

CITY OF ONTARIO
CITY COUNCIL AND HOUSING AUTHORITY AGENDA
FEBRUARY 20, 2018
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**CITY OF ONTARIO
CITY COUNCIL AND HOUSING AUTHORITY
AGENDA
FEBRUARY 20, 2018**

Paul S. Leon
Mayor

Alan D. Wapner
Mayor pro Tem

Jim W. Bowman
Council Member

Debra Dorst-Porada
Council Member

Ruben Valencia
Council Member



Scott Ochoa
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 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*)

6:30 p.m.

ROLL CALL

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

PLEDGE OF ALLEGIANCE

Mayor pro Tem Wapner

INVOCATION

Pastor Reegis Richard, The Joshua Center International

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 January 16, 2018, and the Special Meetings of the City Council and Housing Authority of January 4 and January 17, 2018, approving same as on file in the Records Management Department.

2. BILLS/PAYROLL

Bills December 31, 2017 through January 13, 2018 and **Payroll** December 31, 2017 through January 13, 2018, when audited by the Finance Committee.

3. MEMORANDUM OF UNDERSTANDING BETWEEN THE CITY OF ONTARIO AND THE ONTARIO POLICE OFFICERS ASSOCIATION AFFECTING TERMS AND CONDITIONS OF EMPLOYMENT DURING THE PERIOD OF JANUARY 1, 2018 TO JUNE 30, 2022

That the City Council approve and authorize the City Manager to execute a four-year Memorandum of Understanding (on file in the Records Management Department) regarding wages, hours and other terms and conditions of employment between the City of Ontario and the Ontario Police Officers Association (OPOA); and authorize the City Manager to make any non-substantive changes which may be necessary to implement the agreement.

4. A RESOLUTION APPROVING AN IMPROVEMENT AGREEMENT, IMPROVEMENT SECURITY AND FINAL TRACT MAP NO. 18400 LOCATED AT THE SOUTHEAST CORNER OF ARCHIBALD AVENUE AND EUCALYPTUS AVENUE

That the City Council adopt a resolution approving an improvement agreement, improvement security and Final Tract Map No. 18400 located at the southeast corner of Archibald Avenue and Eucalyptus Avenue within the Subarea 29 Specific Plan area.

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. 18400, LOCATED AT THE SOUTHEAST CORNER OF ARCHIBALD AVENUE AND EUCALYPTUS AVENUE.

5. A RESOLUTION APPROVING AN IMPROVEMENT AGREEMENT, IMPROVEMENT SECURITY AND FINAL TRACT MAP NOS. 18913 AND 18913-5 LOCATED AT THE SOUTHEAST CORNER OF EUCALYPTUS AVENUE AND PARK PLACE AVENUE

That the City Council adopt a resolution approving an improvement agreement, improvement security and Final Tract Map Nos. 18913 and 18913-5 located at the southeast corner of Eucalyptus Avenue and Park Place Avenue within the Subarea 29 Specific Plan area.

RESOLUTION NO. _____

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF ONTARIO, CALIFORNIA, APPROVING AN IMPROVEMENT AGREEMENT, IMPROVEMENT SECURITY AND FINAL TRACT MAP NOS. 18913 AND 18913-5 LOCATED AT THE SOUTHEAST CORNER OF EUCALYPTUS AVENUE AND PARK PLACE AVENUE.

6. A RESOLUTION APPROVING AN IMPROVEMENT AGREEMENT, IMPROVEMENT SECURITY AND FINAL TRACT MAP NO. 18998 LOCATED AT THE NORTHEAST CORNER OF MERRILL AVENUE AND CELEBRATION AVENUE

That the City Council adopt a resolution approving an improvement agreement, improvement security and Final Tract Map No. 18998 located at the northeast corner of Merrill Avenue and Celebration Avenue within the Subarea 29 Specific Plan area.

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. 18998, LOCATED AT THE NORTHEAST CORNER OF MERRILL AVENUE AND CELEBRATION AVENUE.

7. A RESOLUTION ORDERING THE SUMMARY VACATION OF THE RIGHTS OF WAY AND PUBLIC SERVICE EASEMENTS IN A PORTION OF PARKVIEW STREET AND RECONVEYING ANY OF THE CITY'S INTERESTS THEREIN

That the City Council adopt a resolution ordering the summary vacation of the rights of way and public service easements in a portion of Parkview Street and reconveying any of the City's interests therein.

RESOLUTION NO. _____

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF ONTARIO, CALIFORNIA, ORDERING THE SUMMARY VACATION OF THE RIGHTS OF WAY AND PUBLIC SERVICE EASEMENTS IN A PORTION OF PARKVIEW STREET AND RECONVEYING ANY OF THE CITY'S INTERESTS THEREIN.

8. FISCAL YEAR 2017-18 SECOND BUDGET UPDATE REPORT

That the City Council approve the budget adjustments and recommendations as listed in the Fiscal Year 2017-18 Second Budget Update Report.

9. FIRST AMENDMENT TO THE DISPOSITION AND DEVELOPMENT AGREEMENT BETWEEN THE ONTARIO HOUSING AUTHORITY AND ONTARIO EMPORIA HOUSING PARTNERS, L.P. FOR THE DEVELOPMENT OF A 75-UNIT HOUSING DEVELOPMENT (EMPORIA MULTIFAMILY AFFORDABLE HOUSING PROJECT), LOCATED ON APPROXIMATELY 2.95 ACRES OF LAND BORDERED BY HOLT BOULEVARD ON THE NORTH, FERN AVENUE ON THE EAST, EMPORIA STREET ON THE SOUTH, AND VINE AVENUE ON THE WEST; AND THE FIRST AMENDMENT TO THE GRANT AGREEMENT BETWEEN THE CITY OF ONTARIO AND THE ONTARIO HOUSING AUTHORITY

That the City Council (“City”) and the Board of the Ontario Housing Authority (“Authority”):

- (A) Adopt resolutions approving the First Amendment to Disposition and Development Agreement (“First Amendment”) between the Authority and Ontario Emporia Housing Partners, L.P. of Irvine, California (“Developer”) (on file with the Records Management Department);
- (B) Approve the First Amendment to Grant Agreement (“Grant Agreement”) between the City and the Authority, in a revised total amount not to exceed \$10,458,583 (on file with the Records Management Department); and
- (C) Authorize the City Manager/Executive Director or his designee to sign all documents necessary to implement the Agreements.

RESOLUTION NO. OHA-_____

A RESOLUTION OF THE ONTARIO HOUSING AUTHORITY OF THE CITY OF ONTARIO, CALIFORNIA, APPROVING A FIRST AMENDMENT TO DISPOSITION AND DEVELOPMENT AGREEMENT WITH ONTARIO EMPORIA HOUSING PARTNERS, L.P., FOR DEVELOPMENT OF A MULTIFAMILY, RENTAL HOUSING PROJECT AND MAKING CERTAIN FINDINGS IN CONNECTION THEREWITH.

RESOLUTION NO. _____

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF ONTARIO, CALIFORNIA, APPROVING A FIRST AMENDMENT TO DISPOSITION AND DEVELOPMENT AGREEMENT WITH ONTARIO EMPORIA HOUSING PARTNERS, L.P., FOR DEVELOPMENT OF A MULTIFAMILY, RENTAL HOUSING PROJECT AND MAKING CERTAIN FINDINGS IN CONNECTION THEREWITH.

10. AUTHORIZE THE PURCHASE OF FLEET VEHICLES/NATIONAL AUTO FLEET GROUP

That the City Council authorize the cooperative purchase and delivery of one Chevrolet Colorado in the amount of \$31,589 and one Ford F150 in the amount of \$32,685 for the Utilities Department, one Chevrolet Bolt Electric Vehicle in the amount of \$40,360 for the Planning Department, and one Ford Transit Van in the amount of \$40,166 for the IT Department from National Auto Fleet Group of Watsonville, California, consistent with the terms and conditions of the National Joint Powers Alliance (NJPA) Cooperative Contract 120716-NAF.

11. AUTHORIZE VENDORS FOR EQUIPPING OF FLEET VEHICLES/10-8 RETROFIT OF ONTARIO/WEST COAST LIGHTS & SIRENS INC.

That the City Council approve 10-8 Retrofit of Ontario, California, and West Coast Lights & Sirens Inc. of Riverside, California, as authorized vendors for current and future purchases and installation of electronics and equipment associated with the routine replacement of City fleet vehicles.

12. ADOPTION OF PROPOSED STREET TREE MASTER PLAN

That the City Council adopt the proposed Street Tree Master Plan (on file with the Records Management Department).

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.

13. PUBLIC HEARING TO CONSIDER AN ORDINANCE APPROVING A DEVELOPMENT AGREEMENT AMENDMENT (THIRD AMENDMENT – FILE NO PDA13-003) BETWEEN THE CITY OF ONTARIO AND SL ONTARIO DEVELOPMENT COMPANY LLC, TO CLARIFY AND UPDATE THE PHASING OF THE CONSTRUCTION OF PUBLIC INFRASTRUCTURE TO SERVE TRACT MAP NO'S 18913-1, 18913-2, 18913-3, 18913-4, 18913-5 AND 18913, GENERALLY LOCATED NORTH OF RIVERSIDE COUNTY LINE CHANNEL (BELLEGRAVE FLOOD CONTROL CHANNEL), SOUTH OF EUCALYPTUS AVENUE, EAST OF ARCHIBALD AVENUE, AND WEST OF THE SCE UTILITY CORRIDOR, WITHIN PLANNING AREAS 4 THROUGH 27, OF THE SUBAREA 29 SPECIFIC PLAN WITHIN THE PARK PLACE COMMUNITY (APN: 0218-022-02, 0218-563-01 THROUGH 04, 0218-022-10 AND 11, 0218-554-01 THROUGH 68, 218-573-01 THROUGH 06, 0218-033-01 THROUGH 06, 0218-583-01, AND 0218-014-01 THROUGH 07)

That the City Council introduce and waive further reading of an ordinance approving the third amendment (File PDA13-003) to the Development Agreement between the City of Ontario and SL Ontario Development Company LLC, a Delaware Limited Liability Company, to clarify and update the phasing of the construction of public infrastructure to serve Tract Map No's 18913-1, 18913-2, 18913-3, 18913-4, 18913-5 and 18913.

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.

ORDINANCE NO. _____

AN ORDINANCE OF THE CITY COUNCIL OF THE CITY OF ONTARIO, CALIFORNIA, APPROVING FILE NO. PDA13-003, A THIRD AMENDMENT TO THE DEVELOPMENT AGREEMENT, FILE NO. PDA13-003, BETWEEN THE CITY OF ONTARIO AND SL ONTARIO DEVELOPMENT COMPANY, LLC, TO CLARIFY AND UPDATE THE PHASING OF THE CONSTRUCTION OF PUBLIC INFRASTRUCTURE TO SERVE TRACT MAP NO'S 18913-1, 18913-2, 18913-3, 18913-4, 18913-5 AND 18913. THE PROJECT IS GENERALLY LOCATED NORTH OF THE RIVERSIDE COUNTY LINE CHANNEL (BELLEGRAVE FLOOD CONTROL CHANNEL), SOUTH OF EUCALYPTUS AVENUE, EAST OF ARCHIBALD AVENUE, AND WEST OF THE SCE UTILITY CORRIDOR, WITHIN PLANNING AREAS 4 THROUGH 27, OF THE SUBAREA 29 SPECIFIC PLAN (PARK PLACE COMMUNITY), AND MAKING FINDINGS IN SUPPORT THEREOF — APNs: 0218-022-02, 0218-563-01, 0218-563-02, 0218-563-03 and 0218-563-04, 0218-022-10 AND 11, 0218-554-01, 0218-554-02, 0218-554-03, 0218-554-04, 0218-554-05, 0218-554-06, 0218-554-07, 0218-554-08, 0218-554-09, 0218-554-10, 0218-554-11, 0218-554-12, 0218-554-13, 0218-554-14, 0218-554-15, 0218-554-16, 0218-554-17, 0218-554-18, 0218-554-19, 0218-554-20, 0218-554-21, 0218-554-22, 0218-554-23, 0218-554-24, 0218-554-25, 0218-554-26, 0218-554-27, 0218-554-28, 0218-554-29, 0218-554-30, 0218-554-31, 0218-554-32, 0218-554-33, 0218-554-34, 0218-554-35, 0218-554-36, 0218-554-37, 0218-554-38, 0218-554-39, 0218-554-40, 0218-554-41, 0218-554-42, 0218-554-43, 0218-554-44, 0218-554-45, 0218-554-46, 0218-554-47, 0218-554-48, 0218-554-49, 0218-554-50, 0218-554-51, 0218-554-52, 0218-554-53, 0218-554-54, 0218-554-55, 0218-554-56, 0218-554-57, 0218-554-58, 0218-554-59, 0218-554-60, 0218-554-61, 0218-554-62, 0218-554-63, 0218-554-64, 0218-554-65, 0218-554-66, 0218-554-67 and 0218-554-68, 0218-573-01, 0218-573-02, 0218-573-03, 0218-573-04, 0218-573-05, and 0218-573-06, 0218-033-01, 0218-033-02, 0218-033-03, 0218-033-04, 0218-033-05, and 0218-033-06, 0218-583-01 AND 0218-014-01, 0218-014-02, 0218-014-03, 0218-014-04, 0218-014-05, 0218-014-06 and 0218-014-07.

14. A PUBLIC HEARING TO CONSIDER AN ORDINANCE APPROVING A DEVELOPMENT AGREEMENT AMENDMENT (FIRST AMENDMENT – FILE NO PDA08-001) BETWEEN THE CITY OF ONTARIO AND TNHYIF REIV INDIA, LLC, A DELAWARE LIMITED LIABILITY COMPANY, TO EXTEND THE TERM OF THE DEVELOPMENT AGREEMENT ALLOWING FOR THE CONSTRUCTION OF UP TO 870,000 SQUARE FEET OF CLASS “A” MIXED USE OFFICE PARK AND THE REQUIRED INFRASTRUCTURE, ON APPROXIMATELY 24.8 ACRES OF LAND WITHIN THE GUASTI SPECIFIC PLAN, FOR PROPERTY LOCATED NORTH OF GUASTI ROAD AND SOUTH OF THE I-10 FREEWAY, BETWEEN TURNER AVENUE AND ARCHIBALD AVENUE (APN: 0210-192-13, 0210-192-14, 0210-192-15, 0210-192-16, 0210-192-17, 0210-192-18, 0210-192-19, 0210-192-20, 0210-192-21, 0210-192-22, 0210-192-23, AND 0210-192-24)

That the City Council introduce and waive further reading of an ordinance approving an amendment to a Development Agreement (first amendment to File No. PDA08-001, on file with the Records Management Department) between the City of Ontario and TNHYIF REIV India, LLC, a Delaware Limited Liability Company, to extend the term of the Development Agreement.

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.

ORDINANCE NO. _____

AN ORDINANCE OF THE CITY COUNCIL OF THE CITY OF ONTARIO, CALIFORNIA, APPROVING THE FIRST AMENDMENT TO THE DEVELOPMENT AGREEMENT, FILE NO. PDA08-001, BETWEEN THE CITY OF ONTARIO AND TNHYIF REIV INDIA, LLC, A DELAWARE LIMITED LIABILITY COMPANY TO EXTEND THE TERM OF THE DEVELOPMENT AGREEMENT ALLOWING FOR THE CONSTRUCTION OF UP TO 870,000 SQUARE FEET OF CLASS “A” MIXED USE OFFICE PARK AND THE REQUIRED INFRASTRUCTURE, ON APPROXIMATELY 24.8 ACRES OF LAND WITHIN THE GUASTI SPECIFIC PLAN, FOR PROPERTY LOCATED NORTH OF GUASTI ROAD AND SOUTH OF THE I-10 FREEWAY, BETWEEN TURNER AVENUE AND ARCHIBALD AVENUE (APN: 0210-192-13, 0210-192-14, 0210-192-15, 0210-192-16, 0210-192-17, 0210-192-18, 0210-192-19, 0210-192-20, 0210-192-21, 0210-192-22, 0210-192-23, AND 0210-192-24).

15. A PUBLIC HEARING TO CONSIDER FILE NO. PSPA17-004, AN AMENDMENT TO THE ONTARIO CENTER SPECIFIC PLAN TO ALLOW “SHORT-TERM SLEEPING ACCOMMODATION FACILITIES” AS AN ALLOWED LAND USE WITHIN THE GARDEN COMMERCIAL LAND USE DISTRICT

That the City Council uphold the Planning Commission’s action and deny an amendment to The Ontario Center Specific Plan (File No. PSPA17-004) to allow Short-Term Sleeping Accommodations as an allowed land use within the Garden Commercial Land Use 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, DENYING FILE NO. PSPA17-004, AN AMENDMENT TO THE ONTARIO CENTER SPECIFIC PLAN TO ALLOW “SHORT-TERM SLEEPING ACCOMMODATION FACILITIES” AS AN ALLOWED LAND USE WITHIN THE GARDEN COMMERCIAL LAND USE DISTRICT, AND MAKING FINDINGS IN SUPPORT THEREOF.

16. A PUBLIC HEARING TO CONSIDER AN AMENDMENT TO THE RICH HAVEN SPECIFIC PLAN FOR FILE NO. PSPA16-005 TO ANNEX 72.3 ACRES OF LAND LOCATED ON THE SOUTHEAST CORNER OF HAVEN AVENUE AND ONTARIO RANCH ROAD INTO THE MIXED-USE OVERLAY DISTRICT OF THE RICH HAVEN SPECIFIC PLAN INCLUDING UPDATES TO THE DEVELOPMENT STANDARDS, EXHIBITS AND TEXT CHANGES TO REFLECT THE PROPOSED ANNEXATION AND POLICY PLAN (GENERAL PLAN) COMPLIANCE. (APN NO’S: 218-161-01, 218-161-04, 218-161-05, 218-161-09, 218-161-10, 218-161-11, 218-161-13, 218-161-14, 218-211-01, 218-211-02, 218-211-05, 218-211-08, 218-211-12, 218-211-15, 218-211-17, 218-211-21, 218-211-23, 218-211-24, 218-211-25 AND 218-211-27)

That the City Council adopt a resolution approving an addendum to The Ontario Plan (SCH# 2008101140) Environmental Impact Report, analyzing the environmental effects of the Project, pursuant to State CEQA Guidelines section 15164; and adopt a resolution approving an amendment to Rich-Haven Specific Plan (File No. PSPA16-005).

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 AN ADDENDUM TO THE ONTARIO PLAN ENVIRONMENTAL IMPACT REPORT, FOR WHICH AN INITIAL STUDY WAS PREPARED, ALL IN ACCORDANCE WITH THE CALIFORNIA ENVIRONMENTAL QUALITY ACT, AS AMENDED, FOR FILE NO. PSPA16-005, AND MAKING FINDINGS IN SUPPORT THEREOF—APN's: 0218-161-01, 0218-161-04, 0218-161-05, 0218-161-09, 0218-161-10, 0218-161-11, 0218-161-13, 0218-161-14, 0218-211-01, 0218-211-02, 0218-211-05, 0218-211-08, 0218-211-12, 0218-211-15, 0218-211-17, 0218-211-21, 0218-211-23, 0218-211-24, 0218-211-25 and 0218-211-27.

