

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

April 23, 2024

FROM

TERRY W. THOMPSON, Director, Real Estate Services Department

BRETT GODOWN, Director, Department of Airports

SUBJECT

Revenue License Agreement with E.D.I. Media, Inc. for Use of Land for Broadcast Tower at Chino Airport

RECOMMENDATION(S)

1. Find that approval of a revenue license agreement with E.D.I. Media, Inc., for the use of land to install a cellular telecommunications site in Chino, is an exempt project under the California Environmental Quality Act Guidelines Section 15301 - Existing Facilities (Class 1) and Section 15303 - Installation of New Small Facilities (Class 3).
2. Approve a revenue license **Agreement No. 24-343** with E.D.I. Media, Inc., for approximately 40,000 square feet of ground area within Assessor's Parcel Numbers 1055-211-03 (portion), 1055-221-01 (portion) and 1055-221-03, for the installation and operation of a cellular telecommunications site at Chino Airport, for total revenue in the amount of \$129,992, for a period of five years commencing on the latest to occur of: (i) May 1, 2024; (ii) the date that R&R Properties I, LLC vacates a certain portion of its premises, comprising approximately 40,000 square feet, under Lease No. CNO-165 necessary to form the premises for this license; or (iii) the date E.D.I. Media, Inc. receives required approvals from all governmental authorities, including permits, for its use of the premises, with one five-year option to extend, provided that if the commencement date does not occur by May 1, 2025, the last date by which all contingencies shall occur may be extended to be no later than November 1, 2025, if San Bernardino County is satisfied that good faith efforts have been and continues to be reasonably pursued by the respective parties to meet the above stated contingencies.
3. Authorize the Director of the Department of Airports to extend the latest date for all contingencies to occur to be no later than November 1, 2025, as stated in Recommendation No. 2, subject to the Director of the Department of Airports' determination that good faith efforts of the parties have been satisfied.
4. 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.

FINANCIAL IMPACT

Approval of this item will not result in the use of Discretionary General Funding (Net County Cost). The total revenue to be received by the Department of Airports (Airports) during this

**Revenue License Agreement with E.D.I. Media, Inc. for Use of Land for Broadcast Tower at Chino Airport
April 23, 2024**

five-year agreement is \$129,992. The revenue will be deposited in the Airports' Fund (6315001000). The annual revenue is as follows:

<u>Period</u>	<u>License Fee</u>
Year 1	\$24,000
Year 2	\$24,960
Year 3	\$25,958
Year 4	\$26,997
Year 5	\$28,077
Total Revenue	\$129,992

BACKGROUND INFORMATION

The proposed revenue license agreement with E.D.I. Media, Inc. (EDI) is for approximately 40,000 square feet of unimproved land for constructing, operating, repairing, and maintaining a cellular telecommunications site, which will include a 100-foot cellular communication broadcast tower and associated equipment, at Chino Airport. EDI's installation consists of a 100-foot tower, anchored by a set of guy wires (50-foot level). There will be a total of three anchor positions, spaced at 120-degree angles. There will also be a 12 by 10-foot utility shed that will be converted into the building, which houses the transmitter and other electrical gear.

On July 11, 2022, EDI requested a meeting with the Real Estate Services Department (RESD) and Airports to review the Chino Airport layout to determine if a site would be viable for the installation of a cellular telecommunications broadcast site.

On August 11, 2022, Airports requested that RESD initiate a Solicitation of Proposals (SOP) process to obtain proposals from qualified aviation and non-aviation-related users for the license of the premises. The SOP was issued on August 11, 2022, and remained open through September 8, 2022. RESD received one response from EDI.

On December 7, 2022, Airports asked RESD to prepare and negotiate a license agreement, contingent upon approval by the Federal Aviation Administration (FAA) as well as the termination of a portion of the premises under Lease No. CNO - 2497 with R&R Properties I, LLC (R&R) to make it available for use by EDI, for a term of five years, with one five-year option to extend the term of the license agreement. RESD negotiated a license agreement with EDI with terms and conditions that are mutually beneficial. The license terms and license fee amounts are consistent with San Bernardino County (County) approved Airport facility appraisals and reflects current cellular telecommunication site market rates.

On March 28, 2023 (Item No. 45), the County's Board of Supervisors (Board) approved License Agreement No. 23-253 (Original License) with EDI for a term of five years, with one five-year option to extend the term, contingent on FAA approval and partial termination of the R&R lease to occur by no later than six months after mutual execution or by September 27, 2023. Because neither contingency occurred by that date, the Original License lapsed without legal effect.

