valley Hospital Acquisition, Inc., dba Victor Valley Global Medical Center to:
 - a. Extend the term of the lease for three years, by exercising the first of two three-year options to extend, for the period of December 1, 2025, through November 30, 2028, following a permitted holdover period from April 1, 2023, through November 30, 2025.
 - b. Adjust the rental rate schedule and update standard lease agreement language.
 - c. Continue leasing approximately 3,903 square feet of office space, located at 15247 Eleventh Street, Victorville, for the Department of Public Health, Women, Infants and Children Program.
 - d. Increase the total lease amount by \$583,212, from \$1,244,964 to a new total amount of \$1,828,176, inclusive of \$267,264 for the 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. 5 (Amendment) to Lease Agreement No. 08-1249 (Lease) will not result in the use of Discretionary General Funding (Net County Cost). The total cost of this three-year Amendment is \$583,212, which includes a 32-month permitted holdover in the amount of \$267,264. Lease payments will be made from the Real Estate Services Department (RESA) Rents budget (7810001000) and reimbursed from the Department of Public Health (DPH) budget (9300061000). The DPH budget for the Women, Infants and Children (WIC) program is funded with federal pass-through funds. Adequate appropriation and revenue are

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included in the 2025-26 budget and will be included in future recommended budgets. Annual lease costs are as follows:

Year	Annual Lease Cost
*April 1, 2023 – November 30, 2025	\$267,264
December 1, 2025 – November 30, 2026	\$103,236
December 1, 2026 – November 30, 2027	\$105,300
December 1, 2027 – November 30, 2028	\$107,412
Total Cost	\$583,212

*Holdover period

BACKGROUND INFORMATION

On December 16, 2008 (Item No. 48), the Board of Supervisors (Board) approved the five-year Lease with two three-year options to extend, for office space for the DPH WIC program located at 15247 Eleventh Street in Victorville. The original term was for the period of April 1, 2009, through March 31, 2014. In the 17 years since its original approval, the Board has approved four amendments to extend the Lease through March 31, 2023, increase the square footage by 705 square feet, adjust the rental rate schedule, reflect a change in property ownership, and update standard lease agreement language. The total contract amount has been corrected to reflect the cumulative adjustments and to address an inadvertent overstatement of the contract amount in Amendment No. 2.

Amendment No.	Approval Date	Item No.
1	March 11, 2014	25
2	December 16, 2014	60
3	March 28, 2017	45
4	March 10, 2020	50

Due to protracted negotiations with the Landlord regarding market rental rates, the Lease went into a permitted holdover effective April 1, 2023. Following a market survey of comparable properties in the Victorville area, RESD determined the proposed rental rate of \$2.20 per square foot per month, with a 2% annual increase, is consistent with current market conditions in the Victorville and surrounding areas.

This Amendment will amend the existing Lease with Victor Valley Hospital Acquisition, Inc., dba Victor Valley Global Medical Center, to extend the term for three years, by exercising one three-year option, from December 1, 2025, through November 30, 2028, following the permitted holdover from April 1, 2023, through November 30, 2025. This Amendment also revises the rental rate schedule, retains one remaining three-year option to extend, and updates standard lease language. The Lease provides 3,903 square feet of office space for the DPH WIC program and remains the most suitable facility to meet program needs. Extending this Lease will minimize service disruption and allow DPH to continue serving the local community.

The project to approve the Amendment was reviewed pursuant to the California Environmental Quality Act (CEQA) and determined to be categorically exempt under CEQA Guidelines Section 15301 – Existing Facilities (Class 1) because there is no possibility that the leasing of the subject property will have a significant effect on the environment.

Summary of Lease Terms

**Amendment to Lease Agreement with Victor Valley Hospital Acquisition,
Inc. dba Victor Valley Global Medical Center for Office Space in
Victorville
November 18, 2025**

Lessor: Victor Valley Hospital Acquisition, Inc. dba Victor Valley Global Medical Center
Marilyn Drone, CEO

Location: 15247 Eleventh Street, Victorville

Size: 3,903 square feet of office space

Term: Three years commencing December 1, 2025

Options: One three-year option to extend remains

Rent: Cost per square foot per month: \$2.20* (Modified Gross)
Monthly: \$8,603
Annual: \$103,236
*Mid-range for comparable facilities in the Victorville area per the competitive set analysis on file with RESD

Annual Increases: Approximately 2%

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

Holdover: Upon the end of the term, if permitted by Lessor, the Lease shall continue on month to month with the same terms and conditions, including the rent

Right to Terminate: County can terminate with 90-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 Daniel Pasek, Deputies County Counsel, 387-5455) on September 10, 2025; Public Health (Joshua Dugas, Director, 387-9146) on October 7, 2025; Purchasing (Ariel Gill, Supervising Buyer, 387-2070) on October 2, 2025; and County Finance and Administration (Iliana Rodriguez, 387-4205, and Eduardo Mora, 387-4376, Administrative Analysts) on October 29, 2025.

(DM: 677-8388)

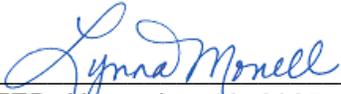
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Record of Action of the Board of Supervisors
San Bernardino County

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
 Contractor - c/o RESD w/agree
 File - w/agree
MBA 11/24/2025