RESOLUTION NO. _____

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF ONTARIO, CALIFORNIA, APPROVING FILE NO. PSPA16-005, AN AMENDMENT TO THE RICH HAVEN SPECIFIC PLAN TO ANNEX 72.3 ACRES OF LAND LOCATED ON THE SOUTHEAST CORNER OF HAVEN AVENUE AND ONTARIO RANCH ROAD INTO THE MIXED-USE DISTRICT OF THE RICH HAVEN SPECIFIC PLAN INCLUDING UPDATES TO THE DEVELOPMENT STANDARDS, EXHIBITS AND TEXT CHANGES TO REFLECT THE PROPOSED ANNEXATION AND TOP POLICY PLAN COMPLIANCE, AND MAKING FINDINGS IN SUPPORT THEREOF — APN's: 0218-161-01, 0218-161-04, 0218-161-05, 0218-161-09, 0218-161-10, 0218-161-11, 0218-161-13, 0218-161-14, 0218-211-01, 0218-211-02, 0218-211-05, 0218-211-08, 0218-211-12, 0218-211-15, 0218-211-17, 0218-211-21, 0218-211-23, 0218-211-24, 0218-211-25 AND 0218-211-27.

STAFF MATTERS

City Manager Ochoa

COUNCIL MATTERS

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

ADJOURNMENT

**ONTARIO CITY COUNCIL AND
ONTARIO HOUSING AUTHORITY
SPECIAL MEETING MINUTES**

January 4, 2018

(Not Official Until Approved)

JOINT MEETINGS

Regular meetings of the Ontario City Council and Ontario Housing Authority were held on Tuesday, January 4, 2018 at Ontario City Hall, 303 East B Street, Ontario, California.

CALL TO ORDER – OPEN SESSION

Mayor Leon called the City Council and Housing Authority meetings to order at 4:06 p.m., and requested the City Clerk call the roll.

PRESENT: Mayor/Chairman Paul S. Leon
Mayor pro Tem/Vice Chairman Alan D. Wapner
Council/Authority Members: Jim W. Bowman, and Ruben Valencia

ABSENT: Council/Authority Member: Debra Dorst-Porada (Arrived at 4:15 p.m.)

Also present were City Manager/Executive Director Scott Ochoa, City Attorney/Legal Counsel John Brown and Assistant City Clerk/Secretary Vicki Kasad.

CLOSED SESSION

Mayor Leon inquired whether persons were present who wished to speak to the Closed Session item. Hearing no one, the City Council, with Council Member Dorst-Porada absent recessed to Closed Session at 4:06 p.m. for discussion of the following:

- GC 54957.6, CONFERENCE WITH LABOR NEGOTIATOR: Scott Ochoa regarding Ontario Police Officers Association, Ontario Police Management Group, Ontario Professional Firefighters Association, Ontario Fire Management Group.

Council Member Dorst-Porada joined the Closed Session discussion at 4:15 p.m.

City Council reconvened at 4:42 p.m.

CLOSED SESSION REPORT

City Attorney Brown reported that listed was discussed, however there was no reportable action.

STAFF MATTERS

None.

COUNCIL MATTERS

None.

ADJOURNMENT

Mayor Leon adjourned the meetings of the Joint Agencies at 4:44 p.m. and announced the next regular meetings would be held on Tuesday, January 16, 2018.

Respectfully submitted,

VICKI KASAD, ASSISTANT CITY CLERK/SECRETARY

APPROVED:

PAUL S. LEON, MAYOR/CHAIRMAN

**ONTARIO CITY COUNCIL/
ONTARIO HOUSING AUTHORITY
MINUTES
January 16, 2018
(Not Official Until Approved)**

JOINT MEETINGS

Regular meetings of the Ontario City Council/Ontario Housing Authority were held on Tuesday, January 16, 2018, at the Ontario City Hall, 303 East B Street, Ontario, California.

CLOSED SESSION

Mayor Leon called the City Council and Housing Authority meetings to order at 6:05 p.m.

City Manager Ochoa advised that subsequent to the posting of the agenda for this meeting, the City received notification regarding an existing legal matter that requires City Council action prior to the next Council meeting which is February 6, 2018. Pursuant to Government Code Section 54954.2 (b), a two-thirds vote of the City Council was required to add the following urgency item to the agenda for consideration:

- GC 54956.9 (d) (1), CONFERENCE WITH LEGAL COUNSEL, EXISTING LITIGATION: Estate of Raul Herrera III, et al. vs. City of Ontario, et al. Central District of California Case No. 5:17-CV-00082 SP

MOTION: Moved by Council Member Bowman, seconded by Council Member Dorst-Porada and carried by unanimous vote to add the requested item to this agenda.

Mayor Leon inquired whether persons were present who wished to speak to the Closed Session items. Hearing no one, the City Council recessed to Closed Session at 6:06 p.m. for discussion of the following:

- GC 54957.6, CONFERENCE WITH LABOR NEGOTIATOR: Scott Ochoa regarding Ontario Fire Management Group.
- GC 54956.9 (d)(1), CONFERENCE WITH LEGAL COUNSEL, EXISTING LITIGATION: *Ernesto Alonso, et al v. City of Ontario, et al; CIVDS 1705398*
- GC 54956.9 (d) (1), CONFERENCE WITH LEGAL COUNSEL, EXISTING LITIGATION: Estate of Raul Herrera III, et al. vs. City of Ontario, et al. Central District of California Case No. 5:17-CV-00082 SP

CALL TO ORDER – OPEN SESSION

Mayor Leon called the City Council/Housing Authority meetings to order at 6:31 p.m., and requested the City Clerk call the roll.

PRESENT: Mayor/Chairman Paul S. Leon
Mayor pro Tem/Vice Chairman Alan D. Wapner
Council/Authority Members: Jim W. Bowman, Debra Dorst-Porada
and Ruben Valencia

ABSENT: Council/Authority Member: None

Also present were City Manager/Executive Director Scott Ochoa, City Attorney/Legal Counsel John Brown and City Clerk/Secretary Sheila Mautz.

The Pledge of Allegiance was led by *Council Member Dorst-Porada*.

The Invocation was provided by *Assistant Pastor Dan Gross*, representing Montecito Baptist Church.

CLOSED SESSION REPORT

City Attorney Brown indicated that the matters listed on the agenda were discussed and direction was given to staff; however, there was no reportable action.

PUBLIC COMMENTS

Peggi Hazlett, representing the Ontario Chamber of Commerce, noted that the Chamber was taking new strategic action to expand the face of the Chamber and introduced Chamber Board Member Jennifer Shaw of Southern California Edison.

Jennifer Shaw, Chamber of Commerce/Southern California Edison announced upcoming Chamber events including Vision 2018 on January 26, 2018; Good Morning Ontario on February 7, 2018 and the Police Recognition Lunch on May 8, 2018. She thanked City Manager Ochoa for agreeing to speak at the Vision 2018 event.

Karen Haughey, representing County Supervisor Curt Hagman, wished the community a Happy New Year and invited the Council and public to Coffee with Curt to be held in Chino Hills on February 3, 2018, at 8:00 a.m. in the Chino Hills Community Center.

AGENDA REVIEW/ANNOUNCEMENTS

City Manager Ochoa indicated that there were updated exhibits to the resolution relative to Item 3. He indicated these updates reflect payments from property owners paid since the time the agenda was posted until today with a revised/reduced total of \$153,253.67 related to 143 parcels.

CONSENT CALENDAR

MOTION: Moved by Council Member Dorst-Porada, seconded by Council Member Bowman and carried by unanimous vote to approve the Consent Calendar as presented.

1. APPROVAL OF MINUTES

Approved Minutes for the regular meeting of the City Council and Housing Authority of December 5, 2017 and December 19, 2017, as on file in the Records Management Department.

2. BILLS/PAYROLL

Approved **Bills** for the period November 5, 2017 through December 2, 2017, in the amount of \$22,164,465.38 and **Payroll** for the period November 5, 2017 through December 2, 2017, in the amount of \$4,563,634.83, when audited by the Finance Committee.

3. A RESOLUTION FOR PLACEMENT OF SPECIAL ASSESSMENTS ON THE SAN BERNARDINO COUNTY TAX ROLLS

City Council adopted a resolution for recovery of fees and costs incurred in abating property and dangerous building violations, as well as administrative citation and civil penalties associated with property maintenance violations, and placement of special assessments on the San Bernardino County Tax Rolls.

RESOLUTION NO. 2018-001 A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF ONTARIO, CALIFORNIA, ADOPTING A REPORT REQUESTING THE PLACEMENT OF SPECIAL ASSESSMENTS ON PROPERTY TAX BILLS FOR CIVIL PENALTIES OR RECOVERY OF COSTS INCURRED FOR ABATEMENT OF VIOLATIONS OF CITY CODES AND ORDINANCES.

4. MEMORANDA OF UNDERSTANDING BETWEEN THE CITY OF ONTARIO AND THE ONTARIO PROFESSIONAL FIREFIGHTERS ASSOCIATION, LOCAL 1430 I.A.F.F.; AND THE CITY OF ONTARIO AND THE ONTARIO FIRE MANAGEMENT GROUP, AFFECTING TERMS AND CONDITIONS OF EMPLOYMENT DURING THE PERIOD OF JANUARY 1, 2018 TO JUNE 30, 2022; AND APPROVE RESOLUTIONS MODIFYING PAYMENT OF THE EMPLOYER PAID MEMBER CONTRIBUTIONS TO THE CALIFORNIA PUBLIC EMPLOYEES RETIREMENT SYSTEM FOR EMPLOYEES IN FIRE SAFETY BARGAINING UNITS

City Council approved and authorized the City Manager to execute four-year Memoranda of Understanding regarding wages, hours and other terms and conditions of employment between the City of Ontario and the Ontario Professional Firefighters Association (OPFA) and the Ontario Fire Management Group (OFMG); and authorized the City Manager to make any non-substantive changes which may be necessary to implement the agreement; and adopted resolutions modifying the Employer Paid Member Contributions (EPMC) to the California Public Employees Retirement System (CalPERS) consistent with the terms and conditions of the labor agreements and pursuant to California Government Code Section 20691.

RESOLUTION NO. 2018-002 A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF ONTARIO, CALIFORNIA, FOR EMPLOYER PAID MEMBER CONTRIBUTIONS FOR MEMBERS IN THE FIRE AND FIRE MANAGEMENT UNITS.

RESOLUTION NO. 2018-003 A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF ONTARIO, CALIFORNIA, FOR EMPLOYER PAID MEMBER CONTRIBUTIONS FOR MEMBERS IN THE FIRE AND FIRE MANAGEMENT UNITS.

RESOLUTION NO. 2018-004 A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF ONTARIO, CALIFORNIA, FOR EMPLOYER PAID MEMBER CONTRIBUTIONS FOR MEMBERS IN THE FIRE AND FIRE MANAGEMENT UNITS.

5. AUTHORIZE THE PURCHASE OF FLEET VEHICLES/NATIONAL AUTO FLEET GROUP/RACEWAY FORD/DEERE & COMPANY

City Council took the following actions:

- (A) Authorized the cooperative purchase and delivery of one Chevrolet Colorado in the amount of \$30,587, one Ford Escape in the amount of \$26,018, one Ford Police Interceptor Utility in the amount of \$31,423, and one Ford Explorer in the amount of \$47,836 for the Police Department from National Auto Fleet Group of Watsonville, California, consistent with the terms and conditions of the National Joint Powers Alliance (NJPA) Cooperative Contract 120716-NAF;
- (B) Authorized the purchase and delivery of one Ford Police Patrol SUV in the amount of \$28,483 for the Police Department from Raceway Ford in Riverside, California, consistent with the terms and conditions of City of Ontario Bid No. 821; and
- (C) Authorized the cooperative purchase and delivery of one John Deere Precision Cut Fairway Mower in the amount of \$62,863 for Parks & Maintenance from Deere & Company located in Cary, North Carolina,

consistent with the terms and conditions of the National Joint Powers Alliance (NJPA) Cooperative Contract 062117-DAC.

6. AN ORDINANCE LEVYING SPECIAL TAXES WITHIN CERTAIN TERRITORY ANNEXED TO CITY OF ONTARIO COMMUNITY FACILITIES DISTRICT NO. 23 (PARK PLACE SERVICES)

City Council adopted an ordinance levying special taxes within certain territory annexed to City of Ontario Community Facilities District No. 23 (Park Place Services). Introduction and first reading of said Ordinance took place at a regular meeting of the City Council on December 19, 2017.

ORDINANCE NO. 3087 AN ORDINANCE OF THE CITY COUNCIL OF THE CITY OF ONTARIO, CALIFORNIA, LEVYING SPECIAL TAXES WITHIN CERTAIN TERRITORY ANNEXED TO CITY OF ONTARIO COMMUNITY FACILITIES DISTRICT NO. 23 (PARK PLACE SERVICES).

MOTION UNANIMOUSLY CARRIED: Mayor Leon declared City Council Resolution Nos. 2018-001, 2018-002, 2018-003 and 2018-004 and Ordinance No. 3087 unanimously adopted.

PUBLIC HEARINGS

7. A PUBLIC HEARING TO CONSIDER A RESOLUTION REGARDING THE FORMATION OF CITY OF ONTARIO COMMUNITY FACILITIES DISTRICT NO. 26 (PARK PLACE FACILITIES PHASE III); ADOPTION OF A RESOLUTION TO INCUR BONDED INDEBTEDNESS; AND INTRODUCTION OF AN ORDINANCE LEVYING SPECIAL TAXES

City Council:

- (A) Adopted a resolution establishing Community Facilities District No. 26 (Park Place Facilities Phase III), authorizing the levy of special taxes within the community facilities district, and establishing an appropriations limit for the community facilities district;
- (B) Adopted a resolution deeming it necessary to incur bonded indebtedness within Community Facilities District No. 26 (Park Place Facilities Phase III);
- (C) Adopted a resolution calling a special election for City of Ontario Community Facilities District No. 26 (Park Place Facilities Phase III);
- (D) Adopted a resolution declaring the results of the special election and directing the recording of a Notice of Special Tax Lien; and
- (E) Introduced and waived further reading of an ordinance levying special taxes within City of Ontario Community Facilities District No. 26 (Park Place Facilities Phase III).

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

There are no written communications.

Mayor Leon opened the public hearing asking those persons interested in this item to speak. Hearing no one, Mayor Leon closed the public hearing.

MOTION: Moved by Council Member Bowman, seconded by Council Member Dorst-Porada and carried by unanimous vote to adopt Resolution Nos. 2018-005, 2018-006 and 2018-007.

RESOLUTION NO. 2018-005 A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF ONTARIO, CALIFORNIA, OF FORMATION OF THE CITY OF ONTARIO COMMUNITY FACILITIES DISTRICT NO. 26 (PARK PLACE FACILITIES PHASE III), AUTHORIZING THE LEVY OF A SPECIAL TAX WITHIN THE COMMUNITY FACILITIES DISTRICT AND ESTABLISHING AN APPROPRIATIONS LIMIT FOR THE COMMUNITY FACILITIES DISTRICT

RESOLUTION NO. 2018-006 A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF ONTARIO, CALIFORNIA, DEEMING IT NECESSARY TO INCUR BONDED INDEBTEDNESS WITHIN THE CITY OF ONTARIO COMMUNITY FACILITIES DISTRICT NO. 26 (PARK PLACE FACILITIES PHASE III).

RESOLUTION NO. 2018-007 A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF ONTARIO, CALIFORNIA, CALLING SPECIAL ELECTION FOR CITY OF ONTARIO COMMUNITY FACILITIES DISTRICT NO. 26 (PARK PLACE FACILITIES PHASE III).

Mayor Leon requested that the City Clerk open and report the results of the election. Assistant City Clerk Kasad reported the three ballots were in support of formation of the proposed District.

MOTION: Moved by Council Member Bowman, seconded by Council Member Dorst-Porada and carried by unanimous vote to adopt Resolution No. 2018-008.

RESOLUTION NO. 2018-008 A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF ONTARIO, CALIFORNIA, DECLARING RESULTS OF SPECIAL ELECTION AND DIRECTING RECORDING OF NOTICE OF SPECIAL TAX LIEN.

MOTION: Moved by Council Member Bowman, seconded by Council Member Dorst-Porada and carried by unanimous vote to introduce and waive further reading of Ordinance No. 3088.

ORDINANCE NO. 3088 AN ORDINANCE OF THE CITY COUNCIL OF THE CITY OF ONTARIO, CALIFORNIA, LEVYING SPECIAL TAXES WITHIN THE CITY OF

ONTARIO COMMUNITY FACILITIES DISTRICT NO. 26 (PARK PLACE FACILITIES PHASE III).

ADMINISTRATIVE REPORTS/DISCUSSION/ACTION

8. A RESOLUTION AUTHORIZING THE ISSUANCE OF SPECIAL TAX BONDS FOR COMMUNITY FACILITIES DISTRICT NO. 34 (COUNTRYSIDE PHASE 1 NORTH - FACILITIES)

City Council adopted a resolution authorizing the issuance of special tax bonds for Community Facilities District No. 34 (Countryside Phase 1 North - Facilities). The resolution:

- (A) Authorized the issuance of special tax bonds for public improvements required to facilitate the development of the Countryside Phase 1 North - Facilities project;
- (B) Approved the forms of the Indenture of Trust, the Bond Purchase Agreement, the Continuing Disclosure Agreement, and the Preliminary Official Statement;
- (C) Authorized a negotiated sale of the special tax bonds to Stifel, Nicolaus & Company, Incorporated. (the “Underwriter”) in accordance with the terms of the Bond Purchase Agreement; and
- (D) Authorized 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.

MOTION: Moved by Mayor pro Tem Wapner, Seconded by Council Member Dorst-Porada and carried by unanimous vote to adopt Resolution No. 2018-009.

RESOLUTION NO. 2018-009 A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF ONTARIO, CALIFORNIA, AUTHORIZING THE ISSUANCE OF CITY OF ONTARIO COMMUNITY FACILITIES DISTRICT NO. 34 (COUNTRYSIDE PHASE 1 NORTH - FACILITIES) SPECIAL TAX BONDS, SERIES 2018, IN AN AGGREGATE PRINCIPAL AMOUNT OF NOT TO EXCEED \$9,000,000, 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

No comments.

COUNCIL MATTERS

APPOINTMENT OF MUSEUM BOARD OF TRUSTEES MEMBER

Council Member Valencia thanked Sarah Galvez for her past service on the Museum Board and nominated Ada Lopez to serve in the seat vacated by Sarah Galvez. Ada Lopez came to the podium and introduced herself as an 18 year resident who loves the community. She noted that her children are now in high school and she would like to give back to the community.

Council Member Dorst-Porada noted the contributions of Sarah Galvez to the Museum Board and thanked her for her hard work. She also noted the strategic planning efforts underway for the past six years and stressed the work yet to be done. She thanked everyone involved in the work to date.

Mayor Leon noted a recent breakfast with Earl Phares, Ontario resident, and Mr. Phares' experience as a prisoner of war when the USS Pueblo was captured in 1968 by North Korea. He suggested, and received concurrence of the City Council, to recognize Mr. Phares as a local hero as soon as possible.

ADJOURNMENT

Mayor Leon adjourned the meetings of the Joint Agencies at 6:49 p.m. and announced the next regular meetings to be held on Tuesday, February 6, 2018.

Respectfully submitted,

SHEILA MAUTZ, CITY CLERK/SECRETARY

APPROVED:

PAUL S. LEON, MAYOR/CHAIRMAN

**SPECIAL ONTARIO CITY COUNCIL AND
ONTARIO HOUSING AUTHORITY
MINUTES
JANUARY 17, 2018
(Not Official Until Approved)**

JOINT MEETINGS

Special meetings of the Ontario City Council/Ontario Housing Authority were held on Wednesday, January 17, 2018 in the City Council Chamber at the Ontario City Hall, 303 East B Street, Ontario, California.

CLOSED SESSION

Mayor Leon called the City Council/Housing Authority meetings to order at 12:16 p.m. and inquired whether persons were present who wished to speak to the Closed Session item. Hearing no one, the City Council recessed to Closed Session at 12:16 p.m. for discussion of the following:

- GC 54957, PUBLIC EMPLOYEE PERFORMANCE EVALUATION: City Manager.

