

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

July 23, 2024

FROM

BEAHTA R. DAVIS, Director, Regional Parks Department

SUBJECT

Amendment to Revenue Lease Agreement with Close the Lid Entertainment, LLC, for Lane's General Merchandise Concession at Calico Ghost Town Regional Park

RECOMMENDATION(S)

1. Find that approval of Amendment No.1 to Revenue Lease Agreement No. 19-544 with Close the Lid Entertainment, LLC to continue to operate the Lane's General Merchandise concession at Calico Ghost Town Regional Park is an exempt project under the California Environmental Quality Act Guidelines Sections 15301 – Existing Facilities (Class 1).
2. Approve **Amendment No. 1 to Revenue Lease Agreement No. 19-544** with Close the Lid Entertainment, LLC to continue to operate Lane's General Merchandise concession at Calico Ghost Town Regional Park from August 6, 2024, through August 5, 2029, exercising one of its two five-year options to extend the term, in which the County will receive lease fees of no less than \$66,000 over the five-year term (Four votes required).
3. Direct the Regional Parks Department to file the Notice of Exemption in accordance with the California Environmental Quality Act.

(Presenter: Beahta R. Davis, Director, 387-2340)

COUNTY AND CHIEF EXECUTIVE OFFICER GOALS & OBJECTIVES

Operate in a Fiscally-Responsible and Business-Like Manner.

FINANCIAL IMPACT

Approval of Amendment No. 1 (Amendment) to Revenue Lease Agreement No. 19-544 (Lease) will not result in the use of Discretionary General Funding (Net County Cost). Over the five-year term of this Amendment, Lid Entertainment, LLC (Concessionaire) will pay minimum fees of \$66,000 to the Regional Parks Department (Department) to continue to lease building No. 10, known as Lane's General Merchandise at Calico Ghost Town Regional Park (Park). The Concessionaire will pay fees of \$1,100 per month for the term of the Lease or 8% of gross income for years one and two, 8.5% of gross income for years three and four, and 9% of gross income for year five, whichever is greater. The Concessionaire will also pay 3.5% of its monthly gross income as an advertising fee for promotion of the Park. The Department will match their advertising fee and contribute an additional 50 percent of the Concessionaire's payment. Adequate appropriation and revenue have been included in the Department's 2024-25 budget and will be included in all future recommended budgets.

BACKGROUND INFORMATION

**Amendment to Revenue Lease Agreement with Close the Lid Entertainment, LLC, for Lane's General Merchandise Concession at Calico Ghost Town Regional Park
July 23, 2024**

The proposed Amendment will extend the operation of Lane's General Merchandise concession at the Park. The term of the Amendment is for a period of five years but may be terminated earlier by either party for convenience with at least 30 days written notice.

On August 6, 2019 (Item No. 45), the Board of Supervisors approved the Lease with the Concessionaire for the operation of the Park's Lane's General Merchandise from August 6, 2019, through August 5, 2024, with two five-year options to extend the Lease. The recommended Amendment between the Department and Concessionaire will allow for an additional five-year term commencing August 6, 2024.

The Concessionaire currently operates Dorsey's Dog House, Calico Attractions (Mystery Shack, Maggie Mine, and Gold Panning), Coffee, Tea, and Pottery Concession and The Bottle House.

Approval of this Amendment aligns with the County and Chief Executive Officer's Goal and Objective to Operate in a Fiscally-Responsible and Business-Like Manner by allowing the Department to leverage its amenities and land to raise revenue to support park maintenance and development.

The Amendment to the Lease 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 significant effect on the environment.

PROCUREMENT

N/A

REVIEW BY OTHERS

This item has been reviewed by County Counsel (Suzanne Bryant, Deputy County Counsel, 387-5455) on May 3, 2024; Real Estate Services Department (Lyle Ballard, Leasing and Property Manager, 387-5252) on June 6, 2024; Finance (Elias Duenas, Administrative Analyst, 387-4052) on June 10, 2024; and County Finance and Administration (Valerie Clay, Deputy Executive Officer, 387-5423) on June 13, 2024.

.

**Amendment to Revenue Lease Agreement with Close the Lid
Entertainment, LLC, for Lane's General Merchandise Concession at
Calico Ghost Town Regional Park
July 23, 2024**

Record of Action of the Board of Supervisors
San Bernardino County

APPROVED (CONSENT CALENDAR)

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

Lynna Monell, CLERK OF THE BOARD

BY 
DATED: July 23, 2024



cc: Parks - Davis w/agree
 Contractor - c/o Parks w/agree
 File - w/agree
CCM 08/5/2024