

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

July 23, 2024

**FROM**

**TERRY W. THOMPSON, Director, Real Estate Services Department**

**BRETT J. GODOWN, Director, Department of Airports**

**SUBJECT**

Easements for Public Road, Drainage, Reciprocal Driveway, and Utility Purposes to the City of Chino, Scannell Properties #404 LLC, and Southern California Edison Over San Bernardino County-Owned Property in the City of Chino

**RECOMMENDATION(S)**

1. Adopt **Resolution 2024-123**:
  - a. Making responsible agency findings pursuant to the California Environmental Quality Act.
  - b. Declaring the conveyance of two public road easements and one drainage easement to the City of Chino, one reciprocal driveway easement and one drainage easement to Scannell Properties #404 LLC, and one utility easement to Southern California Edison Company over portions of San Bernardino County-owned property, comprising a total of approximately 7.181 acres, (portions of Assessor's Parcel Numbers 1026-081-12, 1026-091-04, 1054-401-01, 1054-401-02, 1055-011-01, and 1055-041-01) located in the City of Chino is in the public interest, and the easement interests conveyed will not substantially conflict or interfere with the use of the property by San Bernardino County.
  - c. Authorizing the conveyance of two public road easements and one drainage easement to the City of Chino, one reciprocal driveway easement and one drainage easement to Scannell Properties #404 LLC, and one utility easement to Southern California Edison Company over portions of San Bernardino County-owned property, comprising a total of approximately 7.181 acres, (portions of Assessor's Parcel Numbers 1026-081-12, 1026-091-04, 1054-401-01, 1054-401-02, 1055-011-01, and 1055-041-01) located in the City of Chino in accordance with Government Code Sections 25526.6 and 23004(d), upon payment of \$2,144,925 by Scannell Properties #440 LLC.
2. Approve a Right of Way Acquisition **Contract No. 24-698** with Scannell Properties #404 LLC for the easement grants set forth in Recommendation Nos. 3 through 7, for a total net payment of \$2,144,925.
3. Approve a non-exclusive, revocable Grant of Easement to the City of Chino over a portion of San Bernardino County-owned property, comprising approximately 0.031 acres, located in the City of Chino (portion of Assessor's Parcel Number 1055-041-01) for public highway and roadway purposes.
4. Approve a non-exclusive, revocable Grant of Easement to the City of Chino over portions of San Bernardino County-owned property, comprising approximately 0.50 acres, located in the City of Chino (portions of Assessor's Parcel Numbers 1054-401-01 and 1026-081-12) for public highway and roadway purposes.

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5. Approve a non-exclusive Grant of Easement to the City of Chino over portions of San Bernardino County-owned property, comprising approximately 5.824 acres, located in the City of Chino (portions of Assessor's Parcel Numbers 1054-401-01, 1054-401-02, 1026-081-12, 1026-091-04 and 1055-011-01) for drainage and flowage purposes.
  6. Approve a non-exclusive Grant of Reciprocal Easement with Scannell Properties #404 LLC to convey to Scannell Properties #404 LLC an easement over a portion of San Bernardino County-owned property, comprising approximately 0.133 acres, located in the City of Chino (portion of Assessor's Parcel Number 1055-041-01) and to acquire from Scannell Properties #404 LLC an easement over portions of Scannell Properties #404 LLC-owned property, comprising approximately 0.742 acres, located in the City of Chino (portions of Assessor's Parcel Numbers 1054-391-02 and 1054-391-03) for shared driveway and access purposes.
  7. Approve a non-exclusive Grant of Easement to Scannell Properties #404 LLC over portions of San Bernardino County-owned property, comprising approximately 0.563 acres, located in the City of Chino (portions of Assessor's Parcel Numbers 1054-401-02 and 1055-011-01) for drainage and flowage purposes.
  8. Approve a non-exclusive Grant of Easement to Southern California Edison over a portion of San Bernardino County-owned property, comprising a total of approximately 0.13 acres, located in the City of Chino (portion of Assessor's Parcel Number 1055-041-01) for utility purposes at no cost.
  9. Authorize the Chair of the Board of Supervisors to execute the Right of Way Acquisition Contract and easement grants identified in Recommendation Nos. 2 through 8.
  10. Authorize the Director of the Real Estate Services Department to execute any other documents necessary to complete the easement grant transactions, subject to County Counsel review.
  11. Direct the Real Estate Services Department to file the Notice of Determination in accordance with the California Environmental Quality Act.
- (Presenter: Terry W. Thompson, Director, 387-5000)