RECONVENE IN PUBLIC SESSION

The Mayor called the Ontario City Council/Ontario Housing Authority meetings to order at 1:22 p.m., and requested the City Clerk call the roll.

PRESENT: Mayor/Chairman	Paul S. Leon
Mayor pro Tem/Vice Chairman	Alan D. Wapner
Council/Authority Members:	Jim W. Bowman, Debra Dorst-Porada and Ruben Valencia

ABSENT: None

Also present were City Manager/Executive Director Scott Ochoa, and Assistant City Manager/Deputy City Clerk Al C. Boling.

REPORT ON CLOSED SESSION

Mayor Leon advised that there was no reportable action resulting from the Closed Session discussion.

PUBLIC COMMENTS

There were no public comments.

AGENDA REVIEW/ANNOUNCEMENTS

Mayor Leon announced that Item Number 1 listed under the Consent Calendar was pulled from the agenda and received no discussion or action.

CONSENT CALENDAR

1. CITY COUNCIL CONFIRMATION OF PERFORMANCE EVALUATION GOALS FOR FY 2018-19.

Pulled from consideration.

STAFF MATTERS

None.

COUNCIL MATTERS

None.

ADJOURNMENT

Mayor Leon adjourned the meetings of the Joint Agencies at 1:23 p.m. and announced the next regular meetings to be held on Tuesday, February 6, 2018.

Respectfully submitted:

AL C. BOLING, ASSISTANT CITY MANAGER/
DEPUTY CITY CLERK

APPROVED

PAUL S. LEON, MAYOR/CHAIRMAN

CITY OF ONTARIO

Agenda Report
February 20, 2018

SECTION:
CONSENT CALENDAR

SUBJECT: MEMORANDUM OF UNDERSTANDING BETWEEN THE CITY OF ONTARIO AND THE ONTARIO POLICE OFFICERS ASSOCIATION AFFECTING TERMS AND CONDITIONS OF EMPLOYMENT DURING THE PERIOD OF JANUARY 1, 2018 TO JUNE 30, 2022

RECOMMENDATION: That the City Council approve and authorize the City Manager to execute a four-year Memorandum of Understanding (on file in the Records Management Department) regarding wages, hours and other terms and conditions of employment between the City of Ontario and the Ontario Police Officers Association (OPOA); and authorize the City Manager to make any non-substantive changes which may be necessary to implement the agreement.

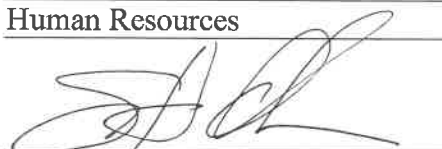
COUNCIL GOALS: Invest in the Growth and Evolution of the City's Economy
Maintain the Current High Level of Public Safety
Operate In A Businesslike Manner

FISCAL IMPACT: The estimated additional annual recurring cost of the bargaining unit changes across all funds for each of the four years covered by the agreement is \$2,216,000 for year one, \$5,256,000 for year two, \$9,053,000 for year three and \$12,306,000 year four and going forward.

BACKGROUND: The current Memorandum of Understanding (MOU) between the City and OPOA expires in June 2018. Consistent with the current MOU, the parties reopened negotiations regarding salary increases for January 2018. During those negotiations, the parties reached a tentative agreement on a successor MOU, pending City Council approval. The proposed agreement includes a four-year MOU term from January 1, 2018 through June 30, 2022.

The City and OPOA recognize the importance of maintaining the City's fiscally conservative approach while also attempting to provide a competitive compensation and benefit package to its employees. Containing future retirement costs while maintaining a competitive employee benefit package was a focal point in the negotiations with both parties. In 2012, the State of California passed the Public Employees Pension Reform Act of 2013, to address pension reform on a statewide basis. In a

STAFF MEMBER PRESENTING: Angela Lopez, Human Resources Director

Prepared by: Reed Sigler
Department: Human Resources
City Manager Approval: 

Submitted to Council/O.H.A. 02/20/2018
Approved: _____
Continued to: _____
Denied: _____

3

collaborative effort to continue to address the City's ongoing efforts related to pension reform, the City, and OPOA have agreed to increase the employee share of the employee's CalPERS pension contribution. Under the terms of the present MOU, employees identified as CalPERS "classic" employees contribute 6% of their pay on a pre-tax basis toward the cost of their pensions. The proposed MOU increases the percentage of the employees' contribution toward the cost of their retirement on a pre-tax basis as follows: 7% in January 2018, 8% in January 2019 and 9% in January 2020. In addition, to help ensure the City is able to recruit and retain a highly qualified workforce, employees represented by OPOA will receive general salary increases of 5% effective January 8, 2018; 5% in January 2019; 5% in January 2020; and 4% in January 2021.

Effective retroactively to January 2018, the City will increase the deferred compensation contribution by \$30 per month for employees represented by OPOA. Additional skills compensation modifications effective January 2018 include an increase by 2% to Motorcycle Duty and Helicopter Observer Pay; the addition of Airport Operations Bureau assignment; Officer Involved Shooting Investigation Team; Homicide Investigation Team for employees meeting specific criteria.

Another key change is the establishment of an Internal Revenue Code Section 401(a) money purchase plan for the City's contributions toward deferred compensation.

The proposed MOU will provide the City of Ontario with economic certainty for budget forecasting in upcoming years while reflecting the positive partnership between the OPOA and the City.

CITY OF ONTARIO

Agenda Report
February 20, 2018

SECTION:
CONSENT CALENDAR

SUBJECT: A RESOLUTION APPROVING AN IMPROVEMENT AGREEMENT, IMPROVEMENT SECURITY AND FINAL TRACT MAP NO. 18400 LOCATED AT THE SOUTHEAST CORNER OF ARCHIBALD AVENUE AND EUCALYPTUS AVENUE

RECOMMENDATION: That the City Council adopt a resolution approving an improvement agreement, improvement security and Final Tract Map No. 18400 located at the southeast corner of Archibald Avenue and Eucalyptus Avenue 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 Ontario Ranch

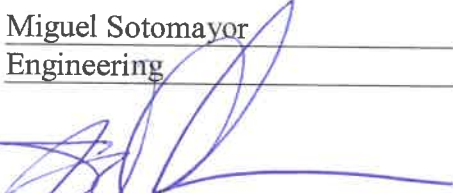
FISCAL IMPACT: None. All public infrastructure improvements required for this subdivision will be constructed by the developer at its sole cost.

BACKGROUND: Final Tract Map No. 18400, consisting of one hundred ninety (190) residential lots and ten (10) lettered lots on 39.45 acres as shown on Exhibit A, has been submitted by the developer, KB Home California, LLC (Mr. RJ Hernandez, Project Manager).

Tentative Tract Map No. 18400 was approved by the Planning Commission (6 to 0 with 1 absent) on October 22, 2013 and is consistent with the adopted Subarea 29 Specific Plan.

Improvements will include AC pavement, curb, gutter, sidewalk, landscaped parkways, neighborhood edges, fiber optic conduits, fire hydrants, sewer, water, recycled water mains, storm drain, 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 for Final Tract Map No. 18400 and has posted adequate security to ensure construction of the required public improvements.

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

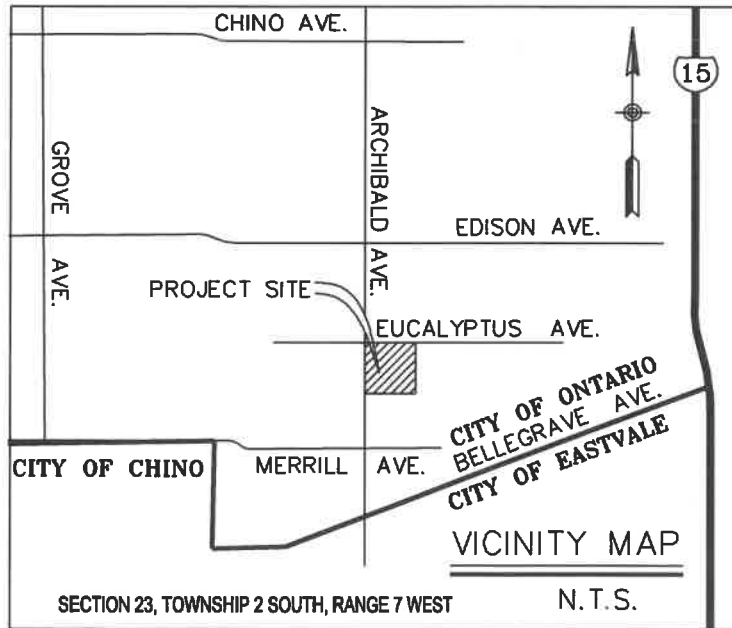
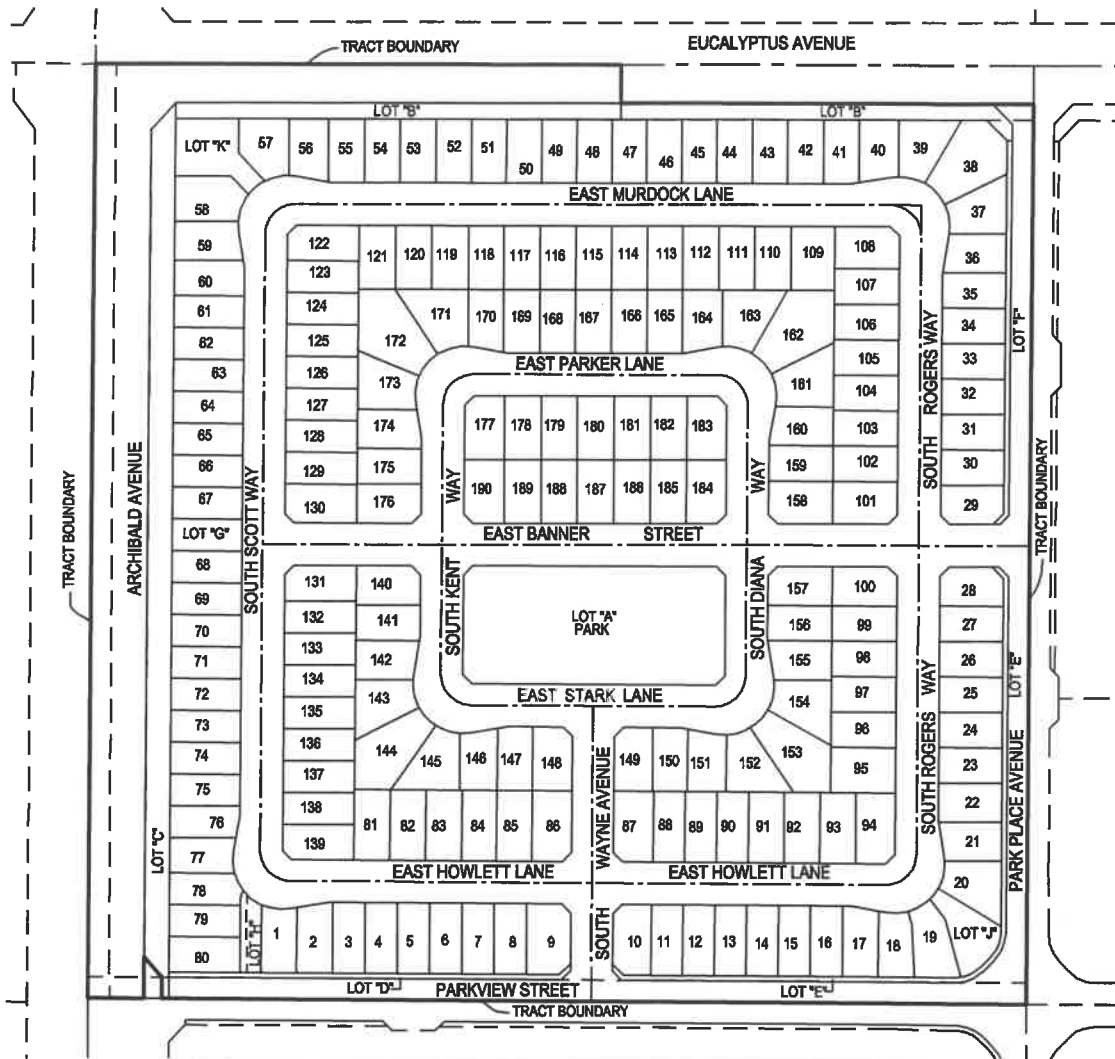
Prepared by: Miguel Sotomayor
Department: Engineering
City Manager Approval: 

Submitted to Council/O.H.A. 02/20/2018
Approved: _____
Continued to: _____
Denied: _____

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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



CITY OF ONTARIO
ENGINEERING DEPARTMENT
FILE NO. TR. 18400

APPLICANT: KB HOME
PROJECT: 190 SFR LOTS,
9 LETTERED LOTS

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. 18400, LOCATED AT THE SOUTHEAST CORNER OF ARCHIBALD AVENUE AND EUCALYPTUS AVENUE.

WHEREAS, Tentative Tract Map No. 18400, submitted for approval by the developer, KB Home California, LLC (Mr. RJ Hernandez, Project Manager) was approved by the Planning Commission of the City of Ontario on October 22, 2013; and

WHEREAS, Tentative Tract Map No. 18400 consists of one hundred ninety (190) residential lots and ten (10) lettered lots, being a subdivision of the Northwest Quarter of the Northwest Quarter of Section 23, Township 2 South, Range 7 West, San Bernardino Base and Meridian; and

WHEREAS, to meet the requirements established as prerequisite to final approval of Final Tract Map No. 18400, 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, the requirement for the preparation of Covenants, Conditions and Restrictions (CC&R's), approved by the City Attorney's Office, to ensure the right to mutual ingress and egress and continued maintenance of common facilities by the commonly affected property owners has been deferred to a date that coincides with the recordation of the subject Tract Map.

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. 18400 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 20th day of February 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. 2018- was duly passed and adopted by the City Council of the City of Ontario at their regular meeting held February 20, 2018 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. 2018- duly passed and adopted by the Ontario City Council at their regular meeting held February 20, 2018.

SHEILA MAUTZ, CITY CLERK

(SEAL)

CITY OF ONTARIO

Agenda Report
February 20, 2018

SECTION:
CONSENT CALENDAR

SUBJECT: A RESOLUTION APPROVING AN IMPROVEMENT AGREEMENT, IMPROVEMENT SECURITY AND FINAL TRACT MAP NOS. 18913 AND 18913-5 LOCATED AT THE SOUTHEAST CORNER OF EUCALYPTUS AVENUE AND PARK PLACE AVENUE

RECOMMENDATION: That the City Council adopt a resolution approving an improvement agreement, improvement security and Final Tract Map Nos. 18913 and 18913-5 located at the southeast corner of Eucalyptus Avenue and Park Place Avenue 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 Ontario Ranch

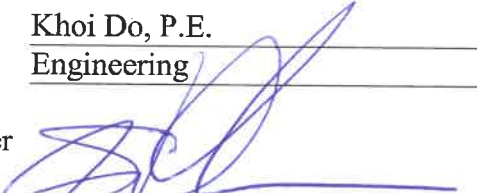
FISCAL IMPACT: None. All public infrastructure improvements required for this subdivision will be constructed by the developer at its sole cost.

BACKGROUND: Final Tract Map Nos. 18913 and 18913-5 are the fifth and sixth phases of the approved six-phase Tentative Tract Map No. 18913. Final Tract Map No. 18913, consisting of three (3) numbered lots and four (4) lettered lots on 28.81 acres and Final Tract Map No. 18913-5, consisting of two (2) numbered lots and four (4) lettered lots on 32.08 acres as shown on Exhibit A, have been submitted by the developer SL Ontario Development Company, LLC, a Delaware Limited Liability Company (Mr. Sage McCleve, Project Manager).

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, P.E., City Engineer

Prepared by: Khoi Do, P.E.
Department: Engineering
City Manager Approval: 

Submitted to Council/O.H.A. 02/20/2018
Approved: _____
Continued to: _____
Denied: _____

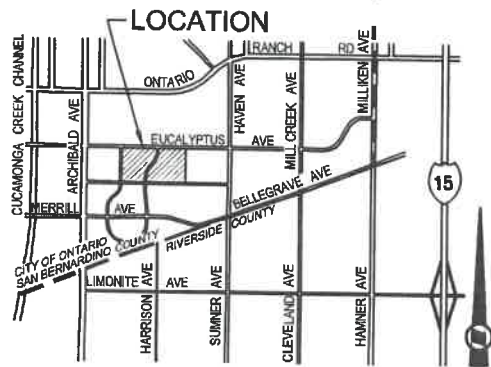
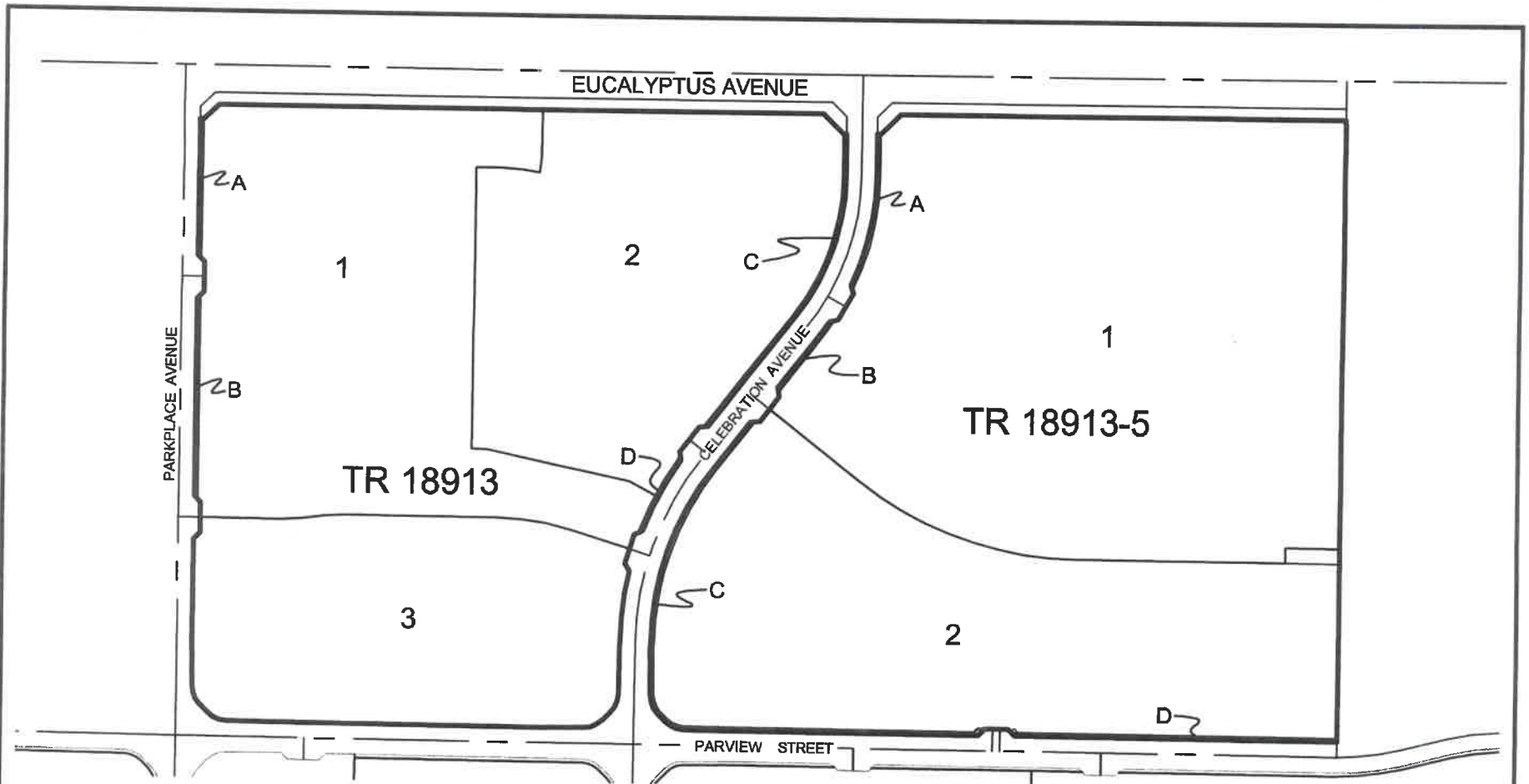
5

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 for Final Tract Map Nos. 18913 and 18913-5 and has posted adequate security to ensure construction of the required public improvements.

