

**REPORT/RECOMMENDATION TO THE BOARD OF DIRECTORS  
OF THE BIG BEAR VALLEY RECREATION AND PARK DISTRICT  
AND RECORD OF ACTION**

February 9, 2021

**FROM**

**BRENDON BIGGS, Director, Department of Public Works - Special Districts  
TERRY W. THOMPSON, Director, Real Estate Services Department**

**SUBJECT**

Amendment No. 3 to the Lease Agreement with Big Bear City Community Services District for Park Land for the Big Bear Valley Recreation and Park District in Big Bear

**RECOMMENDATION(S)**

Acting as the governing body of the Big Bear Valley Recreation and Park District, approve **Amendment No. 3 to Lease Agreement No. 86-94** with the Big Bear City Community Services District to extend the term of the lease, by exercising the second of four five-year extension options, for the period from March 3, 2021 through March 2, 2026, following a permitted holdover for the period of February 3, 2021 to March 2, 2021 for 1.25 acres of park land for Erwin Lake Park in Big Bear for Big Bear Valley Recreation and Park District in the total amount of \$5.

(Presenter: Terry W. Thompson, Director, 387-5000)

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

**Implement the Countywide Vision.**

**Improve County Government Operations.**

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

**Provide for the Safety, Health and Social Service Needs of County Residents.**

**Pursue County Goals and Objectives by Working with Other Agencies.**

**FINANCIAL IMPACT**

Approval of this item will not require additional Discretionary General Funding (Net County Cost). The total cost of this five-year amendment is \$5. Lease payments will be made from the Rents budget (7810001000) and reimbursed from the Big Bear Valley Recreation and Parks District (District) budget (6200002580). Other costs associated with this lease include maintenance and utility costs, which will be paid from the District budget. Sufficient appropriation is included in the 2020-21 Rents and District budgets and will be included in future recommended budgets. Annual lease costs are as follows:

<u>Year</u>	<u>Annual Lease Cost</u>	<u>Estimate of Other Costs Associated With This Lease</u>
March 3, 2021 through March 2, 2022	\$1.00	\$40,000
March 3, 2022 through March 2, 2023	\$1.00	\$41,200
March 3, 2023 through March 2, 2024	\$1.00	\$42,436
March 3, 2024 through March 2, 2025	\$1.00	\$43,709
March 3, 2025 through March 2, 2026	<u>\$1.00</u>	<u>\$45,020</u>
<b>Total Cost</b>	<b>\$5.00</b>	<b>\$212,365</b>

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Community Services District for Park Land for the Big Bear Valley  
Recreation and Park District in Big Bear  
February 9, 2021**

**BACKGROUND INFORMATION**

The recommended action will amend an existing lease with Big Bear City Community Services District (BBCCSD) to extend the term of the lease for five years for the period of March 3, 2021 through March 2, 2026 by exercising an existing extension option, following a permitted one month holdover for the period of February 3, 2021 through March 2, 2021.

On February 3, 1986 (Item No. 55), the Board of Supervisors acting as the Board of Directors (Board) of the Big Bear Park and Recreation District (now known as the Big Bear Valley Recreation and Park District), approved a twenty-five-year Lease Agreement, No. 86-94, with one-25 year option to extend the term with BBCCSD for a lease to develop 1.25 acres of park land, now known as Erwin Lake Park in Big Bear. The original term of the lease was from February 3, 1986 through February 2, 2011 with one 25 year option to extend the term. In the 35 years since the lease was originally approved, the Board approved two amendments to extend the term of lease, replace the one 25 year option term with four five-year option terms, and update standard lease agreement language.

<u>Amendment No.</u>	<u>Approval Date</u>	<u>Item No.</u>
1	September 27, 2011	87
2	January 26, 2016	32

The District requested that the Real Estate Services Department (RES D) exercise the second of four options to extend the term of the lease for five years following a permitted one month holdover period to allow for the continued operation of Erwin Lake Park in Big Bear. All other terms and conditions of the lease, including the annual rent of \$1.00, remain unchanged.

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 Revenue License Terms:**

Lessor:	Big Bear City Community Services District (Mary Reeves, General Manager)
Location:	Erwin Lake Park, Big Bear
Size:	Approximately 1.25 acres of land
Term:	Five years commencing March 3, 2021
Options	Two five-year options remaining
Rent:	Cost per acres per year: \$.80 (rounded)* Monthly: \$.067(rounded) Annual: \$.80 (rounded) *Low Range for comparable facilities in the Big Bear area per supporting lease comparable on file at RESD
Annual Increases:	None

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Improvement Costs:       None

Maintenance:               Provided by District

Utilities:                    Provided by District

Insurance:                  The Certificate of Liability Insurance, as required by the lease, is on file with the RESD. The existing lease contains a non-standard indemnity to Landlord for all losses due to any use of the Premises (including the public's use), condition of the Premises, or breach of the Lease.

Right to Terminate:       BBCCSD may terminate upon default by the District

Parking:                    Sufficient for District needs

**PROCUREMENT**

The procurement process required by County Policy 12-02 – Leasing Privately Owned Real Estate for County Use does not apply to leases of real property owned by a federal agency, the State, a city, a county, a school district, special district, or other public entity.

**REVIEW BY OTHERS**

This item has been reviewed by County Counsel (Agnes Cheng, Deputy County Counsel, and Dawn Martin, Deputy County Counsel, 387-5455) on January 13, 2021; Special Districts (Trevor Leja, Deputy Director, 361-2337) on January 12, 2021; Purchasing (Bruce Cole, Supervising Buyer, 387-2464) on January 13, 2021; Finance (Tom Forster, Administrative Analyst, 387-4635, and Wen Mai, Principal Administrative Analyst, 387-4020) on January 25, 2021; and County Finance and Administration (Matthew Erickson, County Chief Financial Officer, 387-5423) on January 25, 2021.

(LB: 453-5227)

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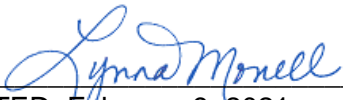
Record of Action of the Board of Directors  
Big Bear Valley Recreation and Park District

**APPROVED (CONSENT CALENDAR)**

Moved: Joe Baca, Jr. Seconded: Janice Rutherford

Ayes: Col. Paul Cook (Ret.), Janice Rutherford, Dawn Rowe, Curt Hagman, Joe Baca, Jr.

Lynna Monell, SECRETARY

BY   
DATED: February 9, 2021



cc: SDD/BBVR&PD- Thompson w/agree  
Contractor- C/O SDD/BBVR&PD w/agree  
File- w/agree  
LA 02/19/2021