

**CITY OF ONTARIO
CITY COUNCIL AND HOUSING AUTHORITY
AGENDA
JULY 18, 2017**

Paul S. Leon
Mayor

Debra Dorst-Porada
Mayor pro Tem

Alan D. Wapner
Council Member

Jim W. Bowman
Council Member

Ruben Valencia
Council Member



Al C. Boling
City Manager

John E. Brown
City Attorney

Sheila Mautz
City Clerk

James R. Milhiser
Treasurer

WELCOME to a meeting of the Ontario City Council.

- All documents for public review are on file with the Records Management/City Clerk's Department located at 303 East B Street, Ontario, CA 91764.
- Anyone wishing to speak during public comment or on a particular item will be required to fill out a blue slip. Blue slips must be turned in prior to public comment beginning or before an agenda item is taken up. The Clerk will not accept blue slips after that time.
- Comments will be limited to 3 minutes. Speakers will be alerted when they have 1 minute remaining and when their time is up. Speakers are then to return to their seats and no further comments will be permitted.
- In accordance with State Law, remarks during public comment are to be limited to subjects within Council's jurisdiction. Remarks on other agenda items will be limited to those items.
- Remarks from those seated or standing in the back of chambers will not be permitted. All those wishing to speak including Council and Staff need to be recognized by the Chair before speaking.

ORDER OF BUSINESS The regular City Council and Housing Authority meeting begins with Closed Session and Closed Session Comment at 6:00 p.m., Public Comment at 6:30 p.m. immediately followed by the Regular Meeting and Public Hearings. No agenda item will be introduced for consideration after 10:00 p.m. except by majority vote of the City Council.

(EQUIPMENT FOR THE HEARING IMPAIRED AVAILABLE IN THE RECORDS MANAGEMENT OFFICE)

CALL TO ORDER (OPEN SESSION)

6:00 p.m.

ROLL CALL

Dorst-Porada, Wapner, Bowman, Valencia, Mayor/Chairman Leon

CLOSED SESSION PUBLIC COMMENT The Closed Session Public Comment portion of the Council/Housing Authority meeting is limited to a maximum of 3 minutes for each speaker and comments will be limited to matters appearing on the Closed Session. Additional opportunities for further Public Comment will be given during and at the end of the meeting.

CLOSED SESSION

- GC 54956.9 (d)(1), CONFERENCE WITH LEGAL COUNSEL, EXISTING LITIGATION: *John Doe v. City of Ontario, United States District Court, Central District of California, Case No. 5:17-cv-00682-JBG-SP*
- GC 54957.6, CONFERENCE WITH LABOR NEGOTIATOR: Al C. Boling regarding American Federation of State, County and Municipal Employees; Teamsters Local 1932; and Association of Ontario Management Employees.
- GC 54957.6, CONFERENCE WITH LABOR NEGOTIATOR: Al C. Boling regarding Ontario Professional Firefighters, Local 1430

In attendance: Dorst-Porada, Wapner, Bowman, Valencia, Mayor/Chairman Leon

PLEDGE OF ALLEGIANCE

Council Member Bowman

INVOCATION

Pastor Azriel Joaquin, The Light of the World

REPORT ON CLOSED SESSION

City Attorney

PUBLIC COMMENTS

6:30 p.m.

The Public Comment portion of the Council/Housing Authority meeting is limited to 30 minutes with each speaker given a maximum of 3 minutes. An opportunity for further Public Comment may be given at the end of the meeting. Under provisions of the Brown Act, Council is prohibited from taking action on oral requests.

As previously noted -- if you wish to address the Council, fill out one of the blue slips at the rear of the chambers and give it to the City Clerk.

AGENDA REVIEW/ANNOUNCEMENTS The City Manager will go over all updated materials and correspondence received after the Agenda was distributed to ensure Council Members have received them. He will also make any necessary recommendations regarding Agenda modifications or announcements regarding Agenda items to be considered.

CONSENT CALENDAR

All matters listed under CONSENT CALENDAR will be enacted by one motion in the form listed below – there will be no separate discussion on these items prior to the time Council votes on them, unless a member of the Council requests a specific item be removed from the Consent Calendar for a separate vote.

Each member of the public wishing to address the City Council on items listed on the Consent Calendar will be given a total of 3 minutes.

1. APPROVAL OF MINUTES

Minutes for the regular meeting of the City Council and Housing Authority of June 6 and June 20, 2017, and the special meeting of the City Council and Housing Authority of June 16, 2017 and the special meeting of the City Council/Housing Authority/Successor Agency to the Ontario Redevelopment Agency of June 21, 2017, approving same as on file in the Records Management Department.

2. BILLS/PAYROLL

Bills May 14, 2017 through June 17, 2017 and **Payroll** May 14, 2017 through June 17, 2017, when audited by the Finance Committee.

3. DESIGNATION OF VOTING DELEGATES FOR THE LEAGUE OF CALIFORNIA CITIES ANNUAL BUSINESS MEETING

That the City Council designate Alan D. Wapner as the City's voting delegate and Debra Dorst-Porada as an alternate for the League of California Cities Annual Business Meeting scheduled for September 15, 2017.

4. IMPROVEMENT AGREEMENT AND IMPROVEMENT SECURITY FOR FINAL TRACT MAP NO. 16486 FOR PROPERTY LOCATED ON OLIVE STREET APPROXIMATELY 655 FEET EAST OF BAKER AVENUE

That the City Council approve and authorize the City Manager to execute an improvement agreement and improvement security for Final Tract Map No. 16486 for property located on Olive Street approximately 655 feet east of Baker Avenue.

5. A RESOLUTION APPROVING AN IMPROVEMENT AGREEMENT, IMPROVEMENT SECURITY AND FINAL TRACT MAP NO. 18913-4 LOCATED AT THE SOUTHEAST CORNER OF CELEBRATION AVENUE AND PARKVIEW STREET

That the City Council adopt a resolution approving an improvement agreement, improvement security and Final Tract Map No 18913-4 located at the southeast corner of Celebration Avenue and Parkview Street within the Subarea-29 Specific Plan area.

RESOLUTION NO. _____

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF ONTARIO, CALIFORNIA, APPROVING FINAL TRACT MAP NO. 18913-4, LOCATED AT THE SOUTHEAST CORNER OF CELEBRATION AVENUE AND PARKVIEW STREET.

6. AGREEMENTS FOR LANDSCAPE MAINTENANCE AND WATER QUALITY MONITORING AND REPORTING SERVICES FOR THE MILL CREEK WETLANDS FACILITY/BRIGHTVIEW LANDSCAPE SERVICES, INC./GROUP DELTA CONSULTANTS, INC.

That the City Council:

- (A) Approve and authorize the City Manager to execute a one-year Maintenance Services Agreement (on file with the Records Management Department) with BrightView Landscape Services, Inc., of Upland, California, to provide landscape maintenance services for the Mill Creek Wetlands facility for an estimated annual amount of \$220,000; and authorize the City Manager to extend the agreement for up to four additional years with future amendments consistent with City Council approved budgets; and

- (B) Approve and authorize the City Manager to execute a one-year Professional Services Agreement (on file with the Records Management Department) with Group Delta Consultants, Inc., of Ontario, California, to provide water quality monitoring and reporting services for the Mill Creek Wetlands facility for an estimated annual amount of \$141,747; and authorize the City Manager to extend the agreement for up to four additional years with future amendments consistent with City Council approved budgets.

7. A CONSTRUCTION CONTRACT FOR THE FY 2016-17 PAVEMENT REHABILITATION PROJECT AND CDBG FUNDED ALLEY RECONSTRUCTION/ALL AMERICAN ASPHALT

That the City Council approve the plans and specifications and award a construction contract (on file in the Records Management Department) to All American Asphalt of Corona, California, for the FY 2016-17 Pavement Rehabilitation Project and CDBG Funded Alley Reconstruction for the bid amount of \$4,477,000 plus a 15% contingency of \$671,550 for a total authorized amount of \$5,148,550; and authorize the City Manager to execute related documents necessary and file a notice of completion at the conclusion of all construction activities.

8. A CONSTRUCTION CONTRACT FOR THE FY 2017-18 COLLECTOR / ARTERIAL, LOCAL STREET MAINTENANCE - SLURRY SEAL AND CDBG PAVEMENT MANAGEMENT REHABILITATION/ALL AMERICAN ASPHALT

That the City Council approve the plans and specifications and award a construction contract (on file in the Records Management Department) to All American Asphalt, of Corona, California for the City of Ontario FY 2017-18 Collector / Arterial, Local Street Maintenance Slurry Seal and CDBG Pavement Management Rehabilitation in the bid amount of \$1,066,572 plus a fifteen (15%) percent contingency of \$159,986 for a total authorized expenditure of \$1,226,558; and authorize the City Manager to execute said contract and related documents, and file a notice of completion at the conclusion of all construction activities for the project.

9. ACCEPT A WRITTEN PETITION TO CREATE A COMMUNITY FACILITIES DISTRICT; ADOPT A RESOLUTION OF INTENT TO ESTABLISH CITY OF ONTARIO COMMUNITY FACILITIES DISTRICT NO. 39 (NEW HAVEN FACILITIES - AREA C) AND TO AUTHORIZE THE ASSOCIATED LEVY OF SPECIAL TAXES; AND ADOPT A RESOLUTION TO INCUR BONDED INDEBTEDNESS

That the City Council:

- (A) Accept written petition (on file with the Records Management Department) from Brookcal Ontario, LLC. located in Costa Mesa, CA, to create a Community Facilities District (CFD), and to waive certain procedural matters, under the Mello-Roos Community Facilities Act of 1982; and
- (B) Adopt a Resolution of Intent to establish City of Ontario Community Facilities District No. 39 (New Haven Facilities – Area C); authorize the associated levy of special taxes therein; and set a public hearing for the formation of the CFD as part of the regularly scheduled City Council meeting on Tuesday, September 5, 2017; and
- (C) Adopt a Resolution to incur bonded indebtedness of proposed Community Facilities District No. 39 (New Haven Facilities – Area C).

RESOLUTION NO. _____

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF ONTARIO, CALIFORNIA, OF INTENTION TO ESTABLISH A COMMUNITY FACILITIES DISTRICT, PROPOSED TO BE NAMED CITY OF ONTARIO COMMUNITY FACILITIES DISTRICT NO. 39 (NEW HAVEN FACILITIES - AREA C), AND TO AUTHORIZE THE LEVY OF SPECIAL TAXES.

RESOLUTION NO. _____

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF ONTARIO, CALIFORNIA, TO INCUR BONDED INDEBTEDNESS OF THE PROPOSED CITY OF ONTARIO COMMUNITY FACILITIES DISTRICT NO. 39 (NEW HAVEN FACILITIES - AREA C).

10. REJECTION OF BIDS RECEIVED FOR CONCRETE REPAIRS AND MAINTENANCE SERVICES

That the City Council reject all bids received to date in connection with the Concrete Repairs and Maintenance Contract No. SM1617-6.

11. AWARD OF BID FOR PROCUREMENT OF ASPHALT, CONCRETE AND AGGREGATE MATERIALS/HOLLIDAY ROCK CO./ALL AMERICAN ASPHALT/PIT SAND & GRAVEL, INC./VULCAN

That the City Council authorize the City Manager to approve the procurement of concrete, asphalt and aggregate materials for a period of one year at set pricing per Bid Invitation #772 with Holliday Rock Co. of Upland, California; All American Asphalt of Corona, California; Pit Sand & Gravel, Inc. of Corona, California; and Vulcan of Irwindale, California that are consistent with City Council approved budgets.

12. STUDENT REPRESENTATIVE AND ALTERNATE APPOINTMENTS TO THE RECREATION AND PARKS COMMISSION FOR 2017/18 AND RECOGNITION OF THE CURRENT STUDENT REPRESENTATIVE AND ALTERNATE FOR THE YEAR SERVED 2016/17

That the City Council confirm Wendy Navarro Lopez, of Ontario High School, as the Student Representative and Kayla Ton, of Ontario High School, as the Alternate to the Recreation and Parks Commission for the term to expire June 30, 2018; and recognize Andrea Leon, of Ontario High School, for serving as the Student Representative and James Rendon, of Ontario High School, for serving as the Student Representative Alternate for the past year.

13. PROFESSIONAL SERVICES AGREEMENT WITH EEC ENVIRONMENTAL FOR THE SOUTH ARCHIBALD ALTERNATIVE WATER SUPPLY PROGRAM/EEC ENVIRONMENTAL

That the City Council approve and authorize the City Manager to execute a Professional Services Agreement (on file with the Records Management Department) with EEC Environmental (EEC) of Orange, California, to provide operations and maintenance services for the South Archibald Alternative Water Supply Program in the amount of \$540,950; and authorize the City Manager to extend the agreement for up to four consecutive one-year periods, consistent with City Council approved budgets.

14. CONSTRUCTION CONTRACT FOR SEWER MAIN IMPROVEMENTS IN RIVERSIDE DRIVE AND GUASTI ROAD/RODRIGUEZ BROS. ENGINEERING, INC.

That the City Council:

- (A) Approve the plans and specifications; and
- (B) Reject the non-responsive bid submitted by GRBCON, Inc.; and
- (C) Award contract to Rodriguez Bros. Engineering, Inc. of Ontario, California, for a bid amount of \$368,312 plus a 15% contingency of \$55,247 for a total amount of \$423,559; and authorize the City Manager to execute said contract and file a notice of completion at the conclusion of all construction activities related to the project.

15. WATER SERVICE AGREEMENT WITH SAN ANTONIO WATER COMPANY

That the City Council approve and authorize the City Manager to execute a Water Service Agreement (on file in the Records Management Department) with San Antonio Water Company (SAWCO) of Upland, California, subject to non-substantive changes.

PUBLIC HEARINGS

Pursuant to Government Code Section 65009, if you challenge the City's zoning, planning or any other decision in court, you may be limited to raising only those issues you or someone else raised at the public hearing described in this notice, or in written correspondence delivered to the City Council at, or prior to the public hearing.

16. A PUBLIC HEARING TO CONSIDER ADOPTION OF A RESOLUTION TO VACATE THAT PORTION OF EDISON AVENUE FROM ONTARIO RANCH ROAD TO APPROXIMATELY 1,000 FEET EAST OF ONTARIO RANCH ROAD AND A RESOLUTION APPROVING AN IMPROVEMENT AGREEMENT, IMPROVEMENT SECURITY AND FINAL TRACT MAP NO. 18662 LOCATED AT THE SOUTHEAST CORNER OF ONTARIO RANCH ROAD AND TURNER AVENUE

That the City Council conduct a public hearing to consider adoption of a resolution to vacate that portion of Edison Avenue from Ontario Ranch Road to approximately 1,000 feet east of Ontario Ranch Road and adopt a resolution approving an improvement agreement, improvement security and Final Tract Map No. 18662 located at the southeast corner of Ontario Ranch Road and Turner Avenue within the Grand Park Specific Plan.

Notice of public hearing has been duly given and affidavits of compliance are on file in the Records Management Department.

Written communication.

Oral presentation.

Public hearing closed.

RESOLUTION NO. _____

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF ONTARIO, CALIFORNIA, ORDERING THE VACATION OF THAT PORTION OF EDISON AVENUE FROM ONTARIO RANCH ROAD TO APPROXIMATELY 1,000 FEET EAST OF ONTARIO RANCH.

RESOLUTION NO. _____

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF ONTARIO, CALIFORNIA, APPROVING AN IMPROVEMENT AGREEMENT, IMPROVEMENT SECURITY AND FINAL TRACT MAP NO. 18662 LOCATED AT THE SOUTHEAST CORNER OF ONTARIO RANCH ROAD AND TURNER AVENUE.

17. ANNUAL LEVY OF ASSESSMENTS WITHIN ONTARIO PARKWAY MAINTENANCE ASSESSMENT DISTRICTS NOS. 1, 2, 3 AND 4 FOR FISCAL YEAR 2017-2018

That the City Council take the following actions pertaining to the levy of assessments within Ontario Parkway Maintenance Assessment Districts (OPMAD) Nos. 1, 2, 3 and 4:

- (A) Conduct a combined public hearing on the levy of the annual assessments for each district; and
- (B) Consider and adopt a resolution approving the Engineer's Reports relating to the levy of assessments for each district; and
- (C) Consider and adopt resolutions confirming the diagrams and assessments, and providing for the assessment levy within each District.

Notice of public hearing has been duly given and affidavits of compliance are on file in the Records Management Department.

Written communication.

Oral presentation.

Public hearing closed.

RESOLUTION NO. _____

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF ONTARIO, CALIFORNIA, APPROVING THE ENGINEER'S REPORTS FOR THE ANNUAL LEVY OF ASSESSMENTS WITHIN ONTARIO PARKWAY MAINTENANCE ASSESSMENT DISTRICTS NO. 1, 2, 3 AND 4 FOR FISCAL YEAR 2017-18.

RESOLUTION NO. _____

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF ONTARIO, CALIFORNIA, CONFIRMING THE DIAGRAMS AND ASSESSMENTS, AND PROVIDING FOR THE ANNUAL ASSESSMENT LEVY WITHIN ONTARIO PARKWAY MAINTENANCE ASSESSMENT DISTRICTS NO. 1, 2 AND 3 FOR FISCAL YEAR 2017-18.

RESOLUTION NO. _____

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF ONTARIO, CALIFORNIA, CONFIRMING THE DIAGRAM AND ASSESSMENT AND PROVIDING FOR THE ANNUAL ASSESSMENT LEVY WITHIN ONTARIO PARKWAY MAINTENANCE ASSESSMENT DISTRICT NO. 4 FOR FISCAL YEAR 2017-18.

18. ANNUAL LEVY OF ASSESSMENTS WITHIN STREET LIGHTING MAINTENANCE DISTRICTS NOS. 1 AND 2 FOR FISCAL YEAR 2017-18

That the City Council take the following actions pertaining to the levy of assessments within Street Lighting Maintenance Districts (SLMD) Nos. 1 and 2:

- (A) Conduct a combined public hearing on the levy of the annual assessments for each district; and
- (B) Consider and adopt a resolution approving the Engineer's Reports relating to the levy of assessments for each district; and
- (C) Consider and adopt resolutions confirming the diagrams and assessments, and providing for the assessment levy for each District.

Notice of public hearing has been duly given and affidavits of compliance are on file in the Records Management Department.

Written communication.

Oral presentation.

Public hearing closed.

RESOLUTION NO. _____

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF ONTARIO, CALIFORNIA, APPROVING THE ENGINEER'S REPORTS FOR THE ANNUAL LEVY OF ASSESSMENTS WITHIN STREET LIGHTING MAINTENANCE DISTRICTS NO. 1 AND 2 FOR FISCAL YEAR 2017-18.

RESOLUTION NO. _____

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF ONTARIO, CALIFORNIA, CONFIRMING THE DIAGRAM AND ASSESSMENT AND PROVIDING FOR THE ANNUAL ASSESSMENT LEVY WITHIN STREET LIGHTING MAINTENANCE DISTRICT NO. 1 FOR FISCAL YEAR 2017-2018.

RESOLUTION NO. _____

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF ONTARIO, CALIFORNIA, CONFIRMING THE DIAGRAM AND ASSESSMENT AND PROVIDING FOR THE ANNUAL ASSESSMENT LEVY WITHIN STREET LIGHTING MAINTENANCE DISTRICT NO. 2 FOR FISCAL YEAR 2017-18.

19. A PUBLIC HEARING TO CONSIDER ADOPTION OF A RESOLUTION TO UPDATE AND MODIFY DEVELOPMENT IMPACT FEES

Item continued to the August 15 Council Meeting.

20. A PUBLIC HEARING TO CONSIDER AN AMENDMENT TO THE GROVE AVENUE SPECIFIC PLAN (FILE NO. PSPA17-002) TO: 1) CHANGE THE LAND USE DESIGNATION FROM BUSINESS PARK TO COMMERCIAL FOR APPROXIMATELY 1-ACRE OF LAND LOCATED AT THE NORTHEAST CORNER OF GROVE AVENUE AND PHILADELPHIA STREET; 2) AMEND THE COMMERCIAL DISTRICT PERMITTED AND CONDITIONALLY PERMITTED USES TO ALLOW RESTAURANTS, CONDITIONALLY PERMIT RESTAURANTS WITH A DRIVE-THRU FACILITY AND CONDITIONALLY PERMIT CAR WASH FACILITIES (FULL AND SELF-SERVICE) WITH THE EXCEPTION OF THE COMMERCIAL CORNERS OF GROVE AVENUE AND PHILADELPHIA STREET AND GROVE AVENUE AND FRANCIS STREET WHERE FULL AND SELF-SERVICE CAR WASH FACILITIES WILL NOT BE PERMITTED; AND 3) UPDATE ALL APPLICABLE SPECIFIC PLAN SECTIONS TO REFLECT THE PROPOSED AMENDMENTS. THE GROVE AVENUE SPECIFIC PLAN IS GENERALLY LOCATED ON THE EAST AND WEST SIDES OF GROVE AVENUE AND BETWEEN MISSION BOULEVARD TO THE NORTH AND THE I-60 FREEWAY TO THE SOUTH

That the City Council adopt a resolution approving an Addendum to The Ontario Plan Environmental Impact Report (State Clearinghouse No. 2008101140) adopted by City Council on January 27, 2010, and adopt a resolution approving an amendment to the Grove Avenue Specific Plan (File No. PSPA17-002), pursuant to the facts and reasons contained in the staff report and attached resolution, and subject to the conditions of approval contained in the attached departmental reports.

Notice of public hearing has been duly given and affidavits of compliance are on file in the Records Management Department.

Written communication.

Oral presentation.

Public hearing closed.

RESOLUTION NO. _____

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF ONTARIO, CALIFORNIA, APPROVING OF AN ADDENDUM TO THE ONTARIO PLAN (TOP) CERTIFIED ENVIRONMENTAL IMPACT REPORT (SCH # 2008101140), FOR WHICH AN INITIAL STUDY WAS PREPARED, ALL IN ACCORDANCE WITH THE CALIFORNIA ENVIRONMENTAL QUALITY ACT, AS AMENDED, FOR FILE NO. PSPA17-002.

RESOLUTION NO. _____

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF ONTARIO, CALIFORNIA, APPROVING FILE NO. PSPA17-002, AN AMENDMENT TO THE GROVE AVENUE SPECIFIC PLAN (FILE NO. PSPA17-002) TO: 1) CHANGE THE LAND USE DESIGNATION FROM BUSINESS PARK TO COMMERCIAL FOR APPROXIMATELY ONE ACRE OF LAND LOCATED AT THE NORTHEAST CORNER OF GROVE AVENUE AND PHILADELPHIA STREET; 2) AMEND THE COMMERCIAL DISTRICT PERMITTED AND CONDITIONALLY PERMITTED USES TO ALLOW RESTAURANTS, CONDITIONALLY PERMIT RESTAURANTS WITH A DRIVE-THRU FACILITY AND CONDITIONALLY PERMIT CAR WASH FACILITIES (FULL AND SELF-SERVICE) WITH THE EXCEPTION OF THE COMMERCIAL CORNERS OF GROVE AVENUE AND PHILADELPHIA STREET AND GROVE AVENUE AND FRANCIS STREET WHERE FULL AND SELF-SERVICE CAR WASH FACILITIES WILL NOT BE PERMITTED; AND 3) UPDATE ALL APPLICABLE SPECIFIC PLAN SECTIONS TO REFLECT THE PROPOSED AMENDMENTS. THE GROVE AVENUE SPECIFIC PLAN IS GENERALLY LOCATED ON THE EAST AND WEST SIDES OF GROVE AVENUE AND BETWEEN MISSION BOULEVARD TO THE NORTH AND THE I-60 FREEWAY TO THE SOUTH, AND MAKING FINDINGS IN SUPPORT THEREOF — APN: 0113-641-13.

ADMINISTRATIVE REPORTS/DISCUSSION/ACTION

21. A RESOLUTION AUTHORIZING THE ISSUANCE OF SPECIAL TAX BONDS FOR COMMUNITY FACILITIES DISTRICT NO. 31 (CARRIAGE HOUSE / AMBERLY LANE)

That the City Council adopt a resolution authorizing the issuance of special tax bonds for Community Facilities District No. 31 (Carriage House / Amberly Lane). The resolution:

- (A) Authorizes the issuance of special tax bonds for public improvements required to facilitate the development of the Carriage House / Amberly Lane project;
- (B) Approves the forms of the Indenture of Trust, the Bond Purchase Agreement, the Continuing Disclosure Agreement, and the Preliminary Official Statement;

- (C) Authorizes a negotiated sale of the special tax bonds to Stern Brothers & Co. (the “Underwriter”) in accordance with the terms of the Bond Purchase Agreement; and
- (D) Authorizes the execution of the Indenture of Trust, the Bond Purchase Agreement, the Continuing Disclosure Agreement, and the Preliminary Official Statement by the City Manager, or his designee.

RESOLUTION NO. _____

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF ONTARIO, CALIFORNIA, AUTHORIZING THE ISSUANCE OF CITY OF ONTARIO COMMUNITY FACILITIES DISTRICT NO. 31 (CARRIAGE HOUSE / AMBERLY LANE) SPECIAL TAX BONDS, SERIES 2017, IN AN AGGREGATE PRINCIPAL AMOUNT OF NOT TO EXCEED \$6,000,000, AUTHORIZING THE EXECUTION AND DELIVERY OF AN INDENTURE, A BOND PURCHASE AGREEMENT AND A CONTINUING DISCLOSURE AGREEMENT, AUTHORIZING THE DISTRIBUTION OF AN OFFICIAL STATEMENT IN CONNECTION THEREWITH AND AUTHORIZING THE EXECUTION OF NECESSARY DOCUMENTS AND CERTIFICATES AND RELATED ACTIONS.

STAFF MATTERS

City Manager Boling

COUNCIL MATTERS

APPOINTMENT OF MAYOR PRO TEM

Mayor Leon
Mayor pro Tem Dorst-Porada
Council Member Wapner
Council Member Bowman
Council Member Valencia

ADJOURNMENT

**CITY OF ONTARIO
CLOSED SESSION REPORT**
City Council // Housing Authority // Other // (GC 54957.1)
July 18, 2017

ROLL CALL: Dorst-Porada __, Wapner __, Bowman __, Valencia __, Mayor / Chairman Leon __.

STAFF: City Manager / Executive Director __, City Attorney __

In attendance: Dorst-Porada __, Wapner __, Bowman __, Valencia __, Mayor / Chairman Leon __

- GC 54956.9 (d)(1), CONFERENCE WITH LEGAL COUNSEL, EXISTING LITIGATION: John Doe v. City of Ontario, United States District Court, Central District of California, Case No. 5:17-cv-00682-JBG-SP

No Reportable Action Continue Approved

/ / / / / /

Disposition: _____

In attendance: Dorst-Porada __, Wapner __, Bowman __, Valencia __, Mayor / Chairman Leon __

- GC 54957.6, CONFERENCE WITH LABOR NEGOTIATOR: Al C. Boling regarding American Federation of State, County and Municipal Employees; Teamsters Local 1932; and Association of Ontario Management Employees.

No Reportable Action Continue Approved

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Disposition: _____

**CITY OF ONTARIO
CLOSED SESSION REPORT**
City Council // Housing Authority // Other // (GC 54957.1)
July 18, 2017
(continued)

In attendance: Dorst-Porada __, Wapner __, Bowman __, Valencia __, Mayor / Chairman Leon __

- GC 54957.6, CONFERENCE WITH LABOR NEGOTIATOR: Al C. Boling regarding Ontario Professional Firefighters, Local 1430

No Reportable Action	Continue	Approved
/ /	/ /	/ /

Disposition: _____

Reported by:

City Attorney / City Manager / Executive Director

CITY OF ONTARIO

Agenda Report
July 18, 2017

SECTION:
CONSENT CALENDAR

SUBJECT: DESIGNATION OF VOTING DELEGATES FOR THE LEAGUE OF CALIFORNIA CITIES ANNUAL BUSINESS MEETING

RECOMMENDATION: That the City Council designate Alan D. Wapner as the City's voting delegate and Debra Dorst-Porada as an alternate for the League of California Cities Annual Business Meeting scheduled for September 15, 2017.

COUNCIL GOALS: Pursue City's Goals and Objectives by Working with Other Governmental Agencies

FISCAL IMPACT: There is no direct fiscal impact by taking this action; however, representation and participation in the League of California Cities (League) upcoming business meeting will help establish League policy on matters which may affect the City's finances.

BACKGROUND: The League has scheduled its Annual Business Meeting for September 15, 2017 during the Annual League Conference in Sacramento, California. At that meeting, the League membership considers and takes action on resolutions that establish League policy.

Consistent with League bylaws, a city's voting delegate and alternate must be designated by City Council action.

STAFF MEMBER PRESENTING: Al C. Boling, City Manager

Prepared by: Vicki Kasad
Department: Records Management/City Clerk

City Manager
Approval: 

Submitted to Council/O.H.A. 07/18/2017

Approved: _____

Continued to: _____

Denied: _____

3

CITY OF ONTARIO

Agenda Report
July 18, 2017

SECTION:
CONSENT CALENDAR

SUBJECT: IMPROVEMENT AGREEMENT AND IMPROVEMENT SECURITY FOR FINAL TRACT MAP NO. 16486 FOR PROPERTY LOCATED ON OLIVE STREET APPROXIMATELY 655 FEET EAST OF BAKER AVENUE

RECOMMENDATION: That the City Council approve and authorize the City Manager to execute an improvement agreement and improvement security for Final Tract Map No. 16486 for property located on Olive Street approximately 655 feet east of Baker Avenue.

COUNCIL GOALS: Invest in the Growth and Evolution of the City's Economy
Invest in the City's Infrastructure (Water, Streets, Sewers, Parks, Storm Drains and Public Facilities)

FISCAL IMPACT: None. All public infrastructure improvements required for this subdivision will be constructed by the developer at its sole cost.

BACKGROUND: Final Tract Map No. 16486, consisting of twelve residential lots on 9.32 acres (as shown on Exhibit A) was submitted by the subdivider, G-Apex, LLC and was approved by City Council on February 1, 2005 and subsequently recorded on February 10, 2005. As required by the Subdivision Map Act and the City's Municipal Code, G-Apex entered into an improvement agreement with the City and posted adequate improvement security. In 2014, G-Apex entered into escrow to transfer ownership of the property to Cherry Avenue Development, LLC (Ruben Moreno, Managing Member). As a result, Cherry Avenue Development submitted the necessary bonds and entered into an improvement agreement with the City.

However, the transfer of the property from G-Apex to Cherry Avenue Development never occurred. Therefore, it is necessary to re-establish an improvement agreement between the City and G-Apex, LLC, including having G-Apex post the necessary security in the form of bonds. The accompanying improvement agreement and bonds accomplishes this.

Improvements will include street widening on Olive Street, curb, gutter, sidewalk, parkway landscaping and irrigation, fire hydrants, sewer main, water laterals, and street lights.

STAFF MEMBER PRESENTING: Louis Abi-Younes, P.E., City Engineer

Prepared by: Miguel Sotomayor
Department: Engineering

City Manager
Approval: 

Submitted to Council/O.H.A. 07/18/2017
Approved: _____
Continued to: _____
Denied: _____

4

CITY OF ONTARIO

Agenda Report

July 18, 2017

SECTION:
CONSENT CALENDAR

SUBJECT: A RESOLUTION APPROVING AN IMPROVEMENT AGREEMENT, IMPROVEMENT SECURITY AND FINAL TRACT MAP NO. 18913-4 LOCATED AT THE SOUTHEAST CORNER OF CELEBRATION AVENUE AND PARKVIEW STREET

RECOMMENDATION: That the City Council adopt a resolution approving an improvement agreement, improvement security and Final Tract Map No 18913-4 located at the southeast corner of Celebration Avenue and Parkview Street within the Subarea-29 Specific Plan area.

COUNCIL GOALS: Invest in the Growth and Evolution of the City's Economy
Invest in the City's Infrastructure (Water, Streets, Sewers, Parks, Storm Drains and Public Facilities)
Ensure the Development of a Well Planned, Balanced, and Self-Sustaining Community in the New Model Colony

FISCAL IMPACT: None. All public infrastructure improvements required for this subdivision will be constructed by the developer at its sole cost.

BACKGROUND: Final Tract Map No. 18913-4 is the fourth phase of the approved six-phase Tentative Tract Map No. 18913. It is comprised of 4 numbered lots (which in the future may be further subdivided to accommodate up to 326 single family units) and 7 lettered lots and has been submitted for approval by the developer, SL Ontario Development Company, LLC, a Delaware Limited Liability Company (Mr. Bryan T. Goodman, Authorized Agent). The 46.15 gross acreage site is generally located on the southeast corner of Celebration Avenue and Parkview Street, as shown on the attached Exhibit A.

Tentative Tract Map No. 18913 was approved by the Planning Commission (7 to 0) on August 27, 2013 and is consistent with the adopted Subarea 29 Specific Plan.

Improvements will include AC pavement, curb, gutter, landscaped parkways, neighborhood edges, fiber optic conduits, sidewalk, traffic signal, fire hydrants, sewer, water and recycled water mains, storm drain

STAFF MEMBER PRESENTING: Louis Abi-Younes, PE., City Engineer

Prepared by: Manoj Hariya, PE
Department: Engineering

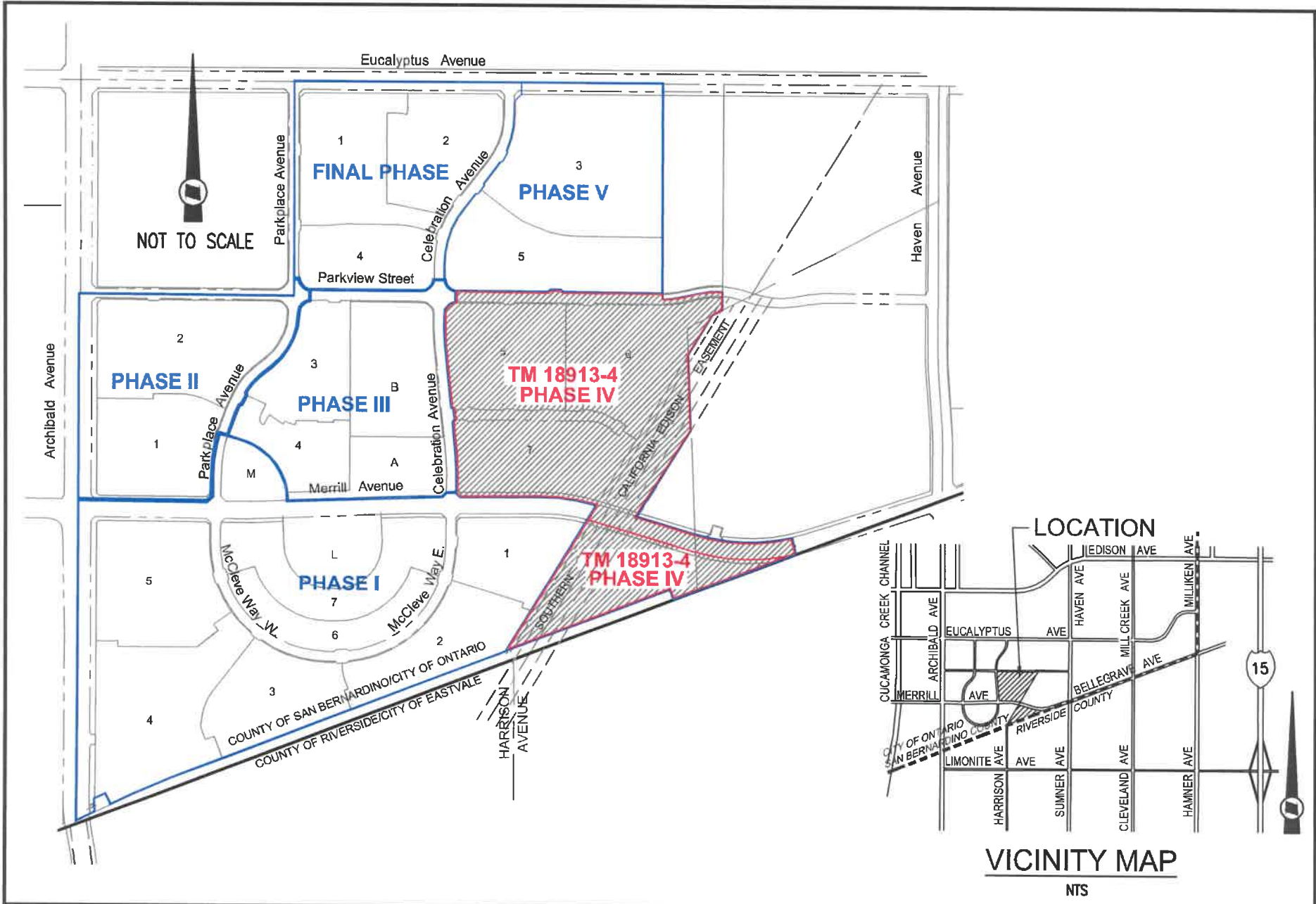
City Manager
Approval: 

Submitted to Council/O.H.A. 07/18/2017
Approved: _____
Continued to: _____
Denied: _____

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and street lights. The improvements in parkway landscaping will be consistent with current City approved drought measures. The developer has entered into an improvement agreement with the City and has posted adequate security to ensure construction of the required public improvements.

This map meets all conditions of the Subdivision Map Act and the Ontario Municipal Code and has been reviewed and approved by the City Engineer.



L.D. KING L.D. KING, INC.
 10390 COMMERCE CENTER DRIVE, SUITE 250
 RANCHO CUCAMONGA, CA 91730 (909) 945-0526

EXHIBIT A
TM 18913-4
PHASE IV

SHEET 1 OF 1

RESOLUTION NO. _____

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF ONTARIO, CALIFORNIA, APPROVING FINAL TRACT MAP NO. 18913-4, LOCATED AT THE SOUTHEAST CORNER OF CELEBRATION AVENUE AND PARKVIEW STREET.

WHEREAS, Final Tract Map No. 18913-4 is the fourth phase of the six-phase Tentative Tract Map No. 18913; and

WHEREAS, Tentative Tract Map No. 18913 was submitted for approval by the developer, SL Ontario Development Company, LLC, a Delaware Limited Liability Company, consisting of 7 numbered lots and 14 lettered lots, being a subdivision of Tract Map 17821 as recorded in book 333 of maps, pages 64 through 77, official records, in the County of San Bernardino, State of California, was approved by the Planning Commission of the City of Ontario on August 27, 2013; and

WHEREAS, to meet the requirements established as prerequisite to final approval of Final Tract Map No. 18913-4, said subdivider has offered the improvement agreement together with good and sufficient improvement security, in conformance with the City Attorney's approved format, for approval and execution by the City; and

NOW, THEREFORE, BE IT RESOLVED, by the City Council of the City of Ontario, California, as follow:

1. That said Improvement Agreement be, and the same is, approved and the City manager is authorized to execute same on behalf of said City, and the City Clerk is authorized to attest thereto; and
2. That said Improvement Security is accepted as good and sufficient, subject to approval as to form and content thereof by the City Attorney; and
3. That Final Tract Map No. 18913-4, be approved and that the City Clerk be authorized to execute the statement thereon on behalf of said City.

The City Clerk of the City of Ontario shall certify as to the adoption of this Resolution.

PASSED, APPROVED, AND ADOPTED this 18th day of July 2017.

PAUL S. LEON, MAYOR

ATTEST:

SHEILA MAUTZ, CITY CLERK

APPROVED AS TO LEGAL FORM:

BEST BEST & KRIEGER LLP
CITY ATTORNEY

STATE OF CALIFORNIA)
COUNTY OF SAN BERNARDINO)
CITY OF ONTARIO)

I, SHEILA MAUTZ, City Clerk of the City of Ontario, DO HEREBY CERTIFY that foregoing Resolution No. 2017- was duly passed and adopted by the City Council of the City of Ontario at their regular meeting held July 18, 2017 by the following roll call vote, to wit:

AYES: COUNCIL MEMBERS:

NOES: COUNCIL MEMBERS:

ABSENT: COUNCIL MEMBERS:

SHEILA MAUTZ, CITY CLERK

(SEAL)

The foregoing is the original of Resolution No. 2017- duly passed and adopted by the Ontario City Council at their regular meeting held July 18, 2017.

SHEILA MAUTZ, CITY CLERK

(SEAL)

CITY OF ONTARIO

Agenda Report
July 18, 2017

SECTION:
CONSENT CALENDAR

SUBJECT: AGREEMENTS FOR LANDSCAPE MAINTENANCE AND WATER QUALITY MONITORING AND REPORTING SERVICES FOR THE MILL CREEK WETLANDS FACILITY


RECOMMENDATION: That the City Council:

- (A) Approve and authorize the City Manager to execute a one-year Maintenance Services Agreement (on file with the Records Management Department) with BrightView Landscape Services, Inc., of Upland, California, to provide landscape maintenance services for the Mill Creek Wetlands facility for an estimated annual amount of \$220,000; and authorize the City Manager to extend the agreement for up to four additional years with future amendments consistent with City Council approved budgets; and
- (B) Approve and authorize the City Manager to execute a one-year Professional Services Agreement (on file with the Records Management Department) with Group Delta Consultants, Inc., of Ontario, California, to provide water quality monitoring and reporting services for the Mill Creek Wetlands facility for an estimated annual amount of \$141,747; and authorize the City Manager to extend the agreement for up to four additional years with future amendments consistent with City Council approved budgets.

COUNCIL GOALS: Operate in a Businesslike Manner
Invest in the City's Infrastructure (Water, Streets, Sewers, Parks, Storm Drains and Public Facilities)

FISCAL IMPACT: The recurring baseline Operating Budget includes appropriation of \$540,900 for various professional and maintenance services for the Mill Creek Wetlands, which include landscape maintenance and water quality monitoring and reporting. The annual estimated costs for the landscape maintenance and water quality monitoring and reporting services are \$220,000 and \$141,747 respectively. At the discretion of the City, both contracts may be extended for up to four additional years with any increases to billing rates to be negotiated for each year, consistent with City Council

STAFF MEMBER PRESENTING: Louis Abi-Younes, P.E., City Engineer

Prepared by: Raymond Lee, P.E.
Department: Engineering
City Manager Approval: 

Submitted to Council/O.H.A. 07/18/2017
Approved: _____
Continued to: _____
Denied: _____

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approved budgets. Contracting for the multi-year period will allow the City to: limit the potential for yearly increases to the proposal amounts; provide service continuity; and project future costs.

BACKGROUND: The Mill Creek Wetlands project was partially funded by Proposition 40 grant. The Operations and Maintenance Program for the wetlands was developed based on the grant requirements and was approved by the State Water Resources Control Board. This program includes specific landscape maintenance and water quality performance evaluation activities.

A request for proposals for landscape maintenance services for the Mill Creek Wetlands was issued in May 2017. One qualified proposal was received from Brightview Landscape Services, Inc. of Upland, California. Based on the quality of the proposal, company resources, experience with the Mill Creek Wetlands, staff qualifications, pricing, and references, staff recommends approval of a Maintenance Services Agreement with Brightview Landscape Services, Inc.

Group Delta Consultants, Inc. of Ontario, California, has been providing water quality monitoring and reporting services for the Mill Creek Wetlands since 2014 and is familiar with the Mill Creek Wetlands unique water quality objectives and Proposition 40 grant requirements. In order to maintain the consistency of monitoring and reporting approach, staff recommends approval of the Professional Services Agreement with Group Delta Consultants, Inc.

CITY OF ONTARIO

Agenda Report
July 18, 2017

SECTION:
CONSENT CALENDAR

SUBJECT: A CONSTRUCTION CONTRACT FOR THE FY 2016-17 PAVEMENT REHABILITATION PROJECT AND CDBG FUNDED ALLEY RECONSTRUCTION

RECOMMENDATION: That the City Council approve the plans and specifications and award a construction contract (on file in the Records Management Department) to All American Asphalt of Corona, California, for the FY 2016-17 Pavement Rehabilitation Project and CDBG Funded Alley Reconstruction for the bid amount of \$4,477,000 plus a 15% contingency of \$671,550 for a total authorized amount of \$5,148,550; and authorize the City Manager to execute related documents necessary and file a notice of completion at the conclusion of all construction activities.

**COUNCIL GOALS: Focus Resources in Ontario's Commercial and Residential Neighborhoods
Invest In The City's Infrastructure (Water, Street, Sewers, Parks, Storm Drains And Public Facilities)**

FISCAL IMPACT: The Fiscal Year 2017-18 Adopted Operating Budget includes appropriations of \$5,672,000 from Measure I funds, \$506,000 from Gas Tax funds, and \$180,000 from Community Development Block Grant for a total budget of \$6,358,000 related to the Pavement Rehabilitation and CDBG Funded Alley Reconstruction Project. The total recommended expenditure authorization of \$5,148,550 consists of the bid amount of \$4,477,000 plus a 15% contingency of \$671,550.

BACKGROUND: The scope of services for the FY 2015-16 Pavement Rehabilitation and CDBG Funded Alley Reconstruction Project includes cold planing, removal and replacement of damaged pavement, construction of Asphalt Rubber Hot Mix (ARHM) overlay, construction of ADA compliant access ramps, and placement of traffic striping, pavement markings, and raised markers.

The project locations include: rehabilitation of Bon View Avenue from Francis Street to Mission Boulevard (Project No. ST1601); Milliken Avenue from Mission Boulevard to Francis Street (Project No. ST1602); Milliken Avenue from Ontario Ranch Road to SR60. (Project No. ST1609); Inland Empire Boulevard from Haven Avenue to Turner Avenue (Project No. ST1709); Schaefer Avenue from Euclid Avenue to Grove Avenue (ST1705); Eucalyptus Avenue from Euclid Avenue to Grove Avenue

STAFF MEMBER PRESENTING: Louis Abi-Younes, P.E., City Engineer

Prepared by: Bill Braun
Department: Engineering

City Manager
Approval: 

Submitted to Council/O.H.A. 07/18/2017

Approved: _____

Continued to: _____

Denied: _____

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(ST1706); Chino Avenue from Grove Avenue to Ontario Avenue (ST1704); Bon View Avenue from Edison Avenue to Merrill Avenue (ST1707); Walker Avenue from Riverside Avenue to Eucalyptus Avenue (ST1708); Sixth Street from Grove Avenue to Glenn Avenue (ST1507); Sixth Street from Glenn Avenue to Cucamonga Creek Channel (ST1701); Vineyard Avenue from Sixth Street to Seventh Street (ST1703); Baker Avenue from Sixth Street to Seventh Street (ST1702); CDBG Funded Alley Reconstruction between “D” Street & Nocta Street and between Campus Avenue & Allyn Avenue.

Location maps are attached for reference, Exhibits 1 through 14B. This project will extend the lifespan of the streets by 10 to 20 years. It is anticipated that construction will start in July 2017 and be completed by November 2017.