These maps meet all conditions of the Subdivision Map Act and the Ontario Municipal Code and have been reviewed and approved by the City Engineer.

EXHIBIT A



VICINITY MAP

NTS



**CITY OF ONTARIO
ENGINEERING DEPARTMENT**
FILE NO. TR. 18913 & 18913-5

APPLICANT: LEWIS MANAGEMENT CORP.
PROJECT: (18913) 3 NUMBERED LOTS
AND 4 LETTERED LOTS
PROJECT: (18913-5) 2 NUMBERED LOTS
AND 4 LETTERED LOTS

RESOLUTION NO. _____

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF ONTARIO, CALIFORNIA, APPROVING AN IMPROVEMENT AGREEMENT, IMPROVEMENT SECURITY AND FINAL TRACT MAP NOS. 18913 AND 18913-5 LOCATED AT THE SOUTHEAST CORNER OF EUCALYPTUS AVENUE AND PARK PLACE AVENUE.

WHEREAS, Final Tract Map Nos. 18913-5 and 18913 are the fifth and final phases, respectively, 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 Nos. 18913 and 18913-5, 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 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 20th day of February 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. 2018- was duly passed and adopted by the City Council of the City of Ontario at their regular meeting held February 20, 2018 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. 2018- duly passed and adopted by the Ontario City Council at their regular meeting held February 20, 2018.

SHEILA MAUTZ, CITY CLERK

(SEAL)

CITY OF ONTARIO

Agenda Report
February 20, 2018

SECTION:
CONSENT CALENDAR

SUBJECT: A RESOLUTION APPROVING AN IMPROVEMENT AGREEMENT, IMPROVEMENT SECURITY AND FINAL TRACT MAP NO. 18998 LOCATED AT THE NORTHEAST CORNER OF MERRILL AVENUE AND CELEBRATION AVENUE

RECOMMENDATION: That the City Council adopt a resolution approving an improvement agreement, improvement security and Final Tract Map No. 18998 located at the northeast corner of Merrill Avenue and Celebration Avenue 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 Ontario Ranch

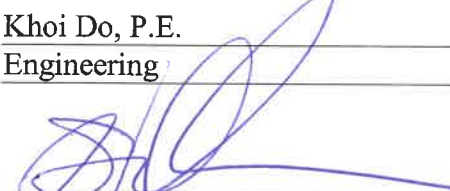
FISCAL IMPACT: None. All public infrastructure improvements required for this subdivision will be constructed by the developer at its sole cost.

BACKGROUND: Final Tract Map No. 18998, consisting of nineteen (19) multifamily residential lots and three (3) lettered lots on 10.39 acres as shown on Exhibit A, has been submitted by the developer, CDG Park Place Investment, LLC (Mr. Daniel O'Bannon, CFO).

Tentative Tract Map No. 18998 was approved by the Planning Commission (6 to 0 with 1 absent) on July 28, 2015 and is consistent with the adopted Subarea 29 Specific Plan.

Improvements will include AC pavement, curb, gutter, sidewalk, landscaped parkways, neighborhood edges, fiber optic conduits, fire hydrants, sewer, water, recycled water mains, storm drain, and street lights. The improvements in parkway landscaping will be consistent with current City approved drought measures.

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

Prepared by: Khoi Do, P.E.
Department: Engineering
City Manager Approval: 

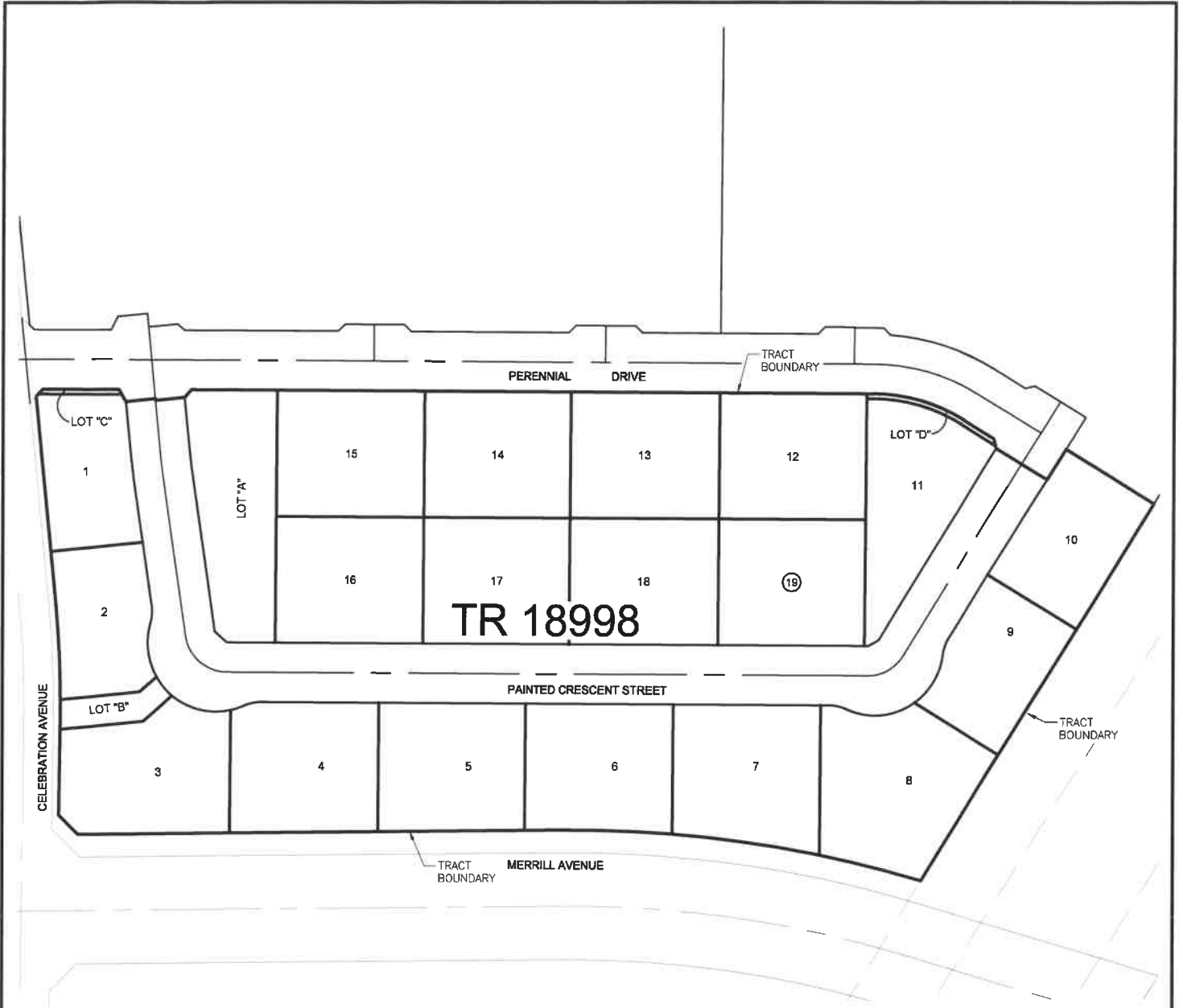
Submitted to Council/O.H.A. 02/20/2018
Approved: _____
Continued to: _____
Denied: _____

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The developer has entered into an improvement agreement with the City for Final Tract Map No. 18998 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.

EXHIBIT A



TR 18998

PROJECT SITE



VICINITY MAP
NTS



<p>CITY OF ONTARIO ENGINEERING DEPARTMENT</p>	<p>APPLICANT: CHRISTOPHER DEVELOPMENT GROUP, INC. PROJECT: (TR 18998) 19 MFR LOTS, 4 LETTERED LOTS</p>
<p>FILE NO. TR. 18998</p>	

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. 18998, LOCATED AT THE NORTHEAST CORNER OF MERRILL AVENUE AND CELEBRATION AVENUE.

WHEREAS, Tentative Tract Map No. 18998, submitted for approval by the developer, CDG Park Place Investment, LLC (Mr. Daniel O'Bannon, CFO) was approved by the Planning Commission of the City of Ontario on July 28, 2015; and

WHEREAS, Tentative Tract Map No. 18998 consists of nineteen (19) multifamily residential lots and three (3) lettered lots, being a subdivision of lot 2 of Tract 18913-4, as per map recorded in book 347, pages 53 through 58, inclusive, of maps, in the Office of the Recorder of San Bernardino County; and

WHEREAS, to meet the requirements established as prerequisite to final approval of Final Tract Map No. 18998, 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, the subdivider of the underlying Tract No. 18913-4, has previously prepared and recorded Covenants, Conditions and Restrictions (CC&Rs), and they have been reviewed and approved by the City Attorney's office, to ensure the right to mutual ingress and egress and continued maintenance of common facilities by the 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. 18998 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 20th day of February 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. 2018- was duly passed and adopted by the City Council of the City of Ontario at their regular meeting held February 20, 2018 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. 2018- duly passed and adopted by the Ontario City Council at their regular meeting held February 20, 2018.

SHEILA MAUTZ, CITY CLERK

(SEAL)

CITY OF ONTARIO

Agenda Report
February 20, 2018

SECTION:
CONSENT CALENDAR

SUBJECT: A RESOLUTION ORDERING THE SUMMARY VACATION OF THE RIGHTS OF WAY AND PUBLIC SERVICE EASEMENTS IN A PORTION OF PARKVIEW STREET AND RECONVEYING ANY OF THE CITY'S INTERESTS THEREIN

RECOMMENDATION: That the City Council adopt a resolution ordering the summary vacation of the rights of way and public service easements in a portion of Parkview Street and reconveying any of the City's interests therein.

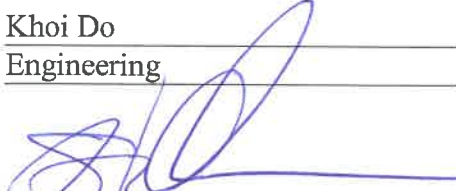
COUNCIL GOALS: Invest in the Growth and Evolution of the City's Economy
Ensure the Development of a Well Planned, Balanced, and Self-Sustaining Community in Ontario Ranch

FISCAL IMPACT: None. The City did not pay for acquiring the subject street right-of-way. There will be no revenue as a result of the reconveyance. The applicant has paid the applicable processing fees to defray the City's cost to process this request.

BACKGROUND: Parkview Street was offered for dedication in fee simple to the City for street and public utility purposes by the subdivider, SL Ontario Development Company, LLC, a Delaware limited liability company, as one of the requirements for the development of Tract Map No. 17821 within the Subarea 29 Specific Plan area. The City has not yet accepted the offer for dedication. Due to changes in the planned development in the vicinity of the subject vacation, a portion of Parkview Street will not be needed for any present or future street and/or public utility purposes. SL Ontario Development Company has requested the City to vacate that portion of Parkview Street (see attached Exhibit A) and reconvey the vacated portion to the SL Ontario Development Company.

Section 66477.5(c) of the California Government Code requires the City to reconvey the subject property in interest to the subdivider if the dedication was made in fee simple and the City has determined that the same public purpose for which the dedication was required no longer exists. Since the subdivider offered the right of way in fee simple, and this portion of Parkview Street is not required

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

Prepared by: Khoi Do
Department: Engineering
City Manager Approval: 

Submitted to Council/O.H.A. 02/20/2018
Approved: _____
Continued to: _____
Denied: _____

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for any street and/or public utility purposes, the City will reconvey the subject property to the subdivider. The vacated property shall be incorporated into the residential development per the development plan for the approved tentative Tract Map 18068.

Sections 8330-8334.6 of the California Streets and Highways Code authorize the City to summarily vacate (by resolution with no public hearing) excess public service easement or right of way of a street not required for street or highway purposes.

This summary vacation and reconveyance meets the California Government Code, Streets and Highways Code, and Ontario Municipal Code and has been reviewed and approved by the City Attorney.

EXHIBIT A



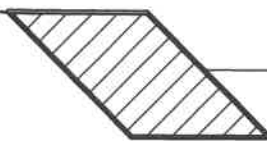
**TRACT 18068
LOT 5**

LOT R

LOT S

PARKVIEW

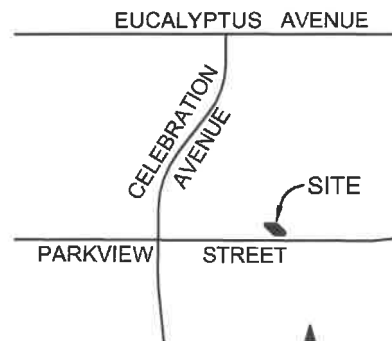
STREET



LEGEND



INDICATES AREA FOR PUBLIC STREET AND
UTILITY PURPOSES TO BE VACATED
188 SQUARE FEET



VICINITY MAP
NTS



**CITY OF ONTARIO
ENGINEERING DEPARTMENT**
Vacation V-281

RESOLUTION NO. _____

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF ONTARIO, CALIFORNIA, ORDERING THE SUMMARY VACATION OF THE RIGHTS OF WAY AND PUBLIC SERVICE EASEMENTS IN A PORTION OF PARKVIEW STREET AND RECONVEYING ANY OF THE CITY'S INTERESTS THEREIN.

WHEREAS, SL Ontario Development Company, LLC, a Delaware limited liability company, offered for dedication in fee simple to the City of Ontario, for right of way purposes, certain property located within the City, commonly known as Parkview Street, and consisting of an area more specifically described and depicted in the attached Exhibit A and B ("Property"); and

WHEREAS, such offer was made on Final Map Nos. 17821 and 18913-2, and the City has not accepted the offer of dedication; and

WHEREAS, the Property was originally intended to be developed for street and road purposes, but never has been so developed, and changes in the planned development patterns in the vicinity of the Property have rendered the Property unnecessary for such purposes; and

WHEREAS, this vacation of the rights of way and any public service easement on the Property is made pursuant to the requirements of California Streets and Highways Code, Division 9 - Change of Grade and Vacation, Part 3 - Public Streets, Highways, and Service Easements Vacation Law (Streets & Highways Code sections 8300 et seq.), Chapter 4 - Summary Vacation; and

WHEREAS, the California Government Code requires the City to reconvey the subject property in interest to the subdivider if the dedication was made to the City in fee simple and the City has determined that the same public purpose for which the dedication was required no longer exists; and

WHEREAS, the California Government Code provides that offers for dedication that are made on a final map may be terminated and abandoned by way of the "summary vacation" process set forth in the California Streets and Highways Code; and

WHEREAS, Sections 8330-8334.6 of the California Streets and Highways Code authorizes the City to summarily vacate (by resolution with no public hearing) excess public service easement or right of way of a street not required for street or highway purposes; and

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

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

1. That the above recitals are true and correct.
2. That title to the portion of Parkview Street more specifically described in Exhibit A and depicted on Exhibit B is hereby vacated and shall be reconveyed to the subdivider SL Ontario Development Company, LLC.
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.
4. That upon the recordation required hereby, the vacation is complete, and the street and any public service easements vacated no longer constitute a street or public service easement.
5. That City Manager is authorized to execute the documents necessary to evidence the vacation and reconveyance of the City's interest in the Property to the subdivider, SL Ontario Development Company, LLC.

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

PASSED, APPROVED, AND ADOPTED this 20th day of February 2018.

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. 2018- was duly passed and adopted by the City Council of the City of Ontario at their regular meeting held February 20, 2018 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. 2018- duly passed and adopted by the Ontario City Council at their regular meeting held February 20, 2018.

SHEILA MAUTZ, CITY CLERK

(SEAL)

EXHIBIT A

LEGAL DESCRIPTION

VACATION

V-281

THAT PORTION OF PARKVIEW STREET, TRACT MAP NO. 17821, IN THE CITY OF ONTARIO, COUNTY OF SAN BERNARDINO, STATE OF CALIFORNIA, AS SHOWN ON MAP FILED IN BOOK 333, PAGES 64 THROUGH 77, OF MAPS, IN THE OFFICE OF THE RECORDER OF SAID COUNTY, DESCRIBED AS FOLLOWS:

BEGINNING AT THE NORTHWEST CORNER OF LOT S OF SAID TRACT MAP NO. 17821, SAID POINT ALSO BEING ON THE NORTHERLY RIGHT OF WAY OF PARKVIEW STREET; THENCE SOUTH 44°40'53" EAST ALONG SAID RIGHT OF WAY, 9.90 FEET TO THE SOUTHWEST CORNER OF SAID LOT S; THENCE NORTH 89°40'53" WEST PARALLEL TO THE CENTERLINE OF PARKVIEW STREET, 14.50 FEET; THENCE NORTH 44°40'53" WEST, 18.38 FEET TO A POINT ON SAID NORTHERLY RIGHT OF WAY; THENCE SOUTH 89°40'53" EAST ALONG SAID RIGHT OF WAY, 14.50 FEET TO AN ANGLE POINT THEREIN; THENCE SOUTH 44°40'53" EAST ALONG SAID RIGHT OF WAY, 8.48 FEET TO THE POINT OF BEGINNING.

CONTAINING 188 SQUARE FEET MORE OR LESS.

SEE EXHIBIT B ATTACHED HERETO AND BY THIS REFERENCE MADE A PART HEREOF.

