

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

September 23, 2025

FROM

**TERRY W. THOMPSON, Director, Real Estate Services Department
LUTHER SNOKE, Chief Executive Officer, County Administrative Office**

SUBJECT

Acquisition of Vacant Land Parcel and Reservation and Conveyance of Easement to Riverside Highland Water Company in San Bernardino County

RECOMMENDATION(S)

1. Adopt **Resolution No. 2025-203** that:
 - a. Finds that the acquisition of certain vacant land, consisting of approximately 8.3 acres, located west of Sunwest Court and South of the Santa Ana River in the City of San Bernardino (Assessor's Parcel Number 0141-372-44-0000), is not a project under the California Environmental Quality Act Guidelines, or, alternatively, that the acquisition is exempt from the California Environmental Quality Act Guidelines, pursuant to Section 15004, subdivision (b)(2)(A) of Title 14 of the California Code of Regulations, and conditioning all future uses and development of the vacant land contingent upon compliance with the California Environmental Quality Act, and pursuant to Section 15061, subdivision (b)(3) Common-sense Exemption, when it can be seen with certainty that the activity will not result in a significant effect on the environment
 - b. Finds that the reservation and conveyance of a non-exclusive easement to Riverside Highland Water Company for the continued operation and maintenance of its existing water pipeline, is exempt pursuant to California Environmental Quality Act Guidelines, Section 15301 - Class 1 Existing Facilities of existing public or private structures, facilities, mechanical equipment, or topographical features, involving negligible or no expansion of use beyond that previously existing, and/or Section 15304 – Class 4 Minor public or private alterations in the condition of land, water, and/or vegetation which do not involve removal of healthy, mature, scenic trees.
 - c. Authorizes the reservation and conveyance of a non-exclusive easement to Riverside Highland Water Company for the continued operation and maintenance of its existing water pipeline and find that such conveyance is in the public's interest and will not substantially conflict or interfere with the County's use of the property, upon payment of \$38,522.
2. Approve Capital Improvement Program Project No. 26-019 to acquire certain vacant land, consisting of approximately 8.3 acres, located west of Sunwest Court and South of the Santa Ana River in the City of San Bernardino (Assessor's Parcel Number 0141-372-44-0000), for the purchase price of \$5,425,000, plus an independent consideration payment, escrow expenses, title fees, due diligence costs, and administrative cost estimated to be \$70,000, for a total estimated cost of \$5,495,000.
3. Authorize the acquisition of certain vacant land, consisting of approximately 8.3 acres, located west of Sunwest Court and South of the Santa Ana River in the City of San

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Bernardino (Assessor's Parcel Number 0141-372-44-0000), for the purchase price of \$5,425,000, plus an independent consideration payment, escrow expenses, title fees, due diligence costs, and administrative costs estimated to be \$70,000, for a total estimated cost of \$5,495,000, in accordance with Government Code Section 25350.

4. Approve the Purchase and Sale **Agreement No. 25-746** and Joint Escrow Instructions with Riverside Highland Water Company, a California corporation, to acquire said vacant land in Recommendation No. 3.
5. Authorize the conveyance of a reserved easement to Riverside Highland Water Company, as described in the Purchase and Sale Agreement, for the continued operation, maintenance, and repair of its existing water pipeline, in conjunction with the acquisition of the property, upon payment of \$38,522.
6. Approve Water Utility Easement **Agreement No. 25-747** with Riverside Highland Water Company, a California corporation, for the continued operation, maintenance, and repair of its existing water pipeline, in conjunction with the acquisition of the property in Recommendation No. 5.
7. Authorize the Auditor-Controller/Treasurer/Tax Collector to post budget adjustments, as detailed in the Financial Impact section (Four votes required).
8. Authorize the Director of the Real Estate Services Department to execute an acceptance certificate to affix to the Grant Deed to accept the property referenced in Recommendation No. 3, upon acceptance of the Grant Deed, escrow instructions, and any other documents necessary to complete this transaction, subject to County Counsel review.
9. Direct the Real Estate Services Department to file 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

Improve County Government Operations.

Operate in a Fiscally Responsible and Business-Like Manner.

FINANCIAL IMPACT

Approval of this item will not result in the use of additional Discretionary General Funding (Net County Cost). The purchase price to acquire that certain vacant land consisting of approximately 8.3 acres, located west of Sunwest Court and South of the Santa Ana River in the City of San Bernardino (Assessor's Parcel Number 0141-372-44-0000) (Property) is \$5,425,000, plus an independent consideration payment, escrow expenses, title fees, due diligence costs, and administrative costs estimated to be \$70,000, for a total estimated cost of \$5,495,000 will be funded by the Building Acquisition General Fund Reserve. The independent consideration payment itself is for the County's right to terminate the Purchase and Sale Agreement and Joint Escrow Instructions on or prior to the expiration of the due diligence period.

In connection with this transaction, the County will collect \$38,522 from Riverside Highland Water Company (RHWC) for the grant of an easement reservation across the Property, which will partially offset the overall acquisition cost. The Property will be used for future development of County facilities.

