

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

June 28, 2022

**FROM**

**TERRY W. THOMPSON, Director, Real Estate Services Department  
BOB DUTTON, Assessor-Recorder-County Clerk**

**SUBJECT**

Amendment to Lease Agreement with Vanderbilt Property, LLC for Office and Records Storage Space for the Assessor-Recorder-County Clerk in San Bernardino

**RECOMMENDATION(S)**

Approve **Amendment No. 1** to Lease **Agreement No. 21-683** with Vanderbilt Property, LLC to reflect a change of property ownership from Vicky L. Thomas, Trustee of the Vicky L. Thomas Trust dated February 7, 2007, to Vanderbilt Property, affirm the commencement date of the lease as November 1, 2021, and the expiration date as October 31, 2026, and update standard lease agreement language for approximately 14,097 square feet of office and records storage space located at 412 West Hospitality Lane for the Assessor-Recorder-County Clerk in San Bernardino 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.**

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

**FINANCIAL IMPACT**

Approval of this item will not result in the use of additional Discretionary General Funding (Net County Cost) as there is no cost to San Bernardino County (County) associated with this amendment to reflect a change of property ownership, affirm the initial term of the lease, and update standard lease agreement language.

**BACKGROUND INFORMATION**

The recommended action will amend an existing lease to reflect a change of property ownership from Vicky L. Thomas, Trustee of the Vicky L. Thomas Trust dated February 7, 2007 (Thomas) to Vanderbilt Property LLC (Vanderbilt), affirm the commencement date of the lease as November 1, 2021, and the expiration date as October 31, 2026, and update standard lease agreement language.

On September 14, 2021 (Item No. 39), the Board of Supervisors (Board) approved Lease Agreement, No. 21-683 with Thomas for a five-year term with one three-year extension option for 14,097 square feet of office and records storage space located at 412 West Hospitality Lane in San Bernardino. The original term of the lease was projected to be for the period of November 1, 2021 through October 31, 2026.

**Amendment to Lease Agreement with Vanderbilt Property, LLC for  
Office and Records Storage Space for the Assessor-Recorder-County  
Clerk in San Bernardino  
June 28, 2022**

The Real Estate Services Department (RES D) was notified on April 11, 2022, that Vanderbilt had acquired ownership of the property from Thomas. Amendment No. 1 to Lease Agreement No. 21-683 reflects a change in property ownership from Thomas to Vanderbilt, affirms that the commencement date of the lease is November 1, 2021, and the expiration date is October 31, 2026, and updates standard lease agreement language. To facilitate the administration of the lease, the amendment also permits the RES D Director to execute future amendments to the lease that solely reflect a successor landlord following a sale of the property and assignment of the lease. 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:	Vanderbilt Property LLC (Jon Alberon, Managing Member)
Location:	412 West Hospitality Lane, San Bernardino
Size:	14,097 square feet (1 <sup>st</sup> Floor)
Term:	Existing term expires on October 31, 2026
Options:	One three-year option to extend the term
Rent:	Cost per sq. ft. per month: \$1.95* Full-Service Gross Monthly: \$27,489 Annual: \$329,868 *Mid-range for comparable facilities in the San Bernardino area per the competitive set analysis on file with RES D
Annual Increases:	Approximately 2%
Improvement Costs:	Turnkey improvements were constructed by landlord and reimbursed by County in an amount not to exceed \$194,160 upon completion and acceptance
Custodial:	Provided by Lessor
Maintenance:	Provided by Lessor
Utilities:	Provided by Lessor, County to pay electrical costs in excess of \$3,524 per lease year or \$0.25 per square foot per month (electrical utility expense cap) subject to 3% annual increases
Insurance:	The Certificate of Liability Insurance, as required by the lease, is on file with RES D

**Amendment to Lease Agreement with Vanderbilt Property, LLC for  
Office and Records Storage Space for the Assessor-Recorder-County  
Clerk in San Bernardino  
June 28, 2022**

Right to Terminate: None during the initial five-year term; if the initial term is extended, County has the right to terminate with 90-days' notice

Parking: Sufficient for County needs

**PROCUREMENT**

On September 14, 2021 (Item No. 39), the Board approved Lease Agreement No. 21-683 for a five-year term with one three-year extension option for 14,097 square feet of office and records storage space located at 412 West Hospitality Lane in San Bernardino, which was procured according to 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 Kaleigh Ragon, Deputy County Counsel, 387-5455) on June 3, 2022; Assessor-Recorder-County Clerk (Joani Finwall, Assistant Recorder, 382-3219) on April 27, 2022; Purchasing (Bruce Cole, Supervising Buyer, 387-2148) on April 27, 2022; Finance (Carl Lofton, Administrative Analyst, 387-5404) on June 10, 2022; and County Finance and Administration (Diana Atkeson, Deputy Executive Officer, 387-4376) on June 10, 2022.

(PN: 677-8321)

**Amendment to Lease Agreement with Vanderbilt Property, LLC for  
Office and Records Storage Space for the Assessor-Recorder-County  
Clerk in San Bernardino  
June 28, 2022**

Record of Action of the Board of Supervisors  
San Bernardino County

**APPROVED (CONSENT CALENDAR)**

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

Lynna Monell, CLERK OF THE BOARD

BY  \_\_\_\_\_  
DATED: June 28, 2022



cc: RESD- Thompson w/agree  
Contractor- C/O RESD w/agree  
File- w/agree  
LA 07/15/2022