

San Bernardino County

Legislation Text

File #: 7995, Agenda Item #: 72

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

May 23, 2023

FROM

TERRY W. THOMPSON, Director, Real Estate Services Department BEAHTA R. DAVIS, Director, Regional Parks Department

SUBJECT

Amendment to Revenue Sub-Lease Agreement with El Prado Development, LLC for the Golf Course Facility at Prado Regional Park in Chino

RECOMMENDATION(S)

- 1. Find that approval of Amendment No. 1 to Revenue Sub-Lease Agreement No. 21-183 with El Prado Development, LLC, for the Golf Course Facility is an exempt project under the California Environmental Quality Act Section15301 Existing Facilities (Class 1).
- 2. Approve Amendment No. 1 to Revenue Sub-Lease Agreement No. 21-183 with El Prado Development, LLC, to reflect a change in business ownership and an assignment of the revenue Sub-Lease from El Prado Golf Course, a California Limited Partnership, to El Prado Development, LLC, for the Golf Course Facility at Prado Regional Park, located at 8555 Pine Avenue in Chino, with no changes to the other terms and conditions of Revenue Sub-Lease Agreement No. 21-183.
- 3. Direct the Clerk of the Board of Supervisors to file and post the Notice of Exemption for the project as required under the California Environmental Quality Act.

(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). There is no cost associated with this amendment to reflect a change of business ownership and the tenant's assignment of the sub-lease.

BACKGROUND INFORMATION

The recommended action will amend Revenue Sublease Agreement No. 21-183 (Sub-Lease) to reflect a change in business ownership, and the assignment of the Sub-Lease from El Prado Golf Course, a California Limited Partnership, to El Prado Development, LLC, for a 36-hole golf course facility (Course) situated on approximately 314.21 acres of improved land located at 6555 Pine Avenue in Chino (Property). The land underlying the Course is owned by the United States Army Corp of Engineers (Army), which historically is leased to the County (Master Lease).

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On March 9, 2021 (Item No. 35), the San Bernardino County (County) Board of Supervisors (Board) approved the Sub-Lease between El Prado Golf Course, a California Limited Partnership, and the County for a term of five years for the 36-hole golf course facility situated on the Property for the Regional Parks Department (Parks). The term of the Sub-Lease is month-to-month with a potential term from September 1, 2020, due to a holdover, through August 31, 2025, subject to the Army's approval of the Master Lease's extension.

The Real Estate Services Department (RESD) received notification on February 22, 2023, of El Prado Development, LLC's acquisition of the Course from El Prado Golf Course, a California Limited Partnership. Parks requested RESD amend and assign the Sub-Lease for Board approval to reflect the successor tenant on the Sub-Lease. Amendment No. 1 to the Sub-Lease reflects El Prado Development, LLC as the successor tenant with standard lease agreement language. All other provisions and terms of the Sub-Lease remain the same.

The project to approve Amendment No. 1 to the Sub-Lease was reviewed pursuant to the California Environmental Quality Act (CEQA) and determined to be categorically exempt under Section Section15301 - Existing Facilities (Class 1) because there is no possibility that amending the Sub-Lease of the subject property will have a significant effect on the environment.

Summary of Sub-Lease Terms	
Lessee:	El Prado Development, LLC (Frank Lizarraga, M
Location:	6555 Pine Avenue, Chino, CA 91708
Size:	36-hole golf course facility situated on approximate of improved land
Term:	Month-to Month, over duration of five years, for t September 1, 2020 through August 31, 2025
Contingency:	Any desire to extend the term of the Sub-Lease upon approval from the United States Army Corp
Options:	None
Improvements:	Lessee shall not make any improvements or alte Property without County's prior written consent
Custodial:	Provided by Lessee
Maintenance:	Provided by Lessee
Utilities:	County has no obligation to furnish the Property electricity, gas, water, trash, or any other utilities obtain the County's prior written approval if the L connect, maintain, repair, upgrade, remove or re utility equipment.
Insurance:	The Certificate of Liability Insurance, as required is on file with RESD

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Holdover: Month-to-month basis for a maximum of six mon

same provisions of the Sub-Lease, minimum mo increase 150%, immediately in effect prior to the

holdover

Right to Terminate: Either party may terminate the Sub-Lease for an

days' notice. County may give written notice to or cure a default. If condition or default continue receipt of written notice, County may elect its op

the Sub-Lease.

Parking: Sufficient for Lessee needs, included in original:

improvements

PROCUREMENT

Not applicable.

REVIEW BY OTHERS

This item has been reviewed by County Counsel (John Tubbs II, Deputy County Counsel, and Suzanne Bryant, Deputy County Counsel, 387-5455) on April 20, 2023; Regional Parks (Beahta Davis, Director, 387-2886) on April 21, 2023; Finance (Elias Duenas, Administrative Analyst, and Garrett Baker, Administrative Analyst, 387-5423) on April 27, 2023; and County Finance and Administration (Valerie Clay, Deputy Executive Officer, 387-5423) on May 3, 2023.

(YG: 665-0268)