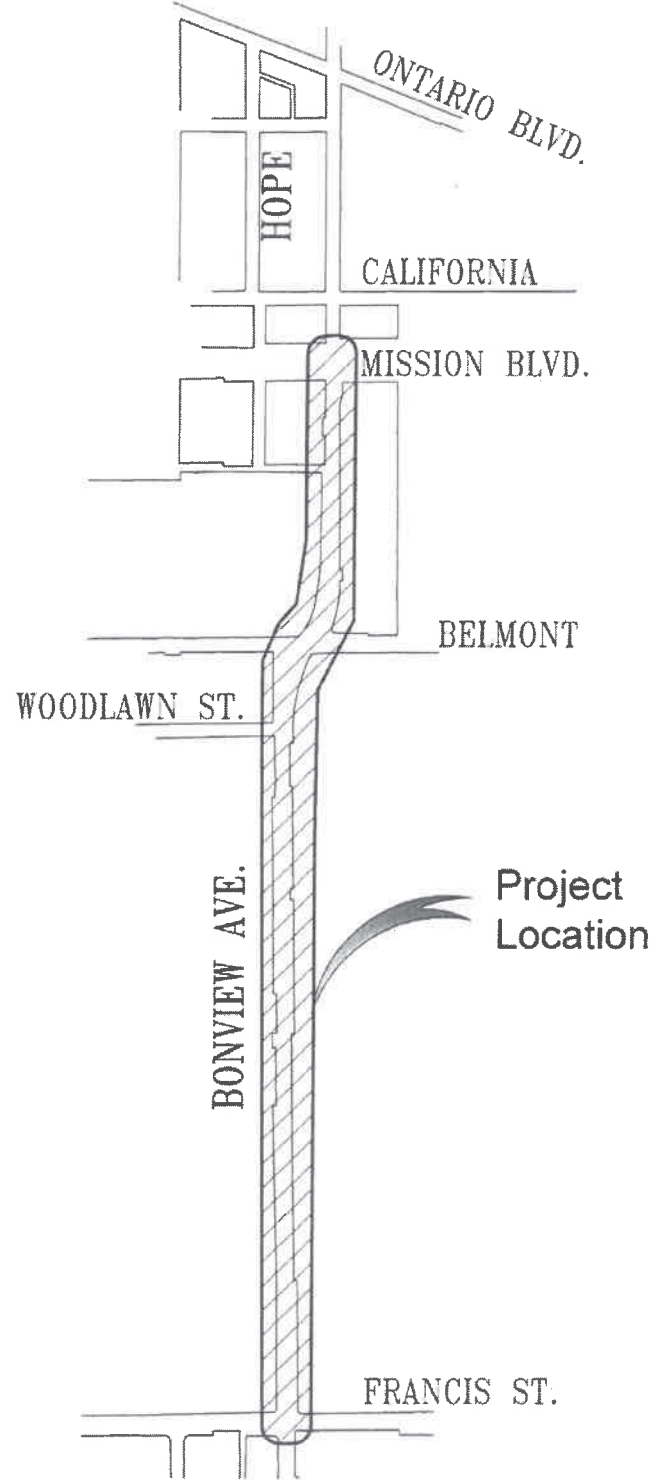
In June 2017, the City solicited bids for this project; and five bids were received. The bid results are:

COMPANY	LOCATION	AMOUNT
All American Asphalt	Corona, CA	\$ 4,477,000
Hardy and Harper, Inc.	Orange, CA	\$ 4,748,000
R. J. Noble Company	Santa Ana, CA	\$ 4,886,837
Gentry Brothers Inc.	Irwindale, CA	\$ 4,996,582
Granite Construction	Indio, CA	\$ 5,433,017

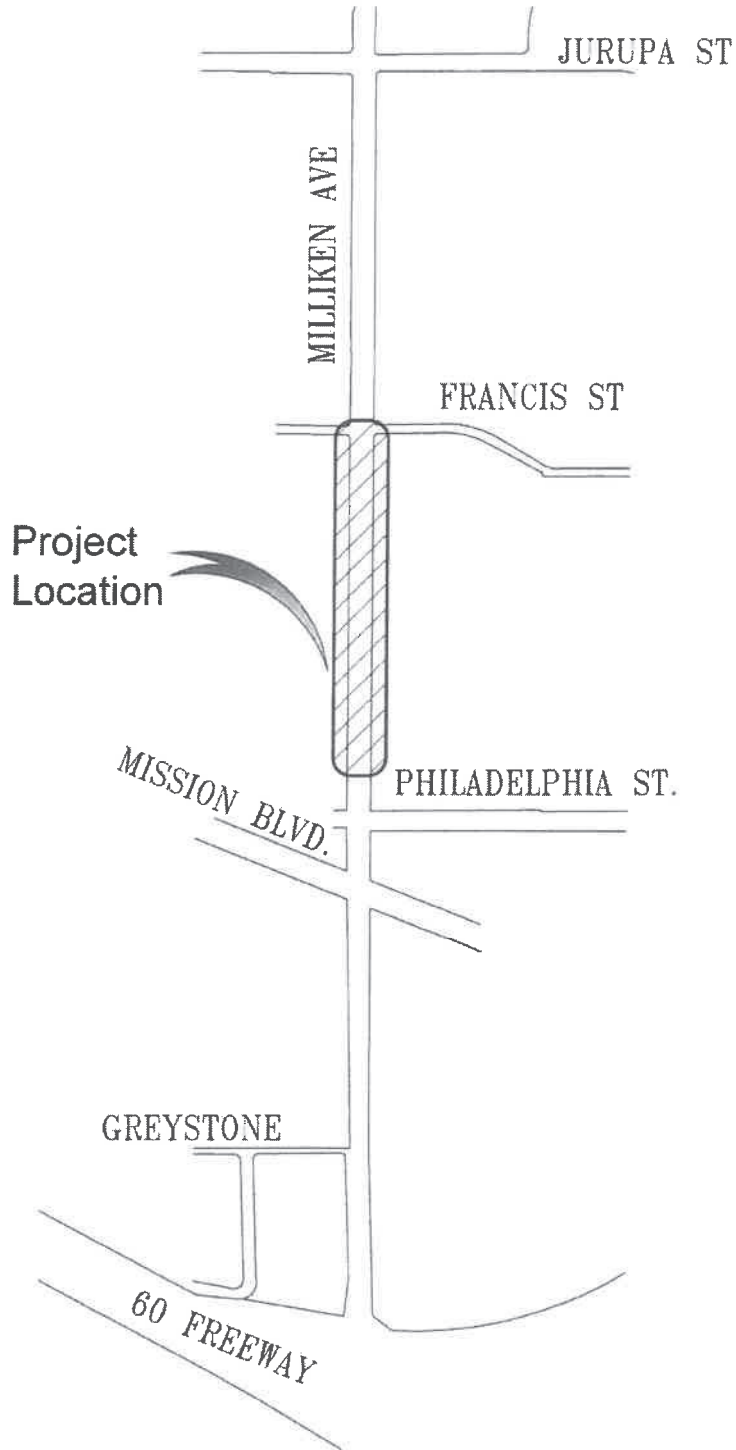
All American Asphalt submitted the lowest responsive bid. All American Asphalt has previously performed similar work for the City of Ontario in a satisfactory manner.

ENVIRONMENTAL REVIEW: The environmental impacts of this project were reviewed and staff has determined that the project is categorically exempt from the requirements of the California Environmental Quality Act (CEQA), pursuant to § 1501 (Class 1, Existing Facilities) of the State CEQA Guidelines.

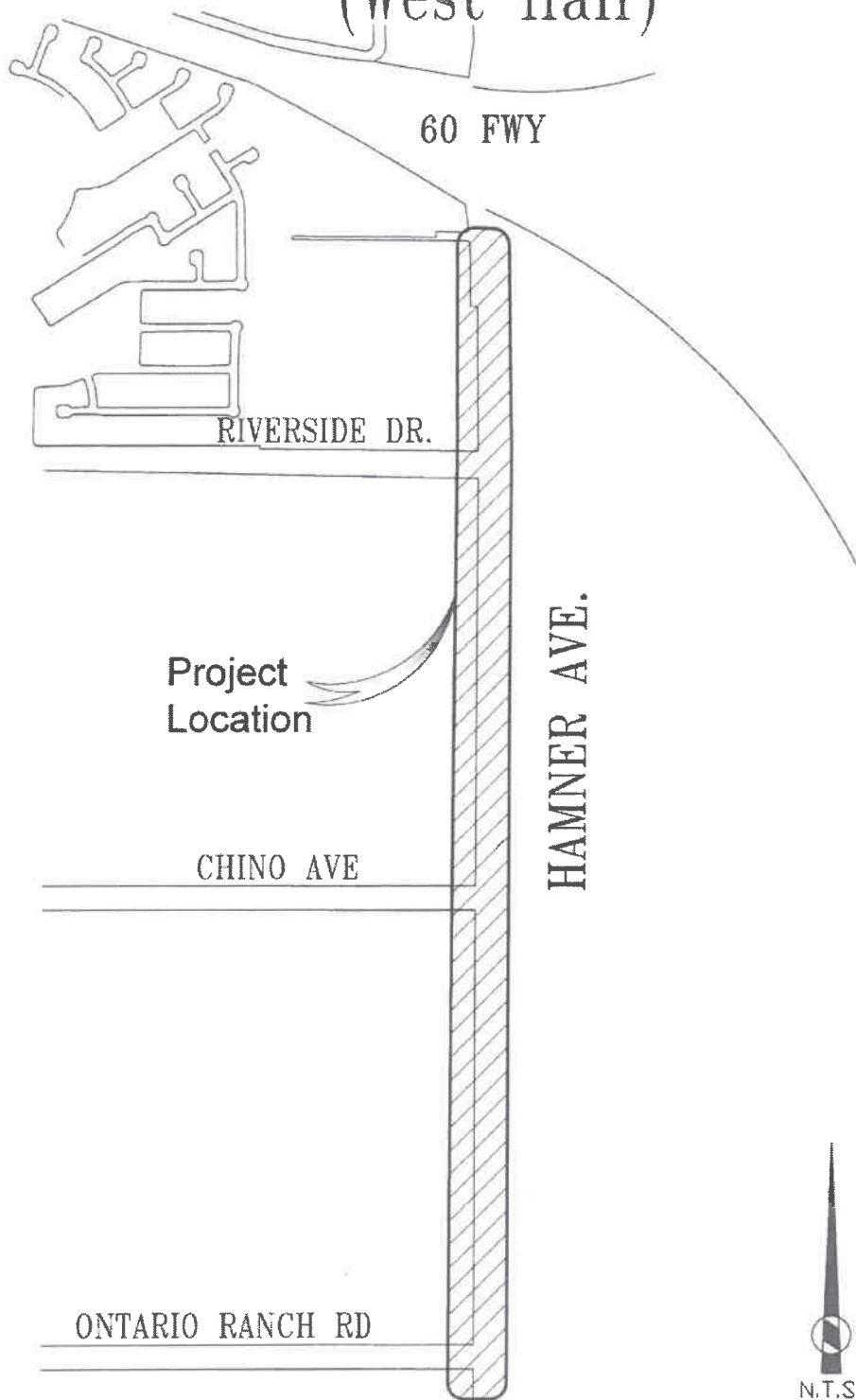
BON VIEW AVENUE PAVEMENT REHABILITATION Project No. ST1601 FRANCIS ST. TO MISSION BLVD.



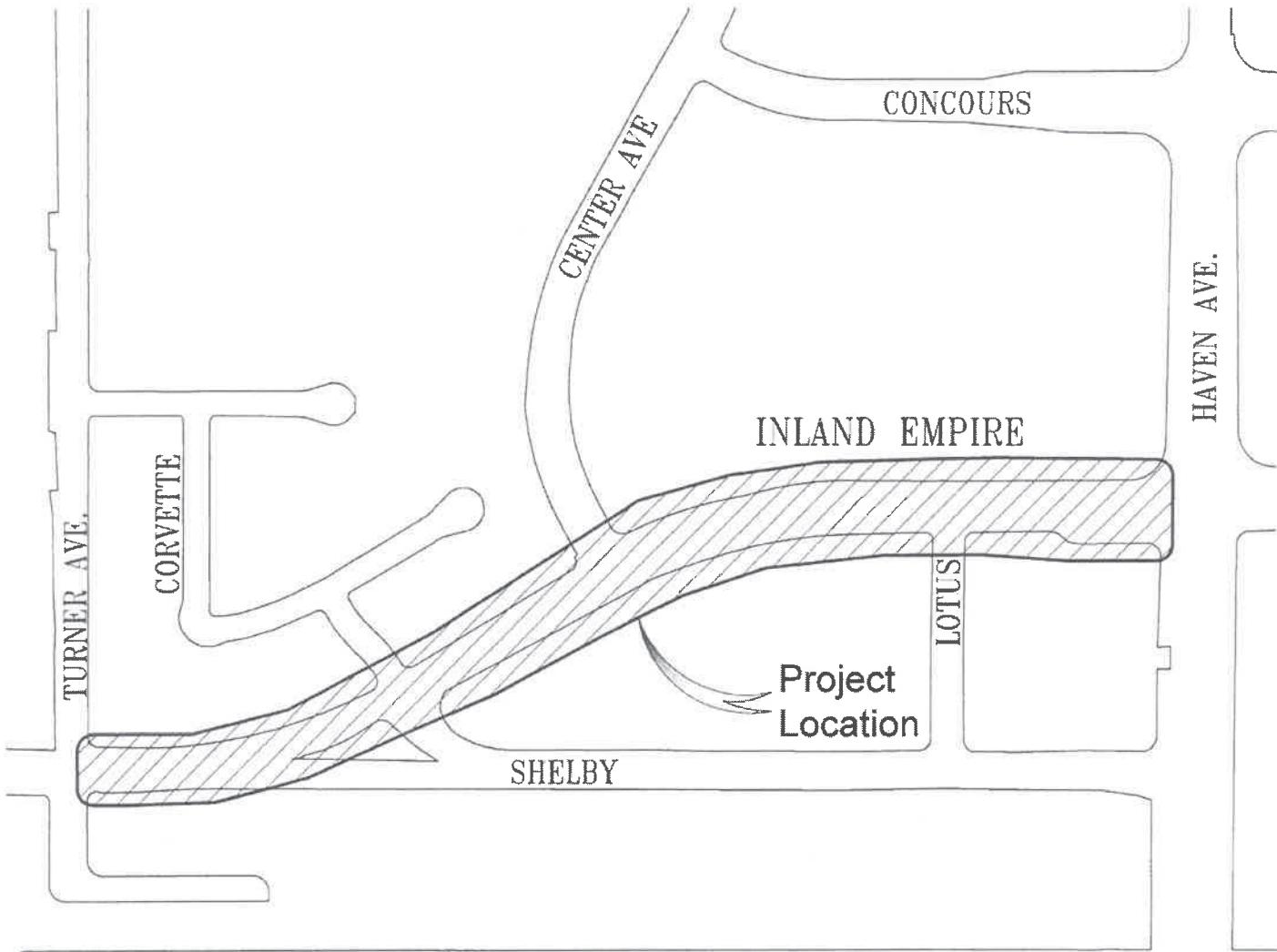
MILLIKEN AVENUE PAVEMENT REHABILITATION Project No. ST1602 MISSION BLVD. TO FRANCIS ST.



MILLIKEN AVE PAVEMENT REHABILITATION Project No. ST1609 ONTARIO RANCH RD. TO 60 FWY (West Half)



INLAND EMPIRE BOULEVARD PAVEMENT REHABILITATION Project No. ST1709 HAVEN AVE. TO TURNER AVE.



I-10 FWY



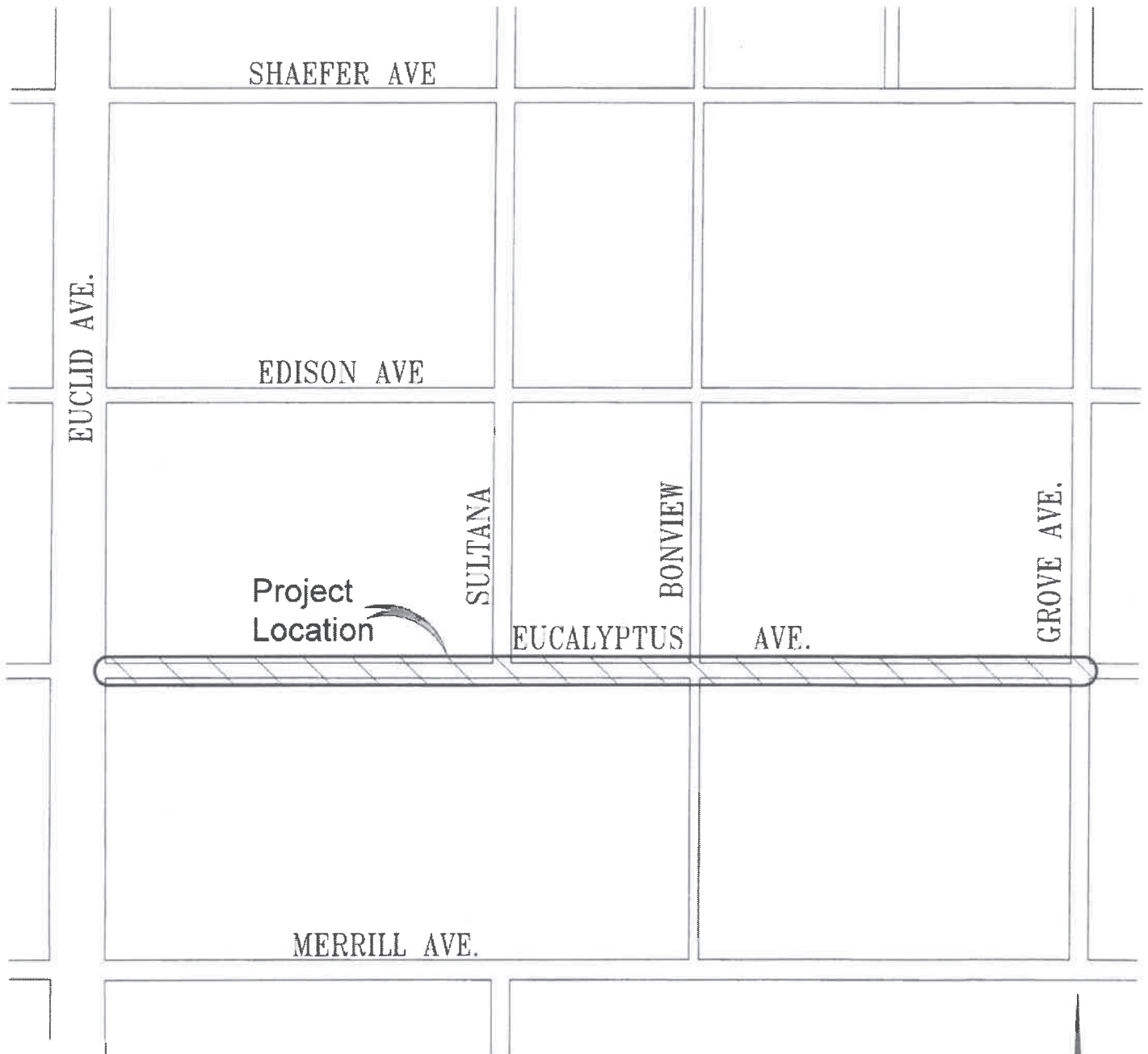
SCHAEFER AVENUE PAVEMENT REHABILITATION Project No. ST1705 EUCLID AVE. TO GROVE AVE.



Project
Location



EUCALYPTUS AVENUE PAVEMENT REHABILITATION Project No. ST1706 EUCLID AVE. TO GROVE AVE.



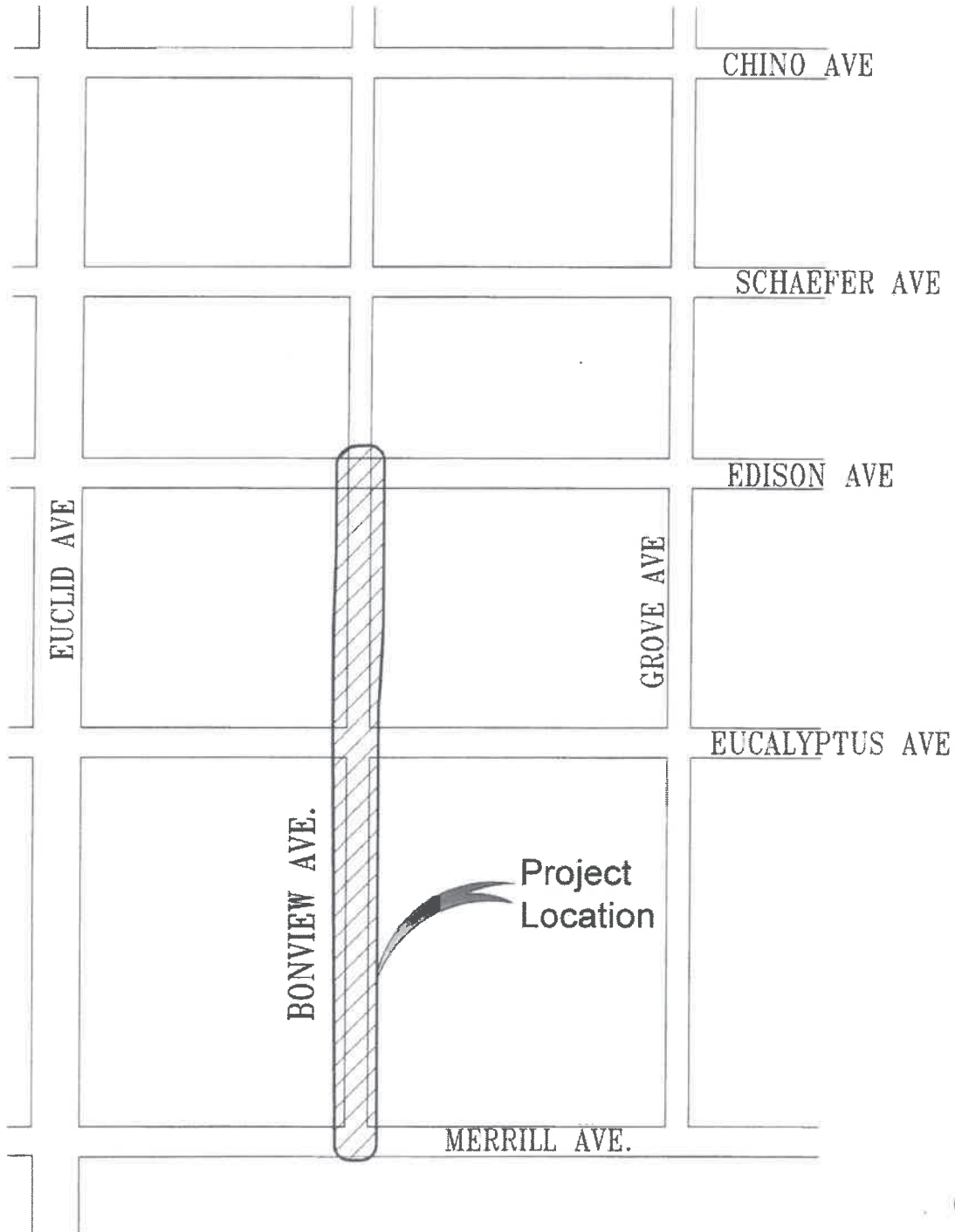
N.T.S.

CHINO AVENUE PAVEMENT REHABILITATION Project No. ST1704 GROVE AVE. TO ONTARIO AVE.



N.T.S.

BON VIEW AVENUE PAVEMENT REHABILITATION Project No. ST1707 EDISON AVE. TO MERRILL AVE.



N.T.S.

WALKER AVENUE PAVEMENT REHABILITATION Project No. ST1708 RIVERSIDE AVE. TO EUCALYPTUS AVE.



N.T.S.

SIXTH STREET PAVEMENT REHABILITATION Project No. ST1507 GROVE AVE. TO GLENN AVE.

8TH ST.

DEL NORTE

HIGHLAND

SEVENTH

GROVE AVE

GLENN

BAKER AVE.

SIXTH ST.

Project
Location

AMADOR

EL DORADO

HAWTHORNE

5TH ST.

N.T.S.



SIXTH STREET PAVEMENT REHABILITATION

Project No. ST1701

GLENN AVE. TO CUCAMONGA CREEK CHANNEL



VINEYARD AVENUE PAVEMENT REHABILITATION Project No. ST1703 SIXTH ST. TO SEVENTH ST.



Project
Location



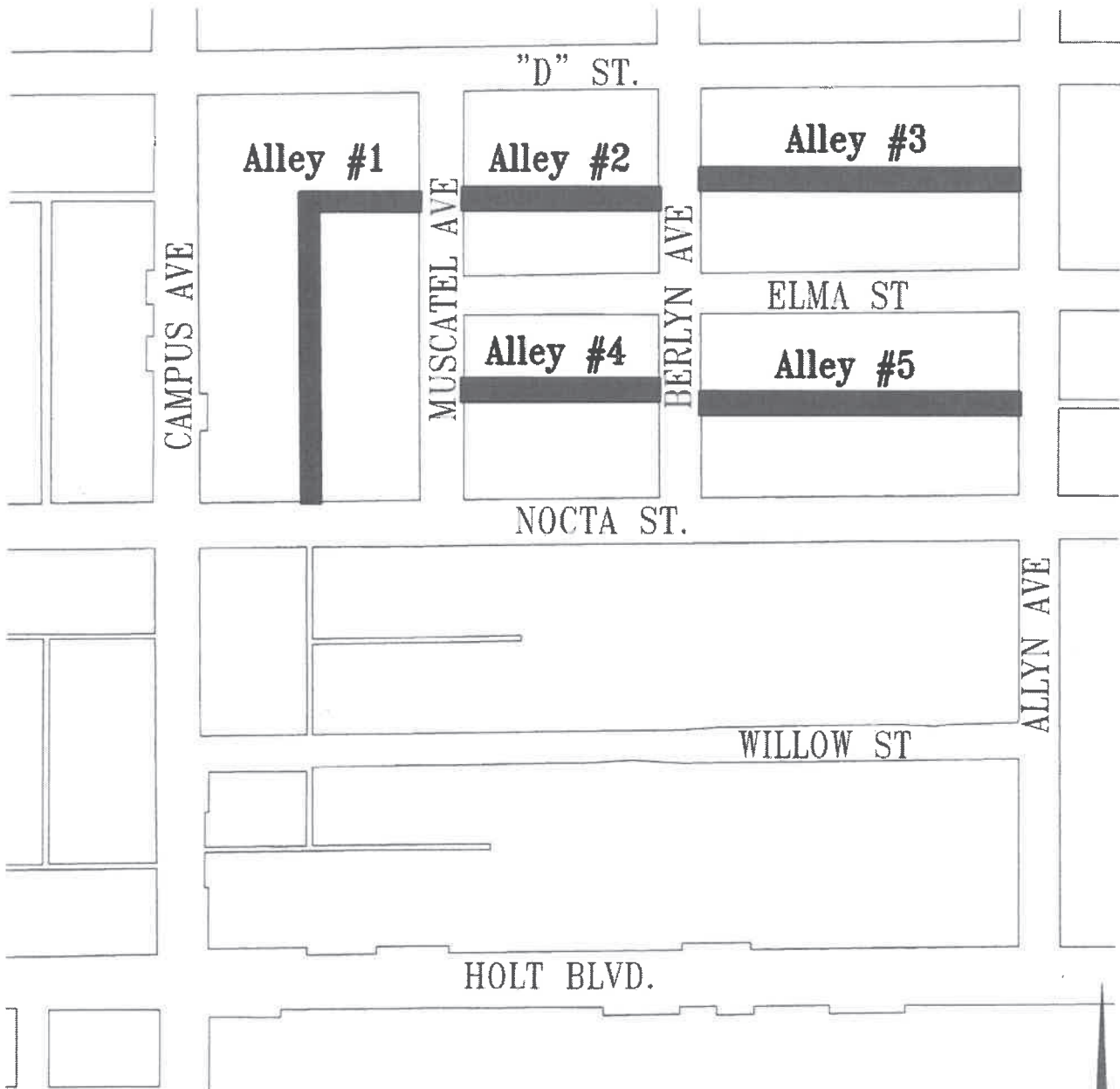
BAKER AVENUE PAVEMENT REHABILITATION Project No. ST1702 SIXTH ST. TO SEVENTH ST.



**Project
Location**



CDBG ALLEY PAVEMENT REHABILITATION SOUTH OF "D" STREET & NORTH OF "NOCTA" STREET BETWEEN CAMPUS AVE. AND ALLYN AVE.



LEGEND:

 CDBG ALLEY PROJECT LOCATION



CDBG ALLEY PAVEMENT REHABILITATION SOUTH OF "F" STREET & NORTH OF "E" STREET BETWEEN PALM AVE. AND LAUREL AVE.



LEGEND:

 CDBG ALLEY PROJECT LOCATION



CITY OF ONTARIO

Agenda Report
July 18, 2017

SECTION:
CONSENT CALENDAR

SUBJECT: A CONSTRUCTION CONTRACT FOR THE FY 2017-18 COLLECTOR / ARTERIAL, LOCAL STREET MAINTENANCE - SLURRY SEAL AND CDBG PAVEMENT MANAGEMENT REHABILITATION

RECOMMENDATION: That the City Council approve the plans and specifications and award a construction contract (on file in the Records Management Department) to All American Asphalt, of Corona, California for the City of Ontario FY 2017-18 Collector / Arterial, Local Street Maintenance Slurry Seal and CDBG Pavement Management Rehabilitation in the bid amount of \$1,066,572 plus a fifteen (15%) percent contingency of \$159,986 for a total authorized expenditure of \$1,226,558; and authorize the City Manager to execute said contract and related documents, and file a notice of completion at the conclusion of all construction activities for the project.

COUNCIL GOALS: Focus Resources in Ontario's Commercial and Residential Neighborhoods
Invest in the City's Infrastructure (Water, Streets, Sewers, Parks, Storm Drains and Public Facilities)

FISCAL IMPACT: The FY 2017-18 Adopted Operating Budget includes appropriations of \$400,000 from Measure I funds, \$652,521 from Gas Tax funds, and \$301,072 from Community Development Block Grant for a total budget of \$1,353,593 related to this project. The total recommended expenditure authorization of \$1,226,558 consists of the bid amount of \$1,066,572 plus a 15% contingency of \$159,986.

BACKGROUND: The scope of services for this project includes crack-sealing, removal and replacement of existing thermoplastic traffic striping and markings, localized asphalt concrete pavement repair, crack grinding and placement of Rubber Polymer Modified Slurry Seal (RPMSS) on various collector and arterial streets and on various local streets. Location exhibits are attached for reference (Exhibits 1 through 16). This project will extend the lifespan of the streets and alleys by approximately ten (10) years and prevent more-costly future repairs. In May 2017 the City solicited bids for the project, and four bids were received. The bid results are:

STAFF MEMBER PRESENTING: Louis Abi-Younes, P.E., City Engineer

Prepared by: Miguel Sotomayor
Department: Engineering

City Manager
Approval: 

Submitted to Council/O.H.A. 07/18/2017

Approved: _____

Continued to: _____

Denied: _____

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COMPANY	LOCATION	BASE BID (Schedule "A & B")	OPTION 1 (Schedule "C")	OPTION 2 (Schedule D)	TOTAL (Reference Only)
All American Asphalt	Corona, CA	\$643,133	\$423,439	\$383,428	\$1,450,000
Pavement Coatings	Mira Loma, CA	\$770,825	\$416,770	\$360,089	\$1,547,685
American Asphalt South, Inc.	Fontana, CA	\$725,523	\$470,117	\$393,431	\$1,589,071
Roy Allen Slurry Seal	Santa Fe Springs, CA	\$916,082	\$593,480	\$560,139	\$2,069,701

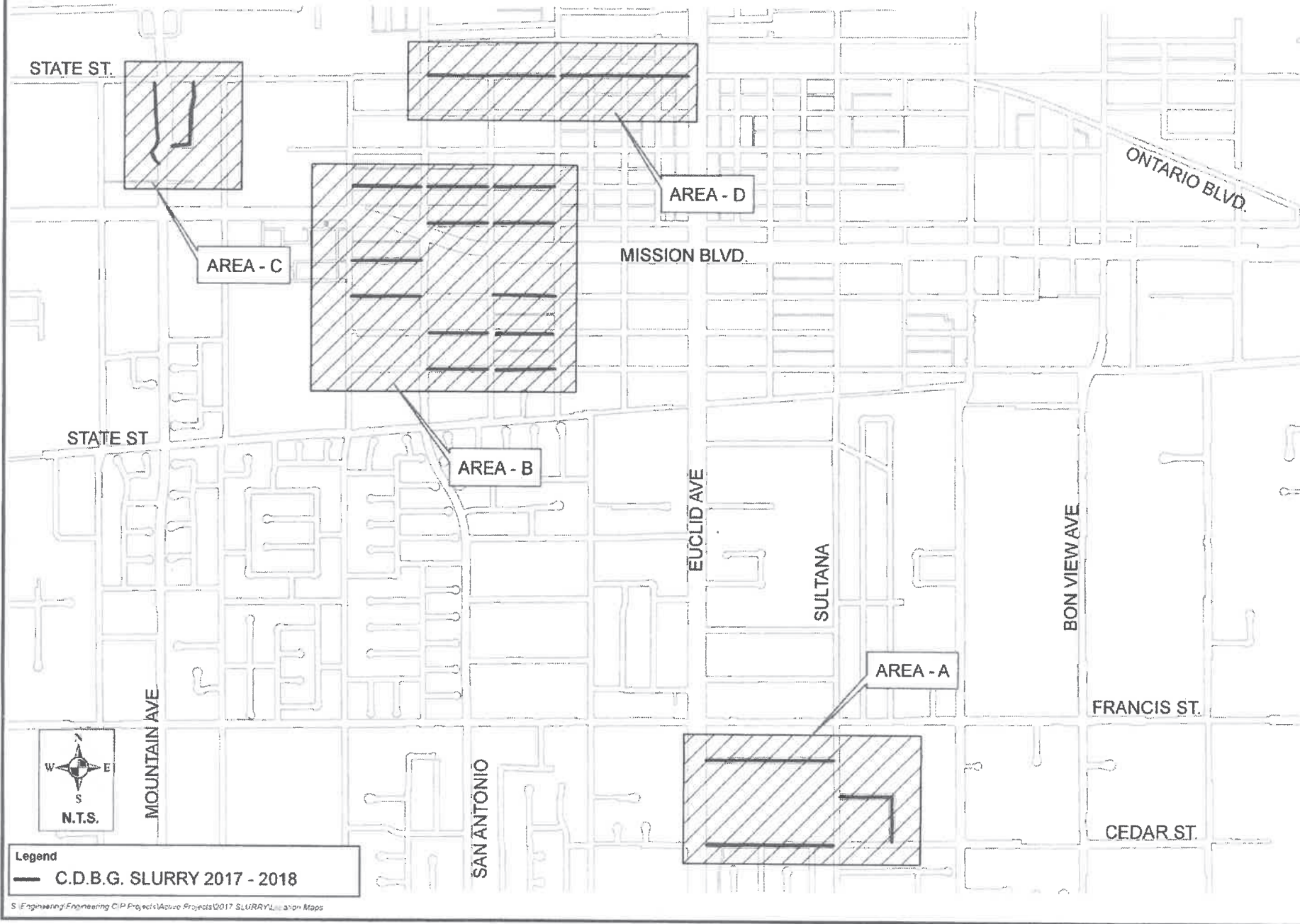
The total bid amounts shown above provide for alternative awards allowing staff to choose between two different slurry materials. Base Bid Schedule "A" includes preparation work for slurry seal at various locations citywide. Base Bid Schedule "B" includes preparation work for slurry seal and Bike Route striping and signing for "G" Street. Alternate Bid Schedule "C" allows for the use of Rubber Polymer Modified Slurry Seal (RPMSS) and Alternate Bid Schedule "D" allows for the use of Emulsion Aggregate Slurry.

Option 1 which includes Base Bid Schedule "A" & "B" and Alternate Bid Schedule "C" was chosen due to the higher quality and longer life-cycle combined with favorable bid prices. All American Asphalt, of Corona, CA. submitted the lowest-responsible bid; and is recommended at a project cost of \$1,066,572 (Base Bid of \$643,133 plus Option 1-Schedule C of \$423,439).

The requested 15% contingency will permit staff to take advantage of the low unit-price for RPMSS and allow additional streets as identified by staff and the City's Pavement Management System, to be slurry sealed.

ENVIRONMENTAL REVIEW: The environmental impacts of this project were reviewed and staff has determined that the project is categorically exempt from the requirements of the California Environmental Quality Act (CEQA), pursuant to § 1501 (Class 1, Existing Facilities) of the State CEQA Guidelines.

(EXHIBIT 1 of 16)
PROPOSED F.Y. 2017/2018
C.D.B.G. SLURRY SEAL
PROJECT AREA "A"- "D"



Legend
— C.D.B.G. SLURRY 2017 - 2018

S:\Engineering\Engineering CIP Projects\Active Projects\2017 SLURRY\Location Maps

(EXHIBIT 2 of 16)
PROPOSED F.Y. 2017/2018
C.D.B.G. SLURRY SEAL
PROJECT AREA "A"

EUCLID AVE

FRANCIS ST.

GREVILLEA ST.

MANZANITA ST.

SULTANA

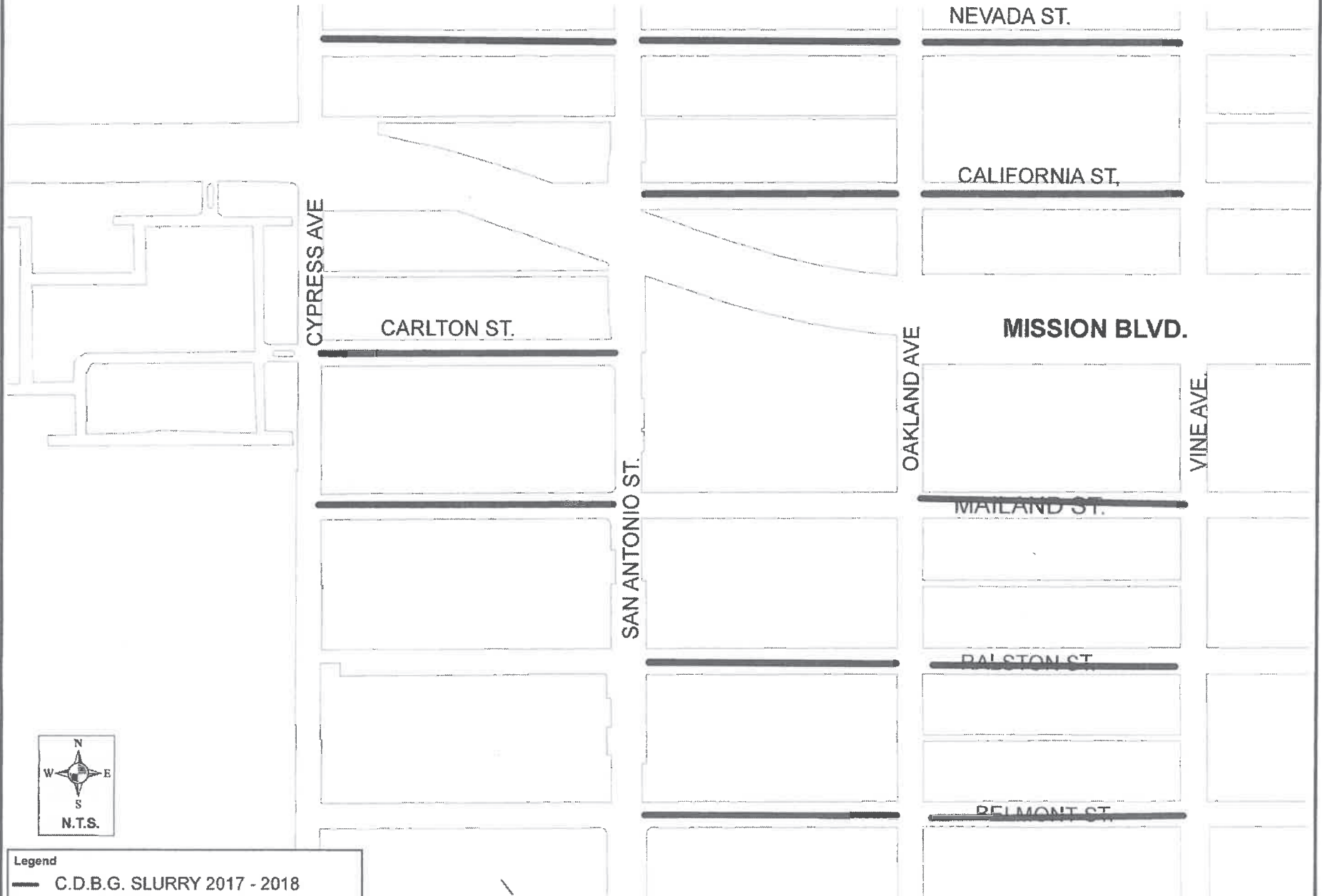
MONTEREY AVE

CEDAR ST.