Michael A. Baine

1-10-18

MICHAEL A. BAINE, PLS 7326

DATE



EXHIBIT B

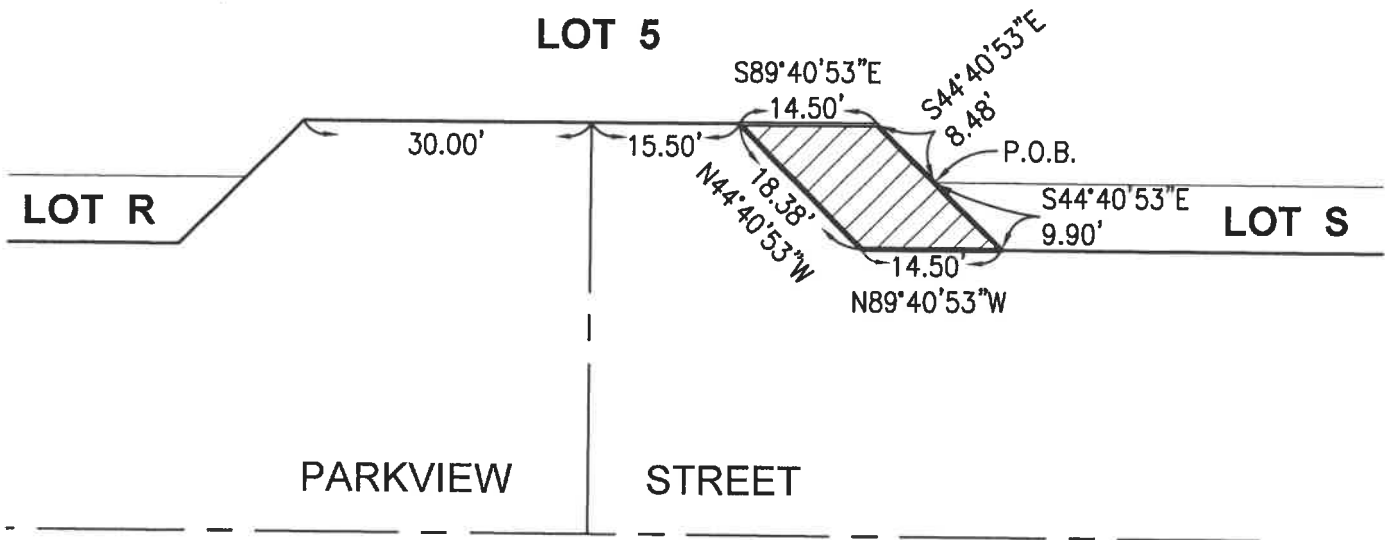
Vacation
V-281

SCALE: 1"=20'

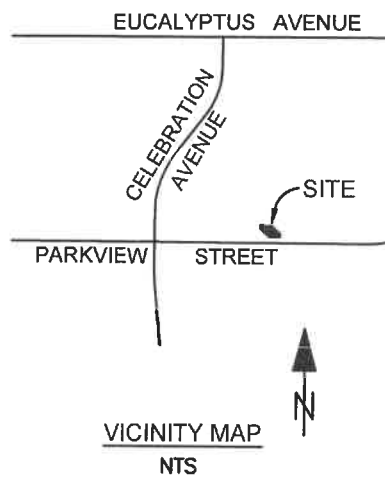


TRACT NO. 17821
MB 333/64-77

LOT 5



PARKVIEW STREET



LEGEND



INDICATES AREA FOR PUBLIC STREET AND UTILITY PURPOSES TO BE VACATED
188 SQUARE FEET

LDKING
Engineers/Planners/Surveyors

10390 Commerce Center Drive
Suite 250
Rancho Cucamonga, CA 91730
Phone: (909) 945-0526

**SKETCH TO ACCOMPANY
LEGAL DESCRIPTION**

CITY OF ONTARIO

Agenda Report
February 20, 2018

SECTION:
CONSENT CALENDAR

SUBJECT: FISCAL YEAR 2017-18 SECOND BUDGET UPDATE REPORT

RECOMMENDATION: That the City Council approve the budget adjustments and recommendations as listed in the Fiscal Year 2017-18 Second Budget Update Report.

COUNCIL GOALS: Operate in a Businesslike Manner


FISCAL IMPACT: The recommended actions will affect several fund budgets as outlined in the Fiscal Year 2017-18 Second Budget Update Report and supporting schedules.

BACKGROUND: This second budget update report for Fiscal Year 2017-18 reflects the Administrative Services Agency's continued efforts to provide timely, accurate, and understandable financial information to assist the City Council with decision making and achieve their core goals. All funds have been reviewed in preparing this report. The emphasis of this report is on the General Fund, which funds the majority of government services including public safety, recreation, library, museum, parks, building, and planning. This report also discusses prior year results, budget trends, and the economic outlook that may impact the City's resources.

The primary purposes of this report are to:

- Recognize budgetary carryforward amounts for prior year approved Capital Improvement Projects and Grant appropriations, which are ongoing;
- Revise the City's budget to reflect the City Council's actions taken since the beginning of the current fiscal year;
- Recommend personnel and organizational changes to enhance program operations and efficiency;
- Recommend budget adjustments that are consistent with City Council goals and objectives; and
- Comment on significant budget and economic trends which may impact fiscal year's budget development.

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

Prepared by: Doreen M. Nunes
Department: Fiscal Services
City Manager Approval: 

Submitted to Council/O.H.A. 02/20/2018
Approved: _____
Continued to: _____
Denied: _____

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Second Budget Update Recommendations

Second Budget Update recommendations are routine in nature and comprised predominately by City Council actions taken since the beginning of the fiscal year and additional appropriations for new or ongoing programs/projects. For the General Fund, these actions will bring the General Fund estimated available ending fund balance to \$45,063,437; this amount achieves the 18% goal set by City Council.

Major items proposed for the Second Budget Update in the General Fund are: approximately \$1.7 million for Fire Safety labor contract changes (previously approved by the City Council); \$398,000 for replacement of mobile and portable radios utilized during mutual aid incidents (funded by a transfer from the Communications Reserve); and \$200,000 for additional contracted engineering plan check services.

Noteworthy budget adjustments in Other Funds include: \$865,000 for pavement rehabilitation on Milliken Avenue (funding provided by the Road Repair and Accountability Act of 2017); appropriations of \$803,697 for public street improvements on Francis Street and Turner Avenue (funded by a General Fund transfer of \$469,247 and water development impact fees of \$334,450); \$300,000 for public street improvements on Infiniti Way (funded by a General Fund transfer of \$236,583 and water development impact fees of \$63,417); and \$277,500 for bicycle and pedestrian safety related improvements on Euclid Avenue (grant award of \$249,750 from the Systemic Safety Analysis Report Program, with matching funds of \$27,750 from the Gas Tax Fund).

Interim budget updates also present recommendations for personnel and organizational changes necessary to enhance program operations and efficiency. Current recommendations include organizational changes to the City Administration, Human Resources, and Information Technology agencies, as well as the creation of a new agency, Library, Recreation, Arts and Culture (LRAC). The proposed recommendations will result in a net increase of four positions and an overall General Fund annual increase of \$705,793 (across all funds, the increase is \$803,892). This is primarily the result of recommended new positions in the City Administration and Information Technology Agencies, and the addition of a proposed director position for the new agency, LRAC.

Economic Outlook

The local economy is continuing to show signs of growth, with consumer confidence at high levels, combined with healthy gains in employment and home values. Consumers continue to be optimistic for the future, as reflected in the strong Consumer Confidence Index of 125.4 for January 2018, following a decline in December's index of 123.1. Gross Domestic Product (GDP), the broadest measure of economic output, increased significantly at 2.6 percent for the fourth quarter of 2017. Although a decrease from the 3.2 percent in the third quarter, it is still an indication of solid economic growth. In addition, the national labor market continues to create enough jobs to keep up with the population and labor force growth; these job gains are reflected in a steady unemployment rate experienced in the State of California and locally in the Inland Empire region.

Home values continue to improve as demonstrated by the strong gain of 7.5 percent compared to the prior year in the median sale price of single-family homes in the Inland Empire for December 2017. This increase in home values is mainly the result of home buyers being pushed out of the Los Angeles and Orange County housing markets due to the higher home prices in those regions. However, home sales declined slightly at 3.5 percent due to the reduced availability of homes for sale and more renters deciding to stay where they are at than purchase a home.

Sales tax revenue for the third quarter 2017 declined 2.6 percent compared to the same quarter a year ago, primarily the result of the loss of a major sales tax producer in the City and the slowing of vehicle sales. Although the City is continuing to experience a drop in sales tax revenue growth for 2017, the reduction

is much smaller than the discouraging decline in the first quarter of 16.8 percent. The weakening of sales tax revenue appears to be leveling off; however, this trend of reduced or flat growth of sales tax revenue may continue through 2018.

CalPERS

The California State Public Employees Retirement System (CalPERS) is considerably underfunded, primarily due to the lower than projected earning rates combined with significant investment losses incurred during the Great Recession. All of this has contributed to dramatic increases to the City's CalPERS contribution rates. With the recent adoption of amortization and smoothing policy changes by the CalPERS Board to address the severity of the underfunding, significant employer contribution rate increases have already begun. CalPERS' proposed rates will increase by approximately 80 percent by Fiscal Year 2022-23.

The CalPERS Board approved in December 2016 lowering the discount rate assumption, the long-term rate of return, from 7.5 percent to 7.0 percent over the next three years. This will increase employer contribution costs by approximately \$4.9 million to the City's General Fund beginning in Fiscal Year 2018-19 and by Fiscal Year 2022-23, the increase is \$21.0 million. The City's CalPERS pension expense will increase an average of 12.5 percent over the next five years, while the projected General Fund revenue growth will only be approximately 4.0 percent. Without future major revenue growth and limits on expenditures, the City will be facing a significant constraint on operating budgets in upcoming fiscal years.

Conclusion

The overall economy is projected to grow moderately over the next couple of years due to continued stagnant wage growth, the potential negative impact to the domestic economy resulting from the unstable global economic landscape, the Federal Reserve's current actions to taper back its bond purchases (quantitative easing), which has kept borrowing costs low. In addition, Ontario needs to be cognizant of a potential decline or flat growth in sales tax revenues for calendar years 2017 and 2018 due to the relocation of a major sales tax generator out of the City and the slowing of auto sales. This is only partially offset by new business attraction, as the City continues its dynamic economic development strategies to bring new businesses and jobs to Ontario. The City will also be experiencing rapidly increasing pension expenses that will far out-pace the growth in revenue in the forthcoming fiscal years. Other major challenges the City continues to contend with locally are the rapidly rising cost of medical benefits for active employees and the unfunded liabilities for retiree medical benefits. Also, the City should be mindful that in providing services to the Ontario International Airport Authority (OIAA), there is an absorption cost factor to consider. In order for the City to successfully manage these significant budget issues, it is recommended that Ontario practice fiscal discipline and establish proactive measures to safely navigate these upcoming fiscal challenges.

The Adopted Operating Budget for Fiscal Year 2017-18, as modified through this Second Budget Update, reflects the City Council's continued commitment to foster steady, controlled growth and to provide the highest level of service to the community within the City's fiscal constraints. With the City Council's leadership and their prudent fiscal policies, the City's long-term fiscal health will further solidify its standing as the economic leader in the Inland Empire, and a formidable player in California and the nation.



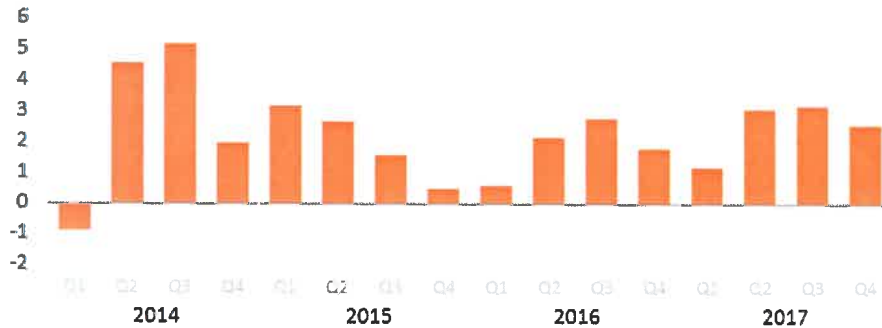
Fiscal Year 2017-2018
SECOND BUDGET UPDATE REPORT

February 20, 2018

Administrative Services/Fiscal Services

GDP Gains Slow to 2.6 Percent to End 2017

Real GDP: Percent change from preceding quarter



U.S. Bureau of Economic Analysis

Seasonally adjusted at annual rates

ECONOMIC Outlook

Consumer Confidence Index
January 125.4 ▲

Purchasing Manufacturing Index
January 59.1% ▼
Inland Empire 57.1% ▲



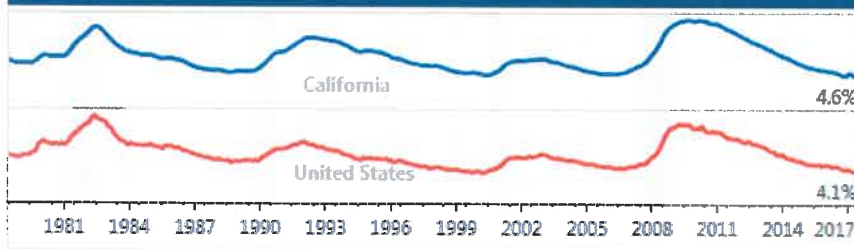
December Home Sales MTM Chg

Existing Single-Family
California Home Sales -4.4%
Inland Empire Home Sales 4.6%

Year-to-Year Chg

CA Home Sales 1.4%
CA Median Home Price 7.6%
I.E. Home Sales -3.5%
I.E. Median Home Price 7.5%

Unemployment Rate Trend



State of California-Employment Development Department

December

US 4.1% ↔ CA 4.3% ▼ S.B./Ontario 3.9% ▼

US economy adds 200,000 jobs in January and wages rise at fastest pace since recession.

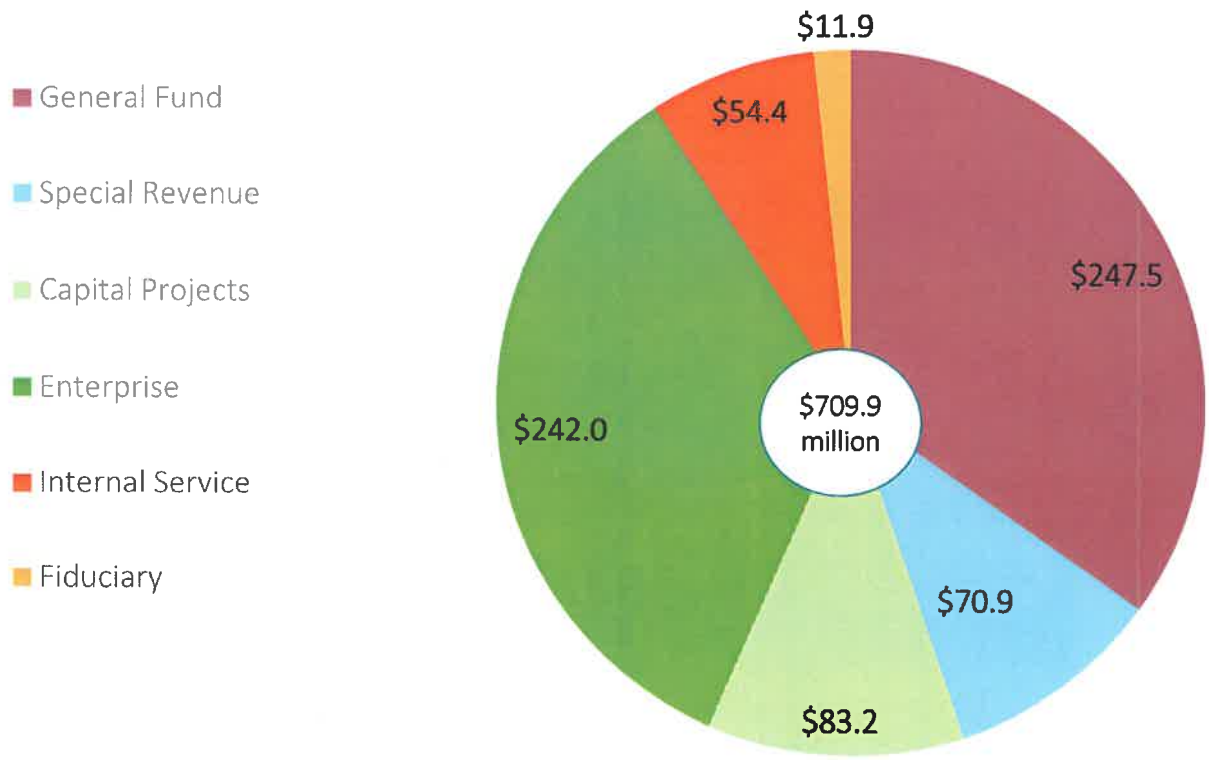
Wage growth, which has been sluggish through much of this economic expansion, increased at its fastest rate since 2009 year-over-year.

FY 2017-18
General Fund

Second
Budget
Update

Total Revenue Current Budget	\$238,732,218
<u>Revenue Adjustments</u>	
Reimbursables	89,586
Transfers-In	<u>398,000</u>
Revised Revenue Budget	<u>\$239,219,804</u>
Total Expenditure Current Budget	\$244,072,454
<u>Expenditure Adjustments</u>	
Public Safety	2,098,470
Development/Engineering	200,000
Community Services/Parks & Maintenance	89,586
Personnel Changes	295,065
Transfers-Out	<u>720,830</u>
Revised Expenditure Budget	<u>\$247,476,405</u>

FY 2017-18 Citywide Budget By Fund



Recommended Personnel Changes

Additions	5
Deletions	<u>-1</u>
Net Change	<u>4</u>
Reclassifications	1



Includes Transfers-Out

See Schedules VI and VII

SCHEDULE I

**City of Ontario
Summary of General Fund Recommended Revenue Adjustments
Fiscal Year 2017-18
Second Budget Update**

Revenue Source	Adopted Budget	Current Budget	Recommended Second Budget Update Adjustments	Current Budget After Adjustments	Actuals As of 01/30/2018	Percent of Budget Received
Sales Tax	\$ 76,250,000	\$ 80,750,000	\$ -	\$ 80,750,000	\$ 36,546,891	45.3%
Business License Tax	6,800,000	6,800,000	-	6,800,000	3,269,725	48.1%
Occupancy Tax	12,875,000	12,875,000	-	12,875,000	6,498,333	50.5%
Parking Tax	2,900,000	2,900,000	-	2,900,000	1,381,362	47.6%
Franchises	3,150,000	3,150,000	-	3,150,000	366,888	11.6%
Property Tax	52,000,000	52,000,000	-	52,000,000	31,254,352	60.1%
Development Related	7,695,000	7,695,000	-	7,695,000	6,202,721	80.6%
Recreation Programs	938,000	938,000	-	938,000	529,291	56.4%
Interest & Rentals	2,325,000	2,325,000	-	2,325,000	716,866	30.8%
Miscellaneous Revenues	19,907,525	20,907,525	-	20,907,525	8,073,403	38.6%
Total Recurring Revenues	\$ 184,840,525	\$ 190,340,525	\$ -	\$ 190,340,525	\$ 94,839,832	49.8%
Reimbursables	4,608,275	4,663,275	89,586	4,752,861	5,899,858	124.1%
Total General Fund Revenue	\$ 189,448,800	\$ 195,003,800	\$ 89,586	\$ 195,093,386	\$ 100,739,690	51.6%

SCHEDULE II

City of Ontario
 Summary of General Fund Recommended Expenditure Adjustments
 Fiscal Year 2017-18
 Second Budget Update

	Expenditures
Adopted Budget	\$ 220,358,706
Current Budget	\$ 235,753,942
Recommended Adjustments:	
Safety-Fire MOU Agreement changes <i>(CC Apprvd 1/16/2018)</i>	\$ 1,644,000
Mobile and portable radio replacements - Fire	398,000
Engineering Plan Check Services	200,000
Tree Trimming Services on Euclid Avenue (CalTrans Reimbursement Agreement)	89,586
Airport-related handheld radios: Police (8) for new positions <i>(CC Apprvd 5/16/2017)</i>	47,900
Citywide security services <i>(CC Apprvd 12/19/2017)</i>	8,570
Temporary/Part-Time Salaries <i>(CC Apprvd 11/21/2017)</i>	59,800
Recommended personnel changes	235,265
Total Recommended Adjustments	<u>\$ 2,683,121</u>
Recommended Budget	<u><u>\$ 238,437,063</u></u>

City of Ontario
 Summary of General Fund Recommended Transfer Adjustments
 Fiscal Year 2017-18
 Second Budget Update

	Operating Transfers-In	Operating Transfers-Out
Adopted Budget	<u>\$ 39,228,418</u>	<u>\$ 8,318,512</u>
Current Budget	\$ 43,728,418	\$ 8,318,512
Recommended Adjustments:		
Mobile and portable radio replacements - Fire (Transfer-in from Fund 098)	\$ 398,000	\$ -
Francis Street Public Improvements Project (Transfer-out to Fund 017)		469,247
Infiniti Way Public Improvements Project (Transfer-out to Fund 017)		236,583
Library room retrofit project ref: Libraries Illuminated Grant (Transfer-out to Fund 017)		15,000
Total Recommended Adjustments	<u>\$ 398,000</u>	<u>\$ 720,830</u>
Recommended Budget	<u>\$ 44,126,418</u>	<u>\$ 9,039,342</u>