**COUNTY AND CHIEF EXECUTIVE OFFICER GOALS & OBJECTIVES**

**Ensure Development of a Well-Planned, Balanced, and Sustainable County.**

**Pursue County Goals and Objectives by Working with Other Agencies and Stakeholders.**

**FINANCIAL IMPACT**

Approval of this item will not result in the use of Discretionary General Funding (Net County Cost). The Department of Airports (Airports) will receive revenue in the total net amount of \$2,144,925 for the fair market value of the easements granted to the City of Chino (City) and Scannell Properties #404 LLC (Scannell) on portions of property within the boundaries of Chino Airport that are owned by San Bernardino County (County) less the fair market value of the easement to be acquired by the County over portions of Scannell's property. The utility easement to Southern California Edison Company (Edison) will be granted at no cost. The revenue will be received in the Airports Reserve Fund (2182) to help offset the cost of airport operations. Approval of the necessary budget adjustment is not requested at this time but will be presented to the Board of Supervisors (Board) at a future date.

**BACKGROUND INFORMATION**

Scannell has developed a 476,285-square-foot FedEx parcel delivery facility on its approximately 74.4-acre property located south of Merrill Avenue, west of Flight Avenue, and east of the County-owned Chino Airport in the City (Project). The Project also includes

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associated site and off-site improvements, including drive aisles, landscaping, utility infrastructure, and water quality basins. The Project is expected to streamline parcel delivery logistics in the Inland Empire area.

The conditions of approval for the Project require Scannell to acquire necessary property rights over portions of the County's property at Chino Airport totaling approximately 7.181 acres, [portions of Assessor's Parcel Numbers (APN's) 1026-081-12, 1026-091-04, 1054-401-01, 1054-401-02, 1055-011-01, and 1055-041-01) located to the east side of Chino Airport. The property rights include the following six easements:

<b>Easement Grantee</b>	<b>Type of Easement</b>	<b>APN (Portions)</b>	<b>Total Easement Area</b>
City	Public Road Easement	1055-041-01	.031 acres
City	Public Road Easement	1054-401-01 1026-081-12	0.50 acres
City	Drainage Easement	1054-401-01 1054-401-02 1026-081-12 1026-091-04 1055-011-01	5.824 acres
Scannell/County	Reciprocal Driveway Easement	1055-041-01 (County property) 1054-401-01 and 1026-081-12 (Scannell property)	0.133 acres conveyed to Scannell (with 0.742 acres acquired by County)
Scannell	Drainage Easement	1054-401-02 1055-011-01	0.563 acres
Edison	Utility Easement	1055-041-01	0.13 acres
<b>Total Easement Area Conveyed</b> (excluding reciprocal easement area to be acquired by County)			<b>7.181 acres</b>

The Real Estate Services Department (RESO) reviewed the easement requests with Airports and determined that the easement grants are in the public interest and that they do not substantially conflict nor interfere with Airports' use of the property. Airports requested that RESO assist with the conveyance of the five easements to the City and Scannell at fair market value. Appraisal No. 20-78B was prepared by Kevin Donahue, MAI, and Denyse Neville from Cushman and Wakefield for these easements. MAI stands for Member of the Appraisal Institute, a United States-based organization of real estate appraisers. RESO staff reviewed the appraisal and concluded the fair market value for all five easements, less the fair market value for the County's acquisition of an easement from Scannell, to be \$2,144,925, using a commonly used and acceptable method of valuation. Scannell will pay the net fair market value of \$2,144,925 prior to the execution and recording of the easement grants. The easement to Edison will be granted at no additional cost.