Legend
— C.D.B.G. SLURRY 2017 - 2018

(EXHIBIT 3 of 16)
**PROPOSED F.Y. 2017/2018
C.D.B.G. SLURRY SEAL
PROJECT AREA "B"**



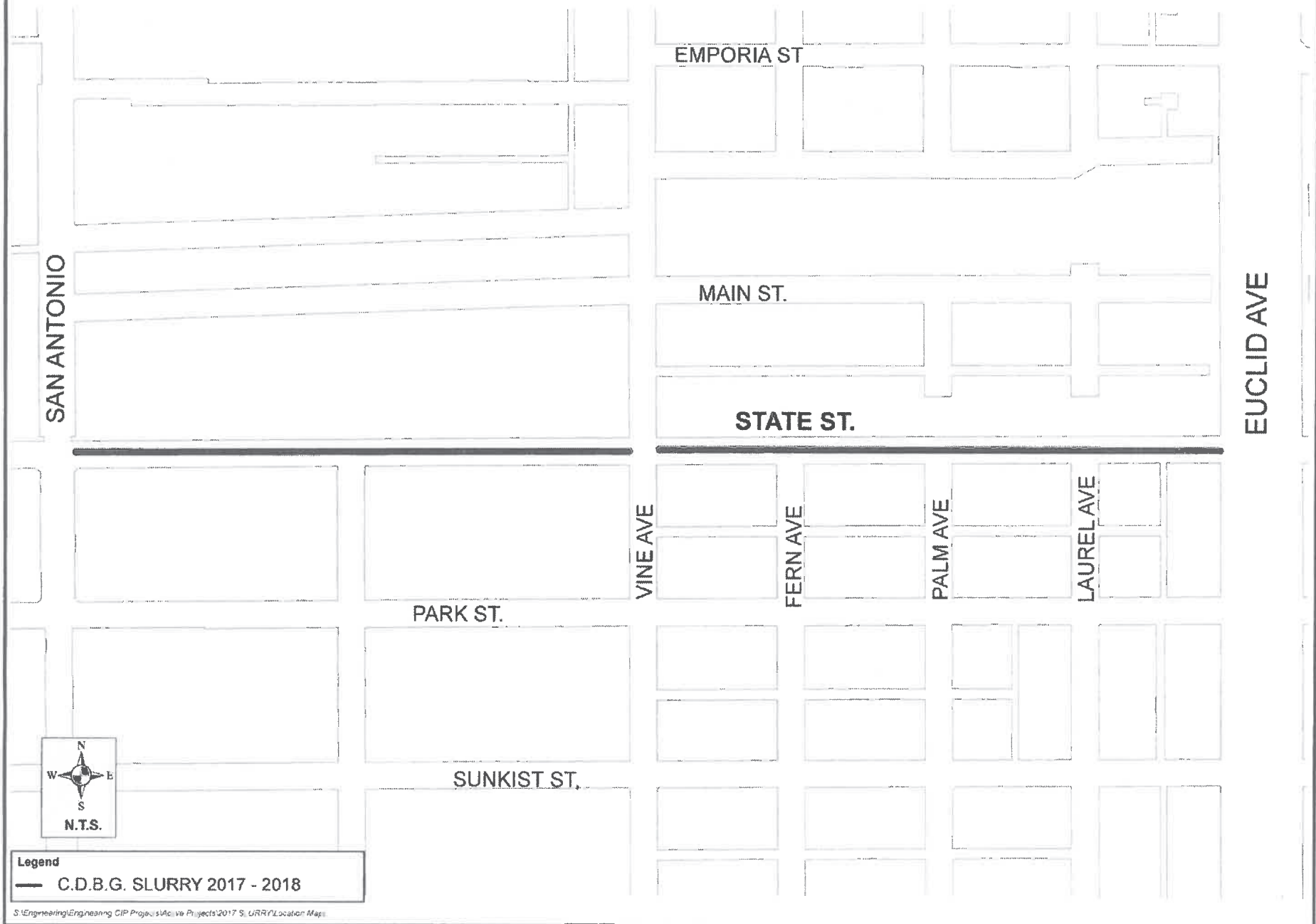
Legend
— C.D.B.G. SLURRY 2017 - 2018

(EXHIBIT 4 of 16)
PROPOSED F.Y. 2017/2018
C.D.B.G. SLURRY SEAL
PROJECT AREA "C"

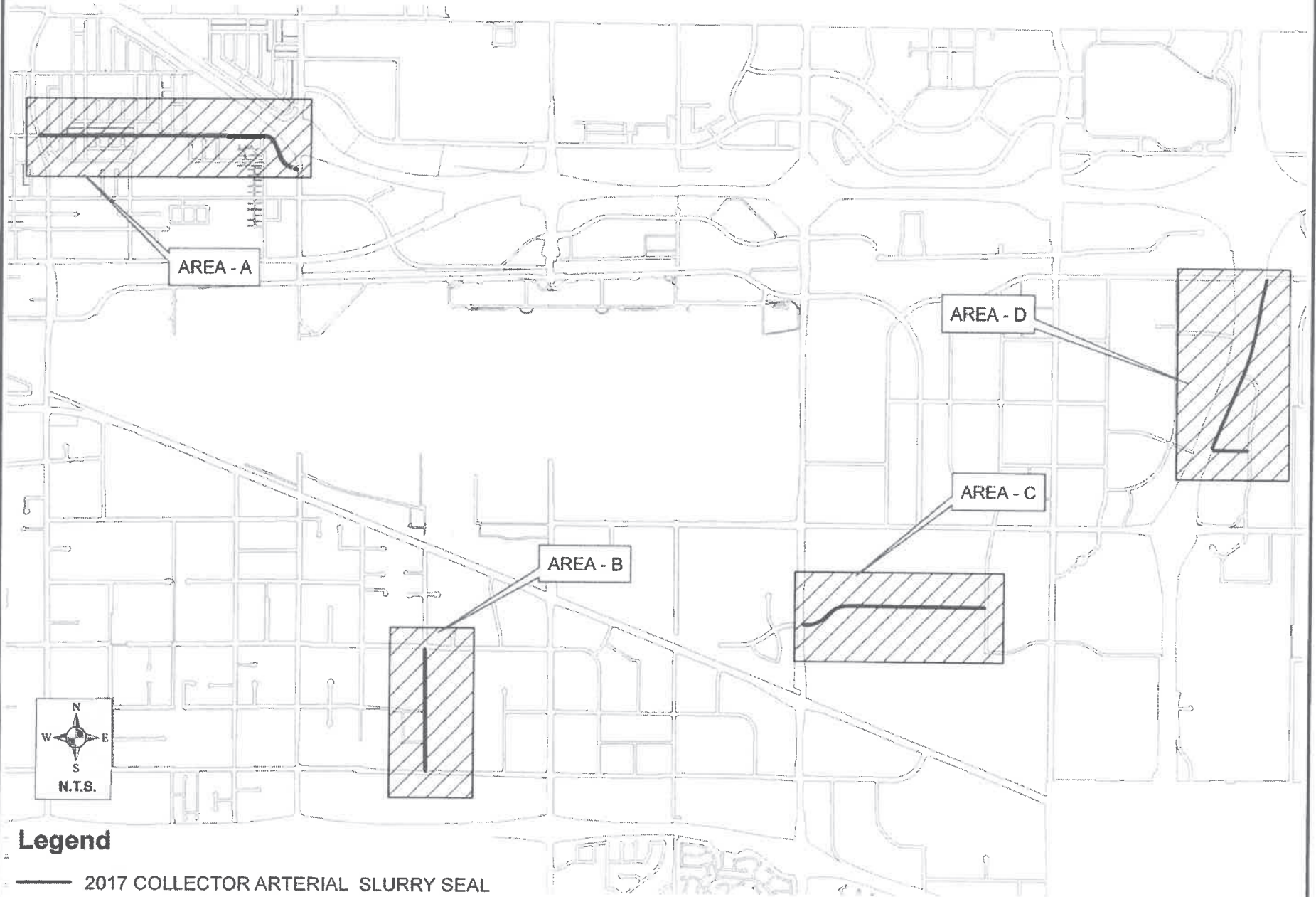


Legend
— C.D.B.G. SLURRY 2017 - 2018

(EXHIBIT 5 of 16)
**PROPOSED F.Y. 2017/2018
C.D.B.G. SLURRY SEAL
PROJECT AREA "D"**



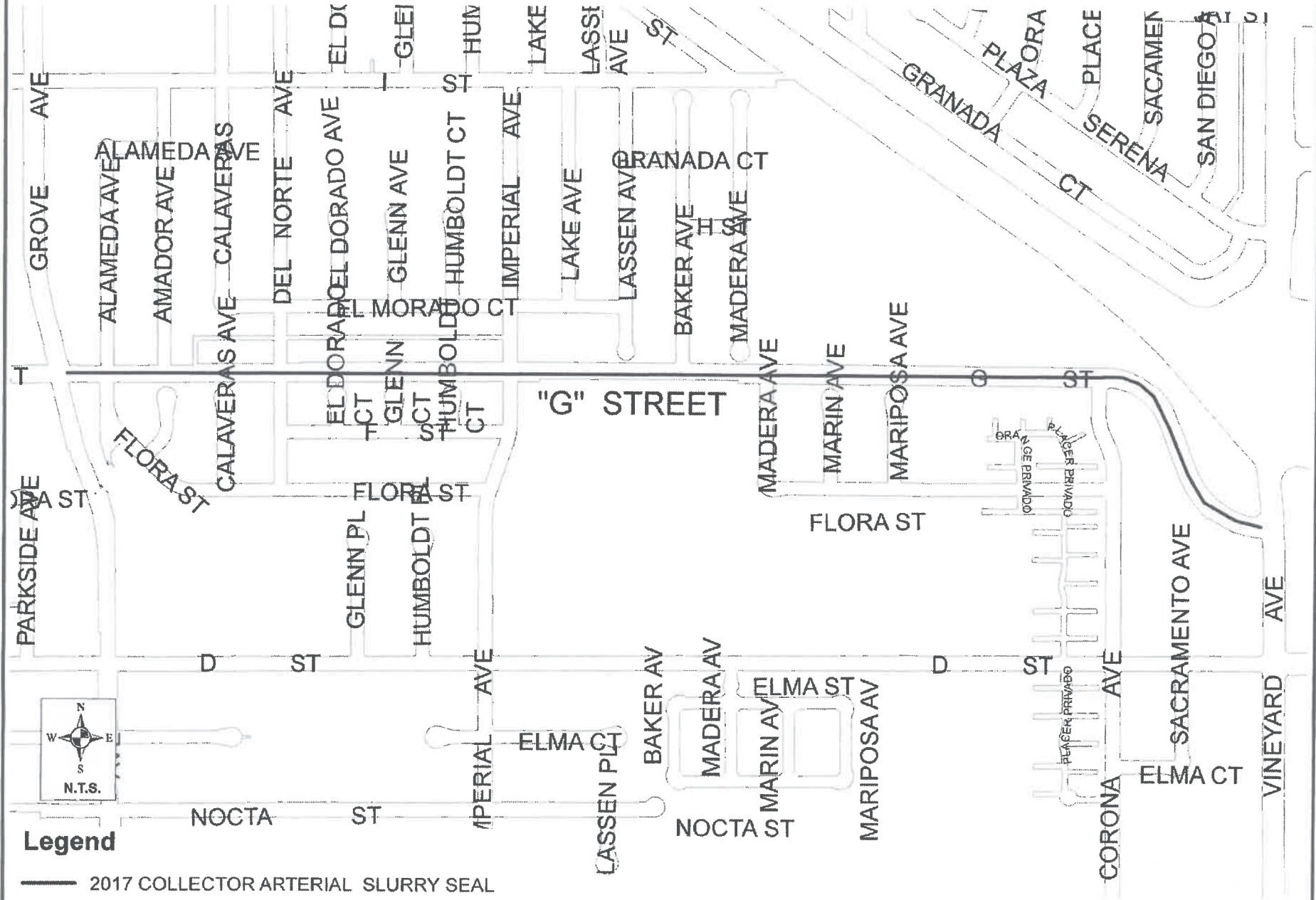
(EXHIBIT 6 of 16)
PROPOSED F.Y. 2017/2018
COLLECTOR / ARTERIAL SLURRY SEAL
PROJECT AREA "A"- "D"



Legend

— 2017 COLLECTOR ARTERIAL SLURRY SEAL

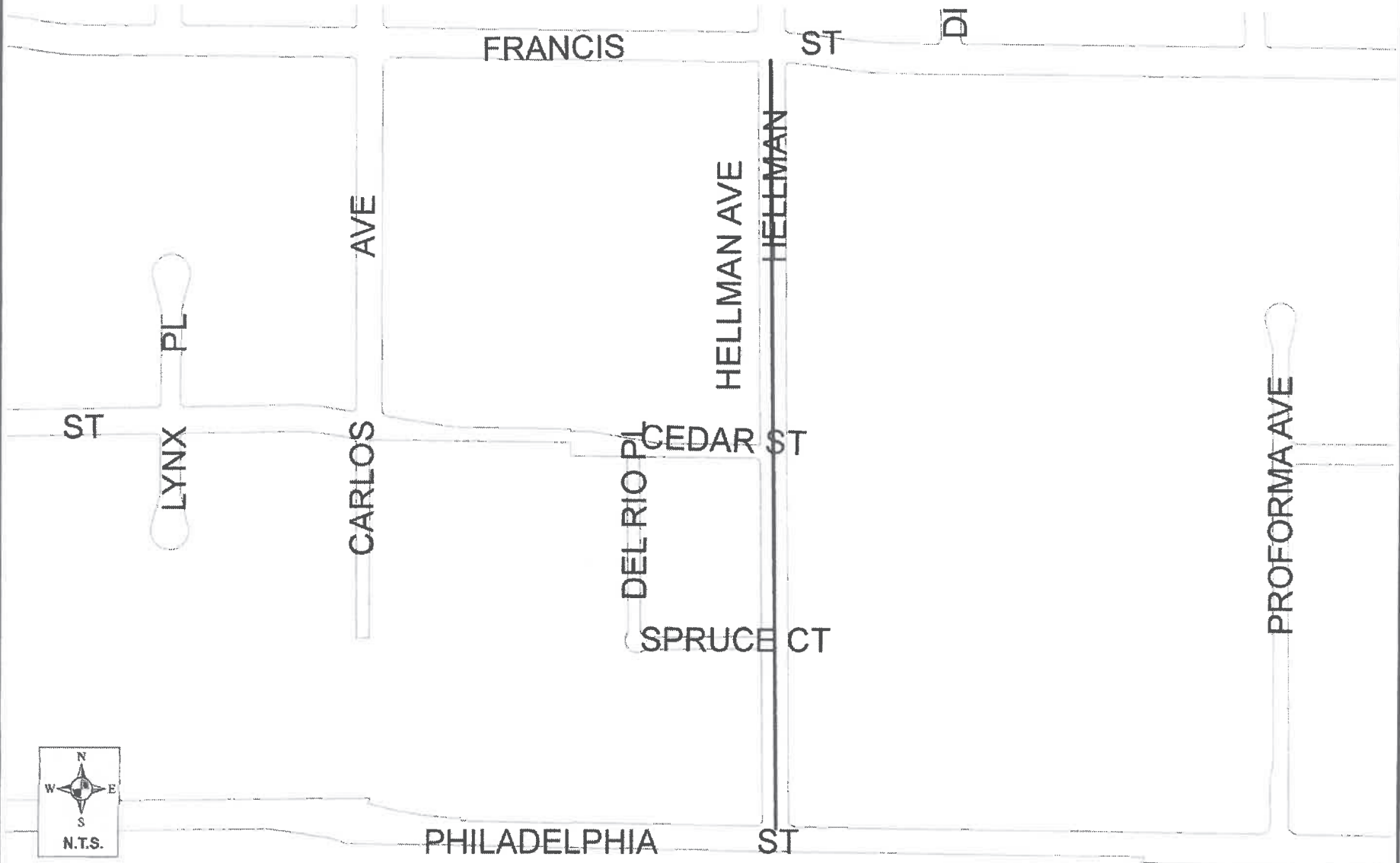
(EXHIBIT 7 of 16)
 PROPOSED F.Y. 2017/2018
 COLLECTOR / ARTERIAL SLURRY SEAL
 PROJECT AREA "A"



Legend

— 2017 COLLECTOR ARTERIAL SLURRY SEAL

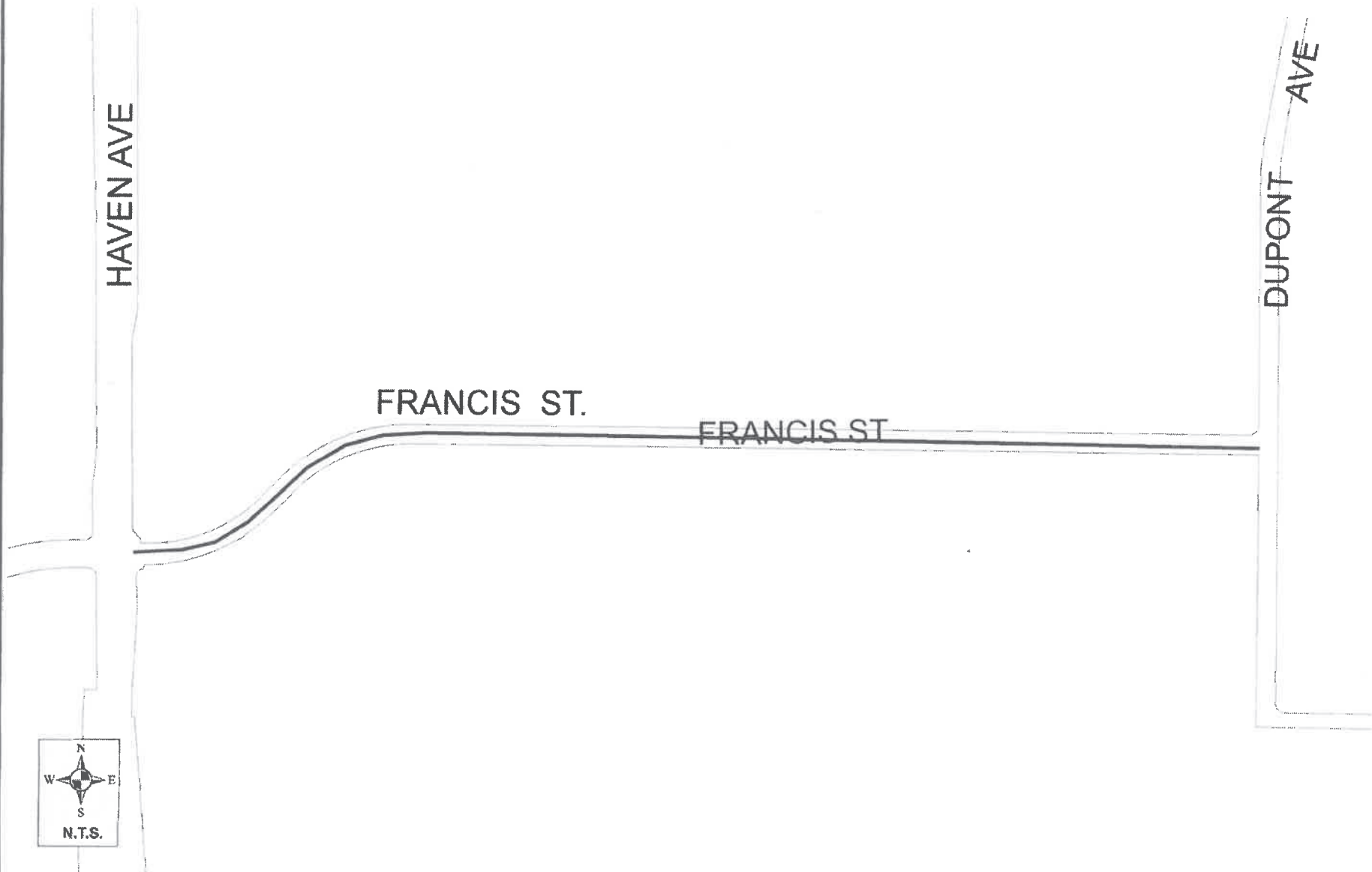
(EXHIBIT 8 of 16)
PROPOSED F.Y. 2017/2018
COLLECTOR / ARTERIAL SLURRY SEAL
PROJECT AREA "B"



Legend

— 2017 COLLECTOR ARTERIAL SLURRY SEAL

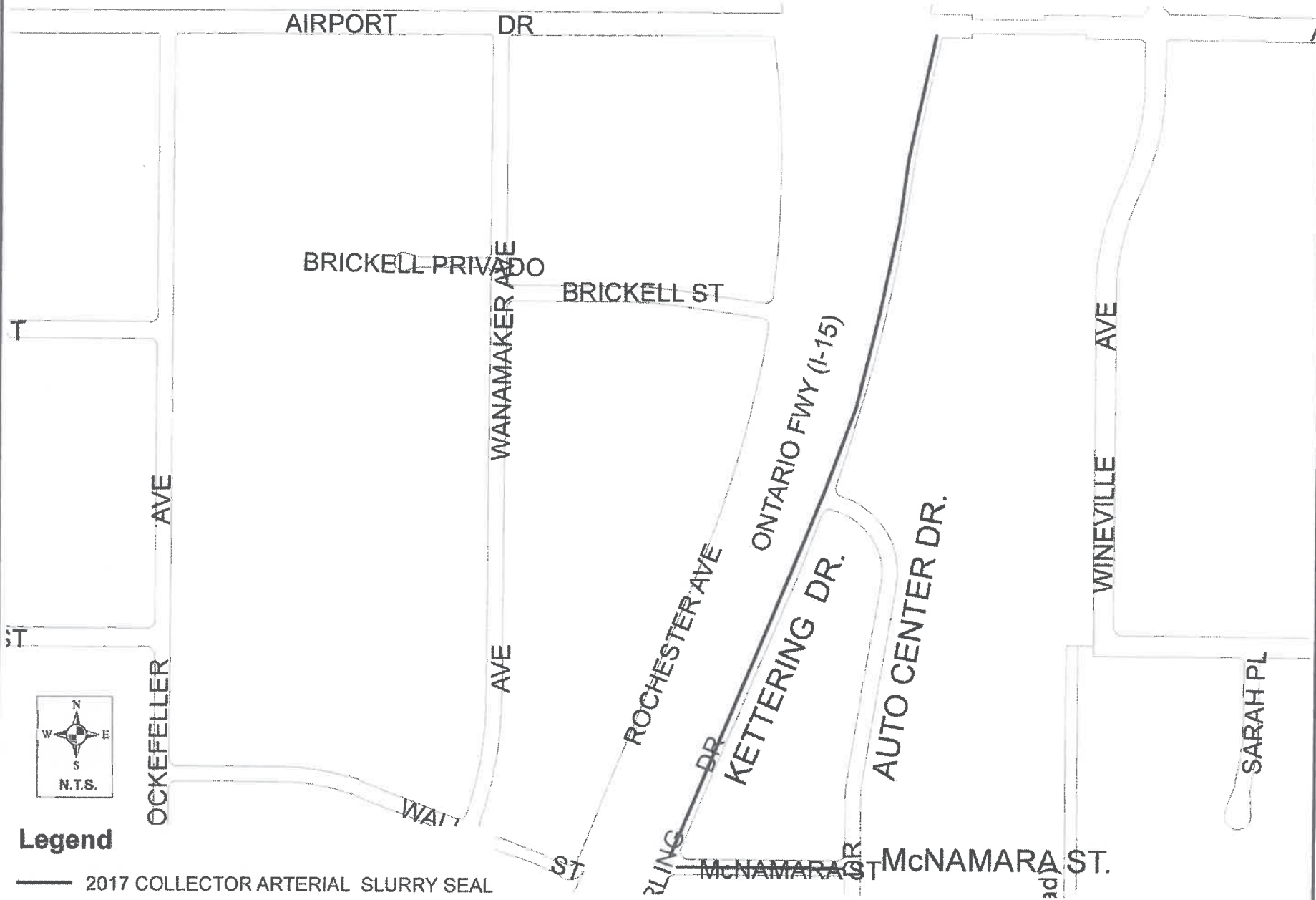
(EXHIBIT 9 of 16)
PROPOSED F.Y. 2017/2018
COLLECTOR / ARTERIAL SLURRY SEAL
PROJECT AREA "C"



Legend

— 2017 COLLECTOR ARTERIAL SLURRY SEAL

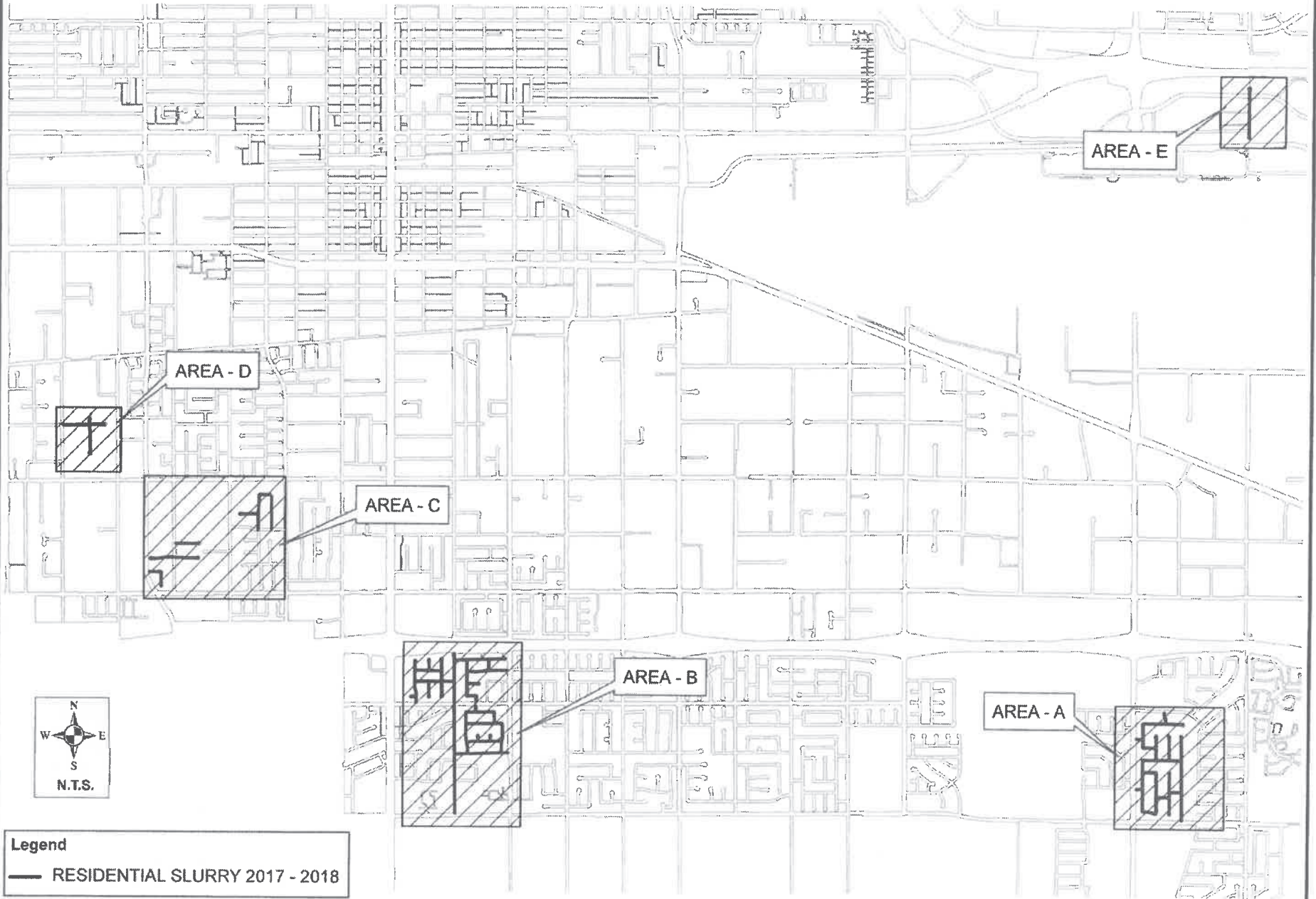
(EXHIBIT 10 of 16)
PROPOSED F.Y. 2017/2018
COLLECTOR / ARTERIAL SLURRY SEAL
PROJECT AREA "D"



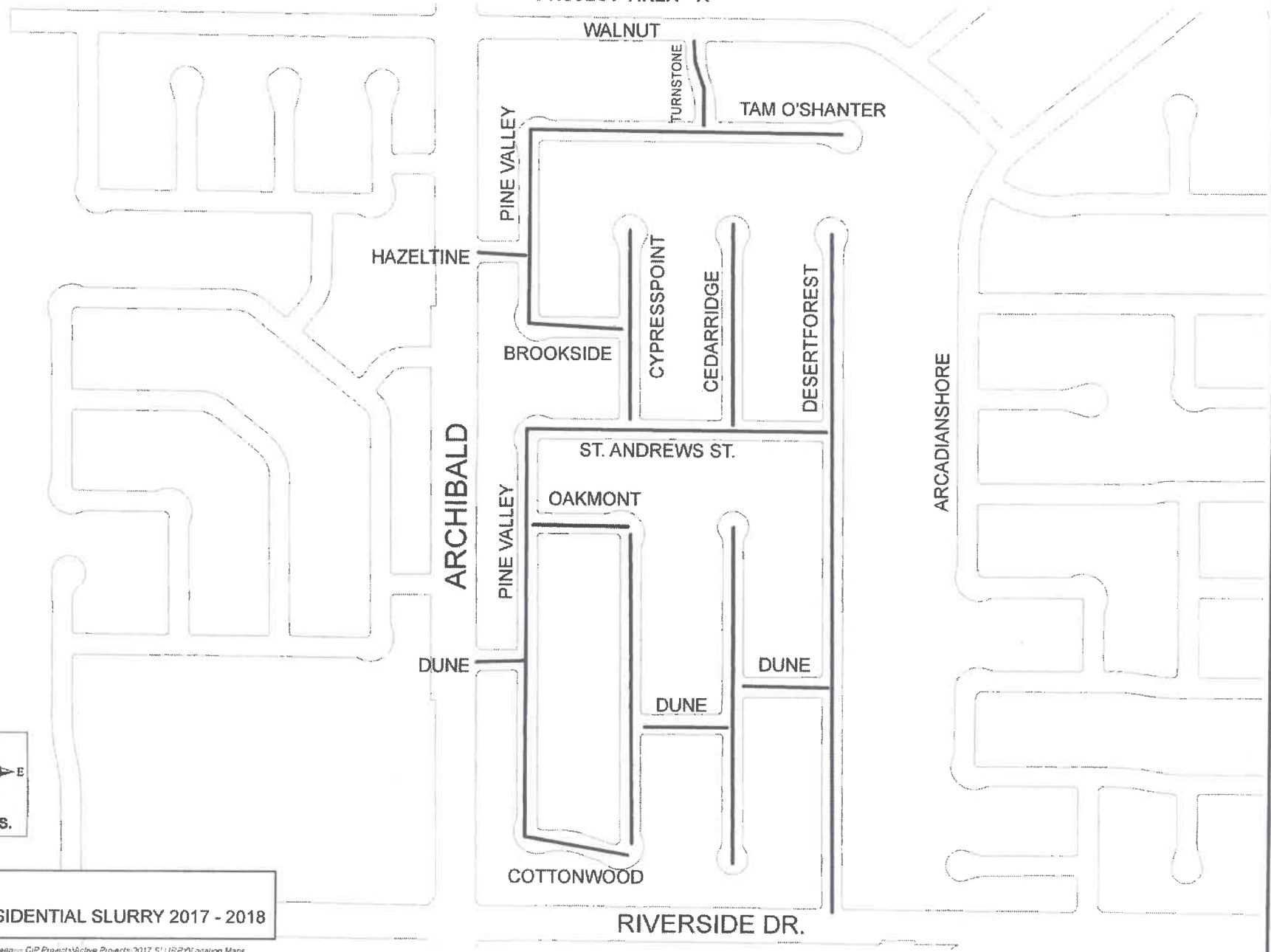
Legend

— 2017 COLLECTOR ARTERIAL SLURRY SEAL

(EXHIBIT 11 of 16)
**PROPOSED F.Y. 2017/2018
LOCAL STREETS SLURRY SEAL
PROJECT AREA "A"-"E"**



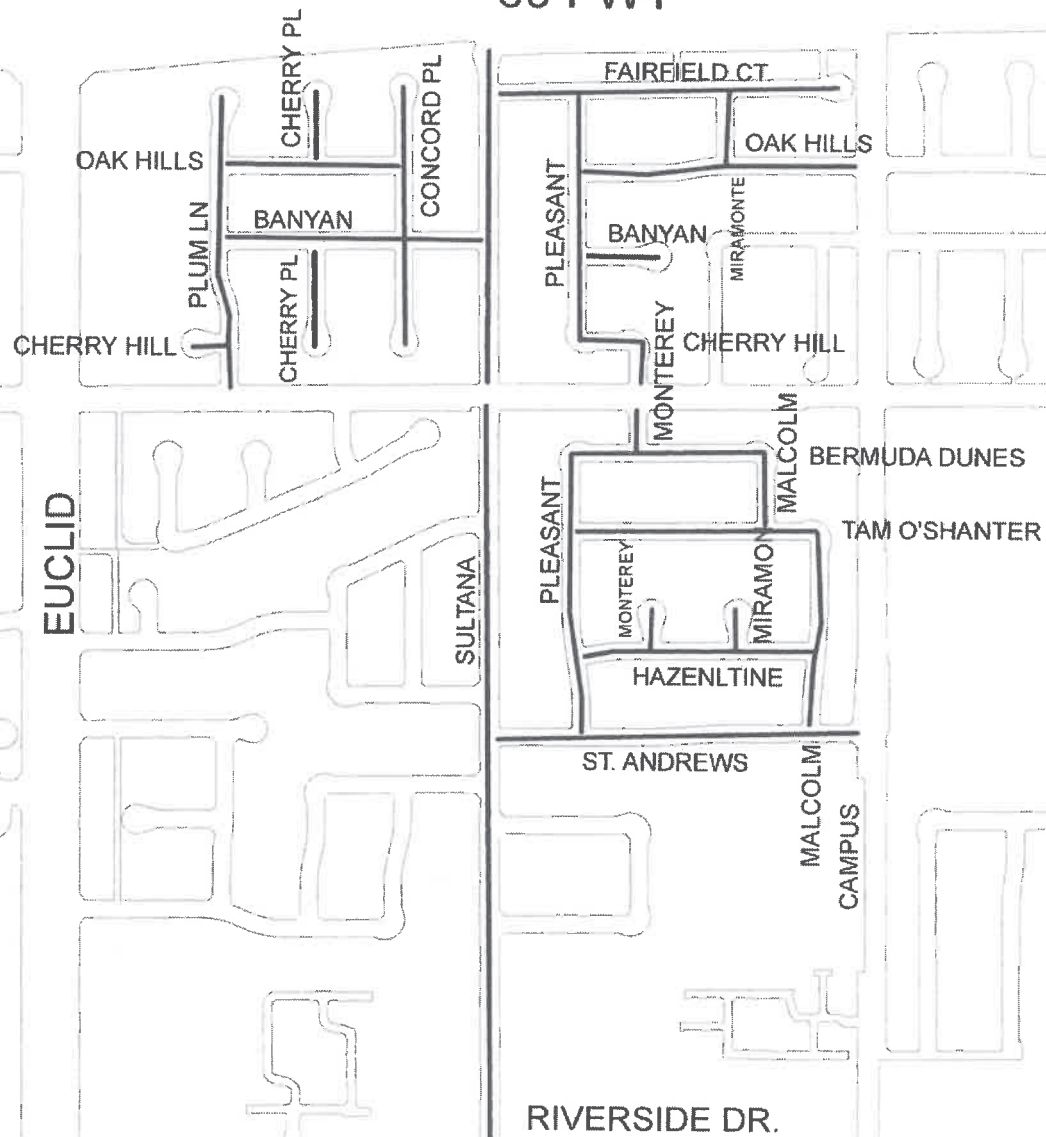
**PROPOSED F.Y. 2017/2018
LOCAL STREETS SLURRY SEAL
PROJECT AREA "A"**



Legend
— RESIDENTIAL SLURRY 2017 - 2018

(EXHIBIT 13 of 16)
PROPOSED F.Y. 2017/2018
LOCAL STREETS SLURRY SEAL
PROJECT AREA "B"

60 FWY



Legend

— RESIDENTIAL SLURRY 2017 - 2018

(EXHIBIT 14 of 16)
**PROPOSED F.Y. 2017/2018
LOCAL STREETS SLURRY SEAL
PROJECT AREA "C"**



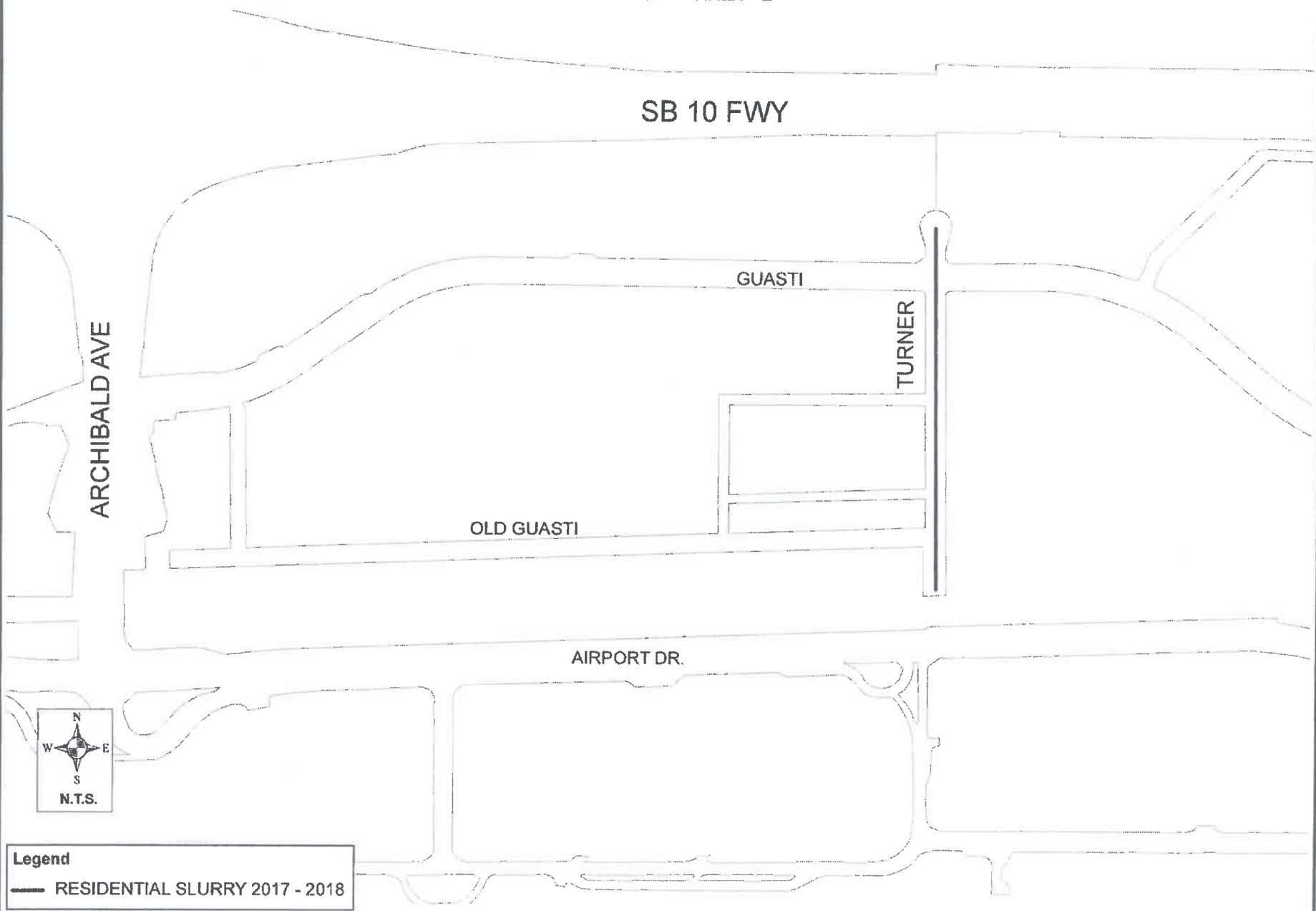
Legend
— RESIDENTIAL SLURRY 2017 - 2018

(EXHIBIT 15 of 16)
**PROPOSED F.Y. 2017/2018
LOCAL STREETS SLURRY SEAL
PROJECT AREA "D"**



Legend
— RESIDENTIAL SLURRY 2017 - 2018

(EXHIBIT 16 of 16)
PROPOSED F.Y. 2017/2018
LOCAL STREETS SLURRY SEAL
PROJECT AREA "E"



Legend
— RESIDENTIAL SLURRY 2017 - 2018

CITY OF ONTARIO

Agenda Report
July 18, 2017

SECTION:
CONSENT CALENDAR

SUBJECT: ACCEPT A WRITTEN PETITION TO CREATE A COMMUNITY FACILITIES DISTRICT; ADOPT A RESOLUTION OF INTENT TO ESTABLISH CITY OF ONTARIO COMMUNITY FACILITIES DISTRICT NO.39 (NEW HAVEN FACILITIES - AREA C) AND TO AUTHORIZE THE ASSOCIATED LEVY OF SPECIAL TAXES; AND ADOPT A RESOLUTION TO INCUR BONDED INDEBTEDNESS

RECOMMENDATION: That the City Council:

- (A) Accept written petition (on file with the Records Management Department) from Brookcal Ontario, LLC. located in Costa Mesa, CA, to create a Community Facilities District (CFD), and to waive certain procedural matters, under the Mello-Roos Community Facilities Act of 1982; and
- (B) Adopt a Resolution of Intent to establish City of Ontario Community Facilities District No. 39 (New Haven Facilities – Area C); authorize the associated levy of special taxes therein; and set a public hearing for the formation of the CFD as part of the regularly scheduled City Council meeting on Tuesday, September 5, 2017; and
- (C) Adopt a Resolution to incur bonded indebtedness of proposed Community Facilities District No. 39 (New Haven Facilities – Area C).

COUNCIL GOALS: Focus Resources in Ontario's Commercial and Residential Neighborhoods Ensure the Development of a Well Planned, Balanced, and Self-Sustaining Community in the New Model Colony

FISCAL IMPACT: The use of Mello-Roos financing for facilities in the residential development of the New Haven Facilities – Area C project is estimated to generate approximately \$4.5 million which will be used to help fund a portion of the public infrastructure improvements that will serve the project.

STAFF MEMBER PRESENTING: Grant D. Yee, Administrative Services/Finance Director

Prepared by: Bob Chandler
Department: Management Services

City Manager
Approval: 

Submitted to Council/O.H.A. 07/18/2017

Approved: _____

Continued to: _____

Denied: _____

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Since Mello-Roos bonds are not a direct obligation of the City, and are paid from special taxes levied on each taxable parcel in the district, there is no general fund impact from the issuance of Mello-Roos bonds.

BACKGROUND: The Mello-Roos Community Facilities Act of 1982 provides local government, with the consent from a majority of the property owners, the authority to establish community facilities districts for the purpose of levying special taxes to fund governmental services and to finance various kinds of public infrastructure facilities. With the adoption of Resolution 2014-035 on May 6, 2014, the City Council authorized the levy of special taxes to fund various city services for the district. Under the Mello-Roos Act, the initial steps in the formation of a community facilities district to finance public improvements are adopting resolutions declaring the intention to establish a community facilities district, authorize the levy of special taxes, and issue bonds.

In the First Amended and Restated Agreement for the Financing and Construction of Limited Infrastructure Improvements to Serve an Easterly Portion of the New Model Colony (“First Amended and Restated Construction Agreement”) between the City and NMC Builders, LLC, the City agreed to cooperate with the members of NMC Builders, LLC in the formation of community facilities districts. Brookcal Ontario, LLC, a member of NMC Builders, has provided a written petition to the City requesting formation of a community facilities district (as explained above) for the New Haven Facilities – Area C project in the Ontario Ranch. The New Haven Facilities – Area C project addresses the development of approximately 10.52 taxable acres located generally east of Archibald Avenue, west of Haven Avenue, south of Ontario Ranch Road (formerly Edison Avenue) and north Edison Avenue. At build out, the development is projected to include 225 units - 62 detached units and 163 attached units.

Included, as part of the resolution of intention for the proposed district, is the proposed Rate and Method of Apportionment of Special Tax for the District. The terms of the Rate and Method of Apportionment of Special Tax are consistent with the City Council’s adopted Mello-Roos Local Goals and Policies in all aspects, except that the percentage of assessed value of the total annual tax obligation plus the Homeowners Association (HOA) fee exceeds the adopted policy thresholds, in aggregate, by .11% for detached units, and by .15% for attached units. However, as has been previously authorized for other similar community facilities districts in the Ontario Ranch, and as is consistent with the “enhanced level of amenities” provisions of the Memorandum of Understanding executed between the city and NMC Builders on July 21, 2015 (the MOU), it is recommended that the policy threshold limitations be waived in this instance in recognition of the enhanced level of amenities and services to be provided by the project’s HOA(s), which are of the type contemplated by the MOU.

Under the proposed Rate and Method of Apportionment, **the portion of the maximum annual special tax rates which will be used to fund debt service payments on the bonds is fixed and will not increase over time.** As proposed, the amount of bonds authorized for the district (\$20 million) is set intentionally higher than the current estimated bond amount (approximately \$4.5 million) in order to allow future City Councils the option, without increasing the amount of the annual special taxes, to issue additional bonds to replace and/or construct new public infrastructure improvements in the future, or to fund City services. The term and structure of the Rate and Method of Apportionment of Special Tax for the New Haven Facilities – Area C project is consistent with those of the previously adopted Rates and Methods of Apportionment for Ontario Ranch community facilities districts. This ensures that the special tax rates levied on all residential property owners in community facilities districts in Ontario Ranch are developed in a consistent and equivalent manner. In addition, under the provisions of the Mello-Roos Act, to ensure that home buyers are making an informed decision, all residential builders in

the Ontario Ranch districts will be required to disclose the maximum annual special tax amount to each homeowner before entering into a sales contract.

City staff have presented and discussed the proposed Rate and Method of Apportionment of Special Tax with the landowner. As proposed, the resolution of intention to establish the district and to levy special taxes will set the public hearing date on the formation of the CFD for the regularly scheduled City Council meeting on Tuesday, September 5, 2017 to consider the matter.

RESOLUTION NO. _____

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF ONTARIO, CALIFORNIA, OF INTENTION TO ESTABLISH A COMMUNITY FACILITIES DISTRICT, PROPOSED TO BE NAMED CITY OF ONTARIO COMMUNITY FACILITIES DISTRICT NO. 39 (NEW HAVEN FACILITIES - AREA C), AND TO AUTHORIZE THE LEVY OF SPECIAL TAXES.

WHEREAS, Section 53318 of the Mello-Roos Community Facilities Act of 1982 (the "Act") provides that proceedings for the establishment of a Community Facilities District shall be instituted by a legislative body of a local agency when a petition requesting the institution of the proceedings signed by the owners of not less than 10% of the area of land proposed to be included in the community facilities district and not proposed to be exempt from the special tax, describing the boundaries of the territory that is proposed for inclusion in the community facilities district and specifying the types of facilities and services to be financed by the community facilities district is filed with the clerk of the legislative body; and

WHEREAS, Section 53318 of the Act further provides that such a petition is not required to be acted upon until the payment of a fee in an amount that the legislative body determines, within 45 days of receiving such petition, is sufficient to compensate the legislative body for all costs incurred in conducting proceedings to create a community facilities district pursuant to the Act; and

WHEREAS, the City Council (the "City Council") of the City of Ontario (the "City") has received a written petition (the "Petition") from BrookCal Ontario LLC (the "Landowner") requesting the institution of proceedings for the establishment of a community facilities district (the "Community Facilities District"), describing the boundaries of the territory that is proposed for inclusion in the Community Facilities District and specifying the types of facilities and services to be financed by the Community Facilities District; and

WHEREAS, the Landowner has represented and warranted to the City Council that the Landowner is the owner of 100% of the area of land proposed to be included within the Community Facilities District and not proposed to be exempt from the special tax; and

WHEREAS, Section 53314.9 of the Act provides that, at any time either before or after the formation of a community facilities district, the legislative body may accept advances of funds from any source, including, but not limited to, private persons or private entities and may provide, by resolution, for the use of those funds for any authorized purpose, including, but not limited to, paying any cost incurred by the local agency in creating a community facilities district; and

WHEREAS, Section 53314.9 of the Act further provides that the legislative body may enter into an agreement, by resolution, with the person or entity advancing the funds, to repay all or a portion of the funds advanced, as determined by the legislative

body, with or without interest, under all the following conditions: (a) the proposal to repay the funds is included in both the resolution of intention to establish a community facilities district adopted pursuant to Section 53321 of the Act and in the resolution of formation to establish a community facilities district pursuant to Section 53325.1 of the Act, (b) any proposed special tax is approved by the qualified electors of the community facilities district pursuant to the Act, and (c) any agreement shall specify that if the qualified electors of the community facilities district do not approve the proposed special tax, the local agency shall return any funds which have not been committed for any authorized purpose by the time of the election to the person or entity advancing the funds; and

WHEREAS, the City and the Landowner entered into a Deposit and Reimbursement Agreement, dated as of July 1, 2017 (the "Deposit Agreement"), relating to the Community Facilities District, that provides for the advancement of funds by the Landowner to be used to pay costs incurred in connection with the establishment of the Community Facilities District and the issuance of special tax bonds thereby, and provides for the reimbursement to the Landowner of such funds advanced, without interest, from the proceeds of any such bonds issued by the Community Facilities District; and

WHEREAS, the City desires to include in this Resolution, in accordance with Section 53314.9 of the Act, the proposal to repay funds pursuant to the Deposit Agreement;

NOW, THEREFORE, BE IT RESOLVED by the City Council of the City of Ontario as follows:

SECTION 1. The foregoing recitals are true and correct, and the City Council so finds and determines.

SECTION 2. The City Council hereby finds that the Petition is signed by the requisite number of owners of land proposed to be included in the Community Facilities District.

SECTION 3. The City Council proposes to establish a community facilities district under the terms of the Act. The boundaries of the territory proposed for inclusion in the Community Facilities District are described in the map showing the proposed Community Facilities District (the "Boundary Map") on file with the City Clerk of the City (the "City Clerk"), which boundaries are hereby preliminarily approved and to which map reference is hereby made for further particulars. The City Clerk is hereby directed to sign the original Boundary Map and record, or cause to be recorded, the Boundary Map with all proper endorsements thereon in the office of the San Bernardino County Recorder within 15 days of the date of adoption of this Resolution, all as required by Section 3111 of the California Streets and Highways Code.

SECTION 4. The name proposed for the Community Facilities District is "City of Ontario Community Facilities District No. 39 (New Haven Facilities - Area C)."

SECTION 5. The public facilities (the “Facilities”) proposed to be financed by the Community Facilities District pursuant to the Act are described under the caption “Facilities” on Exhibit A hereto, which is by this reference incorporated herein. Those Facilities proposed to be purchased as completed public facilities are described under the caption “Facilities to be Purchased” on Exhibit A hereto. The services (the “Services”) proposed to be financed by the Community Facilities District pursuant to the Act are described under the caption “Services” on Exhibit A hereto. The incidental expenses proposed to be incurred are identified under the caption “Incidental Expenses” on Exhibit A hereto. All or any portion of the Facilities may be financed through a financing plan, including, but not limited to, a lease, lease-purchase or installment-purchase arrangement.

SECTION 6. Except where funds are otherwise available, a special tax sufficient to pay for all Facilities and Services, secured by recordation of a continuing lien against all nonexempt real property in the Community Facilities District, will be annually levied within the Community Facilities District. The rate and method of apportionment of the special tax (the “Rate and Method”), in sufficient detail to allow each landowner within the proposed Community Facilities District to estimate the maximum amount that he or she will have to pay, is described in Exhibit B attached hereto, which is by this reference incorporated herein. The conditions under which the obligation to pay the special tax to pay for Facilities may be prepaid and permanently satisfied are specified in the Rate and Method. The special tax will be collected in the same manner as ordinary *ad valorem* property taxes or in such other manner as the City Council shall determine, including direct billing of the affected property owners.