The departments are now returning to the Board for approval of a new license on the same terms as the Original License commencing on the latest to occur of: (i) May 1, 2024; (ii) the date R&R Properties I, LLC vacates a certain portion of its premises, comprising approximately 40,000 square feet, under Lease No. CNO-165 necessary to form the premises under this license; or (iii) the date EDI receives required approvals from all governmental authorities,

**Revenue License Agreement with E.D.I. Media, Inc. for Use of Land for
Broadcast Tower at Chino Airport
April 23, 2024**

including permits, for its use of the premises. If the commencement date does not occur by May 1, 2025, the County Director of Airports is authorized to extend the last date by which all contingencies shall occur to be no later than November 1, 2025, if the Director is satisfied that good faith efforts have been and continue to be reasonably pursued by the respective parties to meet the above stated contingencies. This new license shall be null and void and without legal effect if the commencement date does not occur by May 1, 2025, or November 1, 2025, if the occurrence of all contingencies is extended.

The FAA's approval was received in February 2024. The project to approve a five-year revenue license agreement with EDI was reviewed pursuant to the California Environmental Quality Act (CEQA) and determined to be categorically exempt under Guidelines Section 15301 - Existing Facilities (Class 1) and Section 15303 – Installation of New Small Facilities (Class 3) because there is no possibility that the use of the subject property or the installation of cellular telecommunications site with broadcast tower equipment will have a significant effect on the environment.

Summary of License
Terms

Licensee: E.D.I. Media, Inc.
James Su
President

Location: Ground area within Assessor's Parcel Numbers (APN) 1055-211-03 (portion), 1055-221-01 (portion) and 1055-221-03 at Chino Airport

Size: Approximately 40,000 square feet of ground space

Term: Five years commencing on the later of: (i) May 1, 2024; (ii) the vacating of premises by R&R Properties I, LLC under Lease No. CNO-165; or (iii) the date Licensee receives required approvals from all governmental authorities, including permits; if the commencement date does not occur by May 1, 2025, the County Director of Airports is authorized to extend the commencement date by another six months upon satisfaction that good faith efforts are being reasonably pursued to meet the above stated contingencies, by the applicable respective party

Options: One five-year option to extend the term of the license

License Fee: Monthly: \$2,000 for ground area
Annual: \$24,000 for ground area*
*Per Fair Market Rent Appraisal for Leasable Spaces at Chino Airport on file with RESD

Annual Increases: 4%

Improvement Costs: Provided by Licensee

**Revenue License Agreement with E.D.I. Media, Inc. for Use of Land for
Broadcast Tower at Chino Airport
April 23, 2024**

Maintenance:	Provided by Licensee for the broadcast tower; for EDI's broadcast equipment
Utilities:	Electrical provided by Licensee; no water or sewer service will be needed
Insurance:	The Certificate of Liability Insurance, as required by the license, is on file with RESD
Holdover:	Shall increase 150% immediately preceding the expiration or earlier termination of this license
Right to Terminate:	County may terminate at any time and for any reason by providing at least 180-days' written notice; Licensee may terminate by providing at least 90-days' written notice only if, through no fault of Licensee, Licensee cannot secure or loses any permits necessary to operate the broadcast site or licensed space

PROCUREMENT

On August 11, 2022, RESD issued a SOP pursuant to County Policy 12-04, Leasing County Airport Real Property to solicit proposals from qualified aviation and non-aviation-related users for the license of the premises at Chino Airport. Only one proposal was received and evaluated according to criteria identified in the SOP including, but not limited to: proposed use, proposer's business experience, revenue to the County, terms and benefits, improvements or modifications of the existing facility, SOP package responsiveness and completeness, record of any unsatisfactory performance on contracts with the County, proposer's exceptions or deviations of the SOP requirements or the contract terms. A license based on an evaluation of the criteria set forth in the SOP and the proposal from EDI is recommended for Board approval.

REVIEW BY OTHERS

This item has been reviewed by County Counsel (John Tubbs II and Agnes Cheng, Deputies County Counsel, 387-5455) on March 27, 2024; Airports (Brett Godown, Director, and Maureen Snelgrove, Assistant Director, 387-8812) on April 1, 2024; Purchasing (Ariel Gill, Supervising Buyer, 387-2070) on March 28, 2024; Finance (Elias Duenas, 387-4052, and Garrett Baker, 387-3077, Administrative Analysts) on April 5, 2024; and County Finance and Administration (Valerie Clay, Deputy Executive Officer, 387-5423) on April 5, 2024.

(JF: 269-1984)

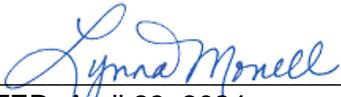
**Revenue License Agreement with E.D.I. Media, Inc. for Use of Land for
Broadcast Tower at Chino Airport
April 23, 2024**

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.), Jesse Armendarez, Dawn Rowe, Curt Hagman, Joe Baca, Jr.

Lynna Monell, CLERK OF THE BOARD

BY 
DATED: April 23, 2024



cc: RESD - Thompson w/ agree
 Contractor c/o RESD w/ agree
 File w/ agree
JLL 04/26/2024