In accordance with the Federal Aviation Administration (FAA) requirements, the two public road easements to the City are revocable if those easement areas are needed for aviation purposes or Chino Airport operations since they are currently designated for aeronautical use. The City

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has recently presented Airports with a comprehensive plan for its desired right of way around Chino Airport, which will allow Airports to consolidate its request to the FAA for approval to grant non-revocable easements. Airports will return to the Board for approval of any non-revocable easements to the City.

While the easement terms and Scannell's payment were being negotiated and to accommodate Scannell construction schedule, in November 2020, the County and Scannell entered into two short-term Right of Entry Agreements (ROE's) for a total of approximately 254,109 square feet of the proposed easement area on County property for Scannell's at-risk construction of its off-site improvements. The ROE's, which were executed by the Director of RESD under its authority pursuant to County Ordinance Section 18.0104, provided that Scannell shall remove any improvements and restore the affected areas if easement grants are not approved by the Board. The easements, if granted, would supersede the ROE's. The City has already approved and executed the easements to be granted to the City.

Approval of this item will also authorize the Director of RESD to execute any other incidental documents as necessary to complete this transaction, subject to County Counsel review. The Director of RESD will not be authorized to execute any documents that would bind the County to any actions not contemplated by, or arising from, the transaction that is the subject of these recommendations.

Staff has reviewed these transactions pursuant to the Surplus Land Act (SLA) and determined that easement conveyances are not subject to the SLA.

Pursuant to Section 15096 of the California Environmental Quality Act (CEQA) Guidelines, the County, in its capacity as a Responsible Agency, considered the Environmental Impact Report (EIR) prepared by the City as the Lead Agency pursuant to CEQA. The City determined from this report that the proposed Project would have a significant effect on the environment. The Project would result in four significant and unavoidable environmental effects. The City prepared and adopted written environmental findings and filed a Notice of Determination on October 3, 2019, pursuant to CEQA.

The County as a CEQA Responsible Agency must make certain findings pursuant to Section 15096(h) of the CEQA Guidelines in order to take action on the conveyance of the easements. The County, as the Responsible Agency, has verified that the City-adopted EIR adequately analyzed the potential environmental impacts and concurs with the analysis and conclusions set forth in said EIR. The County, in its capacity as Responsible Agency, considered the EIR prepared for the Project, and independently finds that the EIR is adequate for use by the County to take action on the easement conveyances and execution of the Right of Way Acquisition Contract. Furthermore, the County finds that no significant adverse impacts will occur as a result of the easement conveyances and execution of the Right of Way Acquisition Contract and that no further CEQA analysis is required.

**PROCUREMENT**

The County can grant the easements to Edison Company, the City, and Scannell in accordance with Government Code Sections 25526.6 and 23004(d).

**REVIEW BY OTHERS**

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This item has been reviewed by County Counsel (Agnes Cheng, Deputy County Counsel, 387-5455) on July 18, 2024; Airports (Brett J. Godown, Director, and Maureen Snelgrove, Assistant Director, 387-8810) on June 7, 2024; Purchasing (Ariel Gill, Lead Buyer, 387-2070) on June 12, 2024; Finance (Elias Duenas, 387-4052, and Garrett Baker, 387-3077, Administrative Analysts) on July 3, 2024; and County Finance and Administration (Paloma Hernandez-Barker, Deputy Executive Officer, 387-5423) on July 5, 2024

(JAG: 677-8210)

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Record of Action of the Board of Supervisors  
San Bernardino County

**APPROVED (CONSENT CALENDAR)**

Moved: Curt Hagman   Seconded: Joe Baca, Jr.  
Ayes: Col. Paul Cook (Ret.), Dawn Rowe, Curt Hagman, Joe Baca, Jr.  
Absent: Jesse Armendarez

Lynna Monell, CLERK OF THE BOARD

BY   
DATED: July 23, 2024



cc:     RESD - Thompson w/agree  
         Contractor - c/o RESD w/agree  
         File - w/agree  
CCM   08/6/2024