SECTION 7. The special tax may only finance the Services to the extent that they are in addition to those provided in the territory of the Community Facilities District before the Community Facilities District is created. The Services may not supplant services already available within that territory when the Community Facilities District is created.

SECTION 8. The tax year after which no further special tax to pay for Facilities will be levied against any parcel used for private residential purposes is specified in the Rate and Method. Under no circumstances shall the special tax to pay for Facilities in any fiscal year against any parcel used for private residential purposes be increased as a consequence of delinquency or default by the owner or owners of any other parcel or parcels within the Community Facilities District by more than 10% above the amount that would have been levied in that fiscal year had there never been any such delinquencies or defaults. For purposes of this paragraph, a parcel shall be considered “used for private residential purposes” not later than the date on which an occupancy permit for private residential use is issued.

SECTION 9. Pursuant to Section 53344.1 of the Act, the City Council hereby reserves to itself the right and authority to allow any interested owner of property within the Community Facilities District, subject to the provisions of said Section 53344.1 and to those conditions as it may impose, and any applicable prepayment penalties as prescribed in the bond indenture or comparable instrument or document, to tender to the Community Facilities District treasurer in full payment or part payment of any

installment of the special taxes or the interest or penalties thereon which may be due or delinquent, but for which a bill has been received, any bond or other obligation secured thereby, the bond or other obligation to be taken at par and credit to be given for the accrued interest shown thereby computed to the date of tender.

SECTION 10. The City Council hereby fixes Tuesday, September 5, 2017, at 6:30 p.m., or as soon thereafter as the City Council may reach the matter, at 303 East B Street, Ontario, California, as the time and place when and where the City Council will conduct a public hearing on the establishment of the Community Facilities District.

SECTION 11. The City Clerk is hereby directed to publish, or cause to be published, a notice of said public hearing one time in a newspaper of general circulation published in the area of the proposed Community Facilities District. The publication of said notice shall be completed at least seven days prior to the date herein fixed for said hearing. Said notice shall contain the information prescribed by Section 53322 of the Act.

SECTION 12. The levy of said proposed special tax shall be subject to the approval of the qualified electors of the Community Facilities District at a special election. The proposed voting procedure shall be by mailed or hand-delivered ballot among the landowners in the Community Facilities District, with each owner having one vote for each acre or portion of an acre such owner owns in the Community Facilities District.

SECTION 13. Each officer of the City who is or will be responsible for providing one or more of the proposed types of Facilities or Services is hereby directed to study, or cause to be studied, the proposed Community Facilities District and, at or before said public hearing, file a report with the City Council containing a brief description of the Facilities and Services by type which will in his or her opinion be required to adequately meet the needs of the Community Facilities District, and his or her estimate of the cost of providing the Facilities and Services. Such officers are hereby also directed to estimate the fair and reasonable cost of the Facilities proposed to be purchased as completed public facilities and of the incidental expenses proposed to be paid. Such report shall be made a part of the record of said public hearing.

SECTION 14. The Landowner has heretofore advanced certain funds, and may advance additional funds, which have been or may be used to pay costs incurred in connection with the establishment of the Community Facilities District and the issuance of special tax bonds thereby. The City Council proposes to repay all or a portion of such funds expended for such purpose, solely from the proceeds of such bonds, pursuant to the Deposit Agreement. The Deposit Agreement is hereby incorporated herein as though set forth in full herein.

SECTION 15. The officers, employees and agents of the City are hereby authorized and directed to take all actions and do all things which they, or any of them, may deem necessary or desirable to accomplish the purposes of this Resolution and not inconsistent with the provisions hereof.

SECTION 16. This Resolution shall take effect immediately upon its adoption.

The City Clerk of the City of Ontario shall certify as to the adoption of this Resolution.

PASSED, APPROVED, AND ADOPTED this 18th day of July 2017.

PAUL S. LEON, MAYOR

ATTEST:

SHEILA MAUTZ, CITY CLERK

APPROVED AS TO FORM:

BEST BEST & KRIEGER LLP
CITY ATTORNEY

STATE OF CALIFORNIA)
COUNTY OF SAN BERNARDINO)
CITY OF ONTARIO)

I, SHEILA MAUTZ, City Clerk of the City of Ontario, DO HEREBY CERTIFY that foregoing Resolution No. 2017- was duly passed and adopted by the City Council of the City of Ontario at their regular meeting held July 18, 2017 by the following roll call vote, to wit:

AYES: COUNCIL MEMBERS:

NOES: COUNCIL MEMBERS:

ABSENT: COUNCIL MEMBERS:

SHEILA MAUTZ, CITY CLERK

(SEAL)

The foregoing is the original of Resolution No. 2017- duly passed and adopted by the Ontario City Council at their regular meeting held July 18, 2017.

SHEILA MAUTZ, CITY CLERK

(SEAL)

EXHIBIT A

FACILITIES AND INCIDENTAL EXPENSES

Facilities

The types of facilities to be financed by the Community Facilities District are street and bridge improvements, including grading, paving, curbs and gutters, sidewalks, street signalization and signage, street lights and parkway and landscaping related thereto, domestic and recycled water distribution facilities, sewer collection facilities, solid waste facilities, storm drainage facilities, park and recreation facilities and equipment, aquatic facilities and equipment, fire facilities and equipment, police facilities and equipment, library facilities and equipment, fiber optic telecommunication system facilities, general governmental office, administrative and meeting facilities, and land, rights-of-way and easements necessary for any of such facilities.

Facilities to be Purchased

The types of facilities to be purchased as completed facilities are street and bridge improvements, including grading, paving, curbs and gutters, sidewalks, street signalization and signage, street lights and parkway and landscaping related thereto, domestic and recycled water distribution facilities, sewer collection facilities, solid waste facilities, storm drainage facilities, park and recreation facilities and equipment, aquatic facilities and equipment, fire facilities and equipment, police facilities and equipment, library facilities and equipment, fiber optic telecommunication system facilities, general governmental office, administrative and meeting facilities, and land, rights-of-way and easements necessary for any of such facilities.

Services

The types of services to be financed by the Community Facilities District are police protection services, fire protection and suppression services, ambulance and paramedic services, maintenance and lighting of parks, parkways, streets, roads and open space, flood and storm protection services and maintenance and operation of any real property or other tangible property with an estimated useful life of five or more years that is owned by the City.

Incidental Expenses

The incidental expenses proposed to be incurred include the following:

- (a) the cost of planning and designing public facilities to be financed, including the cost of environmental evaluations of those facilities;
- (b) the costs associated with the creation of the Community Facilities District, issuance of bonds, determination of the amount of taxes, collection of taxes, payment of taxes, or costs otherwise incurred in order to carry out the authorized purposes of the Community Facilities District; and
- (c) any other expenses incidental to the construction, completion, and inspection of the authorized work.

EXHIBIT B

PROPOSED RATE AND METHOD OF APPORTIONMENT OF SPECIAL TAX

EXHIBIT B

CITY OF ONTARIO COMMUNITY FACILITIES DISTRICT NO. 39 (NEW HAVEN FACILITIES – AREA C)

RATE AND METHOD OF APPORTIONMENT OF SPECIAL TAX

A Special Tax shall be levied on all Assessor's Parcels in the City of Ontario Community Facilities District No. 39 (New Haven Facilities – Area C) ("CFD No. 39") and collected each Fiscal Year, commencing in Fiscal Year 2017-18, in an amount determined by the City Council of the City of Ontario through the application of the Rate and Method of Apportionment, as described below. All of the real property in CFD No. 39, unless exempted by law or by the provisions hereof, shall be taxed for the purposes, to the extent, and in the manner herein provided.

A. DEFINITIONS

The terms hereinafter set forth have the following meanings:

"Acre" or **"Acreage"** means the land area of an Assessor's Parcel as shown on an Assessor's Parcel Map, or if the land area is not shown on an Assessor's Parcel Map, the land area shown on the applicable Final Subdivision Map, parcel map, condominium plan, or other recorded County map.

"Act" means the Mello-Roos Community Facilities Act of 1982, as amended, being Chapter 2.5, Division 2 of Title 5 of the California Government Code.

"Administrative Expenses" means the following actual or reasonably estimated costs directly related to the administration of CFD No. 39: the costs of computing the Special Taxes and preparing the annual Special Tax collection schedules (whether by the City or CFD No. 39 or both); the costs of collecting the Special Taxes (whether by the County or otherwise); the costs of remitting the Special Taxes to the Trustee; the costs of the Trustee (including its legal counsel) in the discharge of the duties required of it under the Indenture; the costs to the City or CFD No. 39 of complying with arbitrage rebate requirements; the costs to the City or CFD No. 39 of complying with City, CFD No. 39, or obligated persons disclosure requirements associated with applicable federal and state securities laws and of the Act; the costs associated with preparing Special Tax disclosure statements and responding to public inquiries regarding the Special Taxes; the costs of the City or CFD No. 39 related to the analysis and reduction, if any, of the Special Tax on Single Family Property in accordance with Section C.1 herein; the costs of the City or CFD No. 39 related to an appeal of the Special Tax; the costs associated with the release of funds from any escrow account; the City's administration fees and third party expenses; the costs of City staff time and reasonable overhead relating to CFD No. 39; and amounts estimated or advanced by the City or CFD No. 39 for any other

administrative purposes of the CFD, including attorney's fees and other costs related to commencing and pursuing to completion any foreclosure of delinquent Special Taxes.

"Assessor's Parcel" means a lot or parcel shown in an Assessor's Parcel Map with an assigned Assessor's Parcel Number.

"Assessor's Parcel Map" means an official map of the Assessor of the County designating parcels by Assessor's Parcel Number.

"Assessor's Parcel Number" means, with respect to an Assessor's Parcel, that number assigned to such Assessor's Parcel by the County for purposes of identification.

"Assigned Special Tax" means the Special Tax for each Land Use Class of Developed Property, as determined in accordance with Section C.1.a.2 below.

"Backup Special Tax" means the Special Tax for each Land Use Class of Developed Property, as determined in accordance with Section C.1.a.3 below.

"Bonds" means any bonds or other debt (as defined in Section 53317(d) of the Act) issued by CFD No. 39 under the Act and payable from Special Taxes.

"Buildable Lot" means an individual lot, within a Final Subdivision Map or an area expected by CFD No. 39 to become Final Mapped Property, such as the area within a Tentative Tract Map, for which a building permit may be issued without further subdivision of such lot.

"CFD Administrator" means an official of the City responsible for determining the Special Tax Requirement, providing for the levy and collection of the Special Taxes, and performing the other duties provided for herein.

"CFD No. 39" means City of Ontario Community Facilities District No. 39 (New Haven Facilities – Area C).

"City" means the City of Ontario, California.

"City Council" means the City Council of the City, acting as the legislative body of CFD No. 39.

"County" means the County of San Bernardino.

"Designated Buildable Lot" means a Buildable Lot for which a building permit has not been issued by the City as of the date of calculation of the Backup Special Tax.

"Developed Property" means for each Fiscal Year, all Taxable Property, exclusive of Final Mapped Property, Taxable Property Owner Association Property, and Taxable Public Property, for which a building permit or other applicable permit for new construction was issued after January 1, 2016, and before May 1 of the prior Fiscal Year.

“Expected Residential Lot Count” means 225 Buildable Lots of Single Family Property or, as determined by the CFD Administrator, the number of Buildable Lots of Single Family Property based on the most recent Tentative Tract Map(s) or most recently recorded Final Subdivision Map(s) or modified Final Subdivision Map(s).

“Facilities” means the public facilities authorized to be financed, in whole or in part, by CFD No. 39.

“Final Mapped Property” means, for each Fiscal Year, all Taxable Property, exclusive of Developed Property, Taxable Property Owner Association Property, and Taxable Public Property, which as of January 1 of the previous Fiscal Year was located within a Final Subdivision Map. The term Final Mapped Property shall include any parcel map or Final Subdivision Map, or portion thereof, that creates individual lots for which a building permit may be issued, including Parcels that are designated as a remainder Parcel (i.e., one where the size, location, etc., precludes any further subdivision or taxable use).

“Final Subdivision Map” means a final tract map, parcel map, or lot line adjustment approved by the City pursuant to the Subdivision Map Act (California Government Code Section 66410 et seq.) or a condominium plan recorded pursuant to California Civil Code 1352 that, in either case, creates individual lots for which building permits may be issued without further subdivision.

“Fiscal Year” means the period starting July 1 and ending on the following June 30.

“Indenture” means the indenture, fiscal agent agreement, resolution, or other instrument pursuant to which Bonds are issued, as modified, amended, and/or supplemented from time to time.

“Land Use Class” means any of the classes listed in Table 1 below.

“Maximum Special Tax” means, with respect to an Assessor’s Parcel of Taxable Property, the Maximum Special Tax determined in accordance with Section C.1 below that can be levied in any Fiscal Year on such Assessor’s Parcel of Taxable Property.

“Minimum Sale Price” means the minimum price at which Units of a given Land Use Class have sold or are expected to be sold in a normal marketing environment and shall not include prices for such Units that are sold at a discount to expected sales prices for the purpose of stimulating the initial sales activity with respect to such Land Use Class.

“Non-Residential Property” means all Assessor’s Parcels of Developed Property for which a building permit was issued by the City permitting the construction of one or more non-residential structures or facilities.

“Other Residential Property” means all Assessor’s Parcels of Developed Property for which a building permit was issued by the City for purposes of constructing Units, excluding Single Family Attached Property and Single Family Detached Property.

“Outstanding Bonds” means all Bonds which are outstanding under and in accordance with the provisions of the Indenture.

“PACE Charges” means a contractual assessment or special tax as established by a public agency pursuant to AB 811 or SB 555, respectively, levied on an Assessor’s Parcel to fund eligible improvements to private property and entered into voluntarily by the property owner.

“Price Point Consultant” means any consultant or firm of such consultants selected by CFD No. 39 that (a) has substantial experience in performing price point studies for residential units within community facilities districts established under the Act or otherwise estimating or confirming pricing for residential units in such community facilities districts, (b) has recognized expertise in analyzing economic and real estate data that relates to the pricing of residential units in such community facilities districts, (c) is in fact independent and not under the control of CFD No. 39 or the City, (d) does not have any substantial interest, direct or indirect, with or in (i) CFD No. 39, (ii) the City, (iii) any owner of real property in CFD No. 39, or (iv) any real property in CFD No. 39, and (e) is not connected with CFD No. 39 or the City as an officer or employee thereof, but who may be regularly retained to make reports to CFD No. 39 or the City.

“Price Point Study” means a price point study or a letter updating a previous price point study prepared by the Price Point Consultant pursuant to Section C herein.

“Property Owner Association Property” means, for each Fiscal Year, any property within the boundaries of CFD No. 39 that was owned by a property owner association, including any master or sub-association, as of January 1 of the prior Fiscal Year.

“Proportionately” means (a) for Developed Property in the first step of Section D below, that the ratio of the actual Special Tax levy to the Maximum Special Tax is equal for all Assessor’s Parcels of Developed Property; however, for Developed Property in the fourth step of Section D below, Proportionately means that the amount of the increase above the Assigned Special Tax, if necessary, is equal for all Assessor’s Parcels of Developed Property, except that if the Backup Special Tax limits the increase on any Assessor’s Parcel(s), then the amount of the increase shall be equal for the remaining Assessor’s Parcels; (b) for Final Mapped Property, that the ratio of the actual Special Tax levy to the Maximum Special Tax is equal for all Assessor’s Parcels of Final Mapped Property; (c) for Undeveloped Property, that the ratio of the actual Special Tax levy to the Maximum Special Tax is equal for all Assessor's Parcels of Undeveloped Property; (d) for Taxable Property Owner Association Property, that the ratio of the actual Special Tax levy to the Maximum Special Tax is equal for all Assessor’s Parcels of Taxable Property Owner Association Property; and (e) for Taxable Public Property, that the ratio of the actual Special Tax levy to the Maximum Special Tax is equal for all Assessor’s Parcels of Taxable Public Property.

“Public Property” means, for each Fiscal Year, property within the boundaries of CFD No. 39 that is (a) owned by, irrevocably offered to, or dedicated to the federal government, the State, the County, the City, or any local government or other public agency or (b) encumbered by an easement for purposes of public right-of-way that makes

impractical its use for any purpose other than that set forth in such easement, provided that any property leased by a public agency to a private entity and subject to taxation under Section 53340.1 of the Act shall be taxed and classified according to its use.

“Rate and Method of Apportionment” means this Rate and Method of Apportionment of Special Tax.

“Residential Floor Area” means all of the Square Footage of living area within the perimeter of a Unit, not including any carport, walkway, garage, overhang, patio, enclosed patio, or similar area. The determination of Residential Floor Area shall be as set forth in the building permit(s) issued for such Assessor’s Parcel, or as set forth in other official records maintained by the City’s Building Department or other appropriate means selected by CFD No. 39. The actual Square Footage shall be rounded up to the next whole square foot. Once such determination has been made for an Assessor’s Parcel, it shall remain fixed in all future Fiscal Years unless an appeal pursuant to Section F below is approved that results in a change in the actual Square Footage.

“Services” means the services authorized to be financed, in whole or in part, by CFD No. 39.

“Single Family Attached Property” means all Assessor’s Parcels of Developed Property for which a building permit or use permit was issued for construction of a residential structure consisting of two or more Units that share common walls, have separate Assessor’s Parcel Numbers assigned to them (except for a duplex unit, which may share an Assessor’s Parcel with another duplex unit), and may be purchased by individual homebuyers (which shall still be the case even if the Units are purchased and subsequently offered for rent by the owner of the Unit), including such residential structures that meet the statutory definition of a condominium contained in Civil Code Section 1351.

“Single Family Detached Property” means all Assessor’s Parcels of Developed Property for which a building permit was issued for construction of a Unit, on one legal lot, that does not share a common wall with another Unit.

“Single Family Property” means all Assessor’s Parcels of Single Family Attached Property and Single Family Detached Property.

“Special Tax” means the special tax authorized by the qualified electors of CFD No. 39 to be levied within the boundaries of CFD No. 39.

“Special Tax Requirement” means for any Fiscal Year that amount required, after taking into account available amounts held in the funds and accounts established under the Indenture, for CFD No. 39 to: (i) pay debt service on all Outstanding Bonds which is due in the calendar year that commences in such Fiscal Year; (ii) pay periodic costs on the Bonds, including, but not limited to, credit enhancement and rebate payments on the Bonds; (iii) pay Administrative Expenses; (iv) provide any amounts required to establish or replenish any reserve fund for the Bonds; (v) pay directly for acquisition or construction of Facilities, or the cost of Services, to the extent that the inclusion of such

amounts does not increase the Special Tax levy on Final Mapped Property or Undeveloped Property; (vi) provide an amount equal to Special Tax delinquencies based on the historical delinquency rate for the Special Tax as determined by the CFD Administrator.

“Square Footage” or **“Sq. Ft.”** means the floor area square footage reflected on the original construction building permit, or as set forth in other official records maintained by the City’s Building Department or other appropriate means selected by CFD No. 39, issued for construction of Single Family Property, Other Residential Property, or Non-Residential Property, plus any square footage subsequently added to a building of Non-Residential Property after issuance of a building permit for expansion or renovation of such building.

“State” means the State of California.

“Taxable Property” means, for each Fiscal Year, all of the Assessor’s Parcels within the boundaries of CFD No. 39 that are not exempt from the Special Tax pursuant to law or Section E below.

“Taxable Property Owner Association Property” means, for each Fiscal Year, all Assessor’s Parcels of Property Owner Association Property that are not exempt from the Special Tax pursuant to Section E below.

“Taxable Public Property” means, for each Fiscal Year, all Assessor’s Parcels of Public Property that are not exempt from the Special Tax pursuant to law or Section E below.

“Tentative Tract Map” means a map: (i) showing a proposed subdivision of an Assessor’s Parcel(s) and the conditions pertaining thereto; (ii) that may or may not be based on a detailed survey; and (iii) that is not recorded by the County to create legal lots.

“Total Tax Burden” means for any Unit, the annual Special Tax, together with *ad valorem* property taxes, special assessments, special taxes for any overlapping community facilities district, and any other taxes, fees, and charges which are levied and imposed on such Unit and the real property on which it is located and collected by the County on *ad valorem* tax bills and which are secured by such Unit and the real property on which it is located, assuming such Unit had been completed, sold, and subject to such levies and impositions, excluding service charges such as those related to sewer and trash and excluding PACE Charges levied on individual Assessor’s Parcels.

“Trustee” means the trustee or fiscal agent under the Indenture.

“TTM 20061” means Tentative Tract Map No. 20061, the area of which is located within CFD No. 39.

“TTM 20076” means Tentative Tract Map No. 20076, the area of which is located within CFD No. 39.

“Undeveloped Property” means, for each Fiscal Year, all Taxable Property not classified as Developed Property, Final Mapped Property, Taxable Public Property, or Taxable Property Owner Association Property.

“Unit” means an individual single-family detached or attached home, townhome, condominium, apartment, or other residential dwelling unit, including each separate living area within a half-plex, duplex, triplex, fourplex, or other residential structure.

B. ASSIGNMENT TO LAND USE CATEGORIES

Each Fiscal Year, beginning with Fiscal Year 2017-18, all Taxable Property within CFD No. 39 shall be classified as Developed Property, Final Mapped Property, Taxable Public Property, Taxable Property Owner Association Property, or Undeveloped Property and shall be subject to Special Taxes in accordance with the Rate and Method of Apportionment as determined pursuant to Sections C and D below. Assessor’s Parcels of Single Family Detached Property shall be assigned to Land Use Classes 1 through 13, and Assessor’s Parcels of Single Family Attached Property shall be assigned to Land Use Classes 14 through 21, as listed in Table 1 below based on the Residential Floor Area of the Units on such Assessor’s Parcels. Other Residential Property shall be assigned to Land Use Class 22, and Non-Residential Property shall be assigned to Land Use Class 23.

C. MAXIMUM SPECIAL TAX

1. Special Tax

At least 30 days prior to the issuance of Bonds, the Assigned Special Tax on Developed Property (set forth in Table 1 below) shall be analyzed in accordance with and subject to the conditions set forth in this Section C. At such time, CFD No. 39 shall select and engage a Price Point Consultant and the CFD Administrator shall request the Price Point Consultant to prepare a Price Point Study setting forth the Minimum Sale Price of Units within each Land Use Class. If based upon such Price Point Study the CFD Administrator calculates that the Total Tax Burden applicable to Units within one or more Land Use Classes of Single Family Property to be constructed within CFD No. 39 exceeds 1.95% of the Minimum Sale Price of such Units, the Assigned Special Tax shall be reduced to the extent necessary to cause the Total Tax Burden that shall apply to Units within such Land Use Class(es) not to exceed 1.95% of the Minimum Sale Price of such Units. Each Assigned Special Tax reduction for a Land Use Class shall be calculated by the CFD Administrator separately, and it shall not be required that such reduction be proportionate among Land Use Classes. In connection with any reduction in the Assigned Special Tax, the Backup Special Tax shall also be reduced by the CFD Administrator based on the percentage reduction in Maximum Special Tax revenues within the Tentative Tract Map area(s) where the Assigned Special Tax reductions occurred. The Special Tax reductions required pursuant to this paragraph shall be reflected in an amended notice of Special Tax lien which CFD No. 39 shall cause to be recorded by executing a certificate in substantially the form attached herein as Exhibit A. The reductions in this section

apply to Single Family Property, but not to Other Residential Property or Non-Residential Property.

a. Developed Property

1) *Maximum Special Tax*

The Maximum Special Tax that may be levied in any Fiscal Year for each Assessor's Parcel classified as Developed Property shall be the greater of (i) the amount derived by application of the Assigned Special Tax or (ii) the amount derived by application of the Backup Special Tax. The Maximum Special Tax shall not increase in future years, other than as calculated pursuant to Section C.1.a.3 below.

2) *Assigned Special Tax*

The Assigned Special Tax that may be levied in any Fiscal Year for each Land Use Class is shown below in Table 1.

**TABLE 1
ASSIGNED SPECIAL TAX – DEVELOPED PROPERTY**

Land Use Class	Description	Residential Floor Area (Square Footage)	Assigned Special Tax
1	Single Family Detached Property	< 1,701	\$1,582 per Unit
2	Single Family Detached Property	1,701 – 1,900	\$1,731 per Unit
3	Single Family Detached Property	1,901 – 2,100	\$2,029 per Unit
4	Single Family Detached Property	2,101 – 2,300	\$2,318 per Unit
5	Single Family Detached Property	2,301 – 2,500	\$2,424 per Unit
6	Single Family Detached Property	2,501 – 2,700	\$2,523 per Unit
7	Single Family Detached Property	2,701 – 2,900	\$2,714 per Unit
8	Single Family Detached Property	2,901 – 3,100	\$2,882 per Unit
9	Single Family Detached Property	3,101 – 3,300	\$3,035 per Unit
10	Single Family Detached Property	3,301 – 3,500	\$3,187 per Unit
11	Single Family Detached Property	3,501 – 3,700	\$3,337 per Unit
12	Single Family Detached Property	3,701 – 3,900	\$3,451 per Unit
13	Single Family Detached Property	> 3,900	\$3,539 per Unit
14	Single Family Attached Property	< 801	\$562 per Unit
15	Single Family Attached Property	801 – 950	\$773 per Unit
16	Single Family Attached Property	951 – 1,100	\$1,111 per Unit
17	Single Family Attached Property	1,101 – 1,300	\$1,470 per Unit

18	Single Family Attached Property	1,301 – 1,500	\$1,567 per Unit
19	Single Family Attached Property	1,501 – 1,700	\$1,793 per Unit
20	Single Family Attached Property	1,701 – 1,900	\$2,009 per Unit
21	Single Family Attached Property	> 1,900	\$2,107 per Unit
22	Other Residential Property		\$39,039 per Acre
23	Non-Residential Property		\$39,039 per Acre

3) *Backup Special Tax*

The Backup Special Tax shall be \$2,387 per Unit for Single Family Detached Property and \$1,612 per Unit for Single Family Attached Property. However, if the Expected Residential Lot Count does not equal 62 for Single Family Detached Property or 163 for Single Family Attached Property, and the City has not issued Bonds, then the Backup Special Tax for Designated Buildable Lots of Single Family Property shall be calculated separately for Single Family Detached Property and Single Family Attached Property according to the following formula:

$$\text{Backup Special Tax} = \$148,021 \div \text{Expected Residential Lot Count for Single Family Detached Property}$$

$$\text{or } \$262,708 \div \text{Expected Residential Lot Count for Single Family Attached Property}$$

If any portion of a Final Subdivision Map, or any area expected by CFD No. 39 to become Final Mapped Property, such as the area within TTM 20061, TTM 20076, or any other Tentative Tract Map, changes any time after the City has issued Bonds, causing an adjustment to the number of Designated Buildable Lots, then the Backup Special Tax for all Designated Buildable Lots of Single Family Detached Property or Single Family Attached Property subject to the change shall be calculated according to the following steps:

Step 1: Determine the total Backup Special Taxes that could have been collected from Designated Buildable Lots, separately for Single Family Detached Property and Single Family Attached Property, prior to the Final Subdivision Map or expected Final Mapped Property change.

Step 2: Divide the amount(s) determined in Step 1 by the number of Designated Buildable Lots, separately

for Single Family Detached Property and Single Family Attached Property, that exists after the Final Subdivision Map or expected Final Mapped Property change.

Step 3: Apply the amount(s) determined in Step 2 as the Backup Special Tax per Unit for Single Family Detached Property or Single Family Attached Property.

The Backup Special Tax for an Assessor's Parcel shall not change once an Assessor's Parcel is classified as Developed Property.

b. *Final Mapped Property, Taxable Public Property, Taxable Property Owner Association Property, and Undeveloped Property*

The Maximum Special Tax for Final Mapped Property, Taxable Public Property, Taxable Property Owner Association Property, and Undeveloped Property shall be \$39,039 per Acre, and shall not be subject to increase or reduction and, therefore, shall remain the same in every Fiscal Year.

2. Multiple Land Use Classes on an Assessor's Parcel

In some instances an Assessor's Parcel of Developed Property may contain more than one Land Use Class. The Maximum Special Tax levied on such Assessor's Parcel shall be the sum of the Maximum Special Tax for all Units of Single Family Property and Acres of Other Residential Property and Non-Residential Property (based on the pro rata share of Square Footage between Other Residential Property and Non-Residential Property, according to the applicable building permits, Final Subdivision Map, parcel map, condominium plan, or other recorded County map) located on that Assessor's Parcel.

D. METHOD OF APPORTIONMENT OF THE SPECIAL TAX

Each Fiscal Year, beginning with Fiscal Year 2017-18, the CFD Administrator shall determine the Special Tax Requirement for such Fiscal Year. The Special Tax shall then be levied as follows:

First: If needed to satisfy the Special Tax Requirement, the Special Tax shall be levied Proportionately on each Assessor's Parcel of Developed Property up to 100% of the applicable Assigned Special Tax;

Second: If additional monies are needed to satisfy the Special Tax Requirement after the first step has been completed, then the Special Tax shall be levied Proportionately on each Assessor's Parcel of Final Mapped Property up to 100% of the Maximum Special Tax for Final Mapped Property;

Third: If additional monies are needed to satisfy the Special Tax Requirement after the first two steps have been completed, then the Special Tax shall be levied Proportionately on each Assessor's Parcel of Undeveloped Property up to 100% of the Maximum Special Tax for Undeveloped Property;

Fourth: If additional monies are needed to satisfy the Special Tax Requirement after the first three steps have been completed, then the levy of the Special Tax on each Assessor's Parcel of Developed Property whose Maximum Special Tax is determined through the application of the Backup Special Tax shall be increased Proportionately from the Assigned Special Tax up to the Maximum Special Tax for each such Assessor's Parcel;

Fifth: If additional monies are needed to satisfy the Special Tax Requirement after the first four steps have been completed, then the Special Tax shall be levied Proportionately on each Assessor's Parcel of Taxable Property Owner Association Property up to the Maximum Special Tax for Taxable Property Owner Association Property;

Sixth: If additional monies are needed to satisfy the Special Tax Requirement after the first five steps have been completed, then the Special Tax shall be levied Proportionately on each Assessor's Parcel of Taxable Public Property up to the Maximum Special Tax for Taxable Public Property.

Notwithstanding the above, under no circumstances shall the Special Tax levied in any Fiscal Year on any Assessor's Parcel of Single Family Property or Other Residential Property for which an occupancy permit for private residential use has been issued be increased as a result of delinquency or default by the owner or owners of any other Assessor's Parcel or Assessor's Parcels within CFD No. 39 by more than ten percent above the amount that would have been levied in that Fiscal Year had there never been any such delinquencies or defaults.

E. EXEMPTIONS

No Special Tax shall be levied on up to zero Acres of Public Property and up to 10.58 Acres of Property Owner Association Property. Tax-exempt status will be assigned by the CFD Administrator in the chronological order in which property becomes Public Property or Property Owner Association Property.

Property Owner Association Property or Public Property that is not exempt from the Special Tax under this section shall be subject to the levy of the Special Tax and shall be taxed Proportionately as part of the fifth or sixth step, respectively, in Section D above, up to 100% of the applicable Maximum Special Tax for Taxable Property Owner Association Property and Taxable Public Property. No Special Tax shall be levied in any Fiscal Year on Assessor's Parcels that have fully prepaid the Special Tax obligation pursuant to the formula set forth in Section H.

F. APPEALS

Any property owner may file a written appeal of the Special Tax with CFD No. 39 claiming that the amount or application of the Special Tax is not correct. The appeal must be filed not later than one calendar year after having paid the Special Tax that is disputed, and the appellant must be current in all payments of Special Taxes. In addition, during the term of the appeal process, all Special Taxes levied must be paid on or before the payment date established when the levy was made.

The appeal must specify the reasons why the appellant claims the Special Tax is in error. The CFD Administrator shall review the appeal, meet with the appellant if the CFD Administrator deems necessary, and advise the appellant of its determination.

If the property owner disagrees with the CFD Administrator's decision relative to the appeal, the owner may then file a written appeal with the City Council whose subsequent decision shall be final and binding on all interested parties. If the decision of the CFD Administrator or subsequent decision by the City Council requires the Special Tax to be modified or changed in favor of the property owner, then the CFD Administrator shall determine if sufficient Special Tax revenue is available to make a cash refund. If a cash refund cannot be made, then an adjustment shall be made to credit future Special Tax levy(ies).

This procedure shall be exclusive and its exhaustion by any property owner shall be a condition precedent to filing any legal action by such owner.

G. MANNER OF COLLECTION

The Special Tax shall be collected in the same manner and at the same time as ordinary *ad valorem* property taxes; provided, however, that the Special Taxes may be collected in such other manner as the City Council shall determine, including direct billing of affected property owners.

H. PREPAYMENT OF SPECIAL TAX

The following definitions apply to this Section H:

"CFD Public Facilities" means \$5,025,000 for each Prepayment Period, or such lower number as determined by the City Council to be sufficient to fund the Facilities and Services to be provided by CFD No. 39.

"Expenditures Fund" means funds or accounts, regardless of their names, that are established to hold moneys that are available to acquire or construct Facilities and to fund Services.

"Future Facilities Costs" means the CFD Public Facilities minus (i) Facilities and Services costs previously paid from the Expenditures Fund during the Prepayment Period in which the prepayment is being made, (ii) moneys currently on deposit in the Expenditures Fund from deposits made during the Prepayment Period in which the

prepayment is being made, and (iii) moneys currently on deposit in an escrow fund that are expected to be available to finance Facilities costs. In no event shall the amount of Future Facilities Costs be less than zero.

“**Prepayment Period**” means one of three periods of time during which a Special Tax prepayment may be made.

“**Prepayment Period 1**” means July 1, 2017, through June 30, 2051.

“**Prepayment Period 2**” means July 1, 2051, through June 30, 2084.

“**Prepayment Period 3**” means July 1, 2084, through June 30, 2118.

1. Prepayment in Full

The obligation of an Assessor's Parcel to pay the Special Tax may be prepaid as described herein, provided that a prepayment may be made only for Assessor's Parcels for which a building permit for new construction was issued after January 1, 2016, and only if there are no delinquent Special Taxes with respect to such Assessor's Parcel at the time of prepayment. An owner of an Assessor's Parcel intending to prepay the Special Tax obligation shall provide the CFD Administrator with written notice of intent to prepay. Within 30 days of receipt of such written notice, the CFD Administrator shall notify such owner of the prepayment amount for such Assessor's Parcel. The CFD Administrator may charge a fee for providing this service. Prepayment in any six month period must be made not less than 45 days prior to the next occurring date that notice of redemption of Bonds from the proceeds of such prepayment may be given to the Trustee pursuant to the Indenture.

The Special Tax Prepayment Amount (defined below) shall be calculated as summarized below (capitalized terms as defined below):

	Bond Redemption Amount
plus	Redemption Premium
plus	Future Facilities Amount
plus	Defeasance Amount
plus	Administrative Fees and Expenses
<u>less</u>	<u>Reserve Fund Credit</u>
Total	Prepayment Amount

As of the proposed date of prepayment, the Special Tax Prepayment Amount (defined below) shall be calculated by the CFD Administrator as follows:

Paragraph No.

1. Confirm that no Special Tax delinquencies apply to such Assessor's Parcel, and determine the Prepayment Period for the proposed prepayment.

2. Compute the Assigned Special Tax and Backup Special Tax for the Assessor's Parcel to be prepaid based on the Developed Property Special Tax which is, or could be, charged in the current Fiscal Year. For Assessor's Parcels of Final Mapped Property (for which a building permit has been issued but which is not yet classified as Developed Property) to be prepaid, compute the Assigned Special Tax and Backup Special Tax for that Assessor's Parcel as though it was already designated as Developed Property, based upon the building permit which has already been issued for that Assessor's Parcel.
3. (a) Divide the Assigned Special Tax computed pursuant to Paragraph 2 by the total estimated Assigned Special Tax for CFD No. 39 based on the Developed Property Special Tax which could be charged in the current Fiscal Year on all expected development through buildout of CFD No. 39, excluding any Assessor's Parcels which have been prepaid, and

(b) Divide the Backup Special Tax computed pursuant to Paragraph 2 by the estimated total Backup Special Tax at buildout of CFD No. 39, excluding any Assessor's Parcels which have been prepaid.
4. Multiply the larger quotient computed pursuant to Paragraph 3(a) or 3(b) by the Outstanding Bonds to compute the amount of Outstanding Bonds to be retired and prepaid (the "Bond Redemption Amount").
5. Multiply the Bond Redemption Amount computed pursuant to Paragraph 4 by the applicable redemption premium (e.g., the redemption price minus 100%), if any, on the Outstanding Bonds to be redeemed (the "Redemption Premium").
6. Compute the Future Facilities Costs for the applicable Prepayment Period.
7. Multiply the larger quotient computed pursuant to Paragraph 3(a) or 3(b) by the amount determined pursuant to Paragraph 6 to compute the amount of Future Facilities Costs to be prepaid (the "Future Facilities Amount").
8. Compute the amount needed to pay interest on the Bond Redemption Amount from the first bond interest and/or principal payment date following the current Fiscal Year until the earliest redemption date for the Outstanding Bonds.
9. Determine the Special Tax levied on the Assessor's Parcel in the current Fiscal Year which has not yet been paid.
10. Add the amounts computed pursuant to Paragraphs 8 and 9 to determine the "Defeasance Amount".
11. Verify the administrative fees and expenses of CFD No. 39, including the costs to compute the prepayment, the costs to invest the prepayment proceeds, the costs to redeem Bonds, and the costs to record any notices to evidence the prepayment and the redemption (the "Administrative Fees and Expenses").

12. If reserve funds for the Outstanding Bonds, if any, are at or above 100% of the reserve requirement (as defined in the Indenture) on the prepayment date, a reserve fund credit shall be calculated as a reduction in the applicable reserve fund for the Outstanding Bonds to be redeemed pursuant to the prepayment (the "Reserve Fund Credit"). No Reserve Fund Credit shall be granted if reserve funds are below 100% of the reserve requirement on the prepayment date or the redemption date.
13. The Special Tax prepayment is equal to the sum of the amounts computed pursuant to Paragraphs 4, 5, 7, 10, and 11, less the amount computed pursuant to Paragraph 12 (the "Prepayment Amount").
14. From the Prepayment Amount, the amounts computed pursuant to Paragraphs 4, 5, 10, and 12 shall be deposited into the appropriate fund as established under the Indenture and be used to retire Outstanding Bonds or make debt service payments. The amount computed pursuant to Paragraph 7 shall be deposited into the Expenditures Fund. The amount computed pursuant to Paragraph 11 shall be retained by CFD No. 39.

The Special Tax Prepayment Amount may be sufficient to redeem other than a \$5,000 increment of Bonds. In such cases, the increment above \$5,000, or integral multiple thereof, will be retained in the appropriate fund established under the Indenture to be used with the next prepayment of Bonds or to make debt service payments.

As a result of the payment of the current Fiscal Year's Special Tax levy as determined under Paragraph 9 (above), the CFD Administrator shall remove the current Fiscal Year's Special Tax levy for such Assessor's Parcel from the County tax rolls. With respect to any Assessor's Parcel that is prepaid during Prepayment Period 3, the CFD Administrator shall cause a suitable notice to be recorded in compliance with the Act to indicate that the Special Tax has been prepaid and that the obligation of such Assessor's Parcel to pay the Special Tax shall cease.

With respect to the Special Tax for any Assessor's Parcel that is prepaid during Prepayment Period 1 or Prepayment Period 2, the obligation of such Assessor's Parcel to pay the Special Tax shall be tolled, or suspended, through the end of such Prepayment Period, but shall resume in the first Fiscal Year of the subsequent Prepayment Period. The CFD Administrator shall cause a suitable notice to be recorded in compliance with the Act to indicate that the Special Tax has been satisfied for the remainder of the applicable Prepayment Period but has not been permanently satisfied and the obligation to pay the Special Tax will resume in the first Fiscal Year of the Prepayment Period following the Prepayment Period in which the prepayment was made. Once the obligation of an Assessor's Parcel to pay the Special Tax resumes, the Special Tax for the then applicable Prepayment Period may be prepaid.

Notwithstanding the foregoing, no Special Tax prepayment shall be allowed unless the amount of Maximum Special Tax that may be levied on Taxable Property within CFD No. 39 (after excluding zero Acres of Public Property and 10.58 acres of Property Owner

Association Property) both prior to and after the proposed prepayment is at least 1.1 times the maximum annual debt service on all Outstanding Bonds.

2. Prepayment in Part

The Special Tax on an Assessor's Parcel for which a building permit for new construction was issued after January 1, 2016, may be partially prepaid. The amount of the prepayment shall be calculated as in Section H.1, except that a partial prepayment shall be calculated by the CFD Administrator according to the following formula:

$$PP = (PF - AE) \times \% + AE.$$

The terms above have the following meaning:

PP = the partial prepayment

PF = the Prepayment Amount (full prepayment) for the Special Tax calculated according to Section H.1

AE = the Administrative Fees and Expenses determined pursuant to paragraph 11 above

% = the percentage by which the owner of the Assessor's Parcel(s) is partially prepaying the Special Tax

The Special Tax partial prepayment amount must be sufficient to redeem at least a \$5,000 increment of Bonds.

The owner of any Assessor's Parcel who desires such prepayment shall notify the CFD Administrator of such owner's intent to partially prepay the Special Tax and the percentage by which the Special Tax shall be prepaid. The CFD Administrator shall provide the owner with a statement of the amount required for the partial prepayment of the Special Tax for an Assessor's Parcel within thirty (30) days of the request and may charge a fee for providing this service. With respect to any Assessor's Parcel that is partially prepaid, the CFD Administrator shall (i) distribute the remitted prepayment funds according to Section H.1, and (ii) indicate in the records of CFD No. 39 that there has been a partial prepayment of the Special Tax and that a portion of the Special Tax with respect to such Assessor's Parcel, equal to the outstanding percentage (100% - "%", as defined above) of the Maximum Special Tax, shall continue to be levied on such Assessor's Parcel pursuant to Section D during the Prepayment Period in which the partial prepayment is made.

For partial prepayments made during Prepayment Period 1 or Prepayment Period 2, the full amount of the Special Tax shall resume in the first Fiscal Year of the Prepayment Period following the Prepayment Period in which the partial prepayment was made. Once the obligation of an Assessor's Parcel to pay the Special Tax resumes, the Special Tax for the then applicable Prepayment Period may be prepaid.

I. TERM OF SPECIAL TAX

The Fiscal Year after which no further Special Tax shall be levied or collected is Fiscal Year 2117-2118, except that the Special Tax that was lawfully levied in or before such Fiscal Year and that remains delinquent may be collected in subsequent years.

EXHIBIT A

CERTIFICATE OF MODIFICATION OF SPECIAL TAX

(PAGE 1 OF 3)

CFD No. 39 CERTIFICATE

1. Pursuant to Section C.1 of the Rate and Method of Apportionment of Special Tax (the “Rate and Method”) for City of Ontario Community Facilities District No. 39 (New Haven Facilities – Area C) (“CFD No. 39”), the Assigned Special Tax and the Backup Special Tax for Developed Property within CFD No. 39 has been modified.
 - a. The information in Table 1 relating to the Assigned Special Tax for Developed Property within CFD No. 39, as stated in Section C.1.a.2 of the Rate and Method of Apportionment, has been modified as follows:

**TABLE 1
ASSIGNED SPECIAL TAX – DEVELOPED PROPERTY**

Land Use Class	Description	Residential Floor Area (Square Footage)	Assigned Special Tax
1	Single Family Detached Property	< 1,701	\$[] per Unit
2	Single Family Detached Property	1,701 – 1,900	\$[] per Unit
3	Single Family Detached Property	1,901 – 2,100	\$[] per Unit
4	Single Family Detached Property	2,101 – 2,300	\$[] per Unit
5	Single Family Detached Property	2,301 – 2,500	\$[] per Unit
6	Single Family Detached Property	2,501 – 2,700	\$[] per Unit
7	Single Family Detached Property	2,701 – 2,900	\$[] per Unit
8	Single Family Detached Property	2,901 – 3,100	\$[] per Unit
9	Single Family Detached Property	3,101 – 3,300	\$[] per Unit
10	Single Family Detached Property	3,301 – 3,500	\$[] per Unit
11	Single Family Detached Property	3,501 – 3,700	\$[] per Unit
12	Single Family Detached Property	3,701 – 3,900	\$[] per Unit
13	Single Family Detached Property	> 3,900	\$[] per Unit

EXHIBIT A

**CERTIFICATE OF MODIFICATION OF SPECIAL TAX
(PAGE 2 OF 3)**

14	Single Family Attached Property	< 801	\$[] per Unit
15	Single Family Attached Property	801 – 950	\$[] per Unit
16	Single Family Attached Property	951 – 1,100	\$[] per Unit
17	Single Family Attached Property	1,101 – 1,300	\$[] per Unit
18	Single Family Attached Property	1,301 – 1,500	\$[] per Unit
19	Single Family Attached Property	1,501 – 1,700	\$[] per Unit
20	Single Family Attached Property	1,701 – 1,900	\$[] per Unit
21	Single Family Attached Property	> 1,900	\$[] per Unit
22	Other Residential Property		\$[] per Acre
23	Non-Residential Property		\$[] per Acre

- b. The Backup Special Tax for Developed Property, as stated in Section C.1.a.3, shall be modified as follows:

The Backup Special Tax shall be \$[] per Unit for Single Family Detached Property and \$[] per Unit for Single Family Attached Property. However, if the Expected Residential Lot Count does not equal 62 for Single Family Detached Property or 163 for Single Family Attached Property, and the City has not issued Bonds, then the Backup Special Tax for Designated Buildable Lots of Single Family Property shall be calculated separately for Single Family Detached Property and Single Family Attached Property according to the following formula:

$$\text{Backup Special Tax} = \frac{\$[]}{\text{Expected Residential Lot Count for Single Family Detached Property}}$$

or
$$\frac{\$[]}{\text{Expected Residential Lot Count for Single Family Attached Property}}$$

EXHIBIT A

**CERTIFICATE OF MODIFICATION OF SPECIAL TAX
(PAGE 3 OF 3)**

2. The Special Tax for Developed Property may only be modified prior to the first issuance of CFD No. 39 Bonds.
3. Upon execution of this certificate by CFD No. 39, CFD No. 39 shall cause an amended notice of Special Tax lien for CFD No. 39 to be recorded reflecting the modifications set forth herein.

The undersigned acknowledges receipt of this certificate and of the modification of the Assigned Special Tax and the Backup Special Tax for Developed Property as set forth in this Certificate. Capitalized undefined terms used herein have the meanings ascribed thereto in the Rate and Method.

