



San Bernardino County

Legislation Text

File #: 7074, Agenda Item #: 102

REPORT/RECOMMENDATION TO THE BOARD OF SUPERVISORS OF SAN BERNARDINO COUNTY FLOOD CONTROL DISTRICT AND RECORD OF ACTION

November 15, 2022

FROM

BRENDON BIGGS, Chief Flood Control Engineer, Flood Control District
TERRY W. THOMPSON, Director, Real Estate Services Department

SUBJECT

Amendment to Revenue License Agreement with Sequoia Equities - Alta Loma, a California Limited Partnership, for the use of Flood Control District Land in Rancho Cucamonga

RECOMMENDATION(S)

Acting as the governing body of the San Bernardino County Flood Control District, approve Amendment No. 5 to Revenue License Agreement No. 06-1004 with Sequoia Equities - Alta Loma, a California Limited Partnership, to extend the term of the license due to the licensee's exercise of the first of its four existing five-year extension options for the period of December 1, 2022 through November 30, 2027, following a permitted holdover for the period of October 1, 2021 through November 30, 2022, for the non-exclusive use of approximately 10,350 square feet of San Bernardino County Flood Control District land to operate and maintain existing parking improvements along the Alta Loma Storm Drain between Highland Avenue and 19th Street in the City of Rancho Cucamonga, for a total revenue in the amount of \$27,068.

(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). San Bernardino County Flood Control District (District) is funded by property taxes, fees, and other local, state, and federal funding. The total revenue anticipated to be received by the District during this five-year amendment, including the annual license fees, the permitted holdover at the current fee rate of \$89 per month for 14 months, and the estimated annual inspection fees, is \$27,068. Revenue will be deposited in the District's Zone 1 Fund (1910002518). Total revenue is as follows:

<u>License Period</u>	<u>Annual License Fee</u>	<u>Annual Inspection Fee*</u>
October 1, 2021 - November 30, 2022	\$ 1,246	\$ 0.00
December 1, 2022 - November 30, 2023	\$ 3,416	\$1,236
December 1, 2023 - November 30, 2024	\$ 3,655	\$1,236
December 1, 2024 - November 30, 2025	\$ 3,910	\$1,236
December 1, 2025 - November 30, 2026	\$ 4,184	\$1,236

December 1, 2026 - November 30, 2027	<u>\$ 4,477</u>	<u>\$1,236</u>
Total Revenue	\$20,888	\$ 6,180

*The total annual inspection fee is estimated using the annual inspection fee set forth in the District's current Schedule of Fees Ordinance (Ordinance No. FCD 20-01), which is subject to change.

BACKGROUND INFORMATION

Revenue License Agreement No. 06-1004 (Agreement) with Sequoia Equities - Alta Loma, a California Limited Partnership (Licensee) will be extended by using an existing five-year extension option, for the period of December 1, 2022 through November 30, 2027. There is also a permitted holdover for the period of October 1, 2021 through November 30, 2022. The amendment will adjust the fee schedule for the non-exclusive use of approximately 10,350 square feet of District land for Licensee to operate and maintain existing parking improvements along the Alta Loma Storm Drain between Highland Avenue and 19th Street in the City of Rancho Cucamonga.

On September 26, 2006 (Item No. 30), the Board of Supervisors (Board) approved the Agreement for five years, with two five-year options to extend the term of the license with Roy E. Daly & Company, to operate and maintain existing parking improvements in the District's right-of-way along the Alta Loma Storm Drain in Rancho Cucamonga. The original term of the license was from October 1, 2006 through September 30, 2011. In the 16 years since the license was originally approved, the Board has approved four amendments to reflect changes of property ownership, extend the term of the license through September 30, 2021, adjust the annual fee, add extension options, and update standard license agreement language.

<u>Amendment No.</u>	<u>Approval Date</u>	<u>Item No.</u>
1	March 15, 2011	61
2	September 27, 2016	54
3	April 18, 2017	69
4	September 10, 2019	66

The District requested that the Real Estate Services Department (RESO) prepare an amendment to extend the term of the license due to the Licensee's exercise of the first of its four existing five-year extension options for the period of December 1, 2022 through November 30, 2027. Due to continued negotiations with the District, the license went into a permitted month-to-month holdover for the period of October 1, 2021 through November 30, 2022. Either party may terminate this license by giving the other party 90-days' prior written notice.

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

Licensee: Sequoia Equities - Alta Loma, a California Limited Partnership
(Pat Reilly, General Partner)

Location: Land along Alta Loma Storm Drain between Highland Avenue and 19th Street in Rancho Cucamonga

Size: Approximately 10,350 square feet

Term: Five years commencing December 1, 2022

Options:	Three five-year extension options remaining
Rent:	Cost per sq. ft. per Year: Approximately \$0.33* r Monthly: \$285 Annual: \$3,416 *Low-range for comparable facilities in the Ranch area per the competitive set analysis on file with RESD is also required to pay the annual inspection fee
Annual Increases:	7%
Improvement Costs:	None
Custodial:	None
Maintenance:	Provided by Licensee
Utilities:	Not applicable
Insurance:	The Certificate of Liability Insurance, as required is on file with RESD
Right to Terminate:	Both the District and the Licensee have the right 90-days' prior written notice

PROCUREMENT

Not applicable due to the Licensee's exercise of an existing option to extend the term of the license.

REVIEW BY OTHERS

This item has been reviewed by County Counsel (Agnes Cheng, Deputy County Counsel, and Sophie A. Akins, Deputy County Counsel, 387-5455) on September 27, 2022; San Bernardino County Flood Control District (Grant Mann, Deputy Director, 387-7918) on September 28, 2022; Purchasing (Bruce Cole, Supervising Buyer, 387-2148) on October 3, 2022; Finance (Penelope Chang, Administrative Analyst, 387-4886) on October 25, 2022; and County Finance and Administration (Diana Atkeson, Deputy Executive Officer, 387-4376) on October 25, 2022.

(DM: 677-8388)