



San Bernardino County

Legislation Text

File #: 7996, Agenda Item #: 73

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
SHANNON D. DICUS, Sheriff/Coroner/Public Administrator

SUBJECT

Lease Amendment with New Hope Family Life Public Enterprise Center, Inc. for Office Space in San Bernardino

RECOMMENDATION(S)

1. Find that approval of Amendment No. 1 to Lease Agreement No. 22-31 with New Hope Family Life Public Enterprise Center, Inc. is an exempt project under the California Environmental Quality Act Section 15301 - Existing Facilities (Class1).
2. Approve Amendment No. 1 to Lease Agreement No. 22-31 with New Hope Family Life Public Enterprise Center, Inc. to extend the term of the lease one year for the period of June 1, 2023 through May 31, 2024, following a permitted holdover for the period of January 25, 2023 through May 31, 2023, and adjust the rental rate schedule for the use of approximately 4,518 square feet of office space, comprising rooms 7, 14, 17, 18, 21, and 25, located at 1505 West Highland Avenue in San Bernardino in the total amount of \$76,756.
3. Direct the Clerk of the Board of Supervisors to 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). The total cost of this one-year amendment is \$76,756. Lease payments will be made from the Sheriff/Coroner/Public Administrator (Sheriff) budget (4420005167). Other costs associated with this lease include custodial services, which will be paid from the Sheriff's budget. Sufficient appropriation is included in the 2022-23 budget and will be included in the 2023-24 recommended budget. Annual lease costs are as follows:

<u>Period</u>	<u>Lease Cost</u>
*January 25, 2023 - May 31, 2023	\$19,990
June 1, 2023 - May 31, 2024	\$56,766
Total Cost *Holdover period	\$76,756

BACKGROUND INFORMATION

This first amendment to Lease Agreement No. 22-31 (Lease) with New Hope Family Life Public Enterprise Center, Inc. (New Hope) extends the term of the Lease for one year through San Bernardino County's (County) exercise of the first of two one-year options to extend the term of the lease for the period of June 1, 2023 through May 31, 2024, following a permitted holdover for the period of January 25, 2023 through May 31, 2023. Negotiations with New Hope regarding the rent at renewal have delayed the renewal process and on January 25, 2023, the Lease went into permitted holdover. The amendment will allow the Sheriff to continue to occupy the office space located at 1505 West Highland Avenue in San Bernardino in continued support of the Family Attachment Intervention Through Healing Services (FAITHS) reentry program.

On January 25, 2022 (Item No. 41), the Board of Supervisors (Board) approved the Lease, with two one-year options to extend the term of the Lease, with New Hope for the use of approximately 4,518 square feet of office space, comprising rooms 7, 14, 17, 18, 21, and 25, located at 1505 West Highland Avenue in San Bernardino for use by the Sheriff in administering the FAITHS reentry program to newly-released, previously incarcerated individuals as they transition back into the community. The original term of the Lease was for the period of January 25, 2022 through January 24, 2023. In November 2022, the Sheriff requested that the Real Estate Services Department (RES D) exercise the County's first of two existing one-year options to extend the term of the Lease. The County has continued to occupy the leased premises and abide by the terms of the Lease.

The project to approve an amendment to Lease Agreement No. 22-31 with New Hope was reviewed pursuant to the California Environmental Quality Act (CEQA) and determined to be categorically exempt under Section 15301 - Existing Facilities (Class 1) because it indicates that the project involves negligible and no expansion of use.

Summary of Lease Terms

Lessor: New Hope Family Life Public Enterprise Center, Inc (Kinard Moffatt, Chairman)

Location: 1505 West Highland Avenue, San Bernardino

Size: Approximately 4,518 square feet of office space, comprising rooms 7, 14, 17, 18, 21, and 25

Term: One year commencing June 1, 2023 through May 31, 2024, following a permitted holdover for the period from January 25, 2023 through May 31, 2023

Options: One one-year option

Rent: Cost per square foot per month: \$1.05*
Monthly: 4,731
Annual: \$56,766
*Mid-range for comparable facilities in the San Bernardino area per the competitive set analysis on file with RES D

Annual Increases: None

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Improvement Costs:	None
Custodial:	Provided by Lessor for the common areas of the building; Provided by County for the leased premises
Maintenance:	Provided by Lessor
Utilities:	Provided by Lessor
Insurance:	The Certificate of Liability Insurance, as required by the lease, is on file with RESD
Holdover:	Upon the end of the term, if permitted by Lessor, the Lease shall continue on a month-to-month term upon the same terms and conditions, including the rent which existed at the time of expiration
Right to Terminate:	County has the right to terminate with 90-days' written notice
Parking:	Sufficient for County needs

PROCUREMENT

On January 25, 2022 (Item No. 41), the Board approved a one-year Lease with New Hope, with two one-year options to extend the term of the Lease, which was procured in accordance with County Policy 12-02 - Procuring Privately Owned Real Property for County Use (Policy 12-02), using an alternative procedure. The procurement process required by Policy 12-02 does not apply to amendments of existing agreements, 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 Richard Luczak Deputy County Counsel, 387-5455) on April 3, 2023; Sheriff (Jose Torres, Administrative Manager 387-3648) on March 29, 2023; Purchasing (Bruce Cole, Supervising Buyer, 387-2148) on April 25, 2023; Finance (Erika Rodarte, Administrative Analyst, and Garrett Baker, Administrative Analyst, 387-5423) on April 26, 2023; and County Finance and Administration (Valerie Clay, Deputy Chief Financial Officer, 387-5423) on May 3, 2023.

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