The following budget adjustments are necessary to establish the project's budget. The Department requests the Auditor-Controller/Treasurer/Tax Collector to post the following adjustments to the 2025-26 budget:

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Fund Center/Fund	Commitment Item/ GL Account	Description	Action	Amount	WBSE
7700003105	54004005	Land	Increase	\$5,495,000	94.10.0015
7700003105	40909975	Operating Transfers In	Increase	\$5,495,000	94.10.0015
1000	37008217	Fund Balance Committed – Building Acquisition Reserve	Decrease	\$5,495,000	-
1161161000	55305030	Operating Transfers Out	Increase	\$5,495,000	-

BACKGROUND INFORMATION

The acquisition of this Property will support the County’s long-term strategy to expand its real estate holdings for potential future development of County facilities. The Property is strategically located in the City of San Bernardino, west of Sunwest Court and south of the Santa Ana River. It lies adjacent to or near multiple County-owned or operated facilities, including: 412 Hospitality Lane (recently acquired), 268 Hospitality Lane (Auditor-Controller/Treasurer/Tax Collector), and 222 West Hospitality Lane (Recorder’s Office). The location offers an opportunity to consolidate and optimize future County services and operations within a key geographic corridor.

The Real Estate Services Department (RESD) became aware of the Property’s availability in early 2024. Though the Property was not publicly listed, RESD staff initiated contact with the Property owner, RHWC, who confirmed the Property was surplus to their needs and expressed interest in selling.

A restricted appraisal was prepared by RESD Staff, (Report No. 25-29, dated April 25, 2025), which concluded a fair market value of \$5,425,000. Both parties agreed on this valuation, and negotiations proceeded accordingly.

As part of the sale, RHWC will retain a reserved easement for its existing water pipeline, which runs through a portion of the Property along the Santa Ana River. The easement allows RHWC to continue operating and maintaining the pipeline within a defined easement area. In consideration for the grant of this easement, the County will receive \$38,522 from RHWC which will partially offset the overall acquisition cost.

Approval of this item also authorizes the Director of RESD to execute escrow documents, such as amended instructions, disclosures, notices (e.g., due diligence and title objection notices), contingency waivers, settlement statements, acceptance certificate to the Grant Deed, and the Water Utility Easement Agreement, subject to County Counsel review. The Director is not authorized to execute any documents that would bind the County to actions outside the scope of this transaction.

The recommended Resolution conditions all future uses and/or development of the Property upon compliance with the California Environmental Quality Act (CEQA), which will be conducted at such time as there is a development proposal for the Property. As a result, the acquisition of the Property is not a project as defined by CEQA because there are no specific development

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plans in existence for the future use and development of a public project at the Property that would allow environmental review to be meaningful at this time; or alternatively, the acquisition of the Property is exempt from CEQA pursuant to Section 15004, subdivision (b)(2)(A) of the CEQA Guidelines (Title 14 of the California Code of Regulations), because the acquisition is for the Property to be a preferred site for consideration for a potential future use and development, if any, subject to CEQA compliance; and pursuant to Section 15061, subdivision (b)(3) Common-sense Exemption, when it can be seen with certainty that the activity will not result in a significant effect on the environment. Conveyance of the reserved easement to RHWC is an exempt project under CEQA Guidelines, Sections 15301 - Class 1 Existing Facilities of existing public or private structures, facilities, mechanical equipment, or topographical features, involving negligible or no expansion of use beyond that previously existing, and/or 15304 – Class 4 Minor public or private alterations in the condition of land, water, and/or vegetation which do not involve removal of healthy, mature, scenic trees.

PROCUREMENT

The purchase of this Property is in compliance with Government Code Section 25350 and Section 6063. The County can grant the Water Utility Easement to Riverside Highland Water Company upon a finding by the Board that the conveyance is in the public interest and that the interest in land conveyed will not substantially conflict or interfere with the use of the property by the County, in accordance with Government Code Sections 25526.6 and 23004(d).

REVIEW BY OTHERS

This item has been reviewed by County Counsel (Agnes Cheng and John Tubbs II, Deputies County Counsel, and Julie Surber, Principal Assistant County Counsel, 387-5455) on September 16, 2025; Purchasing (Ariel Gill, Supervising Buyer, 387-2070) on August 21, 2025; Auditor-Controller/Treasurer/Tax Collector (Charlene Huang, Auditor-Controller Manager, 382-7022) on August 21, 2025; and County Finance and Administration (Yael Verduzco, Principal Administrative Analyst, 387-5285, and Erika Rodarte, Administrative Analyst, 387-4919) on September 5, 2025.

(JAG: 677-8210)

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Record of Action of the Board of Supervisors
San Bernardino County

APPROVED (CONSENT CALENDAR)

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

Lynna Monell, CLERK OF THE BOARD

BY 
DATED: September 23, 2025



cc: RESD - Thompson w/agree
Contractor - c/o RESD w/agree
File - w/agree

MBA 09/25/2025