



San Bernardino County

Legislation Text

File #: 2869, Agenda Item #: 1

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

September 8, 2020

FROM

**TERRY W. THOMPSON, Director, Real Estate Services Department
VERONICA KELLY, Director, Department of Behavioral Health**

SUBJECT

Termination of Lease Agreement with Schneider Real Estate Associates, Inc. for office space for the Department Of Behavioral Health in Apple Valley

RECOMMENDATION(S)

Approve the termination of Lease Agreement No. 19-187 with Schneider Real Estate Associates, Inc., for approximately 27,019 square feet of office space located on the northeast corner of Nancotta Road and Outer US Highway 18 in Apple Valley for the Department of Behavioral Health pursuant to the provisions of the lease and delivering a termination notice.

(Presenter: Terry W. Thompson, Director, 387-5252)

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). Termination of this lease prior to its commencement will result in a total savings of \$10,102,980 over the next 10 years.

BACKGROUND INFORMATION

The recommended action will approve the termination of Lease Agreement No. 19-187 with Schneider Real Estate Associates, Inc. (Landlord) for approximately 27,019 square feet of office space located on the northeast corner of Nancotta Road and Outer US Highway 18 in Apple Valley pursuant to the provisions of the lease and delivering a termination notice, which is expected to occur by September 9, 2020.

On March 19, 2019 (Item No. 33), the Board of Supervisors (Board) approved a 10-year lease agreement, No. 19-187, with two five-year options to extend the term of the lease, for a 27,019 square feet build-to-suit office facility on the northeast corner of Nancotta Road and Outer US Highway 18 in Apple Valley. The lease was to commence upon landlord's completion of turnkey tenant improvements, which was projected to occur by no later than May 1, 2020. Currently, the landlord has yet to break ground on the project. This item will approve a termination pursuant to the provisions of the lease.

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PROCUREMENT

Not applicable.

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 September 4, 2020; and County Finance and Administration (Robert Saldana, Deputy Executive Officer, 387-4342) on September 4, 2020.

(JAG: 677-8210)