SCHEDULE IV

City of Ontario
General Fund Balance with Recommended Adjustments
Fiscal Year 2017-18
Second Budget Update

General Fund	Actual 2016-17 Unaudited	Adopted 2017-18 Budget	Prior Budget Update Approved Adjustments	Current 2017-18 Budget	Second Budget Update Recommended Adjustments	Recommended Budget 2017-18
Total Revenues	\$ 192,664,498	\$ 189,448,800	\$ 5,555,000	\$ 195,003,800	\$ 89,586	\$ 195,093,386
Total Expenditures	(204,041,041)	(220,358,706)	(15,395,236)	(235,753,942)	(2,683,121)	(238,437,063)
Excess (Deficiency) of Revenues Over (Under) Expenditures	\$ (11,376,543)	\$ (30,909,906)	\$ (9,840,236)	\$ (40,750,142)	\$ (2,593,535)	\$ (43,343,677)
Other Sources (Uses):						
Operating Transfer In	\$ 31,925,325	\$ 39,228,418	\$ 4,500,000	\$ 43,728,418	\$ 398,000	\$ 44,126,418
Operating Transfer Out	(31,778,262)	(8,318,512)	-	(8,318,512)	(720,830)	(9,039,342)
Total Other Sources (Uses)	\$ 147,063	\$ 30,909,906	\$ 4,500,000	\$ 35,409,906	\$ (322,830)	\$ 35,087,076
Excess (Deficiency) of Revenues and Other Financing Sources Over (Under) Expenditures and Other Financing Uses	\$ (11,229,480)	\$ -	\$ (5,340,236)	\$ (5,340,236)	\$ (2,916,365)	\$ (8,256,601)
Fund Balance, Beginning of Year	98,446,379	87,216,899	-	87,216,899	-	87,216,899
Fund Balance, End of Year	\$ 87,216,899	\$ 87,216,899	\$ (5,340,236)	\$ 81,876,663	\$ (2,916,365)	\$ 78,960,298
FUND BALANCE						
Non-Spendable:						
Inventory	\$ 144,481	\$ 144,481	\$ -	\$ 144,481	\$ -	\$ 144,481
Advanced to Other Funds (RDA Loan Repayment)	3,500,000	3,500,000	-	3,500,000	-	3,500,000
Advanced to Other Funds (OIAA Advance)	30,000,000	30,000,000	-	30,000,000	-	30,000,000
Long-Term Receivable	38,000	38,000	-	38,000	-	38,000
Prepays	214,380	214,380	-	214,380	-	214,380
Total Non-Spendable	\$ 33,896,861	\$ 33,896,861	\$ -	\$ 33,896,861	\$ -	\$ 33,896,861
Assigned:						
Continuing Appropriations	3,250,438	3,250,438	(3,250,438)	-	-	-
18% Stabilization Plan	50,069,600	50,069,600	(2,089,798)	47,979,802	(2,916,365)	45,063,437
Total Assigned	\$ 53,320,038	\$ 53,320,038	\$ (5,340,236)	\$ 47,979,802	\$ (2,916,365)	\$ 45,063,437
Total Fund Balance (Non-Spendable, Assigned)	87,216,899	87,216,899	(5,340,236)	81,876,663	(2,916,365)	78,960,298
Total Available for Contingencies and Emergencies	\$ 53,320,038	\$ 53,320,038	\$ (5,340,236)	\$ 47,979,802	\$ (2,916,365)	\$ 45,063,437

City of Ontario
 Unreserved Fund Balance with Recommended Adjustments for All Funds
 Fiscal Year 2017-18
 Second Budget Update

Funds/Sources	Total Unreserved Fund Balance July 1, 2017	Current Budget Control					Estimated Total Unreserved Fund Balance June 30, 2017	Recommended Second Budget Update Adjustments Increase(Decrease) to Fund Balance Net Adjustments	Adjusted Unreserved Fund Balance June 30, 2017
		Revenues	Operating Transfers-In	Operating Transfers-Out	Total Available	Expenditures			
General Fund (incl. encumbrances)									
001 General Fund	\$ 53,320,038	\$ 195,003,800	\$ 43,728,418	\$ 8,318,512	\$ 283,733,744	\$ 235,753,942	\$ 47,979,802	\$ (2,916,365)	\$ 45,063,437
Total General Fund	\$ 53,320,038	\$ 195,003,800	\$ 43,728,418	\$ 8,318,512	\$ 283,733,744	\$ 235,753,942	\$ 47,979,802	\$ (2,916,365)	\$ 45,063,437
Special Revenue Funds									
002 Quiet Home Program	\$ -	\$ 1,067,000	\$ -	\$ -	\$ 1,067,000	\$ 1,067,000	\$ -	\$ -	\$ -
003 Gas Tax	2,991,746	5,516,977	900,000	2,782,930	6,625,793	5,326,089	1,299,704	(1,056,250)	243,454
004 Measure I	5,606,106	3,007,146	-	-	8,613,252	6,932,507	1,680,745	-	1,680,745
005 Measure I-Valley Major Projects	(16,889,688)	29,045,654	-	-	12,155,966	29,045,654	(16,889,688)	-	(16,889,688)
007 Park Impact/Quimby	(5,281,737)	-	-	-	(5,281,737)	-	(5,281,737)	-	(5,281,737)
008 C.D.B.G.	-	3,156,530	-	-	3,156,530	3,156,530	-	-	-
009 HOME Grants	-	2,286,605	-	-	2,286,605	2,286,605	-	-	-
010 Asset Seizure	3,513,510	-	-	-	3,513,510	1,761,178	1,752,332	(150,000)	1,602,332
011 Neighborhood Stabilization	-	-	-	-	-	-	-	-	-
013 A.D. Administration	1,017,609	22,721	-	-	1,040,330	286,837	753,493	-	753,493
014 Mobile Source Air	1,056,948	212,088	-	25,643	1,243,393	594,730	648,663	-	648,663
015 General Fund Grants	-	7,657,044	-	-	7,657,044	7,657,044	-	-	-
018 Building Safety	-	910,000	-	53,580	856,420	1,169,569	(313,149)	-	(313,149)
019 Parkway Maintenance	927,701	608,682	368,512	246,715	1,658,180	853,600	804,580	-	804,580
021 Storm Drain Fee District	69,142	775	-	-	69,917	-	69,917	-	69,917
060 OMC CFD #21-Parkside Services	66,599	52,081	-	24,000	94,680	27,500	67,180	-	67,180
061 NMC CFD #31-Lennar Services	173,910	251,634	-	243,400	182,144	7,400	174,744	-	174,744
062 NMC CFD #23-Park Place Services	53,986	650,000	-	645,000	58,986	5,000	53,986	-	53,986
064 NMC CFD #27-New Haven Services	73,361	399,305	-	393,000	79,666	5,000	74,666	-	74,666
069 NMC CFD #20-Walmart Services	35,114	26,400	-	5,000	56,514	21,000	35,514	-	35,514
048 Ontario Housing Authority	2,809,169	337,956	-	-	3,147,125	863,342	2,283,783	-	2,283,783
070 Street Light Maintenance	2,243,619	499,700	-	113,675	2,629,644	370,975	2,258,669	-	2,258,669
071 CFD #10-Airport Tower Services	-	11,000	-	11,000	-	-	-	-	-
072 NMC CFD #9-Edenglen Services	(39,583)	545,000	-	532,600	(27,183)	12,400	(39,583)	-	(39,583)
076 Facilities Maintenance	45,391	-	1,000,000	-	1,045,391	1,021,513	23,878	-	23,878
077 Storm Drain Maintenance	605,147	1,240,656	-	-	1,845,803	1,735,131	110,672	(393)	110,279
114 Historic Preservation	219,489	2,456	-	-	221,945	-	221,945	-	221,945
119 NMC Public Services	5,377,108	56,582	-	-	5,433,690	-	5,433,690	-	5,433,690
Total Special Revenue Funds	\$ 4,674,647	\$ 57,563,992	\$ 2,268,512	\$ 5,076,543	\$ 59,430,608	\$ 64,206,604	\$ (4,775,996)	\$ (1,206,643)	\$ (5,982,639)
Capital Project Funds									
016 Ground Access	\$ 9,878,981	\$ 2,939,674	\$ -	\$ -	\$ 12,818,655	\$ 2,843,294	\$ 9,975,361	-	\$ 9,975,361
017 Capital Projects	27,695,731	3,193,130	9,085,818	-	39,974,679	28,360,961	11,613,718	-	11,613,718
101 Law Enforcement Impact	(1,030,154)	15,595	-	-	(1,014,559)	-	(1,014,559)	-	(1,014,559)

City of Ontario
 Unreserved Fund Balance with Recommended Adjustments for All Funds
 Fiscal Year 2017-18
 Second Budget Update

Funds/Sources	Total Unreserved Fund Balance July 1, 2017	Current Budget Control					Estimated Total Unreserved Fund Balance June 30, 2017	Recommended Second Budget Update Adjustments Increase(Decrease) to Fund Balance Net Adjustments	Adjusted Unreserved Fund Balance June 30, 2017
		Revenues	Operating Transfers-In	Operating Transfers-Out	Total Available	Expenditures			
106 Solid Waste Impact	2,946,274	29,846	-	-	2,976,120	100,000	2,876,120	-	2,876,120
107 General Facility Impact	2,684,435	27,846	-	-	2,712,281	-	2,712,281	-	2,712,281
108 Library Impact	2,748,729	21,534	-	-	2,770,263	-	2,770,263	-	2,770,263
109 Public Meeting Impact	3,744,103	32,185	-	-	3,776,288	-	3,776,288	-	3,776,288
110 Aquatics Impact	317,060	2,891	-	-	319,951	-	319,951	-	319,951
112 Species Habitat Impact	2,123,344	21,637	-	-	2,144,981	-	2,144,981	-	2,144,981
120 Affordability In-Lieu	9,111,153	89,866	-	-	9,201,019	-	9,201,019	-	9,201,019
170 OMC - Regional Streets	8,480,212	72,559	-	-	8,552,771	7,534,175	1,018,596	-	1,018,596
171 OMC - Local Adjacent Streets	10,555,502	128,752	-	-	10,684,254	15,736,290	(5,052,036)	-	(5,052,036)
172 OMC - Regional Storm Drains	1,351,796	14,710	-	-	1,366,506	-	1,366,506	-	1,366,506
173 OMC - Local Adjacent Storm Drain	16,359,053	230,527	-	-	16,589,580	9,545,951	7,043,629	-	7,043,629
174 OMC - Regional Water	13,417,299	188,083	-	-	13,605,382	-	13,605,382	-	13,605,382
175 OMC - Local Adjacent Water	1,688,293	28,378	-	-	1,716,671	194,880	1,521,791	(397,867)	1,123,924
176 OMC - Regional Sewer	2,425,934	24,067	-	-	2,450,001	-	2,450,001	-	2,450,001
177 OMC - Local Adjacent Sewer	4,033,600	40,965	-	-	4,074,565	3,670,683	403,882	-	403,882
178 OMC - Fire Impact	-	-	-	-	-	2,214,050	(2,214,050)	-	(2,214,050)
180 OMC - Regional Streets	1,408,679	16,339	-	-	1,425,018	2,136,732	(711,714)	-	(711,714)
181 NMC - Local Adjacent Streets	2,181,864	20,707	-	-	2,202,571	-	2,202,571	-	2,202,571
182 NMC - Regional Storm Drains	845,894	10,877	-	-	856,771	-	856,771	-	856,771
183 NMC - Local Adjacent Storm Drain	3,260,365	51,230	-	-	3,311,595	-	3,311,595	-	3,311,595
184 NMC - Regional Water	-	-	-	-	-	-	-	-	-
185 NMC - Local Adjacent Water	2,168,608	158,919	-	-	2,327,527	1,000,000	1,327,527	-	1,327,527
186 NMC - Regional Sewer	274,828	4,227	-	-	279,055	-	279,055	-	279,055
187 NMC - Local Adjacent Sewer	248,513	3,869	-	-	252,382	-	252,382	-	252,382
188 NMC - Local Regional Fiber	-	-	-	-	-	-	-	-	-
189 NMC - Local Adjacent Fiber	384,985	321,597	-	-	706,582	-	706,582	-	706,582
190 NMC - Fire Impact	7,974,821	91,433	-	-	8,066,254	8,749,056	(682,802)	-	(682,802)
501 NMC CFD - Developer Deposits	481,878	-	-	-	481,878	-	481,878	-	481,878
502 OMC CFD - Developer Deposits	74,996	-	-	-	74,996	-	74,996	-	74,996
Total Capital Project Funds	\$ 137,836,776	\$ 7,781,443	\$ 9,085,818	\$ -	\$ 154,704,037	\$ 82,086,072	\$ 72,617,965	\$ (397,867)	\$ 72,220,098
Enterprise Funds									
024 Water Operating	61,524,365	\$ 55,633,983	\$ -	\$ 31,137,953	86,020,395	\$ 46,098,030	\$ 39,922,365	\$ -	\$ 39,922,365
025 Water Capital	65,867,434	860,979	18,000,000	3,918,150	80,810,263	63,050,433	17,759,830	(338)	17,759,492
026 Sewer Operating	27,450,984	25,035,440	-	10,290,913	42,195,511	19,677,085	22,518,426	-	22,518,426
027 Sewer Capital	20,838,792	237,848	4,000,000	1,039,688	24,036,952	6,168,283	17,868,669	-	17,868,669
029 Solid Waste	33,366,619	34,218,235	-	9,015,171	58,569,683	36,546,619	22,023,064	-	22,023,064
031 Solid Waste Facilities	649,815	7,364	-	-	657,179	63,838.00	593,341	-	593,341
035 I.T. Fiber Optics	6,732,860	431,000	-	-	7,163,860	14,935,091	(7,771,231)	(30,425)	(7,801,656)
Total Enterprise Funds	\$ 216,430,869	\$ 116,424,849	\$ 22,000,000	\$ 55,401,875	\$ 299,453,843	\$ 186,539,379	\$ 112,914,464	\$ (30,763)	\$ 112,883,701

City of Ontario
 Unreserved Fund Balance with Recommended Adjustments for All Funds
 Fiscal Year 2017-18
 Second Budget Update

Funds/Sources	Total Unreserved Fund Balance July 1, 2017	Current Budget Control					Estimated Total Unreserved Fund Balance June 30, 2017	Recommended Second Budget Update Adjustments Increase(Decrease) to Fund Balance Net Adjustments	Adjusted Unreserved Fund Balance June 30, 2017
		Revenues	Operating Transfers-In	Operating Transfers-Out	Total Available	Expenditures			
Internal Service Funds									
032 Equipment Services	37,240,078	\$ 11,362,722	\$ -	\$ -	\$ 48,602,800	\$ 23,312,543	\$ 25,290,257	\$ (638)	\$ 25,289,619
033 Self Insurance	14,045,477	10,996,849	-	-	25,042,326	8,205,205	16,837,121	-	16,837,121
034 Information Technology	18,822,009	8,917,663	90,000	840,000	26,989,672	17,529,964	9,459,708	(2,274)	9,457,434
099 Other Post Employment Benefits (OPEB)	178,766,241	11,322,827	-	-	190,089,068	4,500,000	185,589,068	-	185,589,068
Total Internal Service Funds	<u>\$ 248,873,805</u>	<u>\$ 42,600,061</u>	<u>\$ 90,000</u>	<u>\$ 840,000</u>	<u>\$ 290,723,866</u>	<u>\$ 53,547,712</u>	<u>\$ 237,176,154</u>	<u>\$ (2,912)</u>	<u>\$ 237,173,242</u>
Fiduciary Funds									
098 General Fund Trust	31,256,343	\$ -	\$ 3,950,000	\$ 11,485,818	\$ 23,720,525	-	\$ 23,720,525	(398,000)	\$ 23,322,525
Total Trust Funds	<u>\$ 31,256,343</u>	<u>\$ -</u>	<u>\$ 3,950,000</u>	<u>\$ 11,485,818</u>	<u>\$ 23,720,525</u>	<u>\$ -</u>	<u>\$ 23,720,525</u>	<u>\$ (398,000)</u>	<u>\$ 23,322,525</u>
	<u>\$ 692,392,478</u>	<u>\$ 419,374,145</u>	<u>\$ 81,122,748</u>	<u>\$ 81,122,748</u>	<u>\$ 1,111,766,623</u>	<u>\$ 622,133,709</u>	<u>\$ 489,632,914</u>	<u>\$ (4,952,550)</u>	<u>\$ 484,680,364</u>

* Fund Balance amount is the Fund's actual working capital.

City of Ontario
Recommended Adjustments by Fund
Fiscal Year 2017-18
Second Budget Update

SCHEDULE VI

Description	Appropriation Adjustments	Revenue Adjustments	Operating Transfer-In	Operating Transfer-Out	Fund Balance Impact
Fund 001 - General Fund					
<i>Current Year Adjustments to Fund Balance</i>					
Safety-Fire MOU Agreement changes (CC Apprvd 1/16/2018)	1,644,000				(1,644,000)
Mobile and portable radio replacements - Fire (Transfer-in from Fund 098)	398,000		398,000		-
Engineering Plan Check Services	200,000				(200,000)
Tree Trimming Services on Euclid Avenue (CalTrans Reimbursement Agreement)	89,586	89,586			-
Airport-related handheld radios: Police (8) for new positions (CC Apprvd 5/16/2017)	47,900				(47,900)
Citywide security services (CC Apprvd 12/19/2017)	8,570				(8,570)
Transfer-Out (to Fund 017) Francis Street Public Improvements				469,247	(469,247)
Transfer-Out (to Fund 017) Infiniti Way Public Improvements				236,583	(236,583)
Transfer-Out (to Fund 017) ref: Libraries Illuminated Grant				15,000	(15,000)
Temporary/Part-Time Salaries (CC Apprvd 11/21/2017)	59,800				(59,800)
Recommended Personnel Changes	235,265				(235,265)
Total General Fund Adjustments	2,683,121	89,586	398,000	720,830	(2,916,365)
Fund 003 - Gas Tax					
Milliken Avenue Pavement Rehabilitation project (CC Apprvd 10/3/2017)	865,000				(865,000)
Modify Traffic Signal at Archibald/Mission project	163,500				(163,500)
Bicycle & Pedestrian Cycle Improvement Plan/Systemic Safety Analysis Report Program - City's-match	27,750				(27,750)
	1,056,250	-	-	-	(1,056,250)
Fund 010 - Asset Seizure					
Tactical response vehicle (CC Apprvd 4/18/2017)	150,000				(150,000)
	150,000	-	-	-	(150,000)
Fund 015 - General Fund Grants					
Euclid Avenue Bicycle & Pedestrian Corridor Improvement Plan Grant (CalTrans)	249,750	249,750			-
FY2017 Homeland Security Grant: body cameras (Police)	44,226	44,226			-
FY2017 Urban Area Security Initiative Grant: radiation detection equipment (Fire)	36,840	36,840			-
FY2018 Libraries Illuminated Grant (California State Library)	30,000	30,000			-
Public Library Foundation Grant/Revise budget	35,000	35,000			-
FY2018 Homeland Security Grant: radiation detection equipment (Fire)	27,261	27,261			-
FY2018 Every 15 Minutes Grant (CC Apprvd 12/19/2017)	6,000	6,000			-
FY2016 Homeland Security Grant Program (Fire)/Revise grant allocation	(2,747)	(2,747)			-
	426,330	426,330	-	-	-
Fund 017 - Capital Projects					
Francis Street Public Improvements project (Transfer-in from Fund 001)	469,247		469,247		-
Infiniti Way Public Improvements Project (Transfer-in from Fund 001)	236,583		236,583		-
Library room retrofit project ref: Libraries Illuminated Grant (Transfer-in from Fund 001)	15,000		15,000		-
	720,830	-	720,830	-	-

