


# LOCAL AGENCY FORMATION COMMISSION FOR SAN BERNARDINO COUNTY

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**DATE:** JULY 8, 2020   
**FROM:** SAMUEL MARTINEZ, Executive Officer  
**TO:** LOCAL AGENCY FORMATION COMMISSION

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**SUBJECT:** Agenda Item #7: Review and Approval of LAFCO Office Space Lease Amendment at the San Bernardino Santa Fe Depot 1170 West 3<sup>rd</sup> Street, Unit 150

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## **RECOMMENDATION:**

Staff recommends that the Commission approve Amendment No. 2 to Lease Agreement Contract No. 16-1001429 and authorize the Commission Chair and Legal Counsel to sign.

## **BACKGROUND:**

In July 2016, the Commission approve the lease agreement (Contract No. 16-1001429) with the San Bernardino County Transportation Authority (SBCTA) for leasing Unit 150 of the San Bernardino Santa Fe Depot (Depot) as the LAFCO office and subsequently approved Amendment No. 1 to the Agreement in August 2017.

During the Commission's consideration of the FY 2020-21 budget, LAFCO staff identified that it had requested the SBCTA to reevaluate LAFCO's Common Area Maintenance (CAM) charges outlined in its lease agreement since most of the CAM charges pertain to cost associated with the Depot's main lobby area.

The SBCTA determined that the request had merit and that certain services provided to the common areas of the Depot provided no direct benefit to LAFCO. The SBCTA agreed to remove some components in LAFCO's CAM charges such as the costs of electric utility charges, plumbing repairs, and janitorial services for the main lobby area of the Depot. Additionally, SBCTA agreed to include no more than 85% of the costs for the roaming security guard.

Based on these revised changes, the estimated CAM charges for LAFCO will be reduced from the current \$2,971 to (approximately) \$1,188 a month. This would result in a potential reduction of approximately \$42,792 for the remaining 2 years of the contract term.

**CONCLUSION:**

Staff is recommending that the Commission approve Amendment No. 2 to the lease and authorize the Commission Chair and Legal Counsel to sign. LAFCO staff will be happy to answer any questions on this item prior to or at the hearing.

Attachments: Amendment No. 2 to Lease Contract No. 16-1001429

**AMENDMENT NO. 2 TO LEASE**  
**Contract No: 16-1001429**

THIS AMENDMENT NO. 2 TO LEASE (the "Amendment") is effective as of January 1, 2020 ("Effective Date"), and is entered into by and between San Bernardino County Transportation Authority (SBCTA) ("Landlord"), and Local Agency Formation Commission for San Bernardino County (LAFCO) ("Tenant"):

**RECITALS**

A. Landlord and Tenant previously entered into a Lease agreement (the "Lease") for the Premises described as 1170 W. 3<sup>rd</sup> Street, Suite 150, San Bernardino, California, also identified as Contract No. 16-1001429;

B. Landlord and Tenant have agreed to limitations on allowable components within the Common Area Maintenance (CAM) charges, to better reflect the lack of direct benefit to Tenant of certain items included in the CAM.

**AGREEMENT**

IT IS HEREBY AGREED by Landlord and Tenant on the basis of the foregoing and in consideration of the premises contained herein, as follows:

1. **Common Area Maintenance (CAM) Components.** As of the Effective Date of this Amendment No. 2, Tenant's CAM charges shall be reduced as follows: (1) exclude costs of electric utility charges, plumbing repairs, and janitorial services for the Common Areas, and (2) include no more than 85% of the costs for the roaming security guard.

2. **Supremacy.** Except as otherwise expressly stated in this Addendum, all other provisions in the Lease shall continue in full force and effect without modification. In the event of any conflict between the terms of this Addendum and those of the Lease, the terms of the Addendum shall govern.

IN WITNESS WHEREOF, Landlord and Tenant have executed this Addendum as of the date first set forth above.

**Landlord:**  
San Bernardino County  
Transportation Authority

\_\_\_\_\_  
By: Dr. Raymond Wolfe  
Executive Director

Date: \_\_\_\_\_

Date: \_\_\_\_\_

APPROVED AS TO FORM

\_\_\_\_\_  
Julianna K. Tillquist  
General Counsel

CONCURRENCE

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Jeffery Hill,  
Procurement Manager