

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

March 14, 2023

FROM

TERRY W. THOMPSON, Director, Real Estate Services Department

JEANY ZEPEDA, Director, Children and Family Services

SUBJECT

Amendment to Lease Agreement with David Webb for Office Space in Yucca Valley

RECOMMENDATION(S)

Approve **Amendment No. 6 to Lease Agreement No. 95-130** with David Webb, an unmarried man, to reflect a change of property ownership and an assignment of the lease from Ron and Donna Carricchio to David Webb, an unmarried man, and update standard lease agreement language for approximately 10,088 square feet of office space for Children and Family Services at 56311 Pima Trail in Yucca Valley, 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 Discretionary General Funding (Net County Cost). There is no cost associated with this amendment to reflect a property ownership change and an assignment of the lease.

BACKGROUND INFORMATION

The recommended action will amend Lease Agreement No. 95-130 to reflect a change in property ownership and an assignment of the lease from Ron and Donna Carricchio to David Webb, an unmarried man, (Webb) for approximately 10,088 square feet of office space (Premises) located at 56311 Pima Trail in Yucca Valley (Property), as the Premises is more specifically set forth in the lease, for a term that expired on April 30, 2020, and is currently in a permitted holdover.

On February 14, 1995 (Item No. 30), the Board of Supervisors (Board) approved seven-year Lease Agreement No. 95-130 between Monte Rauschenberg and San Bernardino County (County) for approximately 10,088 square feet of office space located at the Property for use by Children and Family Services (CFS). The original term of the lease was for the period of May 1, 1995 to April 30, 2002. In the 28 years since the lease was originally approved, the Board has approved five amendments, extending the term of the lease through April 30, 2020, adjusting the rental rate schedule, adding options to extend the term of the lease, reflecting changes of property ownership, providing for tenant improvements, and updating standard lease agreement language:

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<u>Amendment No.</u>	<u>Approval Date</u>	<u>Item No.</u>
1	August 13, 2002	50
2	April 13, 2004	43
3	October 31, 2006	60
4	June 5, 2012	69
5	December 2, 2014	32

Currently, the lease is in holdover. However, the Real Estate Services Department (RES D) is in the process of actively negotiating an amendment to extend the lease term. Unfortunately, protracted negotiations regarding the terms of the amendment and possible tenant improvements to be performed by the landlord as well as the COVID-19 pandemic have caused a delay. Once negotiations are complete, the departments will return to the Board for approval of an amendment.

In the interim, RESD received notification of Webb's acquisition of the Property from Ron and Donna Carricchio on December 5, 2022. CFS requested RESD amend the lease to reflect the successor landlord on the lease. Amendment No. 6 reflects Webb as the successor landlord due to an assignment of the lease resulting from a change in property ownership and updates to standard lease agreement language. The amendment also allows for the RESD Director, in administering the lease, to execute subsequent amendments that solely reflect any future successor landlords following a sale of the Property and an assignment of the lease, but do not amend any other terms and conditions of the lease. All other provisions and terms of the existing lease remain the same.

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:	David Webb, an unmarried man
Location:	56311 Pima Trail, Yucca Valley, CA 92284
Size:	Approximately 10,088 square feet
Term:	3/1/2015 - 4/30/2020; currently on a month-to-month holdover, as permitted by the lease
Options:	Two four-year options
Rent:	Cost per square foot per month: \$2.08 Monthly: \$20,983 Annual: \$ 251,796 *Mid-range for comparable facilities in the Yucca Valley area per the competitive set analysis on file with RESD
Annual Increases:	3%
Improvement Costs:	None

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Custodial:	Provided by Lessor
Maintenance:	Provided by Lessor
Utilities:	Provided by Lessor, provided that County pays for electric expenses that exceed an electric utility expense cap
Insurance:	The Certificate of Liability Insurance, as required by the lease, is on file with RESD
Right to Terminate:	County has the right to terminate with 90-day notice
Parking:	Sufficient for County needs
Holdover:	Month-to-month term upon the same terms and conditions, including the rent which existed at the time of expiration.

PROCUREMENT

Not applicable.

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 March 6, 2023; Children and Family Services (Jonathan Byers, Assistant Director, 387-2782) on February 8, 2023; Finance (John Hallen, Administrative Analyst, 388-0208, and Penelope Chang, Administrative Analyst, 387-4886) on February 21, 2023; and County Finance and Administration (Valerie Clay, Deputy Executive Officer, 387-5423) on February 23, 2023.

(BR: 531-2674)

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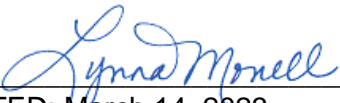
Record of Action of the Board of Supervisors
San Bernardino County

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

BY 
DATED: March 14, 2023



cc: RESD - Thompson w/agree
Contractor - C/O RESD w/agree
File - w/agree

CCM 03/17/2023