City of Ontario
Recommended Adjustments by Fund
Fiscal Year 2017-18
Second Budget Update

SCHEDULE VI

Description	Appropriation Adjustments	Revenue Adjustments	Operating Transfer-In	Operating Transfer-Out	Fund Balance Impact
Fund 024 - Water Operating					
FY2018 Water Conservation Outreach Grant (Inland Empire Utilities Agency)	2,000	2,000			-
	<u>2,000</u>	<u>2,000</u>	<u>-</u>	<u>-</u>	<u>-</u>
Fund 025 - Water Capital					
Temporary/Part Time Salaries (CC Apprvd 11/21/2017)	338				(338)
	<u>338</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>(338)</u>
Fund 032 - Equipment Services					
Temporary/Part Time Salaries (CC Apprvd 11/21/2017)	638				(638)
	<u>638</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>(638)</u>
Fund 034 - Information Technology					
Temporary/Part Time Salaries (CC Apprvd 11/21/2017)	338				(338)
	<u>338</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>(338)</u>
Fund 033 - Self Insurance					
Recommended personnel changes	2,274				(2,274)
	<u>2,274</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>(2,274)</u>
Fund 035 - IT Fiber Optics					
Recommended personnel changes	30,425				(30,425)
	<u>30,425</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>(30,425)</u>
Fund 077 - Storm Drain Maintenance					
Temporary/Part Time Salaries (CC Apprvd 11/21/2017)	393				(393)
	<u>393</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>(393)</u>
Fund 098 - General Fund Trust					
Transfer-out (to Fund 001) Mobile and portable radios - Fire (Communications Reserve)				398,000	(398,000)
	<u>-</u>	<u>-</u>	<u>-</u>	<u>398,000</u>	<u>(398,000)</u>
Fund 175 - OMC Local Adjacent Water					
Francis Street Public Improvements Project	334,450				(334,450)
Infiniti Way Public Improvements Project	63,417				(63,417)
	<u>397,867</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>(397,867)</u>
Total Other Fund Adjustments	<u>2,787,683</u>	<u>428,330</u>	<u>720,830</u>	<u>398,000</u>	<u>(2,036,523)</u>

SCHEDULE VII

City of Ontario
 Recommended Personnel and Organizational Changes
 Fiscal Year 2017-18
 Second Budget Update

<u>Agency</u>	<u>Position</u>	<u>Action</u>	<u>Salary Range</u>
City Administration	Legislative Analyst	Addition	\$ 5,470 - \$ 6,649
City Administration	PIO/Community Information Officer	Addition	\$ 8,880 - \$ 10,793
City Administration	Government Affairs Director	Deletion	\$ 8,880 - \$ 10,793
City Administration	Deputy City Manager	Addition	\$ 12,296 - \$ 16,474
Library, Recreation, Arts & Culture	Director of Library, Recreation, Arts & Culture	Addition	\$ 9,977 - \$ 13,369
Information Technology	Administrative Assistant	Addition	\$ 4,141 - \$ 5,032
Reclassification			
Human Resources	Human Resources/Risk Management Director to Director of Human Resources	Reclass	\$ 11,695 - \$ 14,215 \$ 12,296 - \$ 16,474

<u>Impact by Fund</u>		<u>Current</u>	<u>Annual</u>
Fund 001	General Fund	\$ 235,265	\$ 705,793
Fund 033	Self Insurance	2,274	6,824
Fund 035	IT/Fiber Optics	30,425	91,275
Total		\$ 267,964	\$ 803,892

CITY OF ONTARIO

Agenda Report
February 20, 2018

SECTION:
CONSENT CALENDAR

SUBJECT: FIRST AMENDMENT TO THE DISPOSITION AND DEVELOPMENT AGREEMENT BETWEEN THE ONTARIO HOUSING AUTHORITY AND ONTARIO EMPORIA HOUSING PARTNERS, L.P. FOR THE DEVELOPMENT OF A 75-UNIT HOUSING DEVELOPMENT (EMPORIA MULTIFAMILY AFFORDABLE HOUSING PROJECT), LOCATED ON APPROXIMATELY 2.95 ACRES OF LAND BORDERED BY HOLT BOULEVARD ON THE NORTH, FERN AVENUE ON THE EAST, EMPORIA STREET ON THE SOUTH, AND VINE AVENUE ON THE WEST; AND THE FIRST AMENDMENT TO THE GRANT AGREEMENT BETWEEN THE CITY OF ONTARIO AND THE ONTARIO HOUSING AUTHORITY

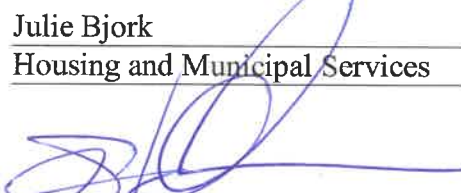
RECOMMENDATION: That the City Council ("City") and the Board of the Ontario Housing Authority ("Authority"):

- (A) Adopt resolutions approving the First Amendment to Disposition and Development Agreement ("First Amendment") between the Authority and Ontario Emporia Housing Partners, L.P. of Irvine, California ("Developer") (on file with the Records Management Department);
- (B) Approve the First Amendment to Grant Agreement ("Grant Agreement") between the City and the Authority, in a revised total amount not to exceed \$10,458,583 (on file with the Records Management Department); and
- (C) Authorize the City Manager/Executive Director or his designee to sign all documents necessary to implement the Agreements.

COUNCIL GOALS: Focus Resources in Ontario's Commercial and Residential Neighborhoods

FISCAL IMPACT: This action will increase the Authority's gap loan from \$10,263,875 to an estimated amount of \$15,675,000. The loan amount will be finalized at the time of escrow closing and will be dependent upon the land appraisal amount. The Authority's gap loan is a residual receipt note

STAFF MEMBER PRESENTING: Brent D. Schultz, Housing and Municipal Services Director

Prepared by: Julie Bjork
Department: Housing and Municipal Services
City Manager Approval: 

Submitted to Council/O.H.A. 02/20/2018
Approved: _____
Continued to: _____
Denied: _____

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that will be paid back over a 65-year term. The loan will provide funds for the acquisition of the land at a cost of \$1,835,000 or appraised value, whichever is greater. The estimated appraised value is approximately \$3,375,000. The land purchase price will be provided to the Developer, in the form of a loan carryback. The land purchase principal will have an interest rate at the applicable federal rate that will be set at escrow closing. It is estimated that this interest rate will be approximately 2.75%.

The remaining portion of the loan will not exceed \$12,300,000 and will have a zero percent interest rate.

The increased funding of up to \$3,871,125 provided by the Ontario Housing Authority will be provided through New Model Colony In-Lieu Housing Fees collected by the City of Ontario, which are restricted to provide for the construction of affordable housing units within Ontario. The City of Ontario will grant these funds to the Ontario Housing Authority through the First Amendment to the Grant Agreement to increase the total grant amount to \$10,458,583.

BACKGROUND: On June 21, 2017, the City Council and Authority Board approved the Emporia Multifamily Development Disposition and Development Agreement (“Agreement”) and the Grant Agreement for the development of a 75-unit affordable housing development at the corner of Holt Boulevard and Vine Avenue. The area, site plan, and elevations are shown on Exhibit A.

Listed below is a brief summary of the proposed amendments:

- Increase of the OHA loan amount from \$10,263,875 to an estimated amount of \$15,675,000. The loan consists of a land purchase portion (equal to \$1,835,000, or the appraised value of the land, whichever is greater) and a cash portion not to exceed \$12,300,000.
- Increase of the land purchase price from \$1,835,000 to the appraised value, whichever is greater. The appraised value is estimated to be \$3,375,000. The land purchase portion is provided in the form of a loan carry-back note. No cash outlay for the land purchase will be required from the Authority.
- Amendment of the Grant Agreement to include the total not to exceed amount of New Model Colony In-Lieu Housing Fees of \$8,744,454, which includes the original authorization of \$4,873,329, and the current additional allocation of \$3,871,125. With the proposed amendment, the total not to exceed value of the Grant Agreement shall be increased to \$10,458,583, provided that the grant amount shall be reduced to the extent sufficient Low Moderate Income Housing Asset Funds are available for the Department. A detailed breakdown of the funding sources for the project is shown on Exhibit C.
- Modification of the income restrictions to change three units restricted to 40% of Area Median Income and one unit at 50% to four units at 60% of Area Median Income. The unit distribution and affordability mix is attached as Exhibit B.
- The Developer will be responsible for the removal and remediation of underground storage tanks, former hydraulic lifts, and soil anomalies that have been identified in environmental site assessments. The Developer will begin this work upon notification that a reservation of 9% tax credits will be received for this development. The Authority will provide up to \$300,000 to the Developer for completion of this activity dependent upon submittal of bid documents and invoices. During the course of removal of the tanks, if the contractor discovers unanticipated conditions increasing the cost above \$300,000, the Developer will notify the Authority and the

Authority can elect to either (a) pay the increased amount, or (b) terminate the DDA. If the Authority terminates, the Developer will stop the tank removal work, and will pay the contractor any amounts owing out of the \$300,000 provided by the Authority. If, however, the tank removal is completed by the Developer and the tax credits are awarded, the amount funded by the Authority for the tank removal would be added to the Cash Portion of the Authority loan.

- The Developer has increased the social services at the site to include a robust afterschool arts program in addition to a children's afterschool tutoring program and adult programming. The Developer will contract with EngAGE to provide a robust afterschool arts program for children at the site. EngAGE has a 20-year track record in providing arts and lifelong learning inside 45 affordable senior and family apartment communities in California, Oregon, and Minnesota. EngAGE will provide approximately 150 hours of art instruction per year or 14 hours per month on site. The classes will be offered in 1-hour sessions for approximately 15 – 20 children per class with the following curriculum: literary arts, visual arts, performing art. At a minimum of every 6 – 8 weeks EngAGE will curate an arts event. EngAGE will also collaborate with Ontario's library, museum, and local schools to maximize opportunities within the downtown Arts District.

Financing of the development is expected to utilize the Federal Low-Income Housing Tax Credit ("LIHTC") program, as a primary source of project funding. The Developer submitted an application for federal income tax credits on June 28, 2017 (2017 Second Round Application) as part of a complex competitive process. The Developer was unsuccessful in securing an award due to the highly competitive Tax Credit Allocation Committee (TCAC) region that includes the counties of San Bernardino, Riverside, and Imperial. With the increased financial subsidy from Ontario Housing Authority proposed within this First Amendment, the tie-breaker score will rise to be a more competitive score within our region.

If the City Council and Authority Board approve this First Amendment, the Developer will submit a new LIHTC application to TCAC on February 28, 2018. TCAC will announce the winners of the February applicants in June 2018. If the Emporia Multifamily Development is successful in getting tax credits in June 2018, the Developer must start construction by December 2018. The original DDA allowed the Developer up to three times to submit an application for tax credit funding to finance this project. This application that will be submitted on or before February 28, 2018 will be the second application submitted by the Developer.

EXHIBIT A

PROJECT SITE, SITE PLAN, AND ELEVATIONS



Not to Scale



Exhibit A

ELEVATIONS



EXHIBIT B

UNIT DISTRIBUTION AND RENT LIMITS

Emporia Multifamily Affordability Restrictions and Net Rents					
	1BR	2BR	3BR	4BR	Total Number of Units
30% of AMI Units					
# of Units	1	4	2	1	8
Est. Net Rent	\$296	\$350	\$397	\$438	
40% of AMI Units					
# of Units	2	7	3	0	12
Est. Net Rent	\$417	\$496	\$565	N/A	
50% of AMI Units					
# of Units	6	16	7	1	30
Est. Net Rent	\$538	\$641	\$732	\$813	
60% of AMI Units					
# of Units	4	11	8	1	24
Est. Net Rent	\$659	\$786	\$900	\$1,000	
Property Manager Unit		1			1
TOTAL UNITS	13	39	20	3	75
<i>Rents and Income Limits are subject to change annually</i>					

EXHIBIT C

PROJECT FUNDING SOURCES AND USES

Emporia Multifamily Funding Sources	
	AMOUNTS
Tax Credit Equity	\$15,861,237
Permanent Financing	\$610,000
OHA Loan (est.)	\$15,675,000
TOTAL	\$32,146,237

OHA Loan Funding Sources		
Source	Detail	AMOUNTS
OHA Land Purchase Principal (Est. \$3,375,000)		\$3,375,000
OHA Low and Moderate Income Housing Asset Fund (LMIHAF)*		\$1,841,417
City/OHA Grant Agreement	New Model Colony In-Lieu Fees	\$8,744,454
	HOME (up to \$785,254)	\$785,254
	Development Impact Fee Loan	\$928,875
Subtotal City/OHA Grant Agreement		\$10,458,583
TOTAL OHA LOAN		\$15,675,000
<i>*If the amount of LMIHAF increases, the other sources within the City/OHA Funding Grant Amount will decrease.</i>		

RESOLUTION NO. OHA-_____

A RESOLUTION OF THE ONTARIO HOUSING AUTHORITY OF THE CITY OF ONTARIO, CALIFORNIA, APPROVING A FIRST AMENDMENT TO DISPOSITION AND DEVELOPMENT AGREEMENT WITH ONTARIO EMPORIA HOUSING PARTNERS, L.P., FOR DEVELOPMENT OF A MULTIFAMILY, RENTAL HOUSING PROJECT AND MAKING CERTAIN FINDINGS IN CONNECTION THEREWITH.

WHEREAS, the Ontario Housing Authority (the "Authority"), by Resolution No. OHA-091, passed and adopted on June 21, 2017 (the "Resolution"), approved and entered into that certain Disposition and Development Agreement (the "DDA"), dated as of June 21, 2017, with Ontario Emporia Housing Partners, L.P. (the "Developer"), for development, as affordable rental housing, a certain, approximately 2.95-acre site bounded by W. Holt Blvd. on the north, S. Fern Ave. on the east, W. Emporia St. on the south and S. Vine Avenue on the west; and

WHEREAS, the recitals set forth in the Resolution are incorporated herein by reference, and capitalized words and terms used herein and not defined where first used shall have the definitions ascribed in the Resolution; and

WHEREAS, the Authority proposes to enter into that certain "First Amendment to Disposition and Development Agreement," dated as of February 20, 2018, with the Developer to, among other things, revise the financing for the Project (the "First Amendment").

NOW, THEREFORE, BE IT RESOLVED by the Ontario Housing Authority as follows:

1. The First Amendment, a copy of which is on file with the Secretary of the Authority, is hereby approved with such minor changes, additions or deletions as may be approved by the Authority's Executive Director and General or Special Counsel, and the Executive Director is hereby authorized and directed to execute said First Amendment on behalf of the Authority.

2. The Executive Director is hereby authorized to take such actions and execute such documents and instruments as he deems necessary or desirable for implementation of the DDA as amended.

The Secretary of the Ontario Housing Authority shall certify as to the adoption of this Resolution.

PASSED, APPROVED, AND ADOPTED this 20th day of February 2018.

PAUL S. LEON, CHAIRMAN

ATTEST:

SHEILA MAUTZ, AUTHORITY SECRETARY

APPROVED AS TO FORM:

AUTHORITY COUNSEL

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

I, SHEILA MAUTZ, Secretary of the Ontario Housing Authority, DO HEREBY CERTIFY that the foregoing Resolution No. OHA- was duly passed and adopted by the Board Members of the Ontario Housing Authority at their regular meeting held February 20, 2018, by the following roll call vote, to wit:

AYES: BOARD MEMBERS:

NOES: BOARD MEMBERS:

ABSENT: BOARD MEMBERS:

SHEILA MAUTZ, AUTHORITY SECRETARY

(SEAL)

The foregoing is the original of Resolution No. OHA- duly passed and adopted by the Ontario Housing Authority at their regular meeting held February 20, 2018.

SHEILA MAUTZ, AUTHORITY SECRETARY

(SEAL)

RESOLUTION NO. _____

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF ONTARIO, CALIFORNIA, APPROVING A FIRST AMENDMENT TO DISPOSITION AND DEVELOPMENT AGREEMENT WITH ONTARIO EMPORIA HOUSING PARTNERS, L.P., FOR DEVELOPMENT OF A MULTIFAMILY, RENTAL HOUSING PROJECT AND MAKING CERTAIN FINDINGS IN CONNECTION THEREWITH.

WHEREAS, the Ontario Housing Authority (the "Authority"), by Resolution No. OHA-091, passed and adopted on June 21, 2017, approved and entered into that certain Disposition and Development Agreement (the "DDA"), dated as of June 21, 2017, with Ontario Emporia Housing Partners, L.P. (the "Developer"), for development, as affordable rental housing, a certain, approximately 2.95-acre site bounded by W. Holt Blvd. on the north, S. Fern Ave. on the east, W. Emporia St. on the south and S. Vine Avenue on the west; and

WHEREAS, the City Council, by Resolution No. 2017-076, dated as of June 20, 2017, approved the DDA (the "Resolution"); and

WHEREAS, the recitals set forth in the Resolution are incorporated herein by reference, and capitalized words and terms used herein and not defined where first used shall have the definitions ascribed in the Resolution; and

WHEREAS, the Authority proposes to enter into that certain "First Amendment to Disposition and Development Agreement," dated as of February 20, 2018, with the Developer to, among other things, revise the financing for the Project (the "First Amendment").

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

The First Amendment, a copy of which is on file with the Secretary of the Authority, is hereby approved with such minor changes, additions or deletions as may be approved by the Authority's Executive Director and General or Special Counsel.

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

PASSED, APPROVED, AND ADOPTED this 20th day of February 2018.

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. 2018- was duly passed and adopted by the City Council of the City of Ontario at their regular meeting held February 20, 2018 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. 2018- duly passed and adopted by the Ontario City Council at their regular meeting held February 20, 2018.

SHEILA MAUTZ, CITY CLERK

(SEAL)

CITY OF ONTARIO

Agenda Report
February 20, 2018

SECTION:
CONSENT CALENDAR

SUBJECT: AUTHORIZE THE PURCHASE OF FLEET VEHICLES

RECOMMENDATION: That the City Council authorize the cooperative purchase and delivery of one Chevrolet Colorado in the amount of \$31,589 and one Ford F150 in the amount of \$32,685 for the Utilities Department, one Chevrolet Bolt Electric Vehicle in the amount of \$40,360 for the Planning Department, and one Ford Transit Van in the amount of \$40,166 for the IT Department from National Auto Fleet Group of Watsonville, California, consistent with the terms and conditions of the National Joint Powers Alliance (NJPA) Cooperative Contract 120716-NAF.

COUNCIL GOALS: Maintain the Current High Level of Public Safety
Operate in a Businesslike Manner

FISCAL IMPACT: The Fiscal Year 2017-18 Adopted Budget includes appropriations in the amount of \$147,000 for the purchase of the replacement vehicles listed above. The total cost of the vehicles recommended for purchase is \$144,800.

BACKGROUND: The vehicles recommended for replacement in this action have outlived their useful life and it is no longer cost effective to maintain them. They are scheduled for replacement pursuant to ongoing efforts to reduce expenses, maximize useful life expectancy and extend replacement cycles of fleet equipment while ensuring safe and reliable operation. In general conformance with the provisions of Government Code Section 54201 through 54204 and the Ontario Municipal Code, Section 2-6.11(b)(3), allows for the purchase of supplies and equipment through cooperative purchasing with another governmental agency. Cooperative purchasing allows the city to pool its procurement power with other public agencies to obtain pricing lower than otherwise might be possible.