CITY OF ONTARIO
COMMUNITY FACILITIES DISTRICT NO. 39 (NEW HAVEN FACILITIES – AREA C)

By: _____

Date: _____

RESOLUTION NO. _____

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF ONTARIO, CALIFORNIA, TO INCUR BONDED INDEBTEDNESS OF THE PROPOSED CITY OF ONTARIO COMMUNITY FACILITIES DISTRICT NO. 39 (NEW HAVEN FACILITIES - AREA C).

WHEREAS, the City Council (the "City Council") of the City of Ontario (the "City"), pursuant to the Mello-Roos Community Facilities Act of 1982 (the "Act"), has this date adopted its Resolution entitled "A Resolution of the City Council of the City of Ontario, California, of Intention to Establish a Community Facilities District, Proposed to be Named City of Ontario Community Facilities District No. 39 (New Haven Facilities - Area C), and to Authorize the Levy of Special Taxes," stating its intention to establish City of Ontario Community Facilities District No. 39 (New Haven Facilities - Area C) (the "Community Facilities District") for the purpose of financing certain public facilities (the "Facilities") and services, as further provided in said Resolution; and

WHEREAS, in order to finance the Facilities it is necessary to incur bonded indebtedness in the amount of up to \$20,000,000;

NOW, THEREFORE, BE IT RESOLVED by the City Council of the City of Ontario as follows:

SECTION 1. The foregoing recitals are true and correct, and the City Council so finds and determines.

SECTION 2. The City Council hereby declares that in order to finance the Facilities, it is necessary to incur bonded indebtedness.

SECTION 3. The purpose for which the proposed debt is to be incurred is to provide the funds necessary to pay the costs of the Facilities, including all costs and estimated costs incidental to, or connected with, the accomplishment of said purpose and of the financing thereof, as permitted by Section 53345.3 of the Act.

SECTION 4. The maximum amount of the proposed debt is \$20,000,000.

SECTION 5. The City Council hereby fixes Tuesday, September 5, 2017, at 6:30 p.m., or as soon thereafter as the City Council may reach the matter, at 303 East B Street, Ontario, California, as the time and place when and where the City Council will conduct a public hearing on the proposed debt authorization.

SECTION 6. The City Clerk is hereby directed to publish, or cause to be published, a notice of said public hearing one time in a newspaper of general circulation published in the area of the proposed Community Facilities District. The publication of said notice shall be completed at least seven days prior to the date herein fixed for said hearing. Said notice shall contain the information prescribed by Section 53346 of the Act.

SECTION 7. The officers, employees and agents of the City are hereby authorized and directed to take all actions and do all things which they, or any of them, may deem necessary or desirable to accomplish the purposes of this Resolution and not inconsistent with the provisions hereof.

SECTION 8. This Resolution shall take effect immediately upon its adoption.

The City Clerk shall certify as to the adoption of this Resolution.

PASSED, APPROVED, AND ADOPTED this 18th day of July 2017.

PAUL S. LEON, MAYOR

ATTEST:

SHEILA MAUTZ, CITY CLERK

APPROVED AS TO FORM:

BEST BEST & KRIEGER LLP
CITY ATTORNEY

STATE OF CALIFORNIA)
COUNTY OF SAN BERNARDINO)
CITY OF ONTARIO)

I, SHEILA MAUTZ, City Clerk of the City of Ontario, DO HEREBY CERTIFY that foregoing Resolution No. 2017- was duly passed and adopted by the City Council of the City of Ontario at their regular meeting held July 18, 2017 by the following roll call vote, to wit:

AYES: COUNCIL MEMBERS:

NOES: COUNCIL MEMBERS:

ABSENT: COUNCIL MEMBERS:

SHEILA MAUTZ, CITY CLERK

(SEAL)

The foregoing is the original of Resolution No. 2017- duly passed and adopted by the Ontario City Council at their regular meeting held July 18, 2017.

SHEILA MAUTZ, CITY CLERK

(SEAL)

CITY OF ONTARIO

Agenda Report
July 18, 2017

SECTION:
CONSENT CALENDAR

SUBJECT: REJECTION OF BIDS RECEIVED FOR CONCRETE REPAIRS AND MAINTENANCE SERVICES

RECOMMENDATION: That the City Council reject all bids received to date in connection with the Concrete Repairs and Maintenance Contract No. SM1617-6.

COUNCIL GOALS: Invest in the City's Infrastructure (Water, Streets, Sewers, Parks, Storm Drains and Public Facilities)

FISCAL IMPACT: None.

BACKGROUND: The City requested bids for this program; and on May 9, 2017, five bids were received. The responding bidders were C.J. Concrete Construction, Inc., Golden State Constructors, CT&T Concrete Paving, Inc., Victor Concrete, Inc., and Jergensen Construction.

After reviewing all bid responses, staff determined that it is in the best interest of the City to reject all bids in accordance with Ontario Municipal Code Title 2, Chapter 6, Section 2-6.13(g), and bid the services again. The five bidders were notified via the City's electronic bid management system of staff's recommendation to the City Council as well as the date of this City Council meeting.

STAFF MEMBER PRESENTING: Mark Chase, Community and Public Services Director

Prepared by: Roberto Perez
Department: Parks and Maintenance

City Manager
Approval: 

Submitted to Council/O.H.A. 07/18/2017

Approved: _____

Continued to: _____

Denied: _____

CITY OF ONTARIO

Agenda Report
July 18, 2017

SECTION:
CONSENT CALENDAR

SUBJECT: AWARD OF BID FOR PROCUREMENT OF ASPHALT, CONCRETE AND AGGREGATE MATERIALS

RECOMMENDATION: That the City Council authorize the City Manager to approve the procurement of concrete, asphalt and aggregate materials for a period of one year at set pricing per Bid Invitation #772 with Holliday Rock Co. of Upland, California; All American Asphalt of Corona, California; Pit Sand & Gravel, Inc. of Corona, California; and Vulcan of Irwindale, California that are consistent with City Council approved budgets.

COUNCIL GOALS: Focus Resources in Ontario's Commercial and Residential Neighborhoods Invest in Infrastructure (Water, Streets, Sewers, Parks, Storm Drains and Public Facilities)

FISCAL IMPACT: The Fiscal Year 2017-18 Adopted Operating Budget includes appropriations of \$538,652 from The General Fund, \$869,870 from Gas Tax funds, and \$290,000 from The Water Operating Fund for a total budget of \$1,698,522 related to the purchase of asphalt, concrete and aggregate materials for street overlay and sidewalk repair and maintenance work. The suppliers will be compensated for materials ordered for the City's projects and programs, on an as-needed basis, based upon the fee structures and material billing rates set forth in the respective one year purchasing agreements.

BACKGROUND: The City routinely purchases concrete, asphalt and aggregate materials from suppliers on an as needed basis for on-going maintenance and repairs, as well as capital projects. Generally, these materials are used for the annual street overly program, daily pot hole repairs, sidewalk maintenance, utility trench repairs, and any miscellaneous projects and requests on public streets and right of ways throughout the City.

In June 2017, the City solicited bids for concrete, asphalt and aggregate materials. Staff received four (4) responses which met all the required specifications: Holliday Rock Co., All American Asphalt, Pit Sand & Gravel, Inc. and Vulcan Materials Co. Based on the bid responses, credentials, pricing, favorable product availability and service, staff recommends the award of purchase agreements to each

STAFF MEMBER PRESENTING: Mark Chase, Community and Public Services Director

Prepared by: Stacy Orton
Department: Parks and Maintenance

City Manager
Approval: 

Submitted to Council/O.H.A. 07/18/2017

Approved: _____

Continued to: _____

Denied: _____

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of the suppliers. Purchase agreements with multiple suppliers are recommended in order to give the City flexibility in ensuring that quality and timeliness of materials delivered meet with the specific project needs at the time of order. The agreements are structured so that other City departments can also purchase these types of materials on an as needed basis for their projects. The selected suppliers' possess the knowledge, qualifications and experience needed to address federal and state requirements, such as Caltrans and Greenbook standards, for materials supplied for City projects.

CITY OF ONTARIO

Agenda Report
July 18, 2017

SECTION:
CONSENT CALENDAR

SUBJECT: STUDENT REPRESENTATIVE AND ALTERNATE APPOINTMENTS TO THE RECREATION AND PARKS COMMISSION FOR 2017/18 AND RECOGNITION OF THE CURRENT STUDENT REPRESENTATIVE AND ALTERNATE FOR THE YEAR SERVED 2016/17

RECOMMENDATION: That the City Council confirm Wendy Navarro Lopez, of Ontario High School, as the Student Representative and Kayla Ton, of Ontario High School, as the Alternate to the Recreation and Parks Commission for the term to expire June 30, 2018; and recognize Andrea Leon, of Ontario High School, for serving as the Student Representative and James Rendon, of Ontario High School, for serving as the Student Representative Alternate for the past year.

COUNCIL GOALS: Encourage, Provide or Support Enhanced Recreational, Educational, Cultural and Healthy City Programs, Policies and Activities.

FISCAL IMPACT: None.

BACKGROUND: The Student Representative Program was approved by the City Council on January 15, 2002. The Student Representative is a non-voting member of the Recreation and Parks Commission. Since its inception, twenty-five (25) students have participated in the program.

A recruitment process was conducted to include all local high schools and City teen programs. Candidate finalists were invited to the Recreation & Parks Commission meeting on June 26, 2017 for the final selection process before being presented to the City Council. These appointments represent the recommendation of the Recreation and Parks Commission.

STAFF MEMBER PRESENTING: Mark Chase, Community and Public Services Agency Director

Prepared by: Julie Dorey
Department: Recreation/Community Services

City Manager
Approval: 

Submitted to Council/O.H.A. 07/18/2017

Approved: _____

Continued to: _____

Denied: _____

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CITY OF ONTARIO

Agenda Report
July 18, 2017

SECTION:
CONSENT CALENDAR

SUBJECT: PROFESSIONAL SERVICES AGREEMENT WITH EEC ENVIRONMENTAL FOR THE SOUTH ARCHIBALD ALTERNATIVE WATER SUPPLY PROGRAM

RECOMMENDATION: That the City Council approve and authorize the City Manager to execute a Professional Services Agreement (on file with the Records Management Department) with EEC Environmental (EEC) of Orange, California, to provide operations and maintenance services for the South Archibald Alternative Water Supply Program in the amount of \$540,950; and authorize the City Manager to extend the agreement for up to four consecutive one-year periods, consistent with City Council approved budgets.

COUNCIL GOALS: Invest in the City's Infrastructure (Water, Streets, Sewers, Parks, Storm Drains and Public Facilities)
Pursue City's Goals and Objectives by Working with Other Governmental Agencies

FISCAL IMPACT: The Fiscal Year 2017-18 Adopted Budget includes appropriations from the Water and Sewer Capital and Operations Funds for this project. The recommended contract amount is for a total of \$540,950. At the City's discretion, up to four additional consecutive one-year extensions may be executed. Pricing for the future years will be negotiated and any fee increases will not exceed 3% per year. The total compensation for this agreement will be commensurate with City Council approved budgets. Under a cost sharing agreement with the City of Upland, 16.7% of the costs will be reimbursed from Upland annually. There is no impact to the General Fund.

BACKGROUND: Since the late 1980's the Santa Ana Regional Water Quality Control Board (RWQCB) has been overseeing the investigation of the South Archibald TCE Plume which is generally located south of the 60 Freeway, east of Grove Avenue, west of Turner Avenue, and north of the southerly City boundary as depicted in the attached Exhibit "A". In 2005, the RWQCB issued draft Cleanup and Abatement Orders (CAO) to Aerojet-Rocketdyne Inc., The Boeing Company, General Electric Company, Lockheed Martin Corporation, and the United States of America, Department of Defense (collectively referred to as the Companies) based on previous practices at the Ontario International Airport. In response to the draft CAO, the Companies began an investigation into the

STAFF MEMBER PRESENTING: Scott Burton, Utilities General Manager

Prepared by: Dennis Mejia
Department: Municipal Utilities Company

City Manager
Approval: 

Submitted to Council/O.H.A. 07/18/2017
Approved: _____
Continued to: _____
Denied: _____

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sources of the plume including groundwater sampling and also began an alternative water supply program for residences whose private wells were impacted by the plume. In 2012, the RWQCB issued a separate draft CAO to the Cities of Ontario and Upland, and the Inland Empire Utilities Agency (IEUA) based on each agency's current and previous ownership of the sewage treatment known as Regional Plant No 1 (RP-1) located at the 60 Freeway and the Cucamonga Channel. The RWQCB has alleged that the RP-1 is a potential source of the plume due to historical wastewater disposal areas adjacent to RP-1. In response to the second draft CAO, Ontario, Upland, and IEUA completed a Feasibility Study and Remedial Action Plan for mitigating the effects of the plume.

As a result of these efforts and a mediated process to allocate responsibility to all parties, the RWQCB issued a Stipulated Settlement and Cleanup and Abatement Order (Stipulated CAO) in September 2016. Under the Stipulated CAO, Ontario and Upland are responsible for continued implementation of the alternative water supply program including ongoing groundwater monitoring of the plume. The groundwater monitoring program includes annual sampling of up to 75 private well locations. The alternative water supply program involves the operation, maintenance, and weekly delivery of potable water to tank systems serving 37 consenting residences whose private wells have been impacted by the plume. Additionally, the water supply program also includes the delivery of bottled water to eligible residences (currently 17) who have elected to receive bottled water in-lieu of a tank system.

EEC Environmental has been conducting groundwater monitoring and operating and maintaining the alternative water supply program since 2007 including the operation and maintenance of the tank systems. In addition to the tank, these systems include pumps and on-site piping to deliver water to the affected homes and buildings where potable water is consumed. The tank systems and related piping were constructed by EEC including disconnection and separation from the private well piping.

EEC is recommended to continue providing such services based on their proposal, unique knowledge and successful implementation of the program, and in order to maintain continuity and efficiency in servicing the affected residents.

CITY OF ONTARIO

Agenda Report
July 18, 2017

SECTION:
CONSENT CALENDAR

SUBJECT: CONSTRUCTION CONTRACT FOR SEWER MAIN IMPROVEMENTS IN RIVERSIDE DRIVE AND GUASTI ROAD

RECOMMENDATION: That the City Council:

- (A) Approve the plans and specifications; and
- (B) Reject the non-responsive bid submitted by GRBCON, Inc.; and
- (C) Award contract to Rodriguez Bros. Engineering, Inc. of Ontario, California, for a bid amount of \$368,312 plus a 15% contingency of \$55,247 for a total amount of \$423,559; and authorize the City Manager to execute said contract and file a notice of completion at the conclusion of all construction activities related to the project.

COUNCIL GOALS: Invest in the City's Infrastructure (Water, Streets, Sewers, Parks, Storm Drains and Public Facilities)

FISCAL IMPACT: The Fiscal Year 2017-18 Capital Improvement Program includes appropriations from the Sewer Capital Fund for this project. The recommended contract award to Rodriguez Bros. Engineering, Inc. is for \$368,312 plus 15% contingency of \$55,247 for a total amount of \$423,559. There is no impact to the General Fund.

BACKGROUND: The City's sewer system includes approximately 400 miles of pipeline, 40% of which is more than 50 years old. The Sewer Master Plan has identified capacity deficiencies in the City's sewer collection system and provides capital improvement recommendations to minimize the potential for sewer overflows and maintain reliable sewer service for the residents and businesses of the City. Improvements are prioritized based on capacity deficiencies, deterioration, and the current level of maintenance activities required to provide adequate and reliable sewer service. The proposed project consists of installing approximately 380 linear feet of 15-inch VCP sewer pipelines, 35 linear feet of 10-inch VCP sewer pipelines, and 295 linear feet of 8-inch VCP sewer pipelines in the streets of Riverside Drive at Bon View

STAFF MEMBER PRESENTING: Scott Burton, Utilities General Manager

Prepared by: Cynthia Heredia-Torres
Department: MU/Engineering

City Manager
Approval: 

Submitted to Council/O.H.A. 07/18/2017

Approved: _____

Continued to: _____

Denied: _____

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Avenue, and Guasti Road at Ponderosa Avenue in order to correct existing deficiencies and minimize the potential for future overflows (see attached map).

On May 3, 2017, seven bids were received for construction of sewer main improvements in Riverside Drive and Guasti Road. The six lowest responsive bids ranged from \$368,312 to \$569,878 and are summarized below:

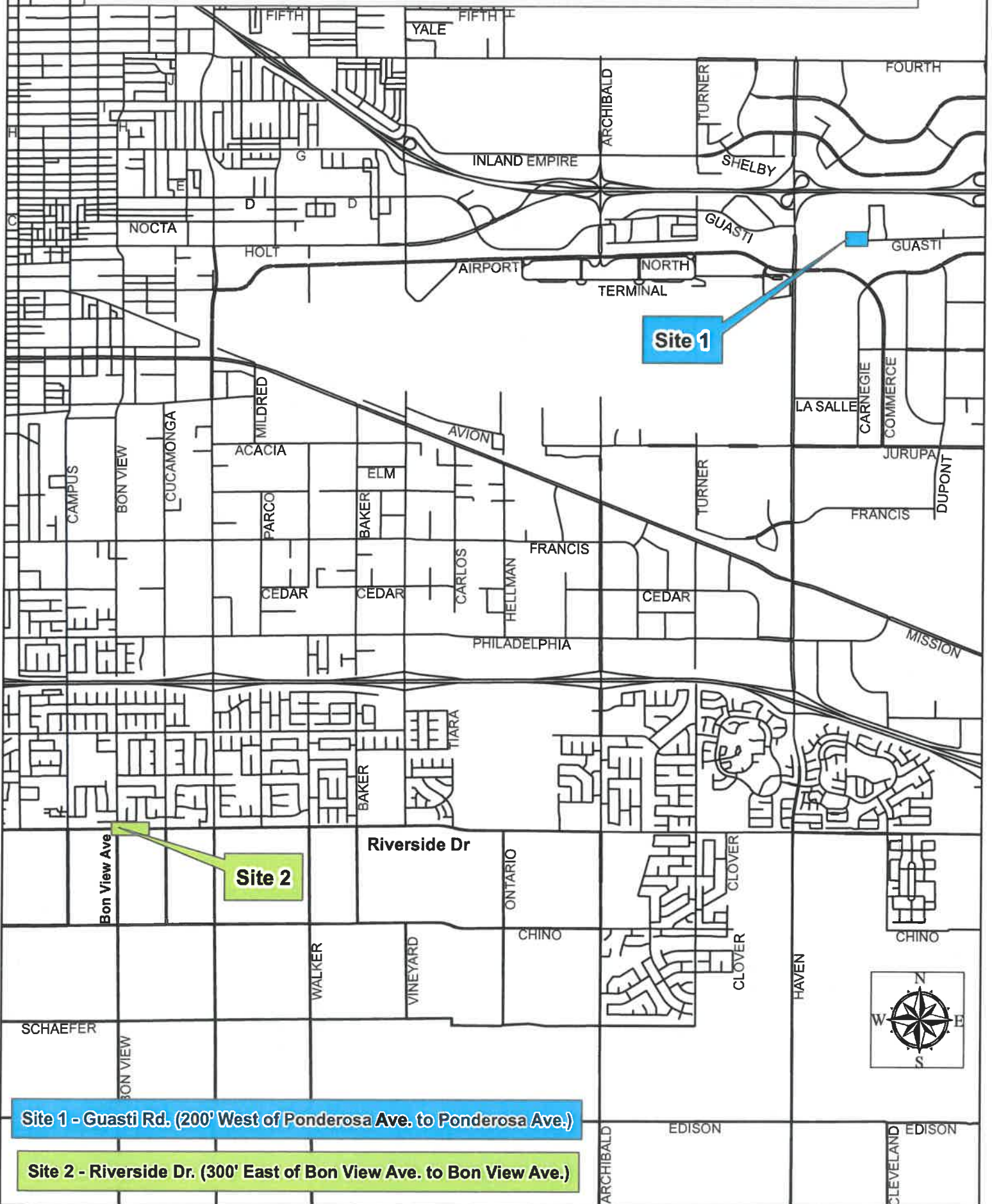
<u>Bidder</u>	<u>Location</u>	<u>Amount</u>
Rodriguez Bros. Engineering Inc.	Ontario, CA	\$368,312
Lucas Builders, Inc.	Torrance, CA	\$371,168
GCI Construction, Inc.	Costa Mesa, CA	\$371,445
T. E. Roberts, Inc.	Orange, CA	\$452,018
Miramontes Const. Co., Inc.	La Puente, CA	\$473,644
Mike Prlich & Sons, Inc.	Baldwin Park, CA	\$569,878

Upon an evaluation of bids by the city attorney, the bid from GRBCON was determined to be non-responsive due to an invalid license and incomplete submittal.

Staff recommends the award to Rodriguez Bros. Engineering, Inc. of Ontario, California, based on their expertise and ability to perform the work in a timely manner and successful completion of this type of work in the past.

ENVIRONMENTAL REVIEW: The project is a component of the 2012 Infrastructure Master Plans approved by the City Council on December 4, 2012. A Mitigated Negative Declaration was prepared and approved for the 2012 Infrastructure Master Plans pursuant to the provisions of CEQA. The Mitigated Negative Declaration addressed the drainage, sewer, water and recycled water master plans (2012 Infrastructure Master Plans) including their alignments, pipe sizes and installation for the City. An analysis of the project has determined that there is no deviation from the description of this component of the overall 2012 Infrastructure Master Plans. Thus, no further CEQA analysis is required.

OMUC Contract NO. UT1004, Sewer Main Improvements Riverside Dr., Guasti Rd.



Site 1

Site 2

Site 1 - Guasti Rd. (200' West of Ponderosa Ave. to Ponderosa Ave.)

Site 2 - Riverside Dr. (300' East of Bon View Ave. to Bon View Ave.)

CITY OF ONTARIO

Agenda Report
July 18, 2017

SECTION:
CONSENT CALENDAR

SUBJECT: WATER SERVICE AGREEMENT WITH SAN ANTONIO WATER COMPANY

RECOMMENDATION: That the City Council approve and authorize the City Manager to execute a Water Service Agreement (on file in the Records Management Department) with San Antonio Water Company (SAWCO) of Upland, California, subject to non-substantive changes.

COUNCIL GOALS: Pursue City's Goals and Objectives by Working with Other Governmental Agencies

Invest in the City's Infrastructure (Water, Streets, Sewers, Parks, Storm Drains and Public Facilities)

FISCAL IMPACT: The City owns 295 SAWCO shares which entitles the City to receive approximately 468 acre feet of groundwater production rights and/or potable water at the current rate of \$357 per acre-foot. The annual cost to the City for these rights is currently \$167,076, which is included in the Fiscal Year 2017-18 Adopted Budget for the Water Fund. There is no impact to the General Fund.

BACKGROUND: The City's current annual water demand is approximately 34,000 acre-feet and is anticipated to increase significantly with the development envisioned in the Ontario Plan. To meet this demand, the City utilizes multiple water resources including imported state project water purchased from the Metropolitan Water District (MWD) through the Water Facilities Authority (WFA), treated ground water purchased from the Chino Basin Desalter Authority (CDA), recycled water purchased from the Inland Empire Utilities Agency (IEUA), Ontario ground water rights/well production and ownership of SAWCO shares.

SAWCO does not have a direct piping interconnection with the City of Ontario's water system. The water service agreement provides for two delivery mechanisms for Ontario to receive its SAWCO shares. The first is direct delivery of water from SAWCO to Ontario through a "wheeling" arrangement with the WFA where Ontario receives water from the WFA delivery facilities at the lower cost of the SAWCO shares. Second is the transfer of annual water production rights from SAWCO to Ontario when direct delivery water is not available. The transferred water can be used by Ontario in the form of

STAFF MEMBER PRESENTING: Scott Burton, Utilities General Manager

Prepared by: Tom O'Neill
Department: MU/Engineering

City Manager Approval: 

Submitted to Council/O.H.A. 07/18/2017

Approved: _____

Continued to: _____

Denied: _____

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groundwater well production rights, to meet its Desalter replenishment obligation or held in storage for future use.

The Agreement allows Ontario to maximize the beneficial use of its SAWCO shares and has a term of five years through 2021.

CITY OF ONTARIO

Agenda Report
July 18, 2017

SECTION:
PUBLIC HEARINGS

SUBJECT: A PUBLIC HEARING TO CONSIDER ADOPTION OF A RESOLUTION TO VACATE THAT PORTION OF EDISON AVENUE FROM ONTARIO RANCH ROAD TO APPROXIMATELY 1,000 FEET EAST OF ONTARIO RANCH ROAD AND A RESOLUTION APPROVING AN IMPROVEMENT AGREEMENT, IMPROVEMENT SECURITY AND FINAL TRACT MAP NO. 18662 LOCATED AT THE SOUTHEAST CORNER OF ONTARIO RANCH ROAD AND TURNER AVENUE


RECOMMENDATION: That the City Council conduct a public hearing to consider adoption of a resolution to vacate that portion of Edison Avenue from Ontario Ranch Road to approximately 1,000 feet east of Ontario Ranch Road and adopt a resolution approving an improvement agreement, improvement security and Final Tract Map No. 18662 located at the southeast corner of Ontario Ranch Road and Turner Avenue within the Grand Park Specific Plan.

COUNCIL GOALS: Invest in the Growth and Evolution of the City's Economy
Focus Resources in Ontario's Commercial and Residential Neighborhoods
Ensure the Development of a Well Planned, Balanced, and Self-Sustaining Community in the New Model Colony

FISCAL IMPACT: None. The City did not pay for acquiring the subject right-of-way and will not incur any cost for vacating this right-of-way. The applicant has paid the applicable processing fees to defray the City's cost to process this request. All public infrastructure improvements required for this subdivision will be constructed by the developer at its sole cost

BACKGROUND: These two items (the street vacation and final map/improvement agreement) are being considered at the same time, even though a public hearing is required only for the street vacation. They are being heard at the same time, because the street vacation needs to occur before the final map can be approved. The following discussion addresses each component of the recommendations.

STAFF MEMBER PRESENTING: Louis Abi-Younes, P.E., City Engineer

Prepared by: <u>Bryan Lirley, P.E.</u>	Submitted to Council/O.H.A. <u>07/18/2017</u>
Department: <u>Engineering</u>	Approved: _____
City Manager	Continued to: _____
Approval: 	Denied: _____

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Street Vacation

The applicant, Lennar Homes of California, Inc., a California Corporation (Jeff Clemens, Vice President) has requested that the City vacate that portion of Edison Avenue from Ontario Ranch Road to approximately 1,000 feet east of Ontario Ranch Road, as shown on the attached Exhibit A, to optimize the development of its property. The subject portion of Edison Avenue right-of-way, neither now nor in the future will be needed for traffic circulation or public necessity.

The remaining portion of Edison Avenue, east of the proposed vacated area, cannot be vacated at this time due to the existing residences located on the south side of Edison Avenue which will continue to require full access. The remainder of Edison Avenue shall be vacated in the future when adjacent development occurs.

A separate existing Public Utility Easement has been retained over the northerly 44' of the proposed vacated area by separate instrument to accommodate two existing public utilities within Edison Avenue.

Final Map/Improvement Agreement/Improvement Security

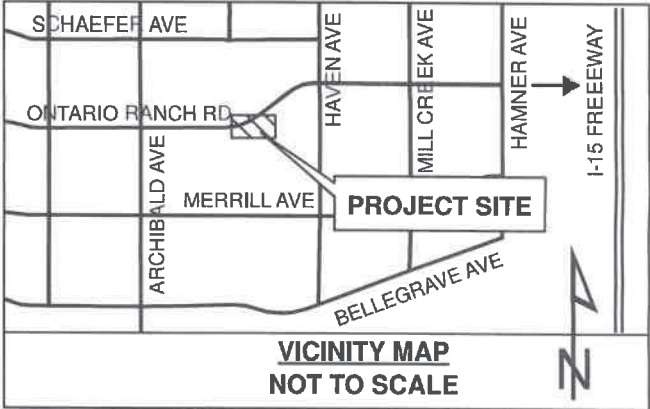
Final Tract Map No. 18662, consisting of 330 residential lots and 59 lettered lots on 46.91 acres, as shown on the attached Exhibit B, has been submitted by the developer, Lennar Homes of California, Inc., a California Corporation (Mr. Jeffrey T. Clemens, Vice President).

Tentative Tract Map No. 18662 was approved by the Planning Commission (6 to 0 with 1 abstained vote) on September 23, 2014 and is consistent with the Grand Park Specific Plan.

Improvements will include AC pavement, curb, gutter, sidewalk, driveway approaches, ADA access ramps, landscaped parkways, fire hydrants, sewer, water, recycled water, storm drain, street lights and fiber optic conduits. The improvements in parkway landscaping will be consistent with current City approved drought measures. The developer has entered into an improvement agreement with the City for Final Tract Map No. 18662 and has posted adequate security to ensure construction of the required improvements.

This map meets all conditions of the Subdivision Map Act and the Ontario Municipal Code and has been reviewed and approved by the City Engineer.

EXHIBIT A

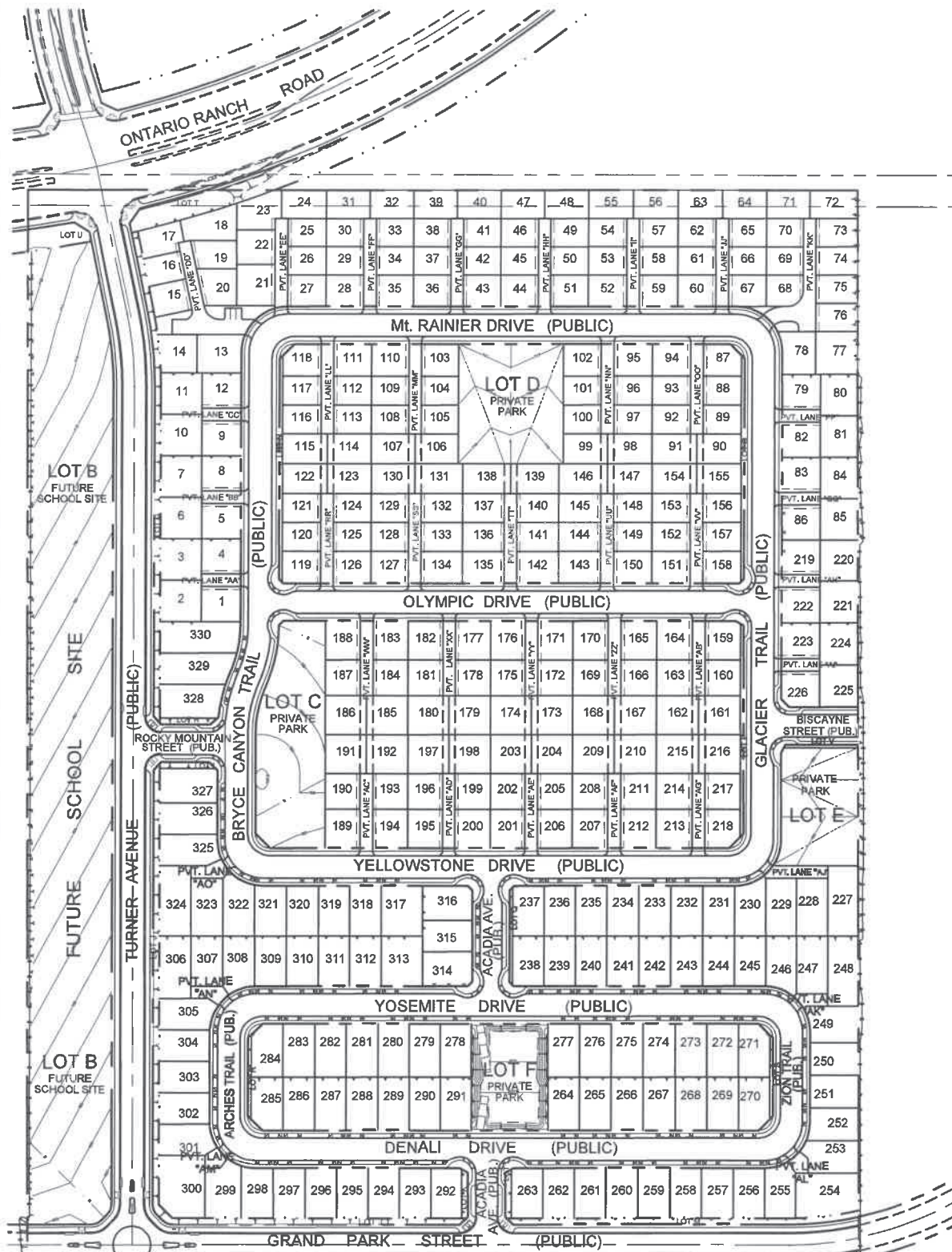


A PORTION OF THE EXISTING ROADWAY EASEMENTS FOR EDISON AVENUE TO BE VACATED.

NOTE: A PORTION OF EXISTING ROADWAY EASEMENTS, LYING 44 FEET NORTH OF CENTERLINE AND 25 FEET AND 44 FEET SOUTH OF THE CENTERLINE OF EDISON AVENUE.

EXHIBIT A VACATION OF EASEMENTS CITY OF ONTARIO TO BROOKFIELD RESIDENTIAL AND LENNAR HOMES	MAP NOT TO SCALE
	DATE: 04/17/2017
	VACATION NO. V-278

EXHIBIT B TRACT MAP NO. 18662



LOT A
PUBLIC PARK

PREPARED FOR:

LENNAR HOMES

PREPARED BY:

DATE: September 28, 2016
FUSCO
 ENGINEERING
 2850 Inland Empire Boulevard, Suite 8
 Ontario, California 91764
 Tel 909.581.0676 • Fax 909.581.0696
 www.fusco.com



RESOLUTION NO. _____

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF ONTARIO, CALIFORNIA, ORDERING THE VACATION OF THAT PORTION OF EDISON AVENUE FROM ONTARIO RANCH ROAD TO APPROXIMATELY 1,000 FEET EAST OF ONTARIO RANCH.

WHEREAS, the City Council of the City of Ontario, California, did on the 6th day of June, 2017 adopt a Resolution of Intent, entitled:

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF ONTARIO, CALIFORNIA, PERTAINING TO THE VACATION OF THAT PORTION OF EDISON AVENUE FROM ONTARIO RANCH ROAD TO APPROXIMATELY 1,000 FEET EAST OF ONTARIO RANCH ROAD AND TO SET THE DATE, TIME AND PLACE FOR A PUBLIC HEARING; and

WHEREAS, notice of the date, time and place of hearing any and all persons interested in, or objecting to, the proposed vacation has been published and posted in the manner prescribed by law; and

WHEREAS, a hearing on the proposed vacation was duly and regularly held by said City Council at the time and place specified in said Resolution of Intention, and the said Council has determined that said portion of Edison Avenue, as described in said Resolution of Intention, is no longer necessary for present or prospective traffic circulation or public necessity;

NOW, THEREFORE, BE IT HEREBY RESOLVED by the City Council of the City of Ontario, California:

SECTION 1. That pursuant to the provisions of Division 9, Part 3, Chapter 3, Section 8320-8325 of the Streets and Highways Code of the State of California, the following described portion of Edison Avenue is vacated and abandoned, except for the retention of a separate existing Public Utility Easement over the northerly 44' as shown on Exhibit "B" of said portion of Edison Avenue: (see Exhibits "A" & "B").

SECTION 2. That title to the above described easement and portion thereof, except for the portion to remain as a Public Utility Easement, shall revert to the owners of the underlying fee title thereof, free from use as a public road.

SECTION 3. That the City Clerk of the City of Ontario, California, shall cause a copy of this Resolution to be recorded in the office of the County Recorder of San Bernardino County, California.

The City Clerk of the City of Ontario shall certify as to the adoption of this Resolution.

PASSED, APPROVED, AND ADOPTED this 18th day of July 2017.

PAUL S. LEON, MAYOR

ATTEST:

SHEILA MAUTZ, CITY CLERK

APPROVED AS TO LEGAL FORM:

BEST BEST & KRIEGER LLP
CITY ATTORNEY

STATE OF CALIFORNIA)
COUNTY OF SAN BERNARDINO)
CITY OF ONTARIO)

I, SHEILA MAUTZ, City Clerk of the City of Ontario, DO HEREBY CERTIFY that foregoing Resolution No. 2017- was duly passed and adopted by the City Council of the City of Ontario at their regular meeting held July 18, 2017 by the following roll call vote, to wit:

AYES: COUNCIL MEMBERS:

NOES: COUNCIL MEMBERS:

ABSENT: COUNCIL MEMBERS:

SHEILA MAUTZ, CITY CLERK

(SEAL)

The foregoing is the original of Resolution No. 2017- duly passed and adopted by the Ontario City Council at their regular meeting held July 18, 2017.

SHEILA MAUTZ, CITY CLERK

(SEAL)

EXHIBIT "A"

V-278

BEING A VACATION OF HIGHWAY AND ROADWAY EASEMENTS IN THE CITY OF ONTARIO, COUNTY OF SAN BERNARDINO, STATE OF CALIFORNIA

A 44.00 FOOT HIGHWAY AND ROAD EASEMENT RECORDED OCTOBER 7, 1965 IN BOOK 6487, PAGE 981, OFFICIAL RECORDS OF SAN BERNARDINO COUNTY, ALSO BEING THE NORTHERLY 44 FEET OF PARCEL 9 OF OFFICIAL MAP NO. 1009, RECORDED IN BOOK 2 OF OFFICIAL MAPS, PAGES 30 THROUGH 34, INCLUSIVE.

TOGETHER WITH THAT PORTION OF THE SOUTHERLY 25.00 FEET OF EDISON AVENUE SHOWN ON A RECORD OF SURVEY FILED IN BOOK 16, PAGE 9 OF RECORDS OF SURVEYS, RECORDS OF SAN BERNARDINO COUNTY, ALSO BEING THAT PORTION OF THE NORTHERLY 25.00 FEET OF PARCELS 6 AND 9 OF OFFICIAL MAP NO. 1009, RECORDED IN BOOK 2 OF OFFICIAL MAPS, PAGES 30 THROUGH 34, INCLUSIVE, EXCEPTING THEREFROM THAT PORTION LYING WITHIN THE GRANT DEED TO THE CITY OF ONTARIO, ONTARIO RANCH ROAD, DOCUMENT NO. 2016-0516012, RECORDS OF SAID COUNTY;

SAID PORTION OF THE SOUTHERLY 25.00 FEET BEING DESCRIBED AS FOLLOWS:

BEGINNING AT THE NORTHEAST CORNER OF SAID PARCEL 9, SAID POINT ALSO BEING ON THE CENTERLINE OF EDISON AVENUE, THENCE ALONG THE CENTERLINE OF SAID EDISON AVENUE SOUTH 89°56'11" WEST 1037.17 FEET TO A POINT IN A NON-TANGENT CURVE CONCAVE NORTHWESTERLY AND HAVING A RADIUS OF 1780.00 FEET;

THENCE SOUTHWESTERLY ALONG THE ARC OF SAID CURVE, FROM AN INITIAL RADIAL BEARING OF NORTH 17°18'30" WEST, THROUGH A CENTRAL ANGLE OF 2°57'45" AN ARC LENGTH OF 92.04 FEET TO A POINT OF INTERSECTION WITH THE SOUTHERLY LINE OF SAID 25.00 FOOT WIDE EASEMENT AS SHOWN ON SAID OM 1009;

THENCE NORTH 89°56'11" EAST 1125.83 FEET ALONG THE SOUTHERLY LINE OF SAID EASEMENT TO A POINT ON THE EASTERLY LINE OF SAID PARCEL 9;

THENCE ALONG SAID EASTERLY LINE OF PARCEL 9 NORTH 00°16'05" WEST 25.00 FEET TO THE POINT OF BEGINNING.

ALSO TOGETHER WITH THAT PORTION OF THE NORTHERLY 44.00 FEET OF EDISON AVENUE AS SHOWN AND DEDICATED AS AN EASEMENT FOR ROAD AND HIGHWAY PURPOSES ON PARCEL MAP NO. 2764, FILED IN PARCEL MAP BOOK 24 PAGES 44 AND 45, RECORDS OF SAID COUNTY AND STATE, BEING FURTHER DESCRIBED AS FOLLOWS:

BEING A PORTION OF THE SOUTH 44.00 FEET OF LOT 3, TRACT NO. 18922-4 AS FILED UNDER DOCUMENT NUMBER 2014-0495612 ON DECEMBER 29, 2014 IN BOOK 341 OF TRACT MAPS AT PAGES 66 THROUGH 69, INCLUSIVE, RECORDS OF SAID COUNTY. SAID PORTION OF THE SOUTH 44.00 FEET OF LOT 3 IS BOUND ON THE WEST BY THE EAST LINE OF LOT D OF SAID TRACT NO. 18922-4 AND ON THE EAST BY THE NORTHERLY PROLONGATION OF THE EAST LINE OF PARCEL 9 OF OFFICIAL MAP NO. 1009 AS FILED IN BOOK 2, PAGES 30-34 OF OFFICIAL MAPS, RECORDS OF SAID COUNTY.



Prepared by HILLWIG-GOODROW, INC.:
31407 Outer Hwy. 10, Redlands, CA 92373 (888) 626-5137

Alan C. Hillwig 4/4/2017
ALAN C. HILLWIG, PLS 5137
LICENSURE EXPIRES: 6-30-17

SCALE: N/A
FILE NO.: 228-101
DATE: APRIL 2017
SHEET 1 OF 2

EXHIBIT "A"
V-278

SAID PORTION OF THE SOUTH 44.00 FEET IS DESCRIBED AS FOLLOWS:

BEGINNING AT THE NORTHEAST CORNER OF SAID PARCEL 9, OFFICIAL MAP NO. 1009;

THENCE ALONG THE NORTHERLY PROLONGATION OF THE EAST LINE OF SAID PARCEL 9 A BEARING OF NORTH 00°16'05" WEST 44.00 FEET TO A POINT IN THE NORTH LINE OF AN EASEMENT FOR HIGHWAY AND ROAD PURPOSES AS SHOWN ON SAID TRACT NO. 18922-4;

THENCE SOUTH 89°56'10" WEST ALONG SAID NORTH LINE 821.77 FEET TO A POINT IN THE EASTERLY LINE OF SAID LOT D, SAID LINE ALSO BEING A NON-TANGENT CURVE CONCAVE NORTHWESTERLY AND HAVING A RADIUS OF 1815.00 FEET;

THENCE SOUTHWESTERLY ALONG THE ARC OF SAID NON-TANGENT CURVE FROM AN INITIAL RADIAL BEARING OF NORTH 24°13'35" WEST, THROUGH A CENTRAL ANGLE OF 3°39'21", A DISTANCE OF 115.81 FEET TO A POINT IN THE SOUTH LINE OF SAID LOT 3;

THENCE NORTH 89°56'10" EAST ALONG SAID SOUTH LINE, ALSO BEING THE NORTH LINES OF PARCELS 6 AND 9 OF SAID OM 1009, A DISTANCE OF 929.03 FEET TO THE NORTHEAST CORNER OF SAID PARCEL 9 AND THE POINT OF BEGINNING.

THE TOTAL SURFACE AREA OF THE LAND CONTAINED IN THIS DESCRIPTION IS 82,323.6 SQUARE FEET, OR 1.89 ACRES, MORE OR LESS.

