

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

December 17, 2019

**FROM**

**TERRY W. THOMPSON, Director, Real Estate Services Department  
JOHN MCMAHON, Sheriff/Coroner/Public Administrator**

**SUBJECT**

Lease Amendment No. 4 with Martha Mary Green-Whitney as Trustee of the Green-Whitney Family Living Trust, U/A dated October 25, 2012 for Office Space for the Sheriff in Forest Falls

**RECOMMENDATION(S)**

Approve **Amendment No. 4** to **Lease Agreement No. 07-596**, with Martha Mary Green-Whitney as Trustee of the Green-Whitney Family Living Trust, U/A, dated October 25, 2012 to reflect a successor trustee as landlord, extend the term of the lease three-years by exercising the final three-year extension option for the period of January 1, 2020 through December 31, 2022, following a permitted six-month holdover for the period of July 1, 2019 through December 31, 2019, adjust the rental rate schedule, and update standard lease agreement language for approximately 913 square feet of office space for the Sheriff/Coroner/Public Administrator at 41003 Valley of the Falls Drive, Units A and B, in Forest Falls in the amount of \$45,792.  
(Presenter: Terry W. Thompson, Director, 387-5252)

**COUNTY AND CHIEF EXECUTIVE OFFICER GOALS & OBJECTIVES**

**Improve County Government Operations.**

**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 additional Discretionary General Funding (Net County Cost). The total cost of this three-year amendment, including the permitted holdover period at the current lease rate of \$1,036.17 monthly, is \$45,792. Lease Payments will be made from the Sheriff/Coroner/Public Administrator (Sheriff) budget (4430091000). Other costs associated with this lease include custodial, electricity and propane gas expense, which will be paid from the Sheriff's (4433601000) budget. Sufficient appropriation is included in the Sheriff's 2019-20 budget and will be included in future recommended budgets. Annual lease costs are as follows:

<u>Period</u>	<u>Lease Cost</u>	<u>Estimate of Other Costs Associated With This Lease</u>
July 1, 2019 – December 31, 2019	\$ 6,216	\$ 660
January 1, 2020 – December 31, 2020	\$ 12,804	\$ 1,632
January 1, 2021 – December 31, 2021	\$ 13,188	\$ 1,681
January 1, 2022 – December 31, 2022	\$ 13,584	\$ 1,731
<b>Total Cost</b>	<b>\$ 45,792</b>	<b>\$ 5,704</b>

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December 17, 2019**

**BACKGROUND INFORMATION**

Amendment No. 4 to Lease Agreement No. 07-596 provides for a three-year extension of the lease due to the County's exercise of its final three-year extension option. The Real Estate Services Department (RESO) negotiated a rental rate of \$1.17 per square foot per month (\$12,804 annually), which is an increase of \$0.04 per square foot per month from the prior rental rate of \$1.13 per square foot per month (\$12,434.04 annually) for the period of January 1, 2020 through December 31, 2022. The amendment also reflects a successor trustee as the landlord, a 6-month permitted holdover, adjusts the rental rate schedule, and updates standard lease agreement language.

On July 17, 2007 (Item No. 27), the Board of Supervisors (Board) approved the three-year Lease Agreement No. 07-596, with two three-year options to extend the term of the lease, with Marcie Green-Whitney for 913 square feet of office space at 41003 Valley of the Falls Drive, Units A and B, in Forest Falls. The original term of the lease was for the period of July 1, 2007 through June 30, 2010. In the twelve years since the lease was originally approved, the Board has approved three amendments to reflect a change in ownership from Martha Mary Green Whitney to the Green-Whitney Family Living Trust, U/A, adjust the rental rate schedule, add options to extend the term of the lease, extend the term of the lease through June 30, 2019, and update standard lease agreement language.

<u>Amendment No.</u>	<u>Approval Date</u>	<u>Item No.</u>
1	July 13, 2010	59
2	April 23, 2013	43
3	June 28, 2016	57

The Sheriff requested that RESO exercise the final three-year option to extend the term of the lease for the continued use of office space as a reporting station for Sheriff personnel assigned to the Forest Falls area. Due to delays in obtaining trust documents to verify Marcie Green-Whitney as the sole acting trustee of the Green-Whitney Trust, the lease went into a permitted holdover on July 1, 2019. Amendment No. 4 extends the term of Lease Agreement No. 07-596 for the period of January 1, 2020 through December 31, 2022, by exercising the final three-year extension option, reflects a successor trustee as the landlord, adjusts the rental rate schedule, and updates standard lease agreement language. All other provisions and terms of the lease shall 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:	Martha Mary Green Whitney (as Trustee of the Green-Whitney Family Living Trust, U/A dated October 25, 2012)
Location:	41003 Valley of the Falls Drive, Units A & B, Forest Falls
Size:	Approximately 913 square feet of office space
Term:	Three years commencing January 1, 2020

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**Summary of Lease Terms**

Options	None
Rent:	Cost per sq. ft. per month: \$1.17* Monthly: \$1,067.00 Annual: \$12,804.00 *High-range for comparable facilities in the Forest Falls area per supporting lease comparables on file
Annual Increases:	3%
Improvement Costs:	None
Custodial	Provided by County
Maintenance:	Provided by Lessor
Utilities:	Lessor provides water, sewer and fire alarm service; County provides interior electricity, propane gas, vending machines and telephone service
Insurance:	The Certificate of Liability Insurance, as required by the lease, is on file with the Real Estate Services Department.
Right to Terminate:	County has the right to terminate with 90-days' notice
Parking:	Sufficient for County needs

**PROCUREMENT**

On July 17, 2007 (Item No. 27), the Board approved Lease Agreement No. 07-596 for three years with two three-year options to extend the term of the lease, using an alternative procedure in lieu of a Formal Request for Proposals (RFP) process as provided in County Policy No. 12-02 –Leasing Privately Owned Real Property for County Use (Policy). The procurement process required by the Policy does not apply to amendments of existing leases, provided the amendment does not exceed the maximum term (including options) of the lease.

**REVIEW BY OTHERS**

This item has been reviewed by County Counsel (Agnes Cheng, Deputy County Counsel and Rick Luczak, Deputy County Counsel, 387-5455) on November 7, 2019; Sheriff (Jose Torres, Administrative Manager, 387-0640) on November 1, 2019; Purchasing Department (Michelle Churchill, Supervising Buyer, 387-2070) on November 7, 2019; Finance (Monique Amis, Administrative Analyst, 387-4883 and Carolina Mendoza, Administrative Analyst, 387-0294) on November 22, 2019; and County Finance and Administration (Matthew Erickson, County Chief Financial Officer, 387-5423) on November 27, 2019.

(JAG: 677-8210)

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the Green-Whitney Family Living Trust, U/A dated October 25, 2012 for  
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Record of Action of the Board of Supervisors  
County of San Bernardino


**APPROVED (CONSENT CALENDAR)**

Moved: Robert A. Lovingood Seconded: Josie Gonzales

Ayes: Robert A. Lovingood, Janice Rutherford, Dawn Rowe, Curt Hagman, Josie Gonzales

Lynna Monell, CLERK OF THE BOARD

BY



DATED: December 17, 2019



cc: RESD- Thompson w/agree  
Contractor- C/O RESD w/agree  
File- w/agree  
la 12/23/2019