

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

March 25, 2025

**FROM**

Noel Castillo, Director, Department of Public Works – Transportation

**SUBJECT**

Amendment to Settlement Agreement and Release with IDIL West Valley Logistics Center, LP

**RECOMMENDATION(S)**

1. Find that approval of Amendment No. 1 to the Settlement Agreement and Release with IDIL West Valley Logistics Center, LP, related to updates in ownership, infrastructure improvements, and community benefit contributions associated with the West Valley Logistics Center Specific Plan is not a project subject to the California Environmental Quality Act, and, in the alternative, is an exempt project under the California Environmental Quality Act Guidelines Section 15061(b)(3).
2. Approve **Amendment No. 1 to the Settlement Agreement No. 25-173** and Release with IDIL West Valley Logistics Center, LP, related to updates in ownership, infrastructure improvements, and community benefit contributions associated with the West Valley Logistics Center Specific Plan approved by the City of Fontana.
3. Direct the Department of Public Works to file a notice of exemption in accordance with the California Environmental Quality Act.

(Presenter: Noel Castillo, Director, 387-7906)

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

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

**Provide for the Safety, Health and Social Service Needs of County Residents.**

**FINANCIAL IMPACT**

Approval of this item will not result in the use of Discretionary General Funding (Net County Cost). The amendment to the Settlement Agreement and Release (Agreement) reflects changes to ownership, infrastructure improvements, and community benefit contributions required by the Agreement. Approval of this item will include an additional contribution to the County in the amount of \$13,900,000 to be used exclusively for service enhancement activities for the Bloomington area.

**BACKGROUND INFORMATION**

This item would approve an amendment to the Agreement entered into by San Bernardino County (County) and UST-CB Partners, LP (UST) to settle litigation entitled *County of San Bernardino v. City of Fontana*, Case No. CIVDS 1911476 (Action).

On April 12, 2019, the County initiated the Action against the City of Fontana (City) and UST, challenging the City's approval of the West Valley Logistics Specific Plan (Project), a 3.4 million square foot industrial warehouse development on an approximately 291-acre site (Property)

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proposed by UST. The County challenged, among other things, the City's analysis of the Project's transportation impacts and the potential effect the Project may have on county-maintained roadways. On May 5, 2020, the County and UST settled the Action and entered into the Agreement. The Agreement requires, among other things, that UST pay the County a community benefit payment, improve sections of Jurupa Avenue according to plans and specifications that meet county street standards, and authorizes, but does not require, the County to restrict the use of Locust Avenue north of Jurupa Avenue for truck traffic by installing restrictions, such as signage, signalization or physical improvements, at the intersection of Locust Avenue and Jurupa Avenue (Locust Avenue Restriction). Notwithstanding the Locust Avenue Restriction, the Project's conditions and mitigation measures maintained a requirement for street improvements to Locust Avenue north of Jurupa Avenue and the Agreement acknowledges that UST remains obligated to either construct the improvements or enter into an agreement to pay for the cost of the future construction of the improvements.

On October 20, 2020, IDIL West Valley Logistics Center, LP, (IDIL) acquired the Property from UST and was assigned and assumed the Agreement. Thereafter, IDIL obtained certain modifications to the Project from the City that include, but are not limited to, reduction of building areas, change in the number of buildings, increased open space, additional buffer zone, and modification to building use (Modified Project). The environmental analysis for the Modified Project included an updated analysis of transportation impacts. The City also issued a Substantial Conformance determination finding that the installation of the Locust Avenue Restriction would satisfy mitigation measures with respect to street improvement for Locust Avenue north of Jurupa Avenue.

IDIL is now requesting an amendment to the Agreement (Amendment) to reflect changes in the Modified Project. The Amendment includes the following substantive changes:

- **Locust Avenue Restriction:** The County agrees to implement a pork chop roadway improvement as the Locust Avenue Restriction. This measure will restrict the Project's truck traffic from travelling on Locust Avenue north of Jurupa Avenue, unless the County determines the restriction is unnecessary. All costs in designing and constructing the Locust Avenue Restriction will be performed and paid for by IDIL.
- **Additional Community Benefit Contribution:** In lieu of constructing improvements to Locust Avenue north of Jurupa Avenue, due to the implementation of the Locust Avenue Restriction, IDIL agrees to pay the County an additional community benefit contribution in the amount of \$13,900,000 in two payments to be used for service enhancement activities for the Bloomington area. The first payment of \$7,500,000 will be paid before issuance of the first certificate of occupancy for the Modified Project, and the second payment of \$6,400,000 before issuance of the third certificate of occupancy for the Modified Project. IDIL also agrees to convey a parcel of land, which is immediately adjacent and contiguous to Kessler Park, to the Bloomington Recreation and Park District at no cost before the issuance of the third certificate of occupancy for the Modified Project.
- **Infrastructure Improvements:** IDIL agrees to use reasonable efforts to acquire property interests and to improve sections of Jurupa Avenue and Locust Avenue according to approved plans, with specific design considerations to accommodate existing structures and planned development. In the event IDIL is unable to acquire the necessary property interests, alternate designs will be required and all cost savings, if any, will be paid to the County for service enhancement activities for the Bloomington area. The Amendment also requires coordination with the design and construction of stormwater infrastructure for future

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planned development. The infrastructure improvements will be installed prior to the issuance of the first certificate of occupancy for the Modified Project.

Approval of the Amendment is not a project subject to the California Environmental Quality Act (CEQA) and even if it were a project subject to CEQA, the project would be exempt from CEQA pursuant to CEQA Guidelines Section 15061(b)(3). CEQA defines a project as an activity that is a discretionary action by a governmental agency that will either have a direct or reasonably foreseeable indirect impact on the environment. While the County is not required to approve the Amendment, the Amendment itself does not result in any new activity that would have a direct or reasonably foreseeable indirect impact on the environment. Instead, the physical improvements and future construction identified in the Amendment are authorized and performed by IDIL in accordance with the Modified Project, which was previously reviewed under CEQA by the City. The County will consider and approve the future improvements identified in the Amendment as part of a ministerial review in furtherance of the Modified Project and, therefore, not subject to CEQA. Moreover, even if the Action were a project under CEQA, CEQA only applies to a project that has the potential for causing a significant effect on the environment. Because the Amendment concerns obligations and construction activity already reviewed under CEQA, and it does not provide for any physical or operational changes to the environment, it can be seen with certainty that there is no possibility that the Amendment may have a significant effect on the environment.

**REVIEW BY OTHERS**

This item has been reviewed by County Counsel (Jason Searles, Supervising Deputy County Counsel, 387-5455) on February 13, 2025; Finance (Kathleen Gonzalez, Administrative Analyst, 387-5412) on March 7, 2025; and County Finance and Administration (Valerie Clay, Deputy Executive Officer, 387-5423) on March 14, 2025.


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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: March 25, 2025



cc: PW/Trans - Mann w/agree  
Contractor - c/o PW/Trans w/agree  
File - w/agree  
MBA 03/26/2025