

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

May 21, 2024

FROM

BEAHTA R. DAVIS, Director, Regional Parks Department

SUBJECT

Amendment to Revenue Lease Agreement with Raindance, LLC for the operation of the Leatherworks concession at Calico Ghost Town Regional Park

RECOMMENDATION(S)

1. Find that approval of Amendment No. 1 to Revenue Lease Agreement No. 19-353 with Raindance, LLC to continue to operate the Leatherworks concession at Calico Ghost Town Regional Parks is an exempt project under the California Environmental Quality Act Guidelines Section 15301 – Existing Facilities (Class 1).
2. Approve **Amendment No. 1** to Revenue Lease **Agreement No. 19-353** with Raindance, LLC to continue to operate the Leatherworks concession at Calico Ghost Town Regional Park from May 21, 2024 until May 20, 2029, exercising one of its five-year options to extend the term, in which the County will receive lease fees of no less than \$72,000 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. 19-353 (Lease) will not result in the use of Discretionary General Funding (Net County Cost). Over the five-year term of this Amendment, Raindance, LLC (Concessionaire) will pay minimum fees of \$72,000 to the Regional Parks Department (Department) to continue to lease building No. 60, known as Calico Leatherworks at Calico Ghost Town Regional Park (Park). The Concessionaire will pay monthly fees of \$1,200 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 5, whichever is greater. The Concessionaire will also pay 3.5% of their monthly gross income as an advertising fee for promotion of the Park. The Department will match their advertising fee payment equal to a minimum of one and a half times the 3.5% collected. Adequate appropriation and revenue have been included in the Department's 2023-24 budget and will be included in all future recommended budgets.

BACKGROUND INFORMATION

On May 21, 2019 (Item No. 95), the Board of Supervisors (Board) approved the Lease with the Concessionaire for the operation of the Park's Calico Leatherworks from May 21, 2019, through

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May 20, 2024, with an option to extend for two additional five-year terms. The proposed Amendment exercises the first of the two five-year options to extend the Lease. The Lease may be terminated by either party for convenience with at least 30 days written notice.

The Department operates and maintains nine regional parks, including this Park located in the unincorporated area of Yermo.

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 a significant effect on the environment.

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 Concessionaire also currently operates Calico Candle and Bath House, Calico Rock and Gift Shop, and Calico Print Shop located in the Park.

PROCUREMENT

N/A

REVIEW BY OTHERS

This item has been reviewed by County Counsel (Suzanne Bryant, Deputy County Counsel, 387-5455) on April 11, 2024; Real Estate Services (Lyle Ballard, Leasing and Property Manager, 387-5252) on April 29, 2024; Finance (Elias Duenas, Administrative Analyst, 387-4052) on April 30, 2024; County Finance and Administration (Valerie Clay, Deputy Executive Officer, 387-5423) on May 1, 2024.

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operation of the Leatherworks concession at Calico Ghost Town
Regional Park
May 21, 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: May 21, 2024



cc: Parks - Davis w/ agree
 Contractor c/o Parks w/ agree
 File w/ agree
JLL 05/23/2024