

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

**May 7, 2024**

**FROM**

**TERRY W. THOMPSON, Director, Real Estate Services Department**

**BEAHTA DAVIS, Director, Regional Parks Department**

**SUBJECT**

Option and Ground Lease Agreement with Orange County Flood Control District for Development of Overflow Parking and Other Uses at Prado Regional Park in Chino

**RECOMMENDATION(S)**

1. Find that approval of an option to a lease agreement and a new ground lease with Orange County Flood Control District for land to develop an overflow parking lot, and other uses, is an exempt project under the California Environmental Quality Act Guidelines Section 15061(b)(3) – Common Sense.
2. Approve an Option **Agreement No. 24-380** for the Ground Lease in Recommendation No. 4, with a two-year option period and one six-month extension for San Bernardino County to complete planning and entitlement for development, commencing upon the execution of the Option Agreement by both parties, for a minimum cost for the Option Agreement of a \$1 option price, \$15,000 administrative fee, plus permit fees.
3. Authorize the Director of Real Estate Services to exercise an available option in the Option Agreement to provide San Bernardino County more time, if needed, to meet all conditions and requirements that are outlined in the Option Agreement.
4. Approve a Ground Lease **Agreement No. 24-381** with Orange County Flood Control District for 10 years, commencing upon San Bernardino County's substantial completion of improvements, the acceptance of improvements by Orange County Flood Control District, and receipt of a final certificate of occupancy, projected to be April 1, 2026 through March 30, 2036, with two 10-year options to extend the term of the lease, for the use of approximately 65.64 acres of unimproved land (portion of Assessor's Parcel Numbers 105639103, 105639104, and 105645105) located at the southwest corner of Euclid Avenue and Pine Avenue at San Bernardino County's Prado Regional Park in Chino, for a minimum cost for the ground lease of \$361,195 in rents and 20% in gross revenues, generated from the on-site use of the premises.
5. 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**

**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**

**Option and Ground Lease Agreement with Orange County Flood Control District for Development of Overflow Parking and Other Uses at Prado Regional Park in Chino  
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Approval of this item will not result in the use of Discretionary General Funding (Net County Cost). The total minimum cost for the Option Agreement (Option) is a \$1 option price, \$15,000 administrative fee, plus permit fees. The total minimum cost of this 10-year Ground Lease Agreement (Lease) is \$361,195 in rents, and 20% of gross revenues generated from only the use of approximately 65.64 acres of Orange County Flood Control District unimproved land (portion of Assessor's Parcel Number's (APNs) 105639103, 105639104, and 105645105) located at the southwest corner of Euclid Avenue and Pine Avenue in Chino (Premises). In the event that insufficient gross revenues are generated to cover the \$36,119 estimated annual cost from the use of the Premises, the Regional Parks Department (Parks) may return to the Board of Supervisors (Board) to request Discretionary General Funding. Lease payments will be made from the Real Estate Services Department (RESA) Rents budget (7810001000) and reimbursed from the Parks budget (6520001000).

**BACKGROUND INFORMATION**

Approval of the Option will allow San Bernardino County (County) to complete planning entitlement of the development of the leased Premises. The Option may be exercised once the conditions precedent in this Option are fulfilled. These conditions precedent include, but are not limited to: (i) the preparation of preliminary plans, as approved by the Orange County Flood Control District; (ii) completion of entitlements and environmental compliance, including approval by the United States Army Corps of Engineers and the City of Chino; (iii) preparation of construction contract documents; (iv) receipt of applicable permits for development, and (v) completion of the master lease form, which will be attached to the Option.

Approval of the Lease and exercise of the Option will subsequently allow the Project and Facilities Management Department to solicit competitive bids for a Capital Improvement Project (Project). The Project will allow the construction of a new parking lot, and other uses, that will expand public use of the Prado Regional Park (Prado).

Parks operates Prado, which offers fishing, boating, water sports, overnight camping, group camping, picnic areas, hiking trails, equestrian, archery, shooting range, disc golf, golf, sheltered space and community building for events and parties, making Prado a beloved regional gathering place for both local families and outdoor entertainment enthusiasts.

Prado was opened in 1972 and has provided recreational entertainment since it was opened to the public. The current facilities are limited in their ability to provide larger and popular recreational activities and require expansion to continue growing with the surrounding communities. Completion of a new, larger, expansion of parking, and other uses, will enable Parks to provide expanded options of recreational activities and maintain consistent growth with the communities it serves.

Parks requested that RESA prepare a Lease for the development of a new parking lot, and other uses, to expand Prado for 10 years in Chino. The projected Lease period, subsequent to County's completion of improvements, is from April 1, 2026 through March 30, 2036, with two 10-year options to extend the term of the Lease. The County's development of the Premises is for a minimum cost of \$361,195 in rents and 20% in gross revenues generated from the onsite use of the Premises. The Option provides for early access to the Premises without any rents owed by Parks until such a date the County can complete planning and entitlements. This will allow the County to continue to perform site inspections, design, and competitive bidding. The minimum cost of the Option is a \$1 option price, \$15,000 administrative fee, plus permit fees.

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It is recommended that the Board determine the Project to be categorically exempt from further review under Guidelines Section 15061(b)(3) – Common Sense pursuant to the California Environmental Quality Act (CEQA). The activity is covered by the commonsense exemption that CEQA applies only to projects which have the potential for causing a significant effect on the environment. The proposed lease agreement is to secure property for a use that will be evaluated under CEQA at a future date.

**Summary of Lease Terms**

Lessor:	Orange County Flood Control District Don Wagner Chairman of the Board of Supervisors
Location:	Unimproved land (portion of APNs 105639103, 105639104, and 105645105) located at the southwest corner of Euclid and Pine Avenue in Chino
Size:	65.64 acres portion of APNs 105639103, 105639104, and 105645105
Term:	10 Years
Options:	Two 10-year Options to Extend
Rent:	Cost per acre per month: \$40.00 Monthly: \$2,625.60 Annual: \$31,507.20 *Low range for comparable facilities in the Chino area per the competitive set analysis on file with RESD
Annual Increases:	3%
Maintenance:	Provided by Parks
Utilities:	Provided by Parks
Insurance:	The Notice of Insurance, as required by the Lease, is on file with RESD
Holdover:	Month-to-month basis upon the approval of Orange County Flood Control District
Right to Terminate:	Neither party has the right to terminate for convenience

**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.

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**REVIEW BY OTHERS**

This item has been reviewed by County Counsel (John Tubbs II, and Suzanne Bryant, Deputies County Counsel, and Scott Runyan, Principal Assistant County Counsel, 387-5455) on April 9, 2024; Regional Parks (Beahta Davis, Director, 387-2340) on April 5, 2024; Purchasing (Ariel Gill, Supervising Buyer, 387-2070) on April 11, 2024; Finance (Elias Duenas, Administrative Analyst, 387-4052, and Yael Verduzco, Principal Administrative Analyst, 387-5285) on April 26, 2024; and County Finance and Administration (Valerie Clay, Deputy Executive Officer, 387-5423) on April 26, 2024.

(LB: 453-5227)

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

Lynna Monell, CLERK OF THE BOARD

BY   
DATED: May 7, 2024



cc: RESD - Thompson w/agrees for sign  
Contractor - c/o RESD w/agree  
File - w/agree  
CCM 05/14/2024