THE EASEMENTS THAT ARE HEREIN DESCRIBED ARE WITHIN THE FOLLOWING ASSESSOR'S PARCEL NUMBERS;

APN 0218-241-40

APN 0218-241-37

APN 0218-412-04



Prepared by HILLWIG-GOODROW, INC.:
31407 Outer Hwy. 10, Redlands, CA 92373 (888) 626-5137

SCALE: N/A

FILE NO.: 228-101

DATE: APRIL 2017

ALAN C. HILLWIG, PLS 5137
LICENSE EXPIRES: 6-30-17

DATE

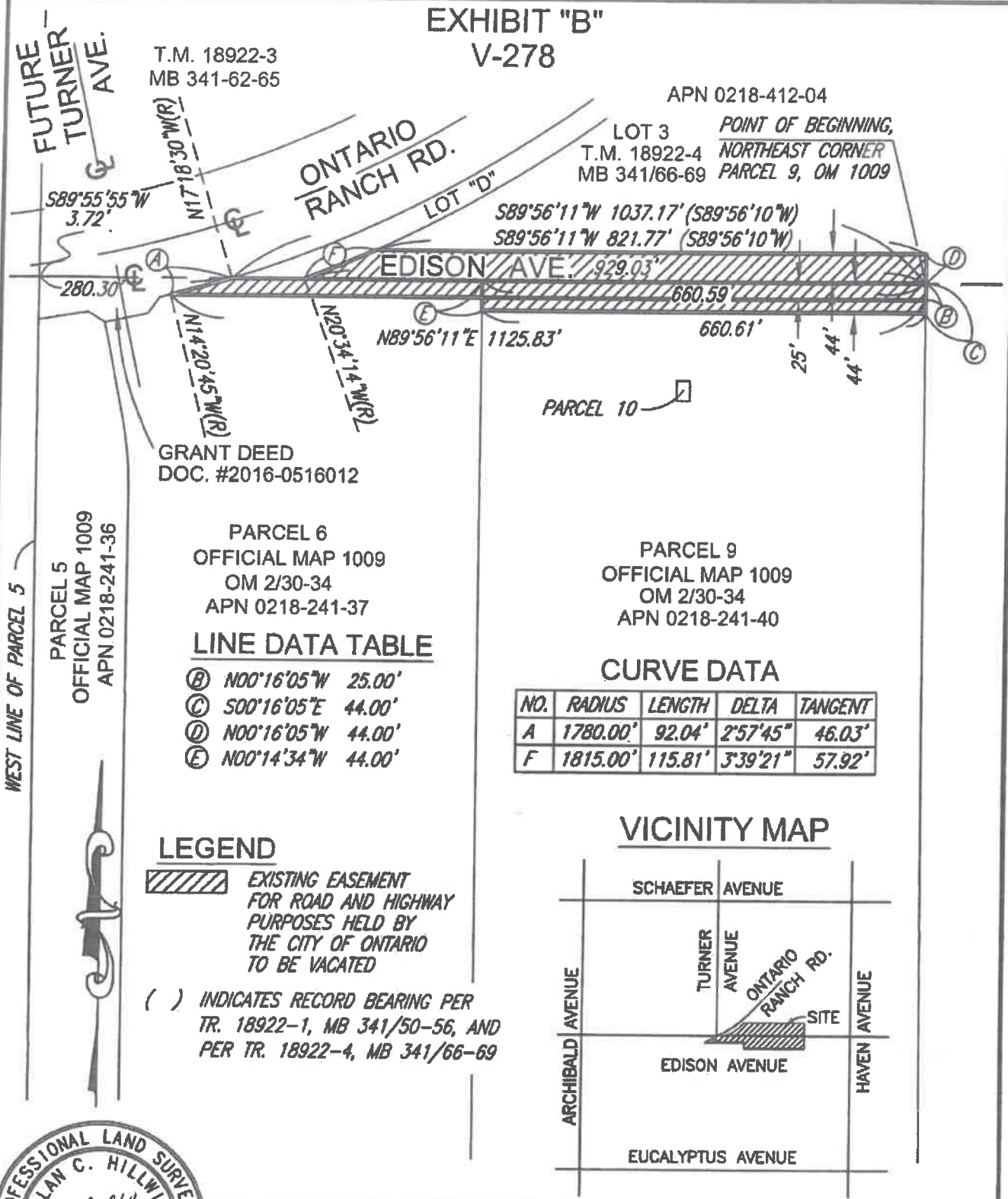
SHEET 2 OF 2

EXHIBIT "B"
V-278

T.M. 18922-3
MB 341-62-65

APN 0218-412-04

LOT 3 POINT OF BEGINNING,
T.M. 18922-4 NORTHEAST CORNER
MB 341/66-69 PARCEL 9, OM 1009



GRANT DEED
DOC. #2016-0516012

PARCEL 6
OFFICIAL MAP 1009
OM 2/30-34
APN 0218-241-37

PARCEL 9
OFFICIAL MAP 1009
OM 2/30-34
APN 0218-241-40

LINE DATA TABLE

- (B) N00°16'05"W 25.00'
- (C) S00°16'05"E 44.00'
- (D) N00°16'05"W 44.00'
- (E) N00°14'34"W 44.00'

CURVE DATA

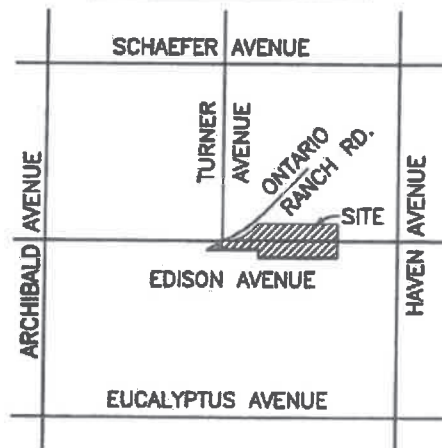
NO.	RADIUS	LENGTH	DELTA	TANGENT
A	1780.00'	92.04'	2°57'45"	46.03'
F	1815.00'	115.81'	3°39'21"	57.92'

LEGEND

EXISTING EASEMENT
FOR ROAD AND HIGHWAY
PURPOSES HELD BY
THE CITY OF ONTARIO
TO BE VACATED

() INDICATES RECORD BEARING PER
TR. 18922-1, MB 341/50-56, AND
PER TR. 18922-4, MB 341/66-69

VICINITY MAP



Prepared by HILLWIG-GOODROW, INC.:
31407 Outer Hwy. 10, Redlands, CA 92373 (888) 626-5137

ALAN C. HILLWIG, PLS 5137
LICENSE EXPIRES: 6-30-17

Alan C. Hillwig 4/4/2017
DATE

SCALE: 1"=200'

FILE NO.: 228-101

DATE: APRIL 2017

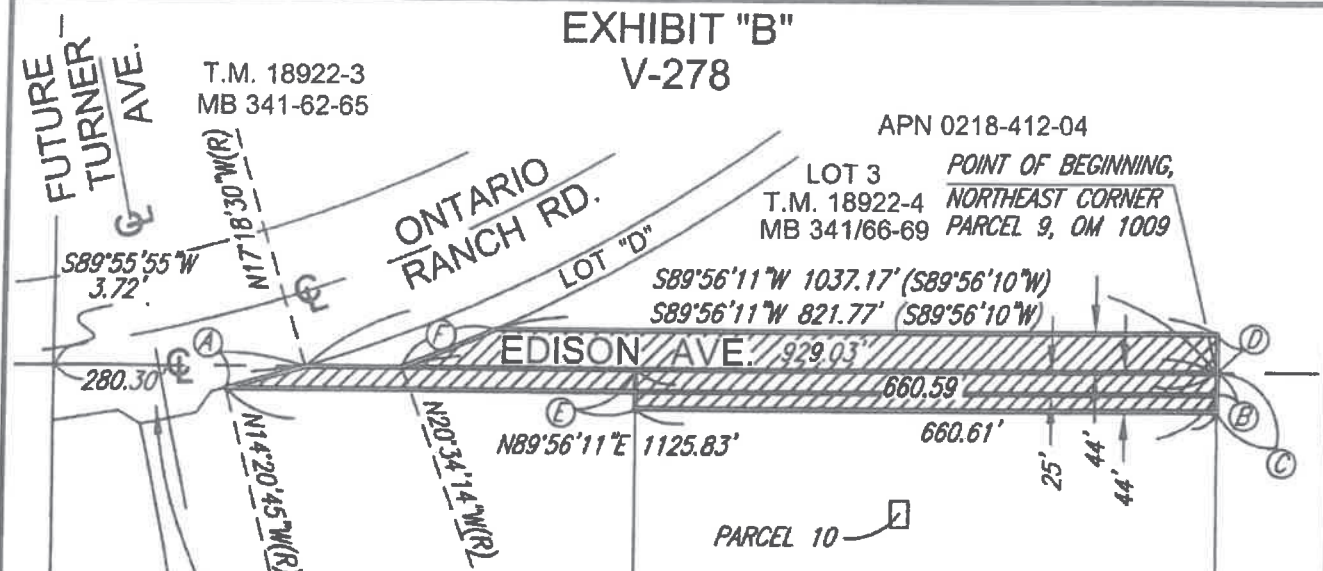
SHEET 1 OF 1

EXHIBIT "B"
V-278

T.M. 18922-3
MB 341-62-65

APN 0218-412-04

LOT 3 POINT OF BEGINNING,
T.M. 18922-4
MB 341/66-69 PARCEL 9, OM 1009



GRANT DEED
DOC. #2016-0516012

PARCEL 6
OFFICIAL MAP 1009
OM 2/30-34
APN 0218-241-37

PARCEL 9
OFFICIAL MAP 1009
OM 2/30-34
APN 0218-241-40

LINE DATA TABLE

- (B) $N00^{\circ}16'05''W$ 25.00'
- (C) $S00^{\circ}16'05''E$ 44.00'
- (D) $N00^{\circ}16'05''W$ 44.00'
- (E) $N00^{\circ}14'34''W$ 44.00'

CURVE DATA

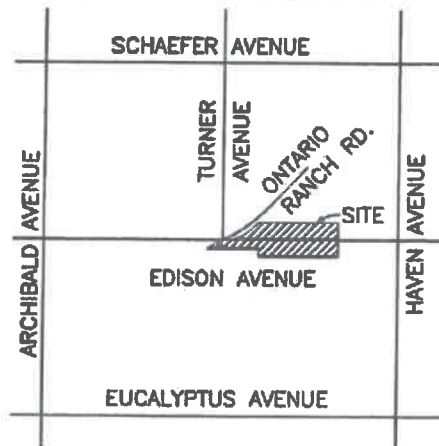
NO.	RADIUS	LENGTH	DELTA	TANGENT
A	1780.00'	92.04'	2°57'45"	46.03'
F	1815.00'	115.81'	3°39'21"	57.92'

LEGEND

EXISTING EASEMENT FOR ROAD AND HIGHWAY PURPOSES HELD BY THE CITY OF ONTARIO TO BE VACATED

() INDICATES RECORD BEARING PER TR. 18922-1, MB 341/50-56, AND PER TR. 18922-4, MB 341/66-69

VICINITY MAP



Prepared by HILLWIG-GOODROW, INC.:
31407 Outer Hwy. 10, Redlands, CA 92373 (888) 626-5137

ALAN C. HILLWIG, PLS 5137
LICENSE EXPIRES: 6-30-17

Alan C. Hillwig 4/4/2017
DATE

SCALE: 1"=200'

FILE NO.: 228-101

DATE: APRIL 2017

SHEET 1 OF 1

RESOLUTION NO. _____

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF ONTARIO, CALIFORNIA, APPROVING AN IMPROVEMENT AGREEMENT, IMPROVEMENT SECURITY AND FINAL TRACT MAP NO. 18662 LOCATED AT THE SOUTHEAST CORNER OF ONTARIO RANCH ROAD AND TURNER AVENUE.

WHEREAS, Tentative Tract Map No. 18662, submitted for approval by the developer, Lennar Homes of California, Inc., a California Corporation (Mr. Jeffrey T. Clemens, Vice President) was approved by the Planning Commission of the City of Ontario on September 23, 2014; and

WHEREAS, Tentative Tract Map No. 18662 consisting of 330 residential lots and 59 lettered lots on 46.91 acres; all being a subdivision of Parcels 6, 7, 9 and 10 as per Official Map No. 1009 recorded in Book 2, pages 30-34 of Official Maps in the Office of the County Recorder of San Bernardino County, California; and

WHEREAS, to meet the requirements established as prerequisite to final approval of Final Tract Map No. 18662, said developer has offered an improvement agreement together with good and sufficient security, in conformance with the City Attorney's approved format, for approval and execution by the City; and .

WHEREAS, said developer has prepared Covenants, Conditions and Restrictions (CC&R's), reviewed and approved by the City Attorney's Office and the City Engineer, to ensure the right to mutual ingress and egress and continued maintenance of common facilities by commonly affected property owners.

NOW, THEREFORE, BE IT RESOLVED, by the City Council of the City of Ontario, California, as follow:

1. That said improvement agreement be, and the same is, approved and the City Manager is authorized to execute same on behalf of said City, and the City Clerk is authorized to attest thereto; and
2. That said improvement security is accepted as good and sufficient, subject to approval as to form and content thereof by the City Attorney; and
3. That Final Tract Map No. 18662 be approved and that the City Clerk be authorized to execute the statement thereon on behalf of said City.

The City Clerk of the City of Ontario shall certify as to the adoption of this Resolution.

PASSED, APPROVED, AND ADOPTED this 18th day of July 2018.

PAUL S. LEON, MAYOR

ATTEST:

SHEILA MAUTZ, CITY CLERK

APPROVED AS TO LEGAL FORM:

BEST BEST & KRIEGER LLP
CITY ATTORNEY

STATE OF CALIFORNIA)
COUNTY OF SAN BERNARDINO)
CITY OF ONTARIO)

I, SHEILA MAUTZ, City Clerk of the City of Ontario, DO HEREBY CERTIFY that foregoing Resolution No. 2017- was duly passed and adopted by the City Council of the City of Ontario at their regular meeting held July 18, 2017 by the following roll call vote, to wit:

AYES: COUNCIL MEMBERS:

NOES: COUNCIL MEMBERS:

ABSENT: COUNCIL MEMBERS:

SHEILA MAUTZ, CITY CLERK

(SEAL)

The foregoing is the original of Resolution No. 2017- duly passed and adopted by the Ontario City Council at their regular meeting held July 18, 2017.

SHEILA MAUTZ, CITY CLERK

(SEAL)

CITY OF ONTARIO

Agenda Report
July 18, 2017

SECTION:
PUBLIC HEARINGS

SUBJECT: ANNUAL LEVY OF ASSESSMENTS WITHIN ONTARIO PARKWAY MAINTENANCE ASSESSMENT DISTRICTS NOS. 1, 2, 3 AND 4 FOR FISCAL YEAR 2017-2018

RECOMMENDATION: That the City Council take the following actions pertaining to the levy of assessments within Ontario Parkway Maintenance Assessment Districts (OPMAD) Nos. 1, 2, 3 and 4:

- (A) Conduct a combined public hearing on the levy of the annual assessments for each district; and
- (B) Consider and adopt a resolution approving the Engineer's Reports relating to the levy of assessments for each district; and
- (C) Consider and adopt resolutions confirming the diagrams and assessments, and providing for the assessment levy within each District.

COUNCIL GOALS: Focus Resources in Ontario's Commercial and Residential Neighborhoods Operate in a Businesslike Manner

FISCAL IMPACT: As proposed, special assessment revenue will be generated in the amount of \$284,542 from OPMAD Nos. 1, 2 and 3, and \$314,142 from OPMAD No. 4 during Fiscal Year 2017-18. The total cost of \$662,519 for operation and maintenance within OPMAD Nos. 1, 2 and 3 will exceed the assessment revenues by \$377,977. The differential will be funded from the General Fund. If approved, the General Fund portion will be included in the City's proposed budget for Fiscal Year 2017-18. The total proposed special assessment for OPMAD No. 4 is sufficient to pay all expenses within this service area. The special assessments for OPMAD Nos. 1, 2, and 3, Zone 2000-1, are capped, so there are no proposed changes from the FY 2016-17 special assessments. The recommended special assessment rate for OPMAD No. 3, Zone 2000-2, includes an increase of 2.1% from the FY 2016-17 rate. As proposed, the average increase in the recommended special assessment rates for the 6 maintenance areas in OPMAD No. 4 is 2.1%.

STAFF MEMBER PRESENTING: Grant D. Yee, Administrative Services/Finance Director

Prepared by: Bob Chandler
Department: Management Services

City Manager
Approval: 

Submitted to Council/O.H.A. 07/18/2017

Approved: _____

Continued to: _____

Denied: _____

17

BACKGROUND: The first of these districts was formed in 1976 pursuant to the Landscaping and Lighting Act of 1972 (the “1972 Act”). Additional territories are annexed to the districts from time to time as development proceeds. The districts were formed to help minimize the continually increasing cost of maintaining and operating the landscaping along public streets where the property owners do not have direct access to the landscaping. A special assessment is levied annually on benefiting properties for the cost of operation and maintenance of certain parkway landscaping facilities within the districts. The City’s Community & Public Services Agency establishes the annual operation and maintenance costs and administers the maintenance of the landscaping. Annually, an Engineer’s Report for each district must be prepared which apportions these costs to each parcel within the districts. The locations of the districts are shown on the attached maps.

OPMAD Nos. 1, 2, and 3 are comprised of single-family residential developments. Due to varying characteristics, the districts are organized into benefit zones and/or maintenance areas. Each zone/maintenance area is assessed for only the operation and maintenance of the facilities from which it receives special direct benefit. The total assessment for each maintenance area is then apportioned to its constituent parcels.

Special assessment revenue will be generated in the combined amount of \$284,542 from OPMAD Nos. 1, 2 and 3. The maximum and proposed Fiscal Year 2017-18 special assessment rates for OPMAD Nos. 1, 2 and 3, along with last year’s special assessment rates, are as follows:

	Prior Year 2016-17	Proposed 2017-18	Maximum 2017-18
OPMAD No. 1	\$ 66.32 per lot	\$ 66.32	\$ 66.32
OPMAD No. 2	\$ 34.04 per lot	\$ 34.04	\$ 34.04
OPMAD No. 3, Zone 2000-1	\$ 41.29 per lot	\$ 41.29	\$ 41.29
OPMAD No. 3, Zone 2000-2	\$ 173.24 per lot	\$ 176.88	\$ 218.82

OPMAD No. 4 is comprised of single-family residential tracts and the Ontario Mills development area. The district is organized into 6 Maintenance Areas (MAs). Each maintenance area is assessed for only the operation and maintenance of the facilities from which it receives direct special benefit. The total assessment for each maintenance area is then apportioned to its constituent parcels.

The assessments for OPMAD No. 4 will generate a total of \$314,142. OPMAD No. 4 will generate sufficient revenue to pay all expenses within the service area. The maximum and proposed Fiscal Year 2017-18 special assessment rates for OPMAD No. 4 along with last year’s special assessment rates are as follows:

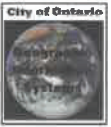
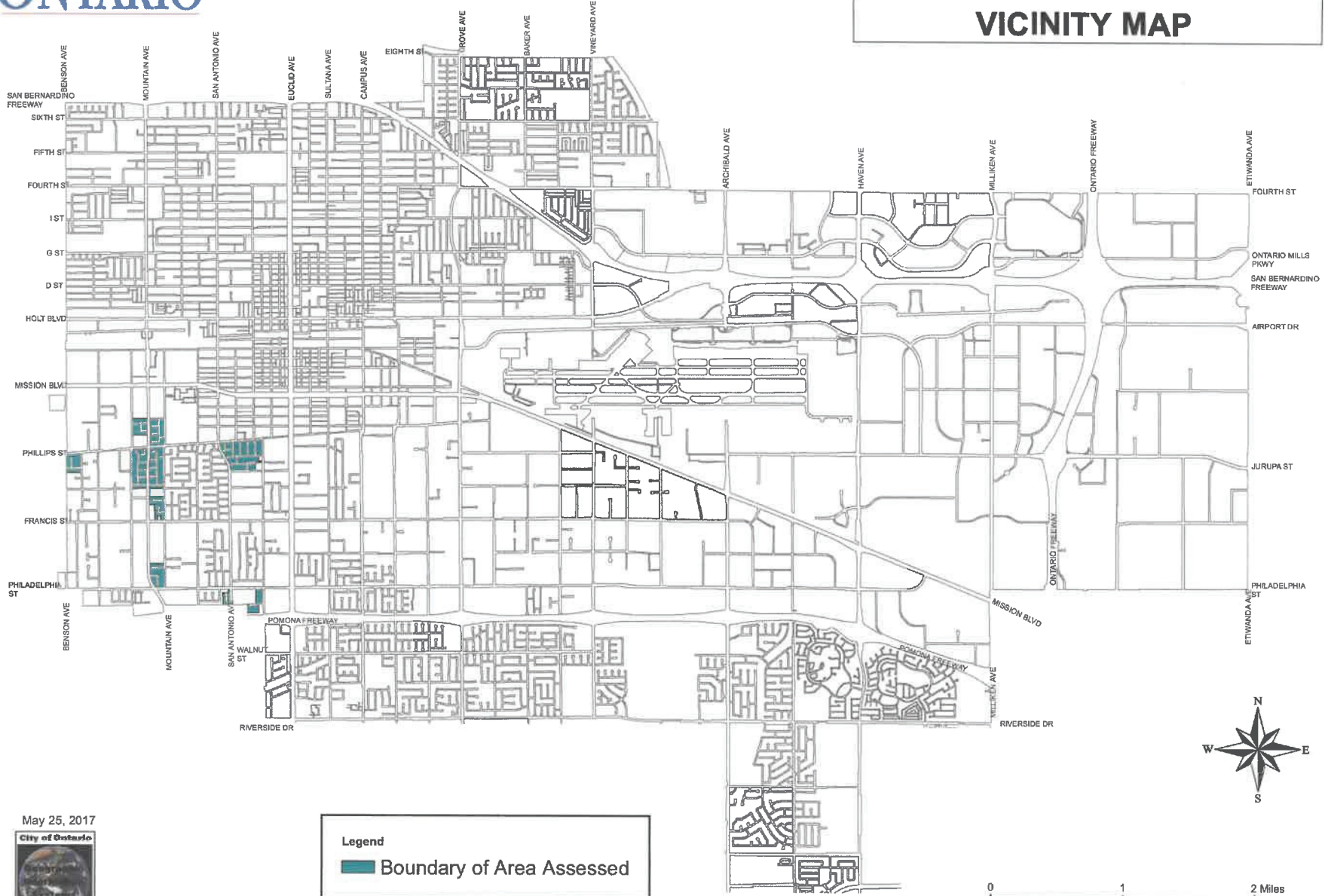
	Prior Year 2016-17	Proposed 2017-18	Maximum 2017-18
MA# 99-1	\$ 51.70 per lot	\$ 52.79	\$ 53.25
MA# 99-2	\$ 327.23 per lot	\$ 334.08	\$ 335.86
MA# 99-3	\$ 1,016.70 per acre	\$ 1,038.03	\$ 1,205.99
MA# 00-1	\$ 246.28 per lot	\$ 251.38	\$ 330.77
MA# 04-1	\$ 990.48 per lot	\$ 1,011.35	\$ 2,106.97
MA# 05-1	\$ 1,360.86 per lot	\$ 1,389.07	\$ 2,611.69

On June 20, 2017, the City Council adopted resolutions which ordered the preparation of Engineer's Reports for the annual levy of assessments within each District, preliminarily approved the Engineer's Reports, declared Council's intention to levy and collect assessments within the Districts for the referenced fiscal year, and set July 18, 2017 as the date for the public hearing for each district. Notices of the public hearings have been published and proof of publication is on file in the Records Management Department.

The Engineer's Reports, which have been prepared for each district pursuant to the 1972 Act, are on file with the Records Management Department. Each report includes plans and specifications for the improvements and maintenance, an estimate of costs, a diagram of the area proposed to be assessed, and an assessment of the costs to the various parcels within each District.

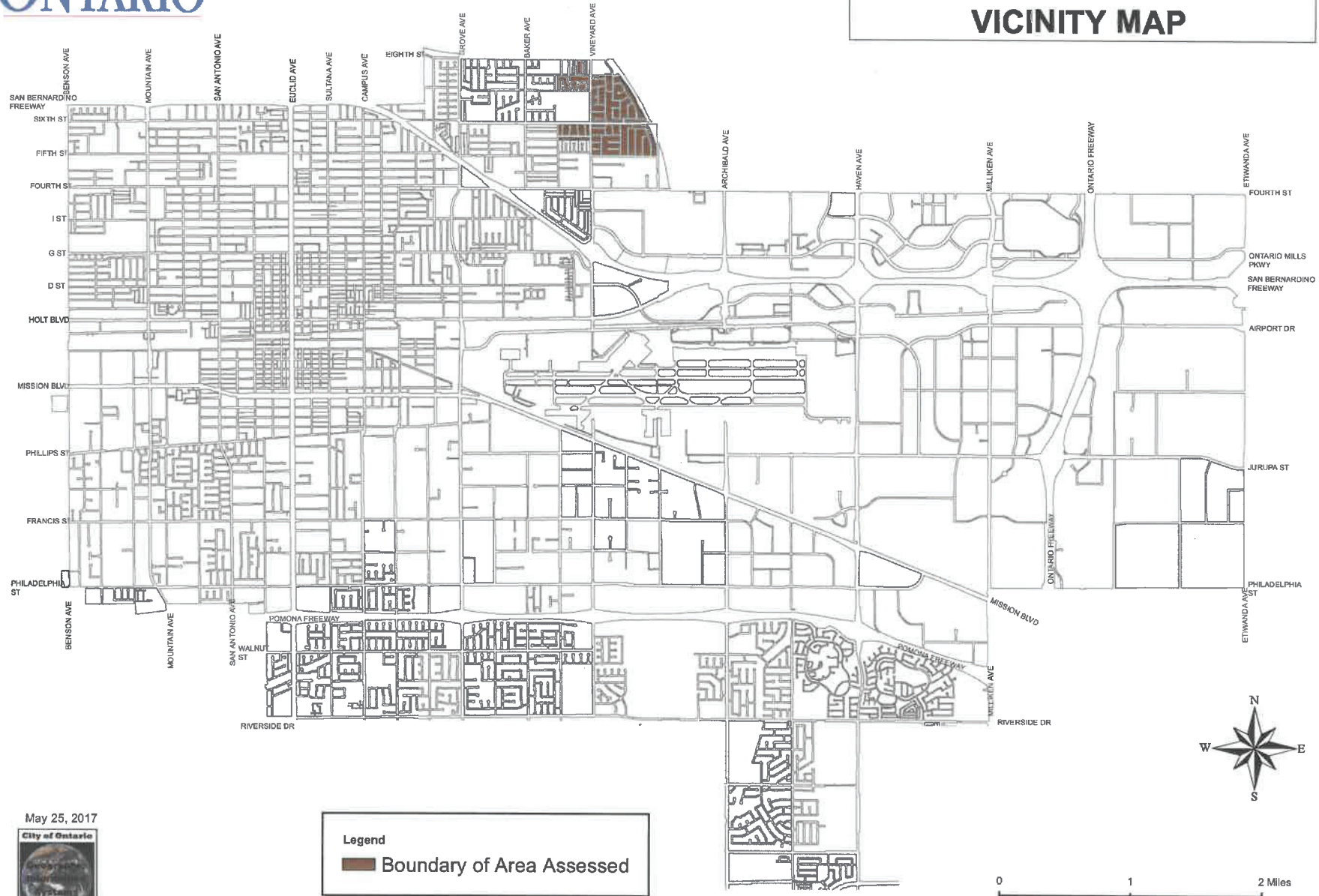


Ontario Parkway Maintenance Assessment District No. 1 VICINITY MAP





Ontario Parkway Maintenance Assessment District No. 2 VICINITY MAP



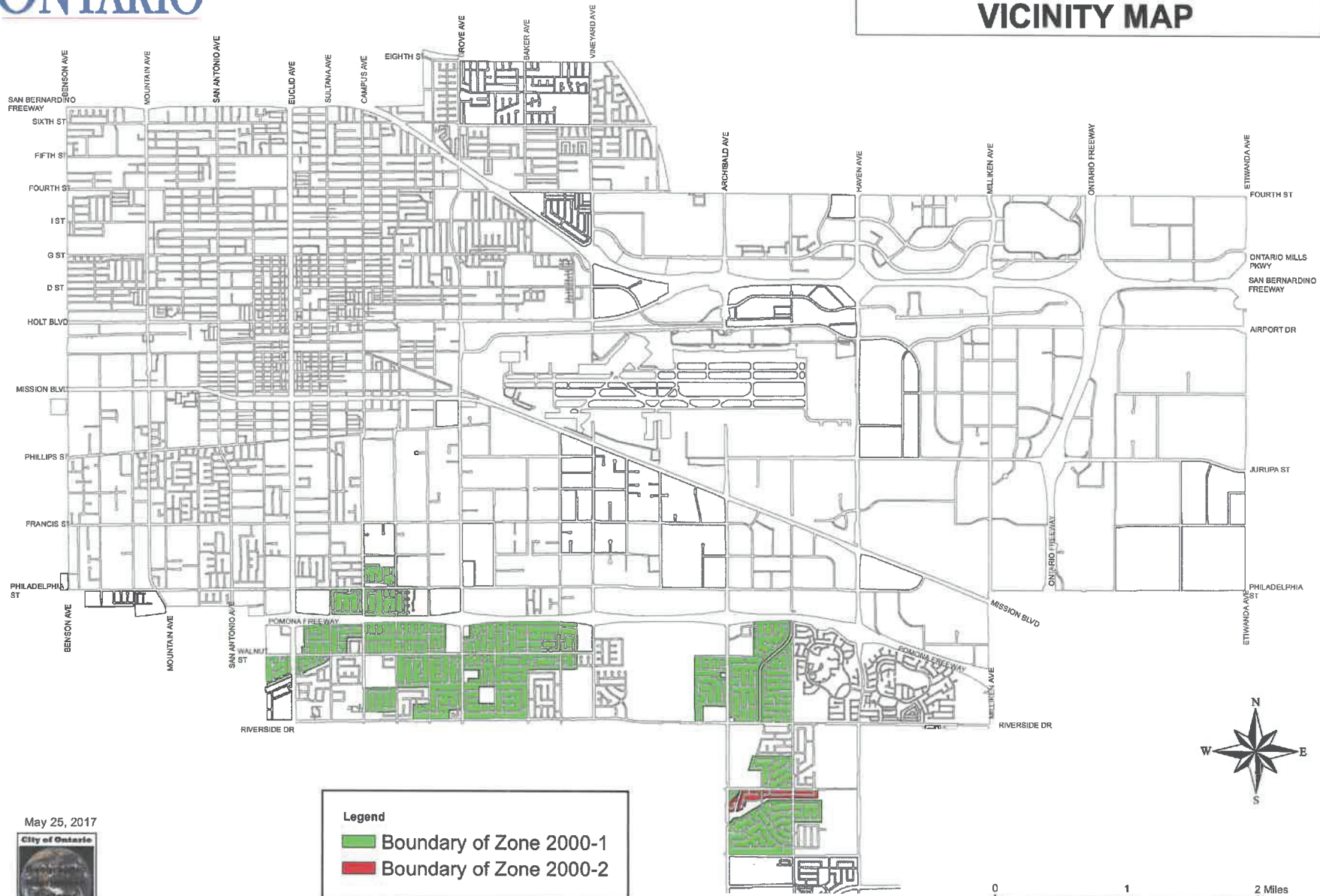
Legend
■ Boundary of Area Assessed

May 25, 2017





Ontario Parkway Maintenance Assessment District No. 3 VICINITY MAP



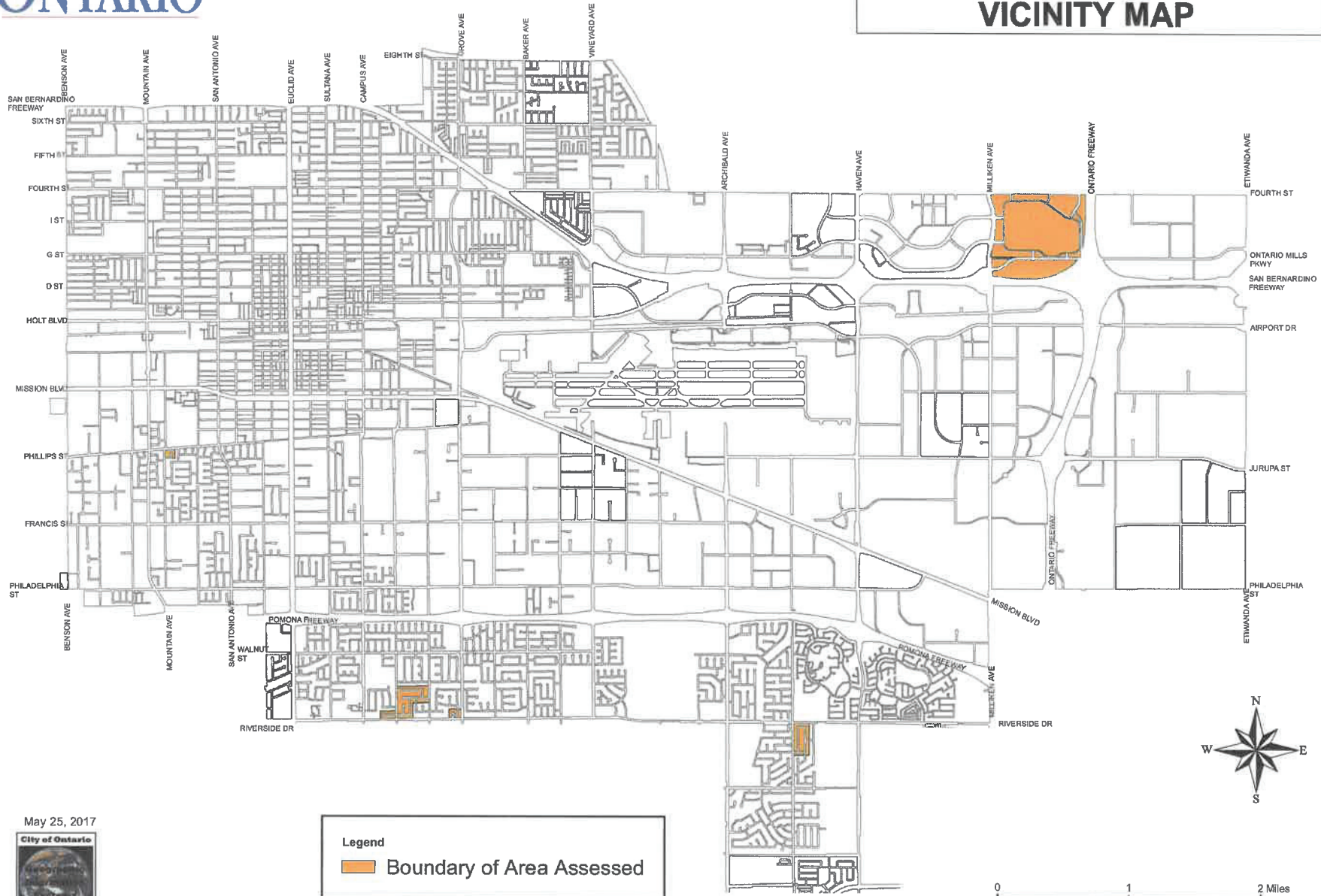
Legend

- Boundary of Zone 2000-1
- Boundary of Zone 2000-2





Ontario Parkway Maintenance Assessment District No. 4 VICINITY MAP



P:\users\waterAdmin_Sha2017\OPMAD_4_vicinity.mxd



May 25, 2017

Legend
Boundary of Area Assessed

0 1 2 Miles

RESOLUTION NO. _____

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF ONTARIO, CALIFORNIA, APPROVING THE ENGINEER'S REPORTS FOR THE ANNUAL LEVY OF ASSESSMENTS WITHIN ONTARIO PARKWAY MAINTENANCE ASSESSMENT DISTRICTS NO. 1, 2, 3 AND 4 FOR FISCAL YEAR 2017-18.

WHEREAS, the City Council of the City of Ontario, California, pursuant to the provisions of the "Landscaping and Lighting Act of 1972," being Division 15, Part 2, of the Streets and Highways Code of the State of California, did, by previous Resolution, order the preparation of Engineer's Reports for the annual levy of assessments, consisting of plans and specifications, cost estimates, diagrams of the districts, and the assessment relating to what are now known and designated as

CITY OF ONTARIO
PARKWAY MAINTENANCE ASSESSMENT DISTRICTS NO. 1, 2, 3 and 4

(hereinafter referred to as the Districts); and

WHEREAS, there have now been presented to this City Council the Reports as required by said Division 15 of the Streets and Highways Code and as previously directed by Resolution; and

WHEREAS, this City Council has approved on a preliminary basis the Reports by a previous Resolution, and ordered the Reports to be filed in the Records Management Department to be open to public inspection; and

WHEREAS, this City Council has now examined and reviewed the Reports as presented, and is satisfied with each and all of the items and documents as set forth therein, and is satisfied that the assessments have been spread in accordance with the benefits received from the maintenance to be performed as set forth in said Reports.

NOW, THEREFORE, IT IS HEREBY RESOLVED AS FOLLOWS:

SECTION 1. That the above recitals are all true and correct.

SECTION 2. That the Reports as presented, consisting of the following:

- A. Plans and Specifications,
- B. Estimates of cost,
- C. Diagrams of the Districts, and
- D. Assessment of the estimated cost

are hereby approved, and are ordered to be filed in the Records Management Department, as a permanent record and to remain open to public inspection.

SECTION 3. That the City Clerk shall certify the passage and adoption of this Resolution, and the minutes of this meeting shall so reflect the presentation of the Engineer's Reports.

PASSED, APPROVED, AND ADOPTED this 18th day of July 2017.

PAUL S. LEON, MAYOR

ATTEST:

SHEILA MAUTZ, CITY CLERK

APPROVED AS TO LEGAL FORM:

BEST BEST & KRIEGER LLP
CITY ATTORNEY

STATE OF CALIFORNIA)
COUNTY OF SAN BERNARDINO)
CITY OF ONTARIO)

I, SHEILA MAUTZ, City Clerk of the City of Ontario, DO HEREBY CERTIFY that foregoing Resolution No. 2017- was duly passed and adopted by the City Council of the City of Ontario at their regular meeting held July 18, 2017 by the following roll call vote, to wit:

AYES: COUNCIL MEMBERS:

NOES: COUNCIL MEMBERS:

ABSENT: COUNCIL MEMBERS:

SHEILA MAUTZ, CITY CLERK

(SEAL)

The foregoing is the original of Resolution No. 2017- duly passed and adopted by the Ontario City Council at their regular meeting held July 18, 2017.

SHEILA MAUTZ, CITY CLERK

(SEAL)

RESOLUTION NO. _____

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF ONTARIO, CALIFORNIA, CONFIRMING THE DIAGRAMS AND ASSESSMENTS, AND PROVIDING FOR THE ANNUAL ASSESSMENT LEVY WITHIN ONTARIO PARKWAY MAINTENANCE ASSESSMENT DISTRICTS NO. 1, 2 AND 3 FOR FISCAL YEAR 2017-18.

WHEREAS, the City Council of the City of Ontario, California, has initiated proceedings for the annual levy of assessments in special maintenance districts pursuant to the terms and provisions of the "Landscaping and Lighting Act of 1972," being Division 15, Part 2, of the Streets and Highways Code of the State of California in what is known and designated as

CITY OF ONTARIO
PARKWAY MAINTENANCE ASSESSMENT DISTRICTS NO. 1, 2 AND 3

(hereinafter referred to as the Districts); and

WHEREAS, the City Council has ordered the preparation of the Engineer's Reports, and the Engineer's Reports have been prepared and filed with this City Council pursuant to law for its consideration, and subsequently thereto this City Council did adopt its Resolution of Intention to levy and collect assessments for the referenced fiscal year relating to the above referenced Districts, and further did proceed to give notice of the time and place for a Public Hearing on all matters relating to said annual levy of the proposed assessments; and

WHEREAS, at this time this City Council has heard all testimony and evidence and is desirous of proceeding with said annual levy of assessments.

NOW, THEREFORE, IT IS HEREBY RESOLVED AS FOLLOWS:

SECTION 1. That the above recitals are all true and correct.

SECTION 2. That upon the conclusion of the Public Hearing, written protests filed and not withdrawn are hereby overruled and denied.

SECTION 3. That the estimates of costs, the assessment diagrams, the assessments and all other matters, as set forth in the Engineer's Reports pursuant to said "Landscaping and Lighting Act of 1972," as submitted, are hereby approved, adopted by this City Council, and hereby confirmed.

SECTION 4. That this City Council hereby confirms and orders the annual levy of the assessments for the referenced fiscal year in the amounts as set forth in the Engineer's Reports, and as referred to in the Resolution of Intention as previously adopted relating to said annual assessment levy.

SECTION 5. That the adoption of this Resolution constitutes the levy of the assessments for the referenced fiscal year.

SECTION 6. That the maintenance work of improvements contemplated by the Resolution of Intention shall be performed pursuant to law.

SECTION 7. That the County Auditor shall enter on the County Assessment Roll the amount of the Assessment, and said Assessment shall then be collected at the same time and in the same manner as the County taxes are collected. After collection by said County, the net amount of the assessment shall be paid to the City Treasurer of said City.

SECTION 8. That the City Treasurer has previously established a special fund into which the City Treasurer shall place all monies collected by the Tax Collector pursuant to the provisions of the Resolution and the law, and said transfer shall be made and accomplished as soon as said monies have been made available to said City Treasurer.

SECTION 9. That the City Manager is hereby ordered and directed to file, or cause to be filed, the assessment roll with the County Auditor, together with a certified copy of this Resolution upon its adoption.

SECTION 10. That a certified copy of the assessments and diagrams shall be filed in the Office of the City Manager, with a duplicate copy on file in the Records Management Department and open for public inspection.

The City Clerk of the City of Ontario shall certify as to the adoption of this Resolution.

PASSED, APPROVED, AND ADOPTED this 18th day of July 2017.

PAUL S. LEON, MAYOR

ATTEST:

SHEILA MAUTZ, CITY CLERK

APPROVED AS TO LEGAL FORM:

BEST BEST & KRIEGER LLP
CITY ATTORNEY

STATE OF CALIFORNIA)
COUNTY OF SAN BERNARDINO)
CITY OF ONTARIO)

I, SHEILA MAUTZ, City Clerk of the City of Ontario, DO HEREBY CERTIFY that foregoing Resolution No. 2017- was duly passed and adopted by the City Council of the City of Ontario at their regular meeting held July 18, 2017 by the following roll call vote, to wit:

AYES: COUNCIL MEMBERS:

NOES: COUNCIL MEMBERS:

ABSENT: COUNCIL MEMBERS:

SHEILA MAUTZ, CITY CLERK

(SEAL)

The foregoing is the original of Resolution No. 2017- duly passed and adopted by the Ontario City Council at their regular meeting held July 18, 2017.

SHEILA MAUTZ, CITY CLERK

(SEAL)

RESOLUTION NO. _____

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF ONTARIO, CALIFORNIA, CONFIRMING THE DIAGRAM AND ASSESSMENT AND PROVIDING FOR THE ANNUAL ASSESSMENT LEVY WITHIN ONTARIO PARKWAY MAINTENANCE ASSESSMENT DISTRICT NO. 4 FOR FISCAL YEAR 2017-18.

WHEREAS, the City Council of the City of Ontario, California, has initiated proceedings for the levy of the annual assessment in a special maintenance district created pursuant to the terms of the "Landscaping and Lighting Act of 1972", being Division 15, Part 2 of the Streets and Highways Code of the State of California (the "Landscaping Act"), Article XIID of the Constitution of the State of California ("Article XIID") and the Proposition 218 Omnibus Implementation Act (Government Code Section 53750 and following) (the "Implementation Act") (the Landscaping Act, Article XIID and the Implementation Act may be referred to collectively herein as the "Assessment Law"), in a special maintenance district known and designated as

CITY OF ONTARIO
PARKWAY MAINTENANCE ASSESSMENT DISTRICT NO. 4

(hereinafter referred to as the "District"); and

WHEREAS, the City Council has ordered the preparation of an Engineer's Report, and such a report (the "Assessment Engineer's Report") has been prepared and filed with this City Council for its consideration pursuant to Assessment Law, and subsequently thereto this City Council did adopt its Resolution of Intention to levy and collect assessments for the referenced fiscal year relating to the above-referenced District, and further did proceed to give notice of the time and place for the Public Hearing on all matters relating to said annual levy of the proposed assessment; and

WHEREAS, at this time this City Council has heard all testimony and evidence and is desirous of proceeding with said annual levy of assessments.

NOW, THEREFORE, IT IS HEREBY RESOLVED AS FOLLOWS:

SECTION 1. That the above recitals are all true and correct.

SECTION 2. That upon the conclusion of the Public Hearing, written protests filed and not withdrawn are hereby overruled and denied.

SECTION 3. That based upon the Assessment Engineer's Report and the testimony and other evidence presented at the public hearing, the City Council hereby makes the following determinations regarding the assessments proposed to be imposed for the referenced Fiscal Year:

- A. The proportionate special benefit derived by each individual parcel assessed has been determined in relationship to the entirety of the cost of the operations and maintenance expenses.
- B. The assessments do not exceed the reasonable cost of the proportional special benefit conferred on each parcel.
- C. Only the special benefits have been assessed.
- D. There are no publicly owned parcels within the District.
- E. The assessments do not exceed the maximum annual assessments previously authorized to be levied pursuant to the Assessment Law.

The estimates of costs, the assessment diagram, the assessments and all other matters, as set forth in the Assessment Engineer's Report pursuant to the Assessment Law as submitted, are hereby approved, adopted by this City Council, and hereby confirmed.

SECTION 4. That this City Council hereby confirms and orders the annual levy of the assessments for the referenced fiscal year in the amounts as set forth in the Assessment Engineer's Report, and as referred to in the Resolution of Intention as previously adopted relating to said annual assessment levy.

SECTION 5. That the adoption of this Resolution constitutes the levy of the assessments for the fiscal year.

SECTION 6. That the maintenance work of improvements contemplated by the Resolution of Intention shall be performed pursuant to law.

SECTION 7. That the County Auditor shall enter on the County Assessment Roll the amount of the Assessment, and said Assessment shall then be collected at the same time and in the same manner as the County taxes are collected. After collection by said County, the net amount of the assessment shall be paid to the City Treasurer of said City.

SECTION 8. That the City Treasurer has previously established a special fund into which the City Treasurer shall place all monies collected by the Tax Collector pursuant to the provisions of the Resolution and the law, and said transfer shall be made and accomplished as soon as said monies have been made available to said City Treasurer.

SECTION 9. That the City Manager is hereby ordered and directed to file, or cause to be filed, the assessment roll with the County Auditor, together with a certified copy of this Resolution upon its adoption.

SECTION 10. That a certified copy of the assessment and diagram shall be filed in the Office of the City Manager, with a duplicate copy on file in the Records Management Department and open for public inspection.

The City Clerk of the City of Ontario shall certify as to the adoption of this Resolution.

PASSED, APPROVED, AND ADOPTED this 18th day of July 2017.

PAUL S. LEON, MAYOR

ATTEST:

SHEILA MAUTZ, CITY CLERK

APPROVED AS TO LEGAL FORM:

BEST BEST & KRIEGER LLP
CITY ATTORNEY

STATE OF CALIFORNIA)
COUNTY OF SAN BERNARDINO)
CITY OF ONTARIO)

I, SHEILA MAUTZ, City Clerk of the City of Ontario, DO HEREBY CERTIFY that foregoing Resolution No. 2017- was duly passed and adopted by the City Council of the City of Ontario at their regular meeting held July 18, 2017 by the following roll call vote, to wit:

AYES: COUNCIL MEMBERS:

NOES: COUNCIL MEMBERS:

ABSENT: COUNCIL MEMBERS:

SHEILA MAUTZ, CITY CLERK

(SEAL)

The foregoing is the original of Resolution No. 2017- duly passed and adopted by the Ontario City Council at their regular meeting held July 18, 2017.

SHEILA MAUTZ, CITY CLERK

(SEAL)

CITY OF ONTARIO

Agenda Report
July 18, 2017

SECTION:
PUBLIC HEARINGS

SUBJECT: ANNUAL LEVY OF ASSESSMENTS WITHIN STREET LIGHTING MAINTENANCE DISTRICTS NOS. 1 AND 2 FOR FISCAL YEAR 2017-18

RECOMMENDATION: That the City Council take the following actions pertaining to the levy of assessments within Street Lighting Maintenance Districts (SLMD) Nos. 1 and 2:

- (A) Conduct a combined public hearing on the levy of the annual assessments for each district; and
- (B) Consider and adopt a resolution approving the Engineer's Reports relating to the levy of assessments for each district; and
- (C) Consider and adopt resolutions confirming the diagrams and assessments, and providing for the assessment levy for each District.

COUNCIL GOALS: Focus Resources on Ontario's Commercial and Residential Neighborhoods Operate in a Businesslike Manner

FISCAL IMPACT: As proposed, special assessment revenue will be generated in the amount of \$399,251 from SLMD No. 1 and \$97,147 from SLMD No. 2 during Fiscal Year 2017-18. A portion of the facilities within SLMD No. 1 provide general benefit to the public at large and cannot be funded with the assessment. The amount of general benefit is \$12,083. The total of the recommended assessments is increasing by an average of 1.85% for the two Benefit Zones within SLMD No. 1, and by 2.11% for the twelve maintenance areas in SLMD No. 2.

BACKGROUND: Street Lighting Maintenance District No. 1 was formed in 1984, and Street Lighting Maintenance District No. 2 was formed in 1999, pursuant to the Landscaping and Lighting Act of 1972 (the "1972 Act"), to help minimize the continually increasing cost for maintaining and operating the City's street lighting system. A special assessment is levied annually on benefiting properties for the

STAFF MEMBER PRESENTING: Grant D. Yee, Administrative Services/Finance Director

Prepared by: Bob Chandler
Department: Management Services

City Manager
Approval: 

Submitted to Council/O.H.A. 07/18/2017

Approved: _____

Continued to: _____

Denied: _____

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cost of maintenance and operation of certain street lighting facilities within the districts. The locations of the districts are shown on the attached maps.

The City’s Municipal Services Department establishes the annual maintenance costs and maintains the street lighting system. An Engineer’s Report for each district must be prepared annually, apportioning the costs to each parcel within the districts. The districts are comprised of commercial, industrial and some multi-family residential properties. Due to varying characteristics, the districts are organized into benefit zones and/or maintenance areas. Each zone/maintenance area is assessed for only the operation and maintenance of the facilities from which it receives direct special benefit. The total assessment for each zone/maintenance area is then apportioned to its constituent parcels. Therefore, the assessments are unique and specific to each individual parcel of property.

The total assessment during tax year 2016-17 was \$391,987 in SLMD No. 1, and \$95,143 in SLMD No. 2. The proposed total assessments for tax year 2017-18 are \$399,251 in SLMD No. 1, and \$97,147 in SLMD No. 2. A portion of the facilities within SLMD No. 1 provide general benefit to the public at large and cannot be funded with the assessment. The amount of this general benefit is \$12,083 for Fiscal Year 2017-18. The assessed tax rates for Fiscal Year 2016-17, and the maximum and proposed tax rates for Fiscal Year 2017-18, are as follows:

		Assessed 2016-17	Proposed 2017-18	Maximum 2017-18
SLMD No. 1, Zone 2000-1	per AU	\$ 137	\$ 140	\$ 141
SLMD No. 1, Zone 2000-2	per AU	\$ 69	\$ 70	\$ 116
SLMD No. 2, MA# 99-1		\$ 4,229	\$ 4,318	\$ 10,087
SLMD No. 2, MA# 99-2		\$ 2,185	\$ 2,231	\$ 5,016
SLMD No. 2, MA# 99-3		\$ 4,366	\$ 4,457	\$ 8,358
SLMD No. 2, MA# 99-4		\$ 1,461	\$ 1,492	\$ 3,348
SLMD No. 2, MA# 99-5		\$ 1,334	\$ 1,362	\$ 3,139
SLMD No. 2, MA# 99-6		\$ 13,074	\$ 13,348	\$ 29,294
SLMD No. 2, MA# 99-7		\$ 393	\$ 401	\$ 906
SLMD No. 2, MA# 99-8		\$ 2,914	\$ 2,976	\$ 6,687
SLMD No. 2, MA# 00-1		\$ 2,788	\$ 2,846	\$ 3,077
SLMD No. 2, MA# 00-2		\$ 1,461	\$ 1,492	\$ 2,052
SLMD No. 2, MA# 00-3		\$ 7,996	\$ 8,165	\$ 11,284
SLMD No. 2, MA# 00-4		\$ 52,941	\$ 54,056	\$ 64,616

AU-Assessment Unit (e.g. – Zone 2000-1: 1 vacant acre = 0.25 AU; Zone 2000-2: 1 vacant acre = 1 AU)

On June 20, 2017, the City Council adopted resolutions which ordered the preparation of Engineer's Reports for the annual levy of assessments within each district, preliminarily approved the Engineer's Reports, declared City Council's intention to levy and collect assessments within the districts for the referenced fiscal year, and set July 18, 2017 as the date for the public hearing for each district. Notices of the public hearings have been published, and proof of publication is on file in the Records Management Department.

The Engineer's Reports, which have been prepared for each district pursuant to the 1972 Act, are on file with the Records Management Department. Each report includes plans and specifications for the improvements being operated and maintained, an estimate of costs, a diagram of the area proposed to be assessed, and an assessment of the costs to the various parcels within the districts.



Street Lighting Maintenance District No.1 VICINITY MAP



P:\users\peter\Admin_Svcs\2017\SLMD_1_vicinity.mxd

May 25, 2017



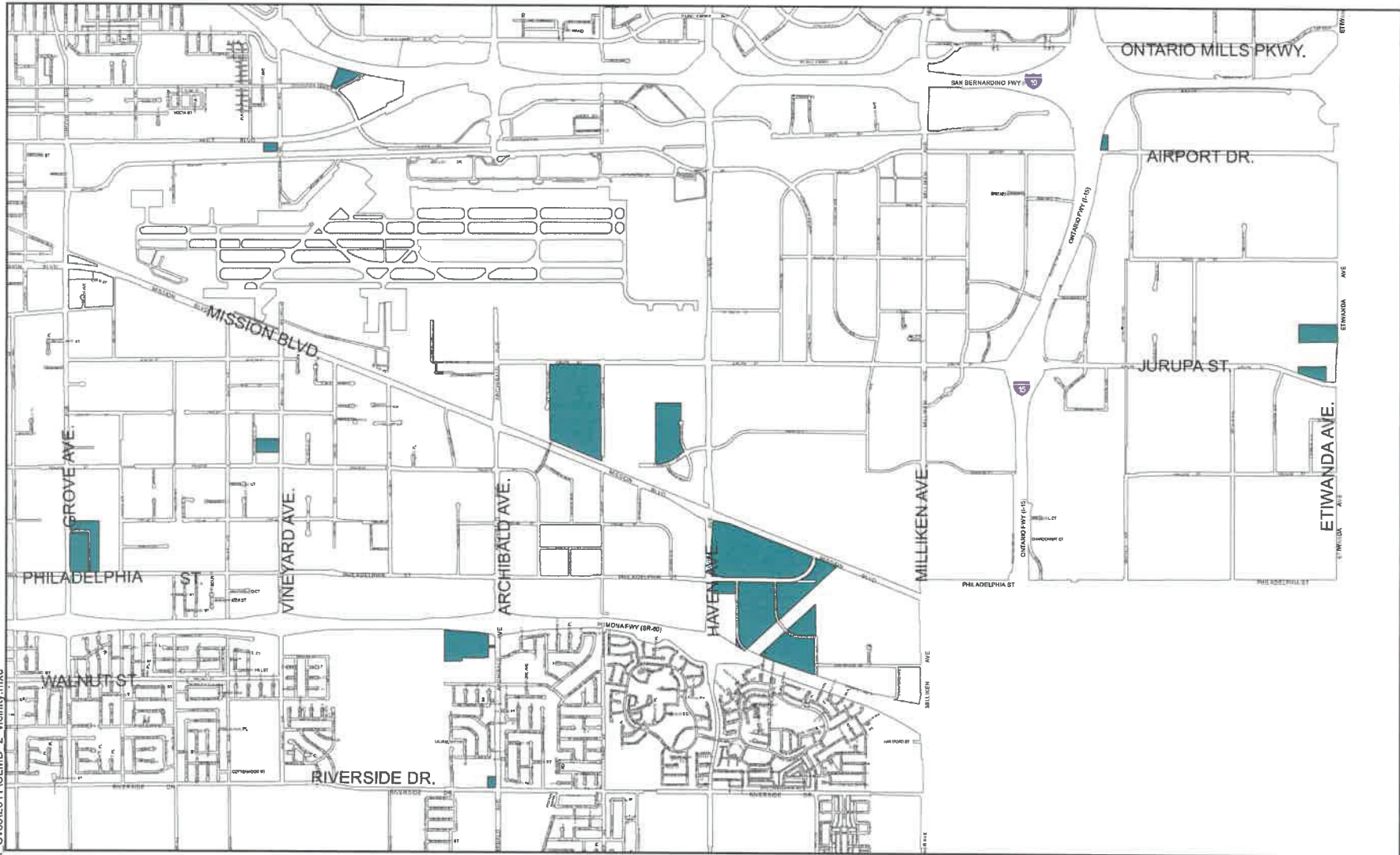
Legend

- ZONE 2000-1
- Zone 2000-2

Note:
Reference is hereby made to the Maps of The Assessor of the County of San Bernardino, California, for a detailed description of the lines and dimensions of the parcels shown hereon.



Street Lighting Maintenance District No.2 VICINITY MAP



P:\users\peterAdmin_Svesi\2017\SLMD 2 vicinity.mxd

May 25, 2017



Legend

- Street Light Maintenance District 2

Note:
Reference is hereby made to the Maps of The Assessor of the County of San Bernardino, California, for a detailed description of the lines and dimensions of the parcels shown hereon.

RESOLUTION NO. _____

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF ONTARIO, CALIFORNIA, APPROVING THE ENGINEER'S REPORTS FOR THE ANNUAL LEVY OF ASSESSMENTS WITHIN STREET LIGHTING MAINTENANCE DISTRICTS NO. 1 AND 2 FOR FISCAL YEAR 2017-18.

WHEREAS, the City Council of the City of Ontario, California, pursuant to the provisions of the "Landscaping and Lighting Act of 1972," being Division 15, Part 2, of the Streets and Highways Code of the State of California, did, by previous Resolution, order the preparation of Engineer's Reports for the annual levy of assessments, consisting of plans and specifications, cost estimates, diagrams of the districts, and the assessments relating to what are now known and designated as

CITY OF ONTARIO
STREET LIGHTING MAINTENANCE DISTRICTS NO. 1 AND 2

(hereinafter referred to as the Districts); and

WHEREAS, there have now been presented to this City Council the Reports as required by said Division 15 of the Streets and Highways Code and as previously directed by Resolution; and

WHEREAS, this City Council has approved on a preliminary basis the Reports by a previous Resolution, and ordered the Reports to be filed in the Records Management Department to be open to public inspection; and

WHEREAS, this City Council has now examined and reviewed the Reports as presented, and is satisfied with each and all of the items and documents as set forth therein, and is satisfied that the assessments have been spread in accordance with the benefits received from the maintenance to be performed as set forth in said Reports.

NOW, THEREFORE, IT IS HEREBY RESOLVED AS FOLLOWS:

SECTION 1. That the above recitals are all true and correct.

SECTION 2. That the Reports as presented, consisting of the following:

- A. Plans and Specifications,
- B. Estimates of cost,
- C. Diagrams of the Districts, and
- D. Assessment of the estimated costs

are hereby approved, and are ordered to be filed in the Records Management Department, as a permanent record and to remain open to public inspection.

SECTION 3. That the City Clerk shall certify to the passage and adoption of this Resolution, and the minutes of this meeting shall so reflect the presentation of the Engineer's Reports.

PASSED, APPROVED, AND ADOPTED this 18th day of July 2017.

PAUL S. LEON, MAYOR

ATTEST:

SHEILA MAUTZ, CITY CLERK

APPROVED AS TO LEGAL FORM:

BEST BEST & KRIEGER LLP
CITY ATTORNEY

STATE OF CALIFORNIA)
COUNTY OF SAN BERNARDINO)
CITY OF ONTARIO)

I, SHEILA MAUTZ, City Clerk of the City of Ontario, DO HEREBY CERTIFY that foregoing Resolution No. 2017- was duly passed and adopted by the City Council of the City of Ontario at their regular meeting held July 18, 2017 by the following roll call vote, to wit:

AYES: COUNCIL MEMBERS:

NOES: COUNCIL MEMBERS:

ABSENT: COUNCIL MEMBERS:

SHEILA MAUTZ, CITY CLERK

(SEAL)

The foregoing is the original of Resolution No. 2017- duly passed and adopted by the Ontario City Council at their regular meeting held July 18, 2017.

SHEILA MAUTZ, CITY CLERK

(SEAL)

RESOLUTION NO. _____

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF ONTARIO, CALIFORNIA, CONFIRMING THE DIAGRAM AND ASSESSMENT AND PROVIDING FOR THE ANNUAL ASSESSMENT LEVY WITHIN STREET LIGHTING MAINTENANCE DISTRICT NO. 1 FOR FISCAL YEAR 2017-2018.

WHEREAS, the City Council of the City of Ontario, California, has initiated proceedings for the levy of the annual assessment in a street lighting maintenance district created pursuant to the terms of the "Landscaping and Lighting Act of 1972", being Division 15, Part 2 of the Streets and Highways Code of the State of California (the "Lighting Act"), Article XIID of the Constitution of the State of California ("Article XIID") and the Proposition 218 Omnibus Implementation Act (Government Code Section 53750 and following) (the "Implementation Act") (the Lighting Act, Article XIID and the Implementation Act may be referred to collectively herein as the "Assessment Law"), in a special maintenance district known and designated as

CITY OF ONTARIO
STREET LIGHTING MAINTENANCE DISTRICT NO. 1

(hereinafter referred to as the "District"); and

WHEREAS, the City Council has ordered the preparation of an Engineer's Report, and such report (the "Assessment Engineer's Report") has been prepared pursuant to the Assessment Law and filed with this City Council for its consideration, and subsequently thereto this City Council did adopt its Resolution of Intention to levy and collect assessments for the referenced fiscal year relating to the above-referenced District, and further did proceed to give notice of the time and place for the Public Hearing on all matters relating to said annual levy of the proposed assessment; and

WHEREAS, at this time this City Council has heard all testimony and evidence and is desirous of proceeding with said annual levy of assessments.

NOW, THEREFORE, IT IS HEREBY RESOLVED AS FOLLOWS:

SECTION 1. That the above recitals are all true and correct.

SECTION 2. That upon the conclusion of the Public Hearing, written protests filed and not withdrawn are hereby overruled and denied.

SECTION 3. That based upon the Assessment Engineer's Report and the testimony and other evidence presented at the public hearing, the City Council hereby makes the following determinations regarding the assessments proposed to be imposed for the referenced fiscal year:

- A. The proportionate special benefit derived by each individual parcel assessed has been determined in relationship to the entirety of the cost of the operations and maintenance expenses.
- B. The assessments do not exceed the reasonable cost of the proportional special benefit conferred on each parcel.
- C. Only the special benefits have been assessed.
- D. All parcels within the District that are owned or used either by a local government, the State of California or the United States and which specially benefit from the improvements to be maintained are being assessed.
- E. The assessments do not exceed the maximum annual assessments previously authorized to be levied pursuant to the Assessment Law.

The estimate of costs, the assessment diagram, the assessments and all other matters, as set forth in the Assessment Engineer's Report pursuant to the Assessment Law as submitted, are hereby approved, adopted by this City Council, and hereby confirmed.

SECTION 4. That this City Council hereby confirms and orders the annual levy of the assessments for the referenced fiscal year in the amounts as set forth in the Assessment Engineer's Report, and as referred to in the Resolution of Intention as previously adopted relating to said annual assessment levy.

SECTION 5. That the adoption of this Resolution constitutes the levy of the assessments for the fiscal year.

SECTION 6. That the maintenance work of improvements contemplated by the Resolution of Intention shall be performed pursuant to law.

SECTION 7. That the County Auditor shall enter on the County Assessment Roll the amount of the Assessment, and said Assessment shall then be collected at the same time and in the same manner as the County taxes are collected. After collection by said County, the net amount of the assessment shall be paid to the City Treasurer of said City.

SECTION 8. That the City Treasurer has previously established a special fund into which the City Treasurer shall place all monies collected by the Tax Collector pursuant to the provisions of the Resolution and the law, and said transfer shall be made and accomplished as soon as said monies have been made available to said City Treasurer.

SECTION 9. That the City Manager is hereby ordered and directed to file, or cause to be filed, the assessment roll with the County Auditor, together with a certified copy of this Resolution upon its adoption.

SECTION 10. That a certified copy of the assessment and diagram shall be filed in the Office of the City Manager, with a duplicate copy on file in the Records Management Department and open for public inspection.

The City Clerk of the City of Ontario shall certify as to the adoption of this Resolution.

PASSED, APPROVED, AND ADOPTED this 18th day of July 2017.

PAUL S. LEON, MAYOR

ATTEST:

SHEILA MAUTZ, CITY CLERK

APPROVED AS TO LEGAL FORM:

BEST BEST & KRIEGER LLP
CITY ATTORNEY

STATE OF CALIFORNIA)
COUNTY OF SAN BERNARDINO)
CITY OF ONTARIO)

I, SHEILA MAUTZ, City Clerk of the City of Ontario, DO HEREBY CERTIFY that foregoing Resolution No. 2017- was duly passed and adopted by the City Council of the City of Ontario at their regular meeting held July 18, 2017 by the following roll call vote, to wit:

AYES: COUNCIL MEMBERS:

NOES: COUNCIL MEMBERS:

ABSENT: COUNCIL MEMBERS:

SHEILA MAUTZ, CITY CLERK

(SEAL)

The foregoing is the original of Resolution No. 2017- duly passed and adopted by the Ontario City Council at their regular meeting held July 18, 2017.

SHEILA MAUTZ, CITY CLERK

(SEAL)

RESOLUTION NO. _____

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF ONTARIO, CALIFORNIA, CONFIRMING THE DIAGRAM AND ASSESSMENT AND PROVIDING FOR THE ANNUAL ASSESSMENT LEVY WITHIN STREET LIGHTING MAINTENANCE DISTRICT NO. 2 FOR FISCAL YEAR 2017-18.

WHEREAS, the City Council of the City of Ontario, California, has initiated proceedings for the levy of the annual assessment in a street lighting maintenance district created pursuant to the terms of the "Landscaping and Lighting Act of 1972", being Division 15, Part 2 of the Streets and Highways Code of the State of California (the "Lighting Act"), Article XIID of the Constitution of the State of California ("Article XIID") and the Proposition 218 Omnibus Implementation Act (Government Code Section 53750 and following) (the "Implementation Act") (the Lighting Act, Article XIID and the Implementation Act may be referred to collectively herein as the "Assessment Law"), in a special maintenance district known and designated as

CITY OF ONTARIO
STREET LIGHTING MAINTENANCE DISTRICT NO. 2

(hereinafter referred to as the "District"); and

WHEREAS, the City Council has ordered the preparation of an Engineer's Report, and such report (the "Assessment Engineer's Report") has been prepared pursuant to the Assessment Law and filed with this City Council for its consideration, and subsequently thereto this City Council did adopt its Resolution of Intention to levy and collect assessments for the referenced fiscal year relating to the above-referenced District, and further did proceed to give notice of the time and place for the Public Hearing on all matters relating to said annual levy of the proposed assessment; and

WHEREAS, at this time this City Council has heard all testimony and evidence and is desirous of proceeding with said annual levy of assessments.

NOW, THEREFORE, IT IS HEREBY RESOLVED AS FOLLOWS:

SECTION 1. That the above recitals are all true and correct.

SECTION 2. That upon the conclusion of the Public Hearing, written protests filed and not withdrawn are hereby overruled and denied.

SECTION 3. That based upon the Assessment Engineer's Report and the testimony and other evidence presented at the public hearing, the City Council hereby makes the following determinations regarding the assessments proposed to be imposed for the referenced fiscal year:

- A. The proportionate special benefit derived by each individual parcel assessed has been determined in relationship to the entirety of the cost of the operations and maintenance expenses.
- B. The assessments do not exceed the reasonable cost of the proportional special benefit conferred on each parcel.
- C. Only the special benefits have been assessed.
- D. All parcels within the District that are owned or used either by a local government, the State of California or the United States and which specially benefit from the improvements to be maintained are being assessed.
- E. The assessments do not exceed the maximum annual assessments previously authorized to be levied pursuant to the Assessment Law.

The estimate of costs, the assessment diagram, the assessments and all other matters, as set forth in the Assessment Engineer's Report pursuant to the Assessment Law as submitted, are hereby approved, adopted by this City Council, and hereby confirmed.

SECTION 4. That this City Council hereby confirms and orders the annual levy of the assessments for the referenced fiscal year in the amounts as set forth in the Assessment Engineer's Report, and as referred to in the Resolution of Intention as previously adopted relating to said annual assessment levy.

SECTION 5. That the adoption of this Resolution constitutes the levy of the assessments for the fiscal year.

SECTION 6. That the maintenance work of improvements contemplated by the Resolution of Intention shall be performed pursuant to law.

SECTION 7. That the County Auditor shall enter on the County Assessment Roll the amount of the Assessment, and said Assessment shall then be collected at the same time and in the same manner as the County taxes are collected. After collection by said County, the net amount of the assessment shall be paid to the City Treasurer of said City.

SECTION 8. That the City Treasurer has previously established a special fund into which the City Treasurer shall place all monies collected by the Tax Collector pursuant to the provisions of the Resolution and the law, and said transfer shall be made and accomplished as soon as said monies have been made available to said City Treasurer.

SECTION 9. That the City Manager is hereby ordered and directed to file, or cause to be filed, the assessment roll with the County Auditor, together with a certified copy of this Resolution upon its adoption.

SECTION 10. That a certified copy of the assessment and diagram shall be filed in the Office of the City Manager, with a duplicate copy on file in the Records Management Department and open for public inspection.

The City Clerk of the City of Ontario shall certify as to the adoption of this Resolution.

PASSED, APPROVED, AND ADOPTED this 18th day of July 2017.

PAUL S. LEON, MAYOR

ATTEST:

SHEILA MAUTZ, CITY CLERK

APPROVED AS TO LEGAL FORM:

BEST BEST & KRIEGER LLP
CITY ATTORNEY

STATE OF CALIFORNIA)
COUNTY OF SAN BERNARDINO)
CITY OF ONTARIO)

I, SHEILA MAUTZ, City Clerk of the City of Ontario, DO HEREBY CERTIFY that foregoing Resolution No. 2017- was duly passed and adopted by the City Council of the City of Ontario at their regular meeting held July 18, 2017 by the following roll call vote, to wit:

AYES: COUNCIL MEMBERS:
NOES: COUNCIL MEMBERS:
ABSENT: COUNCIL MEMBERS:

SHEILA MAUTZ, CITY CLERK

(SEAL)

The foregoing is the original of Resolution No. 2017- duly passed and adopted by the Ontario City Council at their regular meeting held July 18, 2017.

SHEILA MAUTZ, CITY CLERK

(SEAL)

CITY OF ONTARIO

Agenda Report
July 18, 2017

**SECTION:
PUBLIC HEARINGS**

**SUBJECT: A PUBLIC HEARING TO CONSIDER ADOPTION OF A RESOLUTION TO
UPDATE AND MODIFY DEVELOPMENT IMPACT FEES**

**ITEM CONTINUED TO
AUGUST 15, 2017**

CITY OF ONTARIO

Agenda Report
July 18, 2017

SECTION:
PUBLIC HEARINGS

SUBJECT: A PUBLIC HEARING TO CONSIDER AN AMENDMENT TO THE GROVE AVENUE SPECIFIC PLAN (FILE NO. PSPA17-002) TO: 1) CHANGE THE LAND USE DESIGNATION FROM BUSINESS PARK TO COMMERCIAL FOR APPROXIMATELY 1-ACRE OF LAND LOCATED AT THE NORTHEAST CORNER OF GROVE AVENUE AND PHILADELPHIA STREET; 2) AMEND THE COMMERCIAL DISTRICT PERMITTED AND CONDITIONALLY PERMITTED USES TO ALLOW RESTAURANTS, CONDITIONALLY PERMIT RESTAURANTS WITH A DRIVE-THRU FACILITY AND CONDITIONALLY PERMIT CAR WASH FACILITIES (FULL AND SELF-SERVICE) WITH THE EXCEPTION OF THE COMMERCIAL CORNERS OF GROVE AVENUE AND PHILADELPHIA STREET AND GROVE AVENUE AND FRANCIS STREET WHERE FULL AND SELF-SERVICE CAR WASH FACILITIES WILL NOT BE PERMITTED; AND 3) UPDATE ALL APPLICABLE SPECIFIC PLAN SECTIONS TO REFLECT THE PROPOSED AMENDMENTS. THE GROVE AVENUE SPECIFIC PLAN IS GENERALLY LOCATED ON THE EAST AND WEST SIDES OF GROVE AVENUE AND BETWEEN MISSION BOULEVARD TO THE NORTH AND THE I-60 FREEWAY TO THE SOUTH

RECOMMENDATION: That the City Council adopt a resolution approving an Addendum to The Ontario Plan Environmental Impact Report (State Clearinghouse No. 2008101140) adopted by City Council on January 27, 2010, and adopt a resolution approving an amendment to the Grove Avenue Specific Plan (File No. PSPA17-002), pursuant to the facts and reasons contained in the staff report and attached resolution, and subject to the conditions of approval contained in the attached departmental reports.

COUNCIL GOALS: Invest in the Growth and Evolution of the City's Economy
Operate in a Businesslike Manner
Focus Resources in Ontario's Commercial and Residential Neighborhoods

STAFF MEMBER PRESENTING: Scott Murphy, Planning Director

Prepared by: Henry K. Noh
Department: Planning

City Manager
Approval: 

Submitted to Council/O.H.A. 07/18/2017
Approved: _____
Continued to: _____
Denied: _____

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FISCAL IMPACT: The land use change could result in an increase in sales tax.

BACKGROUND: The Grove Avenue Specific Plan was approved by City Council in 1993 and established the standards, regulations and design guidelines for the development of the 250-acre site generally located on the east and west sides of Grove Avenue between Mission Boulevard to the north and the SR-60 Freeway to the south. The overall land use and site concept for the Grove Avenue Specific Plan is to emphasize the site's connection with the Ontario International Airport. The land and development site concept provides for commercial, office and business park uses to serve airport related customers within the area. With freeway access to SR-60 at Grove Avenue, convenient access to the site is provided for both employees and clients. The land use and development site concept plan envisioned in the Grove Avenue Specific Plan includes the following four planning area categories:

- Business Park
- Airport Approach Overlay
- Commercial
- Office/Commercial

Specific Plan Amendment — The Amendment to the Grove Avenue Specific Plan proposes to change the land use designation from Business Park to Commercial for approximately one acre of land located at the northeast corner of Grove Avenue and Philadelphia Street (See *Exhibit "A": Grove Avenue Land Use Map*).

Located at the northeast corner of Grove Avenue and Philadelphia Street, the project site is located at an ideal location to take advantage of high traffic volumes along Grove Avenue and the 60 Freeway corridor. In keeping with the current commercial development at the northwest, southwest and southeast corners of the Grove Avenue and Philadelphia Street intersection, the project would add additional commercial and retail services that would support business operations along the Grove Avenue corridor, the needs of airport-bound visitors and all the new residential development south of the 60 Freeway and west of Grove Avenue along Philadelphia Street. The proposed land use change to Commercial would allow the site to develop and provide additional retail and commercial services to the area.

Additionally, as clean up items, the City is amending the Commercial Land Use Table of the Grove Avenue Specific Plan as follows (see *Exhibit B: Revised Commercial Land Use Table*):

1. Restaurants without a drive-thru as a permitted use within the Commercial land use district;
2. Restaurants with a drive-thru as a conditionally permitted use within the Commercial land use district; and
3. Car Wash – Full Service and Self Service (excluding facilities ancillary to fueling stations) as a conditionally permitted use within the Commercial land use district, with the exception of the commercial corners of Grove Avenue and Philadelphia Street and Grove Avenue and Francis Street, where full and self-service car wash facilities will not be permitted.

On June 27, 2017, the Planning Commission conducted a public hearing and voted unanimously (6-0) to recommend City Council approval of the proposed specific plan amendment.

AIRPORT LAND USE COMPATIBILITY: The Proposed project is located within the Airport Influence Area of Ontario International Airport (ONT) and was evaluated and found to be consistent with the policies and criteria of the Airport Land Use Compatibility Plan (ALUCP) Ontario.

ENVIRONMENTAL REVIEW: The application is a project pursuant to the California Environmental Quality Act (Public Resources Code Section 21000 et seq.) ("CEQA") and an initial study has been prepared to determine possible environmental impacts. On the basis of the initial study, which indicated that all potential environmental impacts from the Project were less than significant and an Addendum to The Ontario Plan Environmental Impact Report (State Clearinghouse No. 2008101140) prepared in conjunction with File No. PGPA06-001 and adopted by City Council on January 27, 2010 was prepared pursuant to CEQA, the State CEQA Guidelines and the City of Ontario Local CEQA Guidelines. This Application introduces no new significant environmental impacts. All previously adopted mitigation measures are to be a condition of project approval and are incorporated herein by reference. The environmental documentation for this project is available for review at the Planning Department public counter.

Exhibit "A": Grove Avenue Land Use Map

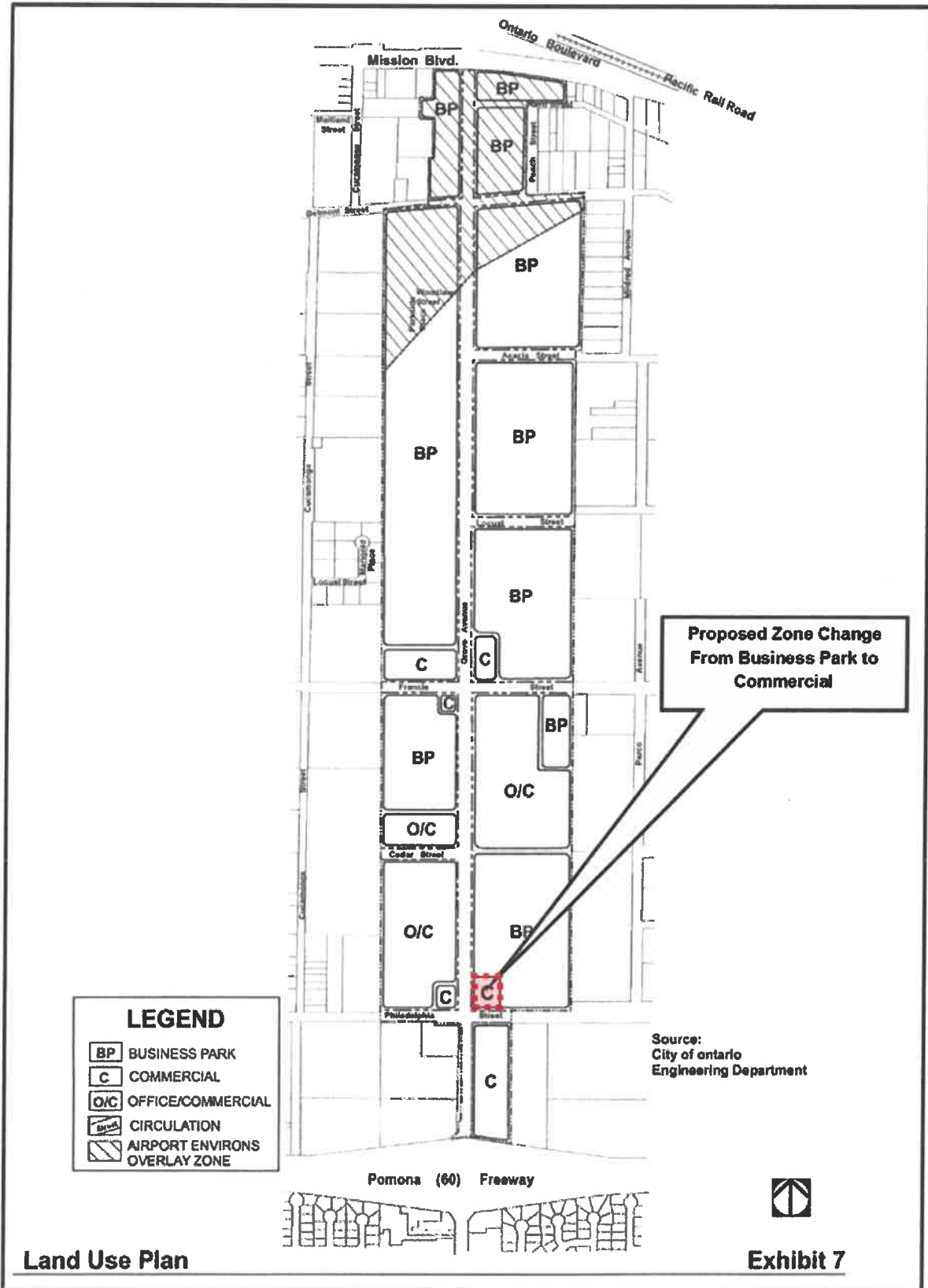


Exhibit B: Revised Commercial Land Use Table

Commercial (C) District Regulations

Purpose: This land use designation is intended for commercial sales and retail facilities which support business operations within the Grove Avenue Corridor and/or serve the needs of airport-bound visitors. Those commercial uses which can take advantage of high traffic volumes along Grove Avenue will be permitted in the Commercial District.

Permitted Uses: The uses permitted in the Commercial (C) District shall include those uses listed below when developed in compliance with the purpose and intent of this Specific Plan.

1. **Commercial Uses, including:**

- Apparel shops, shoe stores and shoe repair
- Art and artists supply stores
- Bakery
- Barber shops and beauty shops
- Blueprint and photocopy services; printing, publishing, lithography and engraving
- Camera and photography shops and studios, photographic developing and printing
- Catering services
- Cleaning establishments and laundries
- Department stores and variety stores
- Drugstores and pharmacies
- Electrical equipment sales and repair shops, electronic parts and equipment sales
- Employment agencies
- Financial institutions
- Florists
- Food stores, supermarkets, delicatessens, and specialty food stores, candy stores and confectioneries
- Furniture stores
- Hardware stores
- Health studios and reducing salons
- Household appliance sales and repair shops
- Interior decorating shops

Exhibit B: Revised Commercial Land Use Table Cont'd

- Laboratories
- Locksmiths
- Mail order and catalog sales offices
- Medical, dental and optical offices, clinics and laboratories, optician and optometric stores
- Messenger services
- Musical instrument repair shops, music stores
- Office and business machine stores, typewriter sales and service establishments
- Picture framing shops
- Realtors and real estate offices
- Deli/Sandwich shops
- Scientific instrument shops
- Secretarial services
- Shoe stores
- Specialty stores, including antique shops, art and artists supply stores, bicycle shops, bookstores, china and glassware shops, gift shops and greeting card shops, hobby shops, jewelry stores, pet and bird stores, stamp and coin shops, stationery stores, and toy stores
- Sporting goods stores
- Travel agencies and bureaus
- Watch and clock repair shops
- **Restaurants (with no Drive Thru)**

Uses Subject to a Conditional Use Permit: It is recognized that certain uses, while having certain characteristics that are similar to those of the "Permitted Uses" above, have the potential to impact surrounding properties, and therefore require additional approval and consideration. Such uses are listed below and may be permitted in the Commercial District, subject to the approval of a Conditional Use Permit.

- Animal hospitals
- Arts and crafts schools and colleges
- Auction rooms
- Automotive rental agencies
- Business colleges and professional schools

Exhibit B: Revised Commercial Land Use Table Cont'd

- Financial institutions (without drive-in teller facilities)
- Glass replacement and repair shops
- Music and dance studios
- Radio and television broadcasting studios
- Restaurants **with Drive-Thru**
- Service stations with mini-markets
- Tailor schools
- Trade schools
- Veterinarians' offices and small animal hospitals
- **Car Washes—Full Service and Self Service (excludes facilities ancillary to fueling stations)¹**

Prohibited Uses: The following uses are prohibited in the Commercial District.

- Adult businesses
- Agricultural uses
- Amusement enterprises, such as fairs, merry-go-rounds, ferris wheels, and similar uses operated on a temporary basis
- Automobile dismantling, and junk, rag, metal salvage
- Automobile service centers
- Cocktail lounges
- Contractors storage yard
- Outdoor storage (excluding outdoor storage areas that are associated with permitted and/or conditionally permitted uses)
- Recreational vehicle parks
- Residential uses
- Second hand stores and thrift shops
- Tattoo parlors
- Wholesale business establishments
- Sandblasting establishments

Other Uses: All other uses not listed as Permitted or Conditional Use are prohibited unless a finding is made by the Planning Commission that the use is similar to, and not more objectionable than that is permitted or conditionally permitted in the Commercial District.

¹ **Car Washes—Full Service and Self Service are not permitted on the Commercialized corners at Grove Avenue and Philadelphia and Grove Avenue and Francis Street.**

Exhibit C: Revised Infrastructure Plan Section

Airport Drive, which would accommodate three lanes in each direction plus a median turn lane. It is estimated that this project will be completed in four to six years.

The Circulation Plan for the Grove Avenue Specific Plan is shown in **Exhibit 12**. In addition to the improvements discussed above, roadway improvements will be required for several additional roadways, including improvements to Grove Avenue north of Belmont Street. The proposed General Plan designates two Class III bikeways to be constructed within the Grove Avenue Specific Plan area. Class III bikeways are designated by signs or surface marking and shared by motorists and pedestrians. The planned bikeways, shown on **Exhibit 12**, run along Mission Boulevard and Philadelphia Street, and are to be installed by the City of Ontario.

Transportation Demand Management Programs

Transportation Demand (TDM) programs, required by the South Coast Air Quality Management District's Regulation XV, should reduce traffic volumes within the project vicinity. Proposed developments along Grove Avenue will participate in TDM programs designed to implement Regulation XV and other air quality mandates.

INFRASTRUCTURE PLAN

Note: For all facilities including, but not limited to street, water recycled water and sewer, development plans shall refer to the current Master Plans for proposed improvements.

Water Concept Plan

Ontario is served by its City Water Department, with most of its water provided by the Chino Basin Municipal Water District (CBMWD). The CBMWD is the court-designated Watermaster for the Chino Basin and is responsible for maintaining the quantity of groundwater underlying Ontario and much of western San Bernardino County. (Groundwater quality is the responsibility of the Santa Ana Regional Water Quality Control Board).

The basin has an estimated storage capacity of 13 million acre-feet. The legally designated annual safe yield from the Chino Groundwater Basin is 140,000 acre feet, which is the amount of groundwater that can be pumped from the basin while maintaining safe levels. This is not enough water to completely supply the growing population of Ontario and the surrounding area. Supplementary water is imported to make up the shortfall.

The Concept Water Plan for the Grove Avenue Specific Plan is shown on **Exhibit 13**. The Specific Plan area is within the Fourth Street water system except for the northwest corner. The area fronting on the west side of Grove Avenue between Mission Boulevard and Belmont Street is in the Eighth Street system. The Fourth Street system is basically a grid distribution system with a twelve-inch water main in Grove Avenue and twelve-inch water mains in Francis and Philadelphia Streets. To complete the grid water system, an eight-inch water line is proposed

RESOLUTION NO. _____

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF ONTARIO, CALIFORNIA, APPROVING OF AN ADDENDUM TO THE ONTARIO PLAN (TOP) CERTIFIED ENVIRONMENTAL IMPACT REPORT (SCH # 2008101140), FOR WHICH AN INITIAL STUDY WAS PREPARED, ALL IN ACCORDANCE WITH THE CALIFORNIA ENVIRONMENTAL QUALITY ACT, AS AMENDED, FOR FILE NO. PSPA17-002.

WHEREAS, prior to the adoption of this Resolution, the Planning Director of the City of Ontario prepared an Initial Study, and approved for attachment to the certified Environmental Impact Report, an addendum to The Ontario Plan (TOP) certified Environmental Impact Report (SCH # 2008101140) for File No. PSPA17-002 (hereinafter referred to as "Initial Study/Environmental Impact Report Addendum"), all in accordance with the requirements of the California Environmental Quality Act of 1970, together with State and local guidelines implementing said Act, all as amended to date (collectively referred to as "CEQA"); and

WHEREAS, File No. PSPA17-002 analyzed under the Initial Study/Environmental Impact Report Addendum, consists of an amendment to the Grove Avenue Specific Plan (File No. PSPA17-002) to: 1) change the land use designation from Business Park to Commercial for approximately one acre of land located at the northeast corner of Grove Avenue and Philadelphia Street; 2) amend the Commercial District permitted and conditionally permitted uses; and 3) update all applicable specific plan sections to reflect the proposed amendments. The Grove Avenue Specific Plan is generally located on the east and west sides of Grove Avenue between Mission Boulevard to the north and the I-60 Freeway to the south, in the City of Ontario, California (hereinafter referred to as the "Project"); and

WHEREAS, the Initial Study/Environmental Impact Report Addendum concluded that implementation of the Project will not result in any new, increased or substantially different impacts, other than those previously considered and addressed in The Ontario Plan (TOP) certified Environmental Impact Report (SCH # 2008101140). No changes or additions to TOP EIR analyses are necessary, nor is there a need for any additional mitigation measures; and

WHEREAS, The Ontario Plan Environmental Impact Report (SCH No. 2008101140) was certified on January 27, 2010, in which development and use of the Project site was discussed; and

WHEREAS, pursuant to California Environmental Quality Act ("CEQA") Guidelines Section 15164(a), a lead agency shall prepare an addendum to a previously certified EIR if some changes or additions are necessary to a project, but the preparation of a subsequent or supplemental EIR is not required; and

WHEREAS, the City determined that none of the conditions requiring preparation of a subsequent or supplemental EIR would occur from the Project, and that preparation of an addendum to the EIR was appropriate; and

WHEREAS, the City of Ontario is the lead agency on the Project, and the City Council is the approving authority for the Addendum, initial study, and the Project; and

WHEREAS, on June 27, 2017, the Planning Commission of the City of Ontario conducted a hearing to consider the Application and concluded the hearing on that date. Upon conclusion of the public hearing, the Planning Commission approved Resolution No. PC17-038 finding that there is no substantial evidence that the Project will constitute substantial changes to the certified EIR and recommended the City Council adopt the Addendum to the certified EIR; and

WHEREAS, the City Council has reviewed and considered the Initial Study/Environmental Impact Report Addendum for the Project, has concluded that none of the conditions requiring preparation of a subsequent or supplemental EIR have occurred, and intends to take actions on the Project in compliance with CEQA and state and local guidelines implementing CEQA; and

WHEREAS, the Initial Study/Environmental Impact Report Addendum for the Project are on file in the Planning Department, located at 303 East B Street, Ontario, CA 91764, are available for inspection by any interested person at that location and are, by this reference, incorporated into this Resolution as if fully set forth herein; and

WHEREAS, all legal prerequisites to the adoption of this Resolution have occurred.

NOW, THEREFORE, IT IS HEREBY FOUND, DETERMINED, AND RESOLVED by the City Council of the City of Ontario, as follows:

SECTION 1. *Environmental Determination and Findings.* As the approving body for the Project, the City Council has reviewed and considered the information contained in the Initial Study/Environmental Impact Report Addendum and the administrative record for the Project, including all written and oral evidence provided during the comment period. Based upon the facts and information contained in the Initial Study/Environmental Impact Report Addendum and the administrative record, including all written and oral evidence presented to the City Council, the City Council finds as follows:

a. The City Council has independently reviewed and analyzed the Initial Study/Environmental Impact Report Addendum and other information in the record, and has considered the information contained therein, prior to acting upon or approving the Project;

b. The Initial Study/Environmental Impact Report Addendum prepared for the Project has been completed in compliance with CEQA and is consistent with State and local guidelines implementing CEQA; and

c. The Initial Study/Environmental Impact Report Addendum represents the independent judgment and analysis of the City of Ontario, as lead agency for the Project. The City Council designates the Planning Department, located at 303 East B Street, Ontario, CA 91764, as the custodian of documents and records of proceedings on which this decision is based.

SECTION 2. *Additional Environmental Review Not Required.* Based upon the Addendum and all related information presented to the City Council, the City Council finds that the preparation of a subsequent or supplemental EIR is not required for the Project, as the Project:

a. Does not constitute substantial changes to the certified EIR that will require major revisions to the EIR due to the involvement of new significant environmental effects or a substantial increase in the severity of previously identified significant effects; and

b. Does not constitute substantial changes with respect to the circumstances under which the certified EIR was prepared, that will require major revisions to the EIR due to the involvement of new significant environmental effects or a substantial increase in the severity of the previously identified significant effects; and

c. Does not contain new information of substantial importance that was not known and could not have been known with the exercise of reasonable diligence at the time the EIR was certified, that shows any of the following:

1. The project will have one or more significant effects not discussed in the certified EIR; or

2. Significant effects previously examined will be substantially more severe than shown in the certified EIR; or

3. Mitigation measures or alternatives previously found not to be feasible would in fact be feasible and would substantially reduce one or more significant effects of the Project, but the City declined to adopt such measures; or

4. Mitigation measures or alternatives considerably different from those analyzed in the certified EIR would substantially reduce one or more significant effects on the environment, but which the City declined to adopt.

SECTION 3. *City Council Action.* The City Council does hereby find that based upon the entire record of proceedings before it, and all information received, that there is no substantial evidence that the Project will constitute substantial changes to the certified EIR, and hereby APPROVES the Addendum to the certified EIR.

SECTION 4. *Indemnification.* The Applicant shall agree to defend, indemnify and hold harmless, the City of Ontario or its agents, officers, and employees from any claim, action or proceeding against the City of Ontario or its agents, officers or employees to attack, set aside, void or annul this approval. The City of Ontario shall promptly notify the applicant of any such claim, action or proceeding, and the City of Ontario shall cooperate fully in the defense.

SECTION 5. *Custodian of Records.* The Initial Study/Environmental Impact Report Addendum, and all other documents and materials that constitute the record of proceedings on which these findings have been based, are on file at the City of Ontario City Hall, 303 East B Street, Ontario, California 91764. The custodian for these records is the City Clerk of the City of Ontario. The records are available for inspection by any interested person, upon request.

SECTION 6. *Certification to Adoption.* The City Clerk shall certify as to the adoption of this Resolution.

PASSED, APPROVED, AND ADOPTED this 18th day of July 2017.

PAUL S. LEON, MAYOR

ATTEST:

SHEILA MAUTZ, CITY CLERK

APPROVED AS TO FORM:

BEST BEST & KRIEGER LLP
CITY ATTORNEY

STATE OF CALIFORNIA)
COUNTY OF SAN BERNARDINO)
CITY OF ONTARIO)

I, SHEILA MAUTZ, City Clerk of the City of Ontario, DO HEREBY CERTIFY that foregoing Resolution No. 2017- was duly passed and adopted by the City Council of the City of Ontario at their regular meeting held July 18, 2017 by the following roll call vote, to wit:

AYES: COUNCIL MEMBERS:

NOES: COUNCIL MEMBERS:

ABSENT: COUNCIL MEMBERS:

SHEILA MAUTZ, CITY CLERK

(SEAL)

The foregoing is the original of Resolution No. 2017- duly passed and adopted by the Ontario City Council at their regular meeting held July 18, 2017.

SHEILA MAUTZ, CITY CLERK

(SEAL)

RESOLUTION NO. _____

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF ONTARIO, CALIFORNIA, APPROVING FILE NO. PSPA17-002, AN AMENDMENT TO THE GROVE AVENUE SPECIFIC PLAN (FILE NO. PSPA17-002) TO: 1) CHANGE THE LAND USE DESIGNATION FROM BUSINESS PARK TO COMMERCIAL FOR APPROXIMATELY ONE ACRE OF LAND LOCATED AT THE NORTHEAST CORNER OF GROVE AVENUE AND PHILADELPHIA STREET; 2) AMEND THE COMMERCIAL DISTRICT PERMITTED AND CONDITIONALLY PERMITTED USES TO ALLOW RESTAURANTS, CONDITIONALLY PERMIT RESTAURANTS WITH A DRIVE-THRU FACILITY AND CONDITIONALLY PERMIT CAR WASH FACILITIES (FULL AND SELF-SERVICE) WITH THE EXCEPTION OF THE COMMERCIAL CORNERS OF GROVE AVENUE AND PHILADELPHIA STREET AND GROVE AVENUE AND FRANCIS STREET WHERE FULL AND SELF-SERVICE CAR WASH FACILITIES WILL NOT BE PERMITTED; AND 3) UPDATE ALL APPLICABLE SPECIFIC PLAN SECTIONS TO REFLECT THE PROPOSED AMENDMENTS. THE GROVE AVENUE SPECIFIC PLAN IS GENERALLY LOCATED ON THE EAST AND WEST SIDES OF GROVE AVENUE AND BETWEEN MISSION BOULEVARD TO THE NORTH AND THE I-60 FREEWAY TO THE SOUTH, AND MAKING FINDINGS IN SUPPORT THEREOF — APN: 01113-641-13.

WHEREAS, A&E Leasing, LLC ("Applicant") has filed an Application for the approval of an Amendment to the Grove Avenue Specific Plan, File No. PSPA17-002, as described in the title of this Resolution (hereinafter referred to as "Application" or "Project"); and

WHEREAS, the Application applies to approximately one acre of land located at the northeast corner of Grove Avenue and Philadelphia Street within the Business Park land use designation of the Grove Avenue Specific Plan and is presently vacant; and

WHEREAS, the properties to the north and east of the project site are developed with an existing business park development and located within the Business Park Planning Areas of the Grove Avenue Specific Plan. The property to the south is developed with an existing Office Depot and located within the Commercial Planning Area of the Grove Avenue Specific Plan. The property to the west is developed with an existing Arco gas station and is located within the Commercial Planning Area of the Grove Avenue Specific Plan; and

WHEREAS, on January 27, 2010, the City Council adopted The Ontario Plan Environmental Impact Report (State Clearinghouse No. 2008101140) and a related Mitigation Monitoring and Reporting Program in conjunction with File No. PGPA06-001; and

WHEREAS, the Project is located within the Airport Influence Area of Ontario International Airport (ONT), which encompasses lands within parts of San Bernardino, Riverside, and Los Angeles Counties, and is subject to, and must be consistent with, the policies and criteria set forth in the ONT Airport Land Use Compatibility Plan (ALUCP), which applies only to jurisdictions within San Bernardino County, and addresses the noise, safety, airspace protection, and overflight impacts of current and future airport activity; and

WHEREAS, the Application is a project pursuant to the California Environmental Quality Act (Public Resources Code Section 21000 et seq.) ("CEQA") and an initial study has been prepared to determine possible environmental impacts; and

WHEREAS, as the first action on the Project, on June 27, 2017, the Planning Commission approved Resolution No. PC17-038, recommending City Council approval of a resolution adopting an Addendum to The Ontario Plan Environmental Impact Report (State Clearinghouse No. 2008101140) adopted by City Council on January 27, 2010, in conjunction with File No. PGPA06-001. The Addendum finds that the proposed project introduces no new significant environmental impacts, and all previously adopted mitigation measures are incorporated into the Project by reference; and

WHEREAS, on June 27, 2017, the Planning Commission of the City of Ontario conducted a hearing and approved Resolution PC17-039 recommending the City Council approve an Amendment to the Grove Avenue Specific Plan: and

WHEREAS, on July 18, 2017, the City Council of the City of Ontario conducted a hearing to consider the use of the Addendum, initial study, and the Project, and concluded said hearing on that date; and

WHEREAS, all legal prerequisites to the adoption of this Resolution have occurred.

NOW, THEREFORE, IT IS HEREBY FOUND, DETERMINED, AND RESOLVED by the City Council of the City of Ontario, as follows:

SECTION 1. *Environmental Determination and Findings.* As the approving body for the Project, the City Council has reviewed and considered the information contained in the administrative record for the Project. Based upon the facts and information contained in the administrative record, including all written and oral evidence presented to the City Council, the City Council finds as follows:

a. The environmental impacts of this project were reviewed in conjunction with an Addendum to The Ontario Plan Environmental Impact Report (State Clearinghouse No. 2008101140), certified by the Ontario City Council on January 27, 2010, in conjunction with File No. PGPA06-001.

b. The Addendum and administrative record have been completed in compliance with CEQA, the State CEQA Guidelines, and the City of Ontario Local CEQA Guidelines; and

c. The City's "Guidelines for the Implementation of the California Environmental Quality Act (CEQA)" provide for the use of a single environmental assessment in situations where the impacts of subsequent projects are adequately analyzed. This Application introduces no new significant environmental impacts.

d. All previously adopted mitigation measures shall be a condition of project approval, as they are applicable to the Project, and are incorporated herein by this reference.

e. The Addendum contains a complete and accurate reporting of the environmental impacts associated with the Project, and reflects the independent judgment of the City Council; and

f. There is no substantial evidence in the administrative record supporting a fair argument that the project may result in significant environmental impacts; and

SECTION 2. *Additional Environmental Review Not Required.* Based on the Addendum, all related information presented to the City Council, and the specific findings set forth in Section 1, above, the City Council finds that the preparation of a subsequent or supplemental The Ontario Plan Environmental Impact Report (State Clearinghouse No. 2008101140) is not required for the Project, as the Project:

a. Does not constitute substantial changes to The Ontario Plan Environmental Impact Report (State Clearinghouse No. 2008101140) that will require major revisions to The Ontario Plan Environmental Impact Report (State Clearinghouse No. 2008101140) due to the involvement of new significant environmental effects or a substantial increase in the severity of previously identified significant effects; and

b. Does not constitute substantial changes with respect to the circumstances under which The Ontario Plan Environmental Impact Report (State Clearinghouse No. 2008101140) was prepared, that will require major revisions to The Ontario Plan Environmental Impact Report (State Clearinghouse No. 2008101140) due to the involvement of new significant environmental effects or a substantial increase in the severity of the previously identified significant effects; and.

c. Does not contain new information of substantial importance that was not known and could not have been known with the exercise of reasonable diligence at the time The Ontario Plan Environmental Impact Report (State Clearinghouse No. 2008101140) was certified/adopted, that shows any of the following:

1. The project will have one or more significant effects not discussed in The Ontario Plan Environmental Impact Report (State Clearinghouse No. 2008101140); or

2. Significant effects previously examined will be substantially more severe than shown in The Ontario Plan Environmental Impact Report (State Clearinghouse No. 2008101140); or

3. Mitigation measures or alternatives previously found not to be feasible would in fact be feasible and would substantially reduce one or more significant effects of the Project, but the City declined to adopt such measures; or

4. Mitigation measures or alternatives considerably different from those analyzed in The Ontario Plan Environmental Impact Report (State Clearinghouse No. 2008101140) would substantially reduce one or more significant effects on the environment, but which the City declined to adopt.

SECTION 3. *Housing Element Consistency.* Pursuant to the requirements of California Government Code Chapter 3, Article 10.6, commencing with Section 65580, as the approving body for the Project, the City Council finds that based upon the facts and information contained in the Application and supporting documentation, at the time of Project implementation, the project is consistent with the Housing Element of the Policy Plan (General Plan) component of The Ontario Plan, as the project site is not one of the properties in the Available Land Inventory contained in Table A-3 (Available Land by Planning Area) of the Housing Element Technical Report Appendix.

SECTION 4. *Airport Land Use Compatibility Plan (ALUCP) Consistency.* As the approving body for the Project, the City Council has reviewed and considered the facts and information contained in the Application and supporting documentation, and finds that, at the time of Project implementation, the Project will be consistent with the policies and criteria set forth within the ONT ALUCP.

SECTION 5. *Concluding Facts and Reasons.* Based upon the substantial evidence presented to the City Council during the above-referenced hearing, and upon the specific findings set forth in Section 1 through 4 above, the City Council hereby concludes as follows:

a. The proposed Specific Plan amendment thereto, is consistent with the goals, policies, plans and exhibits of the Vision, Policy Plan (General Plan), and City Council Priorities components of The Ontario Plan. The proposed amendment to the Grove Avenue Specific Plan proposes to: 1) change the land use designation from Business Park to Commercial for approximately one acre of land located at the northeast corner of Grove Avenue and Philadelphia Street; 2) amend the Commercial District permitted and conditionally permitted uses; and 3) update all applicable specific plan sections to reflect the proposed amendments. The proposed amendment is consistent with the following Policy Plan (General Plan) goals and policies. In order to take advantage opportunities or remove impediments to achieving our Vision, we need the ability to quickly respond to changing market needs. TOP Policy LU3-3 TOP *Land Use Flexibility*, encourages the consideration of uses not typically permitted within a land use category if doing so improves the livability, gathering places and activity nodes.

b. The proposed Specific Plan, or amendment thereto, would not be detrimental to the public interest, health, safety, convenience, or general welfare of the City. With the proposed amendments to the Grove Avenue Specific Plan, the proposed land use will be in conformance with The Ontario Plan (TOP) Policy Plan Land Use Plan and will comply with the Policy Plan goals and policies applicable to the Specific Plan. The proposed amendment to the Grove Avenue Specific Plan will not be detrimental to

the public interest, health, safety, convenience, or general welfare of the City because it would add additional commercial and retail services that would support business operations along the Grove Avenue corridor, the needs of airport-bound visitors and all the new residential development south of the 60 Freeway and west of Grove Avenue along Philadelphia Street. The proposed zone change to Commercial would allow the site to develop and provide additional retail and commercial to the surrounding area.

c. In the case of an application affecting specific property(ies), the proposed Specific Plan, or amendment thereto, will not adversely affect the harmonious relationship with adjacent properties and land uses. The project site is located in an area that will be developed with commercial land uses that will be complimentary and harmonious to the surrounding area. Furthermore, the project site will provide additional commercial and retail services that would support business operations along the Grove Avenue corridor, the needs of airport-bound visitors and all the new residential development south of the 60 Freeway and west of Grove Avenue along Philadelphia Street. The proposed zone change to Commercial would allow the site to develop and provide additional retail and commercial to the surrounding area.

d. In the case of an application affecting specific property(ies), the subject site is physically suitable, including, but not limited to, parcel size, shape, access, and availability of utilities, for the request and anticipated development. The proposed amendment to the Grove Avenue Specific Plan will change the land use of the project site to Commercial and any future development will be required to meet the Commercial development standards of the Grove Avenue Specific Plan. With the approval of the proposed amendment, the proposed project area will be developed with adequate lot size, access and utilities to serve the project.

SECTION 6. City Council Action. Based upon the findings and conclusions set forth in Sections 1 through 5, above, the City Council hereby APPROVES an Amendment to the Grove Avenue Specific Plan, as described herein and included as Exhibits "A" thru "C" of this Resolution.

SECTION 7. Indemnification. The Applicant shall agree to defend, indemnify and hold harmless, the City of Ontario or its agents, officers, and employees from any claim, action or proceeding against the City of Ontario or its agents, officers or employees to attack, set aside, void or annul this approval. The City of Ontario shall promptly notify the applicant of any such claim, action or proceeding, and the City of Ontario shall cooperate fully in the defense.

SECTION 8. Custodian of Records. The documents and materials that constitute the record of proceedings on which these findings have been based are located at the City of Ontario City Hall, 303 East "B" Street, Ontario, California 91764. The custodian for these records is the City Clerk of the City of Ontario.

SECTION 9. Certification to Adoption. The Secretary shall certify to the adoption of the Resolution.

PASSED, APPROVED, AND ADOPTED this 18th day of July 2017.

PAUL S. LEON, MAYOR

ATTEST:

SHEILA MAUTZ, CITY CLERK

APPROVED AS TO FORM:

BEST BEST & KRIEGER LLP
CITY ATTORNEY

STATE OF CALIFORNIA)
COUNTY OF SAN BERNARDINO)
CITY OF ONTARIO)

I, SHEILA MAUTZ, City Clerk of the City of Ontario, DO HEREBY CERTIFY that foregoing Resolution No. 2017- was duly passed and adopted by the City Council of the City of Ontario at their regular meeting held July 18, 2017 by the following roll call vote, to wit:

AYES: COUNCIL MEMBERS:

NOES: COUNCIL MEMBERS:

ABSENT: COUNCIL MEMBERS:

SHEILA MAUTZ, CITY CLERK

(SEAL)

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SHEILA MAUTZ, CITY CLERK

(SEAL)

Exhibit "A": Grove Avenue Land Use Map

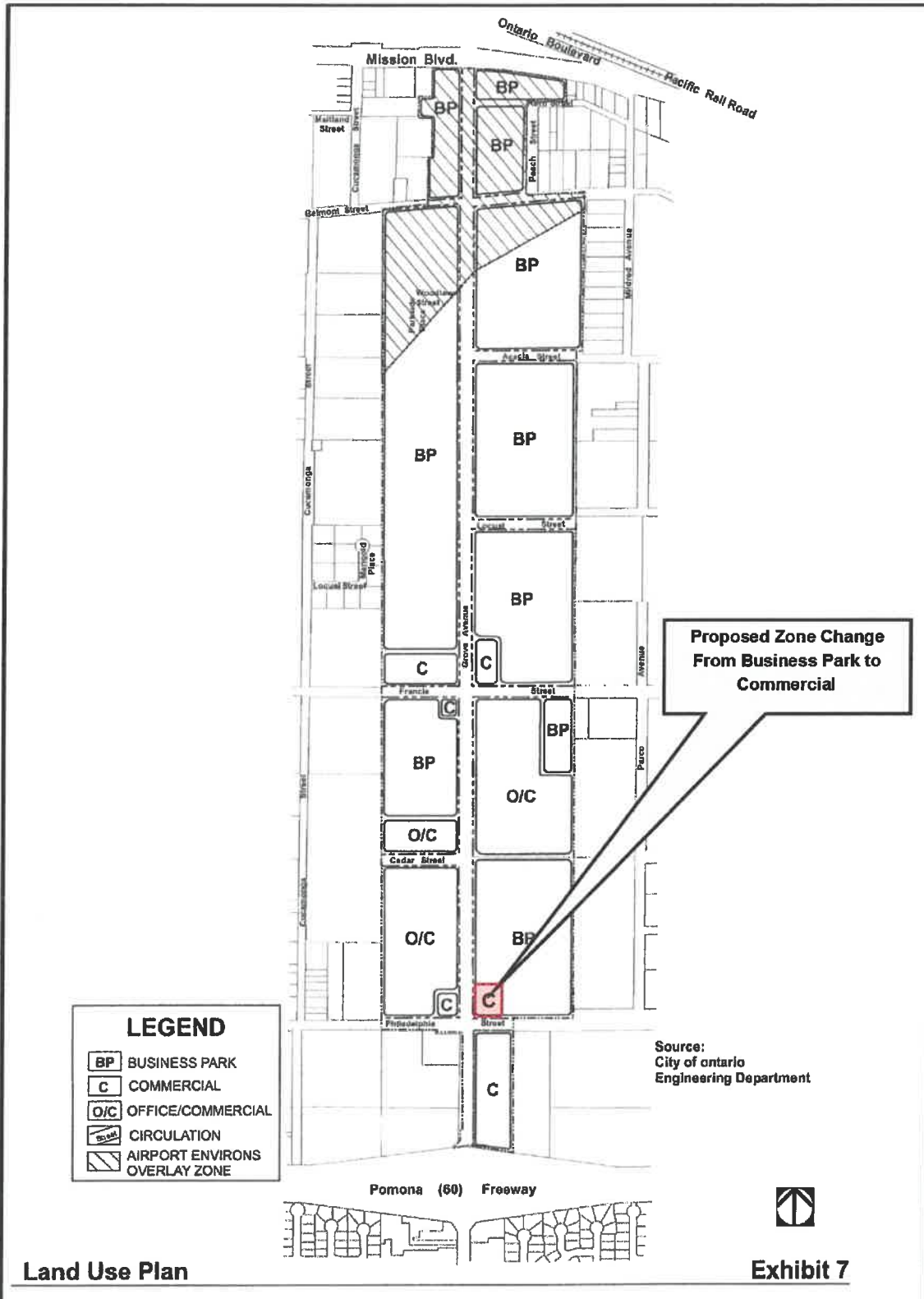


Exhibit B: Revised Commercial Land Use Table

Commercial (C) District Regulations

Purpose: This land use designation is intended for commercial sales and retail facilities which support business operations within the Grove Avenue Corridor and/or serve the needs of airport-bound visitors. Those commercial uses which can take advantage of high traffic volumes along Grove Avenue will be permitted in the Commercial District.

Permitted Uses: The uses permitted in the Commercial (C) District shall include those uses listed below when developed in compliance with the purpose and intent of this Specific Plan.

1. Commercial Uses, including:
 - Apparel shops, shoe stores and shoe repair
 - Art and artists supply stores
 - Bakery
 - Barber shops and beauty shops
 - Blueprint and photocopy services; printing, publishing, lithography and engraving
 - Camera and photography shops and studios, photographic developing and printing
 - Catering services
 - Cleaning establishments and laundries
 - Department stores and variety stores
 - Drugstores and pharmacies
 - Electrical equipment sales and repair shops, electronic parts and equipment sales
 - Employment agencies
 - Financial institutions
 - Florists
 - Food stores, supermarkets, delicatessens, and specialty food stores, candy stores and confectioneries
 - Furniture stores
 - Hardware stores
 - Health studios and reducing salons
 - Household appliance sales and repair shops
 - Interior decorating shops

Exhibit B: Revised Commercial Land Use Table (cont'd)

- Laboratories
- Locksmiths
- Mail order and catalog sales offices
- Medical, dental and optical offices, clinics and laboratories, optician and optometric stores
- Messenger services
- Musical instrument repair shops, music stores
- Office and business machine stores, typewriter sales and service establishments
- Picture framing shops
- Realtors and real estate offices
- Deli/Sandwich shops
- Scientific instrument shops
- Secretarial services
- Shoe stores
- Specialty stores, including antique shops, art and artists supply stores, bicycle shops, bookstores, china and glassware shops, gift shops and greeting card shops, hobby shops, jewelry stores, pet and bird stores, stamp and coin shops, stationery stores, and toy stores
- Sporting goods stores
- Travel agencies and bureaus
- Watch and clock repair shops
- **Restaurants (with no Drive-Thru)**

Uses Subject to a Conditional Use Permit: It is recognized that certain uses, while having certain characteristics that are similar to those of the "Permitted Uses" above, have the potential to impact surrounding properties, and therefore require additional approval and consideration. Such uses are listed below and may be permitted in the Commercial District, subject to the approval of a Conditional Use Permit.

- Animal hospitals
- Arts and crafts schools and colleges
- Auction rooms
- Automotive rental agencies
- Business colleges and professional schools

Exhibit B: Revised Commercial Land Use Table (cont'd)

- Financial institutions (without drive-in teller facilities)
- Glass replacement and repair shops
- Music and dance studios
- Radio and television broadcasting studios
- Restaurants **with Drive-Thru**
- Service stations with mini-markets
- Tailor schools
- Trade schools
- Veterinarians' offices and small animal hospitals
- **Car Washes—Full Service and Self Service (excludes facilities ancillary to fueling stations)¹**

Prohibited Uses: The following uses are prohibited in the Commercial District.

- Adult businesses
- Agricultural uses
- Amusement enterprises, such as fairs, merry-go-rounds, ferris wheels, and similar uses operated on a temporary basis
- Automobile dismantling, and junk, rag, metal salvage
- Automobile service centers
- Cocktail lounges
- Contractors storage yard
- Outdoor storage (excluding outdoor storage areas that are associated with permitted and/or conditionally permitted uses)
- Recreational vehicle parks
- Residential uses
- Second hand stores and thrift shops
- Tattoo parlors
- Wholesale business establishments
- Sandblasting establishments

Other Uses: All other uses not listed as Permitted or Conditional Use are prohibited unless a finding is made by the Planning Commission that the use is similar to, and not more objectionable than that is permitted or conditionally permitted in the Commercial District.

¹ **Car Washes—Full Service and Self Service are not permitted on the Commercial zoned corners at Grove Avenue and Philadelphia and Grove Avenue and Francis Street.**

Exhibit C: Revised Infrastructure Plan Section

Airport Drive, which would accommodate three lanes in each direction plus a median turn lane. It is estimated that this project will be completed in four to six years.

The Circulation Plan for the Grove Avenue Specific Plan is shown in **Exhibit 12**. In addition to the improvements discussed above, roadway improvements will be required for several additional roadways, including improvements to Grove Avenue north of Belmont Street. The proposed General Plan designates two Class III bikeways to be constructed within the Grove Avenue Specific Plan area. Class III bikeways are designated by signs or surface marking and shared by motorists and pedestrians. The planned bikeways, shown on **Exhibit 12**, run along Mission Boulevard and Philadelphia Street, and are to be installed by the City of Ontario.

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Transportation Demand (TDM) programs, required by the South Coast Air Quality Management District's Regulation XV, should reduce traffic volumes within the project vicinity. Proposed developments along Grove Avenue will participate in TDM programs designed to implement Regulation XV and other air quality mandates.

INFRASTRUCTURE PLAN

Note: For all facilities including, but not limited to street, water recycled water and sewer, development plans shall refer to the current Master Plans for proposed improvements.

Water Concept Plan

Ontario is served by its City Water Department, with most of its water provided by the Chino Basin Municipal Water District (CBMWD). The CBMWD is the court-designated Watermaster for the Chino Basin and is responsible for maintaining the quantity of groundwater underlying Ontario and much of western San Bernardino County. (Groundwater quality is the responsibility of the Santa Ana Regional Water Quality Control Board).

The basin has an estimated storage capacity of 13 million acre-feet. The legally designated annual safe yield from the Chino Groundwater Basin is 140,000 acre feet, which is the amount of groundwater that can be pumped from the basin while maintaining safe levels. This is not enough water to completely supply the growing population of Ontario and the surrounding area. Supplementary water is imported to make up the shortfall.

The Concept Water Plan for the Grove Avenue Specific Plan is shown on **Exhibit 13**. The Specific Plan area is within the Fourth Street water system except for the northwest corner. The area fronting on the west side of Grove Avenue between Mission Boulevard and Belmont Street is in the Eighth Street system. The Fourth Street system is basically a grid distribution system with a twelve-inch water main in Grove Avenue and twelve-inch water mains in Francis and Philadelphia Streets. To complete the grid water system, an eight-inch water line is proposed

Exhibit "D"

**FILE NO. PSPA17-002
DEPARTMENTAL CONDITIONS OF APPROVAL**

(Departmental conditions of approval to follow this page)



City of Ontario
Planning Department
303 East B Street
Ontario, California 91764
Phone: 909.395.2036
Fax: 909.395.2420

Planning Department Land Development Division Conditions of Approval

Meeting Date: June 27, 2017

File No: PSPA17-002

Related Files: N/A

Project Description: An Amendment to the Ontario Gateway Specific Plan (File No. PSPA17-001) to change Table 2.B: Permitted Land Uses by Planning Areas, to allow drive-thru quick serve restaurants as a conditionally permitted use within the Mixed-Use Planning Area land use designation. The project site is located at the southeast corner of Haven Avenue and Guasti Road. (APN: 0210-212-57); **submitted by Architecture Design Collaborative.**

Prepared By: Henry K. Noh, Senior Planner
Phone: 909.395.2429 (direct)
Email: hnoh@ontarioca.gov

The Planning Department, Land Development Section, conditions of approval applicable to the above-described Project, are listed below. The Project shall comply with each condition of approval listed below:

1.0 Standard Conditions of Approval. The project shall comply with the *Standard Conditions for New Development*, adopted by City Council Resolution No. 2010-021 on March 16, 2010. A copy of the *Standard Conditions for New Development* may be obtained from the Planning Department or City Clerk/Records Management Department.

2.0 Special Conditions of Approval. In addition to the *Standard Conditions for New Development* identified in condition no. 1.0, above, the project shall comply with the following special conditions of approval:

2.1 Specific Plan Amendment. The following shall be submitted to the Planning Department within 30 days following City Council approval of the Specific Plan Amendment:

- (a) Six copies of the final Specific Plan document;
- (b) One complete, unbound copy of the final Specific Plan document;
- (c) One CD containing a complete Microsoft Word, PDF and Adobe InDesign copy of the final Specific Plan document, including all required revisions;

2.2 Environmental Review.

(a) The application is a project pursuant to the California Environmental Quality Act (Public Resources Code Section 21000 et seq.) ("CEQA") and an initial study has been prepared to determine possible environmental impacts. On the basis of the initial study, which indicated that all potential environmental impacts from the Project were less than significant and an Addendum to The Ontario Plan Environmental Impact Report (State Clearinghouse No. 2008101140) prepared in conjunction with File No. PGPA06-001 and adopted by City Council on January 27, 2010 was prepared pursuant to CEQA, the State CEQA Guidelines and the City of Ontario Local CEQA Guidelines. This Application introduces no new

significant environmental impacts. All previously adopted mitigation measures are to be a condition of project approval and are incorporated herein by reference.

2.3 Indemnification. The applicant shall agree to defend, indemnify and hold harmless, the City of Ontario or its agents, officers, and employees from any claim, action or proceeding against the City of Ontario or its agents, officers or employees to attack, set aside, void or annul any approval of the City of Ontario, whether by its City Council, Planning Commission or other authorized board or officer. The City of Ontario shall promptly notify the applicant of any such claim, action or proceeding, and the City of Ontario shall cooperate fully in the defense.

2.4 Additional Fees.

(a) Within 5 days following final application approval, the Notice of Determination (NOD) filing fee shall be provided to the Planning Department. The fee shall be paid by check, made payable to the "Clerk of the Board of Supervisors", which shall be forwarded to the San Bernardino County Clerk of the Board of Supervisors, along with all applicable environmental forms/notices, pursuant to the requirements of the California Environmental Quality Act (CEQA). Failure to provide said fee within the time specified may result in a 180-day extension to the statute of limitations for the filing of a CEQA lawsuit.

CITY OF ONTARIO MEMORANDUM

TO: PLANNING DEPARTMENT, Henry Noh
FROM: BUILDING DEPARTMENT, Kevin Shear
DATE: June 7, 2017
SUBJECT: PDEV17-024

-
- The plan **does** adequately address the departmental concerns at this time.
 No comments
 Report below.

Conditions of Approval

1. Standard Conditions of Approval apply.

KS:lm

AIRPORT LAND USE COMPATIBILITY PLANNING CONSISTENCY DETERMINATION REPORT



Project File No.: PSPA17-002
 Address: NEC Grove Ave. & Philadelphia St
 APN: 113-641-13
 Existing Land Use: Vacant
 Proposed Land Use: Change Land use from business park to commercial and add restaurant (with no drive-thru) as a permitted use and restaurant with drive-thru as CUP permitted use
 Site Acreage: 1 Proposed Structure Height: N/A
 ONT-IAC Project Review: n/a
 Airport Influence Area: ONT

Reviewed By: Lorena Mejia
 Contact Info: 909-395-2276
 Project Planner: Henry Noh
 Date: 5/26/17
 CD No.: 2017-033
 PALU No.: n/a

The project is impacted by the following ONT ALUCP Compatibility Zones:

Safety	Noise Impact	Airspace Protection	Overflight Notification
<input type="radio"/> Zone 1	<input type="radio"/> 75+ dB CNEL	<input type="radio"/> High Terrain Zone	<input type="radio"/> Avigation Easement Dedication
<input type="radio"/> Zone 1A	<input type="radio"/> 70 - 75 dB CNEL	<input checked="" type="checkbox"/> FAA Notification Surfaces	<input checked="" type="checkbox"/> Recorded Overflight Notification
<input type="radio"/> Zone 2	<input type="radio"/> 65 - 70 dB CNEL	<input checked="" type="checkbox"/> Airspace Obstruction Surfaces	<input type="radio"/> Real Estate Transaction Disclosure
<input type="radio"/> Zone 3	<input checked="" type="checkbox"/> 60 - 65 dB CNEL	<input type="radio"/> Airspace Avigation Easement Area	
<input type="radio"/> Zone 4		Allowable Height: <u>200 ft +</u>	
<input type="radio"/> Zone 5			

The project is impacted by the following Chino ALUCP Safety Zones:

Zone 1
 Zone 2
 Zone 3
 Zone 4
 Zone 5
 Zone 6
 Allowable Height: _____

CONSISTENCY DETERMINATION

This proposed Project is: Exempt from the ALUCP
 Consistent
 Consistent with Conditions
 Inconsistent

The proposed project is located within the Airport Influence Area of Ontario International Airport (ONT) and was evaluated and found to be consistent with the policies and criteria of the Airport Land Use Compatibility Plan (ALUCP) for ONT.

Airport Planner Signature: _____



CITY OF ONTARIO MEMORANDUM

DEVELOPMENT PLAN REVIEW COMMENTS **Engineering Department/Land Development Section**

DATE: April 27, 2017 (1st review)
PROJECT: PSPA17-002, an amendment to the Grove Specific Plan
PROJECT ENGINEER: Manoj Hariya, Senior Associate Civil Engineer *M.B. Hariya*
PROJECT PLANNER: Henry K. Noh, Senior Planner

A. General Comments:

The Developer shall respond to these comments as well as the comments provided by the Transportation Division, the Ontario Municipal Utilities Company (OMUC), Fiber Team and Environmental section and address all of them prior to next submittal.

B. The following items must be addressed on the Specific Plan prior to next submittal:

1. For all facilities including but not limited to street, water, recycled water and sewer under section 3, Development plan, provide a note to refer to current Master plan for proposed improvements.

C: Khoi Do, P.E., Assistant City Engineer



CITY OF ONTARIO

MEMORANDUM

TO: "Vacant", Development Director
Scott Murphy, Planning Director (Copy of Memo only)
Cathy Wahlstrom, Principal Planner (Copy of memo only)
Charity Hernandez, Economic Development
Kevin Shear, Building Official
Khoi Do, Assistant City Engineer
Carolyn Bell, Landscape Planning Division
Sheldon Yu, Municipal Utility Company
Doug Sorel, Police Department
Art Andres, Deputy Fire Chief/Fire Marshal
Tom Danna, T. E., Traffic/Transportation Manager
Lorena Mejia, Associate Planner, Airport Planning
Steve Wilson, Engineering/NPDES
Bob Gluck, Code Enforcement Director
Jimmy Chang, IT Department
David Simpson, Development/IT (Copy of memo only)

FROM: Henry Noh, Senior Planner

DATE: April 06, 2017

SUBJECT: FILE #: PSPA17-002 Finance Acct#: SA172

The following project has been submitted for review. Please send one (1) copy and email one (1) copy of your DAB report to the Planning Department by **Thursday, April 20, 2017**

- Note:
- Only DAB action is required
 - Both DAB and Planning Commission actions are required
 - Only Planning Commission action is required
 - DAB, Planning Commission and City Council actions are required
 - Only Zoning Administrator action is required

PROJECT DESCRIPTION: An Amendment to the Grove Avenue Specific Plan to: 1) change the land use designation for approximately 1 acre of land on the northeast corner of Grove Avenue and Philadelphia Street from Business Park to Commercial; 2) add and delete certain permitted/conditionally permitted uses; and 3) update specific plan sections to reflect proposed land use change. The Grove Avenue Specific Plan is generally located on the east and west sides of Grove Avenue, between Mission Boulevard on the north and the I-60 Freeway on the south.

- The plan does adequately address the departmental concerns at this time.
 - No comments
 - Report attached (1 copy and email 1 copy)
 - Standard Conditions of Approval apply
- The plan does not adequately address the departmental concerns.
 - The conditions contained in the attached report must be met prior to scheduling for Development Advisory Board.

Landscape Planning Carolyn Bell Sr. Landscape Architect
Department Signature Title Date 4/24/17



CITY OF ONTARIO

MEMORANDUM

TO: "Vacant", Development Director
Scott Murphy, Planning Director (Copy of Memo only)
Cathy Wahlstrom, Principal Planner (Copy of memo only)
Charity Hernandez, Economic Development
Kevin Shear, Building Official
Khoi Do, Assistant City Engineer
Carolyn Bell, Landscape Planning Division
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Steve Wilson, Engineering/NPDES
Bob Gluck, Code Enforcement Director
Jimmy Chang, IT Department
David Simpson, Development/IT (Copy of memo only)

FROM: Henry Noh, Senior Planner

DATE: April 06, 2017

SUBJECT: FILE #: PSPA17-002

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- The plan does adequately address the departmental concerns at this time.
 - No comments
 - Report attached (1 copy and email 1 copy)
 - Standard Conditions of Approval apply
- The plan does not adequately address the departmental concerns.
 - The conditions contained in the attached report must be met prior to scheduling for Development Advisory Board.

Broadband Operations
Department

Anna Vaca Sr. Systems Analyst
Signature

Title

4/20/2017
Date

CITY OF ONTARIO

Agenda Report
July 18, 2017

SECTION:
ADMINISTRATIVE REPORTS/
DISCUSSION/ACTION

SUBJECT: A RESOLUTION AUTHORIZING THE ISSUANCE OF SPECIAL TAX BONDS FOR COMMUNITY FACILITIES DISTRICT NO. 31 (CARRIAGE HOUSE / AMBERLY LANE)

RECOMMENDATION: That the City Council adopt a resolution authorizing the issuance of special tax bonds for Community Facilities District No. 31 (Carriage House / Amberly Lane). The resolution:

- (A) Authorizes the issuance of special tax bonds for public improvements required to facilitate the development of the Carriage House / Amberly Lane project;
- (B) Approves the forms of the Indenture of Trust, the Bond Purchase Agreement, the Continuing Disclosure Agreement, and the Preliminary Official Statement;
- (C) Authorizes a negotiated sale of the special tax bonds to Stern Brothers & Co. (the "Underwriter") in accordance with the terms of the Bond Purchase Agreement; and
- (D) Authorizes the execution of the Indenture of Trust, the Bond Purchase Agreement, the Continuing Disclosure Agreement, and the Preliminary Official Statement by the City Manager, or his designee.

COUNCIL GOALS: Operate in a Businesslike Manner

Invest in the City's Infrastructure (Water, Streets, Sewers, Storm Drains and Public Facilities)

Ensure the Development of a Well Planned, Balanced and Self-Sustaining Community in the New Model Colony

FISCAL IMPACT: The use of Mello-Roos financing for public facilities in the residential development of the Carriage House / Amberly Lane project is estimated to generate approximately \$5 million, based on current market interest rates, which will be used to help fund a portion of the public infrastructure improvements that will serve the project. The resolution authorizing the issuance of special tax bonds for Community Facilities District No. 31 ("District") limits the principal amount of the bonds to \$6 million. The City expects the bonds to be sold no later than August of 2017. Since Mello-Roos bonds are not a direct obligation of the City, and are paid from special taxes levied on each taxable parcel in the district, there is no General Fund impact from the issuance of Mello-Roos bonds.

STAFF MEMBER PRESENTING: Grant D. Yee, Administrative Service/Finance Director

Prepared by: Bob Chandler
Department: Management Services

City Manager Approval: 

Submitted to Council/O.H.A. 07/18/2017
Approved: _____
Continued to: _____
Denied: _____

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BACKGROUND: The Mello-Roos Community Facilities Act of 1982 provided local government, with the consent from a majority of the property owners, the authority to establish community facilities districts for the purpose of levying special taxes to fund governmental services and to finance various kinds of public infrastructure facilities. Under the Mello-Roos Act, the initial steps in the formation of a community facilities district to finance public improvements are adopting a resolution declaring the City's intention to establish a community facilities district and levy special taxes, and a resolution to issue bonds.

On April 21, 2015, the City Council, in accordance with the Mello-Roos Act, took the initial steps in the formation of the District with the adoption of Resolution No. 2015-028, declaring the City's intention to establish the District and to authorize the levy of special taxes. On June 2, 2015, the City Council adopted Resolution No. 2015-057 establishing the formation of the District and Resolution No. 2015-058 deeming it necessary to incur bonded indebtedness. Upon a successful property owner election, the City Council adopted Ordinance No. 3020 on June 16, 2015, authorizing the levy of special taxes for the District to finance public improvements related to the Carriage House / Amberly Lane project. The Carriage House / Amberly Lane project addresses the residential development of approximately 30.9 gross acres located east of Turner Avenue, generally west of Haven Avenue, south of Chino Avenue and north of Schaefer Avenue. At build out, the development is projected to include 143 single-family units.

The proposed resolution references several bond documents and other matters related to the proposed issuance of bonds for the District. These documents are listed below and are on file with the Records Management Department.

- Indenture of Trust
- Bond Purchase Agreement
- Continuing Disclosure Agreement for the Bonds
- Preliminary Official Statement for the Bonds

RESOLUTION NO. _____

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF ONTARIO, CALIFORNIA, AUTHORIZING THE ISSUANCE OF CITY OF ONTARIO COMMUNITY FACILITIES DISTRICT NO. 31 (CARRIAGE HOUSE / AMBERLY LANE) SPECIAL TAX BONDS, SERIES 2017, IN AN AGGREGATE PRINCIPAL AMOUNT OF NOT TO EXCEED \$6,000,000, AUTHORIZING THE EXECUTION AND DELIVERY OF AN INDENTURE, A BOND PURCHASE AGREEMENT AND A CONTINUING DISCLOSURE AGREEMENT, AUTHORIZING THE DISTRIBUTION OF AN OFFICIAL STATEMENT IN CONNECTION THEREWITH AND AUTHORIZING THE EXECUTION OF NECESSARY DOCUMENTS AND CERTIFICATES AND RELATED ACTIONS.

WHEREAS, the City Council (the "City Council") of the City of Ontario (the "City") has formed the City of Ontario Community Facilities District No. 31 (Carriage House / Amberly Lane) (the "Community Facilities District") under the provisions of the Mello-Roos Community Facilities Act of 1982 (the "Act"); and

WHEREAS, the Community Facilities District is authorized under the Act to levy special taxes (the "Special Taxes") to pay for the costs of certain public facilities (the "Facilities") and to issue bonds payable from the Special Taxes; and

WHEREAS, in order to provide funds to finance certain of the Facilities, the Community Facilities District proposes to issue its City of Ontario Community Facilities District No. 31 (Carriage House / Amberly Lane) Special Tax Bonds, Series 2017 (the "Series 2017 Bonds"), in the aggregate principal amount of not to exceed \$6,000,000; and

WHEREAS, in order to provide for the authentication and delivery of the Series 2017 Bonds, to establish and declare the terms and conditions upon which the Series 2017 Bonds are to be issued and secured and to secure the payment of the principal thereof, premium, if any, and interest thereon, the Community Facilities District proposes to enter into an Indenture with The Bank of New York Mellon Trust Company, N.A., as trustee (the "Trustee") (such Indenture, in the form presented to this meeting, with such changes, insertions and omissions as are made pursuant to this Resolution, being referred to herein as the "Indenture"); and

WHEREAS, Stern Brothers & Co. (the "Underwriter"), has presented the Community Facilities District with a proposal, in the form of a Bond Purchase Agreement, to purchase the Series 2017 Bonds from the Community Facilities District (such Bond Purchase Agreement, in the form presented to this meeting, with such changes, insertions and omissions as are made pursuant to this Resolution, being referred to herein as the "Purchase Agreement"); and

WHEREAS, Rule 15c2-12 promulgated under the Securities Exchange Act of 1934 ("Rule 15c2-12") requires that, in order to be able to purchase or sell the Series 2017 Bonds, the underwriter thereof must have reasonably determined that the

Community Facilities District has, or one or more appropriate obligated persons have, undertaken in a written agreement or contract for the benefit of the holders of the Series 2017 Bonds to provide disclosure of certain financial information and certain material events on an ongoing basis; and

WHEREAS, in order to cause such requirement to be satisfied, the Community Facilities District desires to enter into a Continuing Disclosure Agreement with the Trustee (such Continuing Disclosure Agreement, in the form presented to this meeting, with such changes, insertions and omissions as are made pursuant to this Resolution, being referred to herein as the "Continuing Disclosure Agreement"); and

WHEREAS, a form of the Preliminary Official Statement to be distributed in connection with the public offering of the Series 2017 Bonds has been prepared (such Preliminary Official Statement, in the form presented to this meeting, with such changes, insertions and omissions as are made pursuant to this Resolution, being referred to herein as the "Preliminary Official Statement"); and

WHEREAS, there have been prepared and submitted to this meeting forms of:

- (a) the Indenture;
- (b) the Purchase Agreement;
- (c) the Continuing Disclosure Agreement; and
- (d) the Preliminary Official Statement;

WHEREAS, Harris Realty Appraisal has prepared and provided to the Community Facilities District an appraisal report, dated May 26, 2017 (the "Appraisal"), providing an opinion of value of the property in the Community Facilities District, which has been submitted to this meeting; and

WHEREAS, the Community Facilities District desires to proceed to issue and sell the Series 2017 Bonds and to authorize the execution of such documents and the performance of such acts as may be necessary or desirable to effect the offering, sale and issuance of the Series 2017 Bonds; and

WHEREAS, the City Council is the legislative body of the Community Facilities District; and

NOW, THEREFORE, BE IT RESOLVED by the City Council of the City of Ontario as follows:

SECTION 1. The foregoing recitals are true and correct.

SECTION 2. Subject to the provisions of Section 3 hereof, the issuance of the Series 2017 Bonds, in an aggregate principal amount of not to exceed \$6,000,000, on the terms and conditions set forth in, and subject to the limitations specified in, the Indenture, be and the same is hereby authorized and approved. The Series 2017 Bonds shall be dated, shall bear interest at the rates, shall mature on the dates, shall

be subject to call and redemption, shall be issued in the form and shall be as otherwise provided in the Indenture, as the same shall be completed as provided in this Resolution.

SECTION 3. The Indenture, in substantially the form submitted to this meeting and made a part hereof as though set forth herein, be and the same is hereby approved. Each of the Mayor of the City, and such other member of the City Council as the Mayor may designate, the City Manager of the City and the Administrative Services/Finance Director of the City, and such other officer or employee of the City as the City Manager may designate (the "Authorized Officers") is hereby authorized, and any one of the Authorized Officers is hereby directed, for and in the name of the Community Facilities District, to execute and deliver the Indenture in the form submitted to this meeting, with such changes, insertions and omissions as the Authorized Officer executing the same may require or approve, such requirement or approval to be conclusively evidenced by the execution of the Indenture by such Authorized Officer; provided, however, that such changes, insertions and omissions shall not authorize an aggregate principal amount of Series 2017 Bonds in excess of \$6,000,000, shall not result in a final maturity date of the Series 2017 Bonds later than September 1, 2047 and shall not result in a true interest cost for the Series 2017 Bonds in excess of 6.50%.

SECTION 4. The Purchase Agreement, in substantially the form submitted to this meeting and made a part hereof as though set forth in full herein, be and the same is hereby approved. Each of the Authorized Officers is hereby authorized, and any one of the Authorized Officers is hereby directed, for and in the name of the Community Facilities District, to execute and deliver the Purchase Agreement in the form presented to this meeting, with such changes, insertions and omissions as the Authorized Officer executing the same may require or approve, such requirement or approval to be conclusively evidenced by the execution of the Purchase Agreement by such Authorized Officer; provided, however, that such changes, insertions and omissions shall not result in an aggregate underwriter's discount (not including any original issue discount) from the principal amount of the Series 2017 Bonds in excess of 1.50% of the aggregate principal amount of the Series 2017 Bonds. The City Council hereby finds and determines that the sale of the Series 2017 Bonds at negotiated sale as contemplated by the Purchase Agreement will result in a lower overall cost.

SECTION 5. The Continuing Disclosure Agreement, in substantially the form submitted to this meeting and made a part hereof as though set forth in full herein, be and the same is hereby approved. Each of the Authorized Officers is hereby authorized, and any one of the Authorized Officers is hereby directed, for and in the name of the Community Facilities District, to execute and deliver the Continuing Disclosure Agreement in the form presented to this meeting, with such changes, insertions and omissions as the Authorized Officer executing the same may require or approve, such requirement or approval to be conclusively evidenced by the execution of the Continuing Disclosure Agreement by such Authorized Officer.

SECTION 6. The Preliminary Official Statement, in substantially the form presented to this meeting and made a part hereof as though set forth in full herein, with such changes, insertions and omissions therein as may be approved by an Authorized

Officer, be and the same is hereby approved, and the use of the Preliminary Official Statement in connection with the offering and sale of the Series 2017 Bonds is hereby authorized and approved. The Authorized Officers are each hereby authorized to certify on behalf of the Community Facilities District that the Preliminary Official Statement is deemed final as of its date, within the meaning of Rule 15c2-12 (except for the omission of certain final pricing, rating and related information as permitted by Rule 15c2-12).

SECTION 7. The preparation and delivery of a final Official Statement (the "Official Statement"), and its use in connection with the offering and sale of the Series 2017 Bonds, be and the same is hereby authorized and approved. The Official Statement shall be in substantially the form of the Preliminary Official Statement, with such changes, insertions and omissions as may be approved by an Authorized Officer, such approval to be conclusively evidenced by the execution and delivery thereof. Each of the Authorized Officers is hereby authorized, and any one of the Authorized Officers is hereby directed, for and in the name of the Community Facilities District, to execute the final Official Statement and any amendment or supplement thereto.

SECTION 8. Based upon the property values within the Community Facilities District reported in the Appraisal and the value-to-lien information set forth in the Preliminary Official Statement, the City Council, for purposes of Section 53345.8 of the Act, hereby finds and determines that the value of the real property that would be subject to the Special Tax to pay debt service on the Series 2017 Bonds will be at least three times the principal amount of the Series 2017 Bonds to be sold and the principal amount of all other bonds outstanding that are secured by a special tax levied pursuant to the Act on property within the Community Facilities District or a special assessment levied on property within the Community Facilities District.

SECTION 9. The officers, employees and agents of the City are hereby authorized and directed to take all actions and do all things which they, or any of them, may deem necessary or desirable to accomplish the purposes of this Resolution and not inconsistent with the provisions hereof.

SECTION 10. This Resolution shall take effect immediately upon its adoption.

The City Clerk of the City of Ontario shall certify as to the adoption of this Resolution. The City Clerk shall certify as to the adoption of this Resolution.

PASSED, APPROVED, AND ADOPTED this 18th day of July 2017.

PAUL S. LEON, MAYOR

ATTEST:

SHEILA MAUTZ, CITY CLERK

APPROVED AS TO FORM:

BEST BEST & KRIEGER LLP
CITY ATTORNEY

STATE OF CALIFORNIA)
COUNTY OF SAN BERNARDINO)
CITY OF ONTARIO)

I, SHEILA MAUTZ, City Clerk of the City of Ontario, DO HEREBY CERTIFY that foregoing Resolution No. 2017- was duly passed and adopted by the City Council of the City of Ontario at their regular meeting held July 18, 2017 by the following roll call vote, to wit:

AYES: COUNCIL MEMBERS:

NOES: COUNCIL MEMBERS:

ABSENT: COUNCIL MEMBERS:

SHEILA MAUTZ, CITY CLERK

(SEAL)

The foregoing is the original of Resolution No. 2017- duly passed and adopted by the Ontario City Council at their regular meeting held July 18, 2017.

SHEILA MAUTZ, CITY CLERK

(SEAL)