STAFF MEMBER PRESENTING: Brent D. Schultz, Housing and Municipal Services Director

Prepared by: Manuel Rebolledo
Department: Fleet Services

City Manager Approval: 

Submitted to Council/O.H.A. 02/20/2018
Approved: _____
Continued to: _____
Denied: _____

CITY OF ONTARIO

Agenda Report
February 20, 2018

SECTION:
CONSENT CALENDAR

SUBJECT: AUTHORIZE VENDORS FOR EQUIPPING OF FLEET VEHICLES

RECOMMENDATION: That the City Council approve 10-8 Retrofit of Ontario, California, and West Coast Lights & Sirens Inc. of Riverside, California, as authorized vendors for current and future purchases and installation of electronics and equipment associated with the routine replacement of City fleet vehicles.

COUNCIL GOALS: Maintain the Current High Level of Public Safety
Operate in a Businesslike Manner

FISCAL IMPACT: The Fiscal Year 2017-18 Adopted Budget includes appropriations in the amount of \$369,140 for the purchase and installation of electronics and equipment for the new fleet vehicles anticipated to be purchased throughout the year. Planned replacement of fleet vehicles in future years will result in subsequent purchases and installation of necessary associated equipment which shall not exceed the amounts approved by the City Council in the Equipment Services Fund budget for the respective fiscal years.

BACKGROUND: On November 5, 2013, the City Council approved West Coast Lights & Sirens Inc. of Riverside, California as a preferred single source vendor for equipping the City's vehicle fleet. Such effort includes installation and/or changeover of radios, lights, lightbars, and specialized equipment. The size of the City's fleet has grown significantly since 2013 which now necessitates the addition of another fleet equipping vendor to improve the efficiency of getting vehicles outfitted and ready to serve the community. Fleet Services and the Police Department, as a primary fleet user, have identified 10-8 Retrofit of Ontario, California, as a suitable second vendor for equipping vehicles. 10-8 Retrofit is recommended due to their positive reputation in the industry for the specialized work they perform as well as being a factory authorized dealer for the equipment they provide and install. West Coast Lights & Sirens Inc. will continue to provide services to the City. The pricing and quality of workmanship between the two vendors is very competitive and by adding 10-8 Retrofit as a second authorized vendor, the logistics costs of transporting vehicles to/from Riverside will be reduced as well as shorten the time it takes to get new vehicles in service.

STAFF MEMBER PRESENTING: Brent D. Schultz, Housing and Municipal Services Director

Prepared by: Manuel Rebolledo
Department: Fleet Services
City Manager Approval: 

Submitted to Council/O.H.A. 02/20/2016
Approved: _____
Continued to: _____
Denied: _____

CITY OF ONTARIO

Agenda Report
February 20, 2018

SECTION:
CONSENT CALENDAR

SUBJECT: ADOPTION OF PROPOSED STREET TREE MASTER PLAN

RECOMMENDATION: That the City Council adopt the proposed Street Tree Master Plan (on file with the Records Management Department).

COUNCIL GOALS: 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 Ontario Ranch

FISCAL IMPACT: None. The review of annual maintenance and replacement levels will continue to be a part of the annual baseline budget and will be adjusted in future fiscal years in accordance with City needs and priorities as established by the City Council.

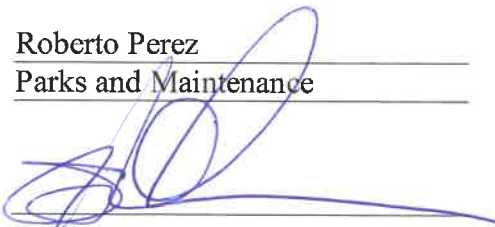
BACKGROUND: In 2015 and 2016, California endured unprecedented drought conditions. During that time, staff initiated an update to the 2002 Adopted Street Tree Master Plan with a goal of reducing long term costs by incorporating drought tolerant species and better management practices. Trees are an essential aspect of the landscape and infrastructure in the City, and they play a tremendous role in shaping the way residents see their community. Proper planting of more trees and caring for our existing trees can help assure a healthy urban forest for generations to come. Trees offer many benefits: the shade and cooling of streets; the habitat provided for local fauna; and the grace and beauty added to the urban environment. However, planting and maintaining street trees requires a coordinated approach and needs adjustments from time to time to adapt to the fluctuating environmental concerns such as, but not limited to, climate, pests, diseases and tree availability.

The main revisions to the Adopted Street Tree Master Plan are updates to the species palette, referenced within the Executive Summary (pgs. 4-6) of the proposed Street Tree Master Plan, and to the tree inventory to accommodate the City's concerns with a changing environment, to increase public safety and efficiency, facilitate short and long-term planning needs, and establish standard documentation.

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. 02/20/2018
Approved: _____
Continued to: _____
Denied: _____

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Decisions to remove particular species from the Adopted Street Tree Master Plan and add other species to the palette were based on the following:

- Climate change
- Changes to future growing zones
- Likelihood of continued droughts and the impact on current tree inventories as well as the need for a climate ready species
- Tree mortality numbers as it relates to drought, pests and diseases caused by climate change
- Heat islands and effects on trees
- Pest/disease vulnerability of trees
- Drought tolerance of trees
- Wind tolerance of trees
- Potential for root damage
- Studies done with climate ready trees

A sampling of the tree species added are as follows:

- Five species of Acacia trees including Sweet and Willow Acacias
- Eight species of Oak trees including Blue, Valley and Cork Oaks
- California Pepper
- Western Redbud
- Four species of Pine trees including Scotch and Torrey Pines
- Chinese Elm
- Desert Museum Palo Verde
- Two species of Sycamore, Pistache, Olive and Mesquite trees
- Desert Willow

A collaborative effort between Parks and Maintenance, Planning, Engineering and outside stakeholders resulted in the proposed Street Tree Master Plan that links and integrates City plans, policies, goals, programs and initiatives relevant to trees. Adoption of the proposed Street Tree Master Plan will help establish a sound framework for the selection, use and maintenance of trees, and will provide better tools for the planning and budgeting of future tree planting projects.

CITY OF ONTARIO

Agenda Report
February 20, 2018

SECTION:
PUBLIC HEARINGS

SUBJECT: A PUBLIC HEARING TO CONSIDER AN ORDINANCE APPROVING A DEVELOPMENT AGREEMENT AMENDMENT (THIRD AMENDMENT – FILE NO PDA13-003) BETWEEN THE CITY OF ONTARIO AND SL ONTARIO DEVELOPMENT COMPANY LLC, TO CLARIFY AND UPDATE THE PHASING OF THE CONSTRUCTION OF PUBLIC INFRASTRUCTURE TO SERVE TRACT MAP NO'S 18913-1, 18913-2, 18913-3, 18913-4, 18913-5 AND 18913, GENERALLY LOCATED NORTH OF RIVERSIDE COUNTY LINE CHANNEL (BELLEGRAVE FLOOD CONTROL CHANNEL), SOUTH OF EUCALYPTUS AVENUE, EAST OF ARCHIBALD AVENUE, AND WEST OF THE SCE UTILITY CORRIDOR, WITHIN PLANNING AREAS 4 THROUGH 27, OF THE SUBAREA 29 SPECIFIC PLAN WITHIN THE PARK PLACE COMMUNITY (APN: 0218-022-02, 0218-563-01 THROUGH 04, 0218-022-10 AND 11, 0218-554-01 THROUGH 68, 218-573-01 THROUGH 06, 0218-033-01 THROUGH 06, 0218-583-01, AND 0218-014-01 THROUGH 07)

RECOMMENDATION: That the City Council introduce and waive further reading of an ordinance approving the third amendment (File PDA13-003) to the Development Agreement between the City of Ontario and SL Ontario Development Company LLC, a Delaware Limited Liability Company, to clarify and update the phasing of the construction of public infrastructure to serve Tract Map No's 18913-1, 18913-2, 18913-3, 18913-4, 18913-5 and 18913.

COUNCIL GOALS: Invest in the Growth and Evolution of the City's Economy

Operate in a Businesslike Manner

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 Ontario Ranch

FISCAL IMPACT: The proposed Development Agreement Amendment will update the phasing of the construction of public infrastructure to serve Tract Map No's 18913-1, 18913-2, 18913-3, 18913-4, 18913-5 and 18913. In addition, the City will receive Public Service Funding fees plus development

STAFF MEMBER PRESENTING: Scott Murphy, Assistant Development Director

Prepared by: Rudy Zeledon
Department: Planning

City Manager Approval: 

Submitted to Council/O.H.A. 02/20/2018
Approved: _____
Continued to: _____
Denied: _____

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impact, compliance processing, licensing, and permitting fees. No Original Model Colony revenue will be used to support the Ontario Ranch development. The Development Agreement and the related tract map(s) conditions require the developer to construct public infrastructure

BACKGROUND: In November 2006, the City Council approved a Development Agreement, File No. PDA13-003, between the City of Ontario and SL Ontario Development Company, LLC, to develop to 279 acres of land within Planning Areas 4 through 27 of the Subarea 29 Specific Plan, known as Park Place. Subsequently, in June 2009, the City Council approved the First Amendment to the Development Agreement and a Second Amendment in August 2012.

The Third Amendment continues to apply to the same area as the original Development Agreement and proposes to clarify and update the phasing of the construction of public infrastructure to serve Tract Map No's 18913-1, 18913-2, 18913-3, 18913-4, 18913-5 and 18913 by cleaning up the map numbering for all three phases and splitting up and revising the Phase III Improvements into Phases IIIA and IIIB. This will allow SL Ontario Development Company, LLC, to sell the tracts within Phase III to independent developers. Key points of the Third Amendment are as follows:

Phase III

- Splits Phase III into two sub-phases, Phase IIIA and Phase IIIB;
- Splits the public improvements between Phases IIIA & IIIB;
- Eliminates the condition requiring the extension of Parkview Street to Haven Avenue and replaces it with the requirement to construct the northern last lane on Eucalyptus Avenue east of the project frontage;
- Provides a mechanism by which the City may issue grading and encroachment permits prior to final map approval;
- Establishes conditions precedent to issuance of Production Building Permits;
- Allows for the deferral of the traffic signal and back of curb improvements at Celebration Avenue and Eucalyptus Avenue up to the issuance of a maximum of 112 production building permits in Phase III; and
- Provides for the construction of twelve (12) and eighteen (18) models prior to completion of the public improvements in Phases IIIA and IIIB respectively.

Phase II

- Eliminates completion of Celebration Park North as a condition precedent to issuance of Phase IIIC Production Building Permits;
- Ties completion of the Merrill Avenue and Celebration traffic signal and SCE trail to Phase IID; and
- Allows for the deferral of the southern last lane improvements on Merrill Avenue, beyond the project frontage, until the issuance of the 961st building permit for the project or the filing of an application for a final map for PA 27.

The term of the Development Agreement remains at ten years with a five year option period. The main points of the agreement address funding for all new City expenses created by the project which includes: Development Impact Fees (DIF) for construction of public improvements (i.e. streets and bridges, police, fire, open space/parks etc.); Public Service Funding to ensure adequate provisions of public services (police, fire and other public services); the creation of a Community Facilities District (CFD) for reimbursement of public improvements and maintenance of public facilities; and the Park/Open Space

Policy Plan requirement of five acres per 1,000 projected population through park dedication and/or the payment of in-lieu fees. Other points addressed by the Agreement include provisions for affordable housing, as required by the Policy Plan, through construction, rehabilitation, or by paying an in-lieu fee, and satisfaction of the Mountain View Elementary School District and Chaffey High School District school facilities requirements.

In considering the application at their meeting of January 23, 2018, the Planning Commission found that the Third Amendment to the Development Agreement was consistent with State law, The Ontario Plan, the City's Development Agreement policies, and other Development Agreements previously approved for Ontario Ranch developments; and with a 6 to 0 vote (Resolution No. PC18-013), recommended approval of the Third Amendment to the Development Agreement to the City Council.

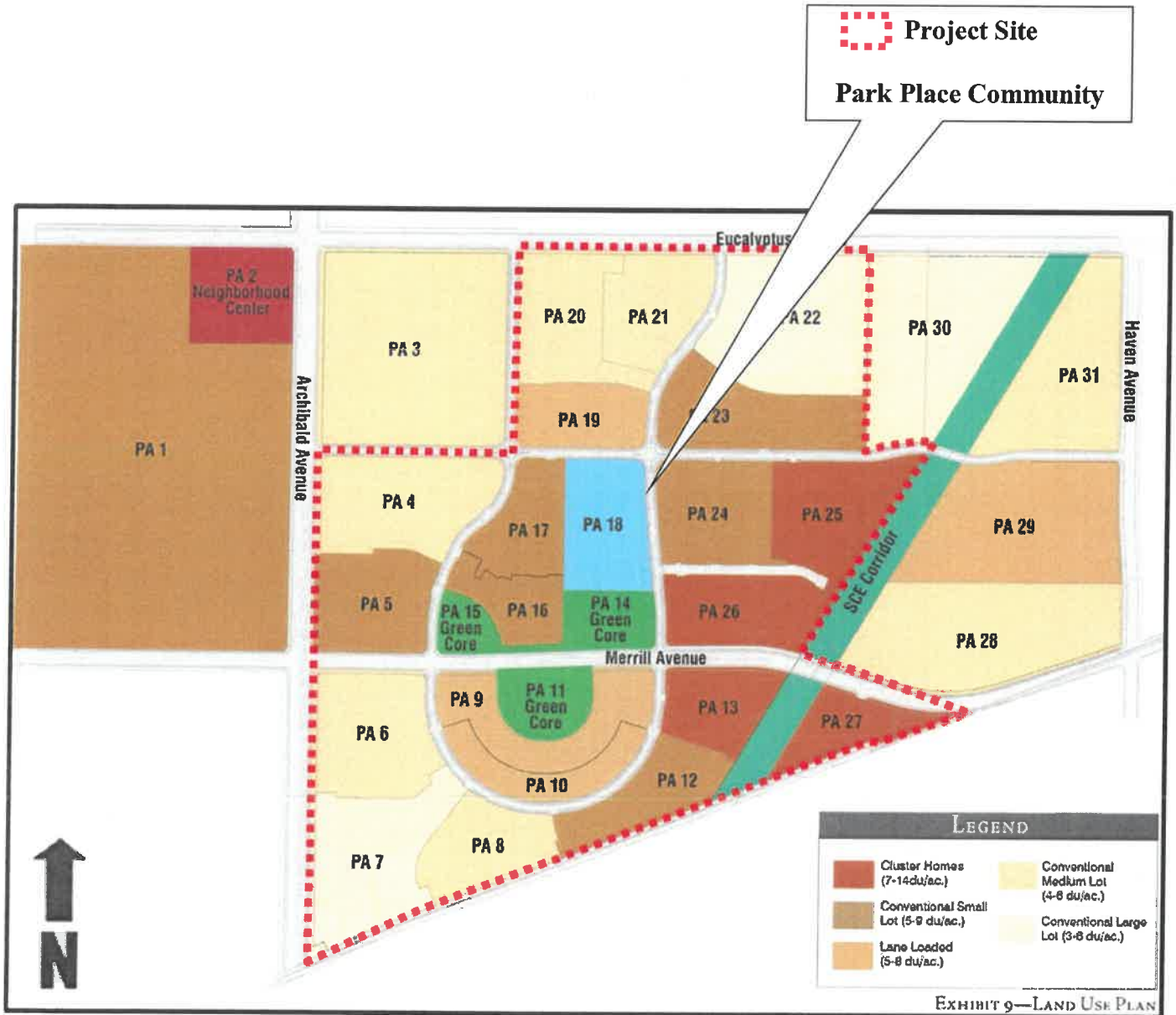
SL Ontario Development Company, LLC, is comprised of Stratham Communities and Lewis Management Corporation.

HOUSING ELEMENT COMPLIANCE: The project is consistent with the Housing Element of the Policy Plan (General Plan) component of The Ontario Plan. The project site is one of the properties listed in the Available Land Inventory contained in Table A-3 (Available Land by Planning Area) of the Housing Element Technical Report Appendix, and the proposed project is consistent with the maximum number of dwelling units and density specified within the Subarea 29 Specific Plan. Per the Available Land Inventory, the Subarea 29 Specific Plan is required to provide 2,291 dwelling units with an overall density of 5 DU/AC.

AIRPORT LAND USE COMPATIBILITY PLAN (ALUCP) COMPLIANCE: The project site is located within the Airport Influence Area of the Ontario International Airport (ONT), and has been found to be consistent with the policies and criteria set forth within the ALUCP for ONT.

ENVIRONMENTAL REVIEW: The environmental impacts of this project were previously reviewed in conjunction with an addendum to the Subarea 29 Specific Plan EIR (SCH# 2004011009) that was adopted by the City Council on April 21, 2015. This project introduces no new significant environmental impacts. All previously adopted mitigation measures are a condition of project approval and are incorporated herein by reference.

EXHIBIT "A"
 Subarea 29 Specific Plan Land Use Plan



ORDINANCE NO. _____

AN ORDINANCE OF THE CITY COUNCIL OF THE CITY OF ONTARIO, CALIFORNIA, APPROVING FILE NO. PDA13-003, A THIRD AMENDMENT TO THE DEVELOPMENT AGREEMENT, FILE NO. PDA13-003, BETWEEN THE CITY OF ONTARIO AND SL ONTARIO DEVELOPMENT COMPANY, LLC, TO CLARIFY AND UPDATE THE PHASING OF THE CONSTRUCTION OF PUBLIC INFRASTRUCTURE TO SERVE TRACT MAP NO'S 18913-1, 18913-2, 18913-3, 18913-4, 18913-5 AND 18913. THE PROJECT IS GENERALLY LOCATED NORTH OF THE RIVERSIDE COUNTY LINE CHANNEL (BELLEGRAVE FLOOD CONTROL CHANNEL), SOUTH OF EUCALYPTUS AVENUE, EAST OF ARCHIBALD AVENUE, AND WEST OF THE SCE UTILITY CORRIDOR, WITHIN PLANNING AREAS 4 THROUGH 27, OF THE SUBAREA 29 SPECIFIC PLAN (PARK PLACE COMMUNITY), AND MAKING FINDINGS IN SUPPORT THEREOF — APNS: 0218-022-02, 0218-563-01, 0218-563-02, 0218-563-03 AND 0218-563-04, 0218-022-10 AND 11, 0218-554-01, 0218-554-02, 0218-554-03, 0218-554-04, 0218-554-05, 0218-554-06, 0218-554-07, 0218-554-08, 0218-554-09, 0218-554-10, 0218-554-11, 0218-554-12, 0218-554-13, 0218-554-14, 0218-554-15, 0218-554-16, 0218-554-17, 0218-554-18, 0218-554-19, 0218-554-20, 0218-554-21, 0218-554-22, 0218-554-23, 0218-554-24, 0218-554-25, 0218-554-26, 0218-554-27, 0218-554-28, 0218-554-29, 0218-554-30, 0218-554-31, 0218-554-32, 0218-554-33, 0218-554-34, 0218-554-35, 0218-554-36, 0218-554-37, 0218-554-38, 0218-554-39, 0218-554-40, 0218-554-41, 0218-554-42, 0218-554-43, 0218-554-44, 0218-554-45, 0218-554-46, 0218-554-47, 0218-554-48, 0218-554-49, 0218-554-50, 0218-554-51, 0218-554-52, 0218-554-53, 0218-554-54, 0218-554-55, 0218-554-56, 0218-554-57, 0218-554-58, 0218-554-59, 0218-554-60, 0218-554-61, 0218-554-62, 0218-554-63, 0218-554-64, 0218-554-65, 0218-554-66, 0218-554-67 AND 0218-554-68, 0218-573-01, 0218-573-02, 0218-573-03, 0218-573-04, 0218-573-05, AND 0218-573-06, 0218-033-01, 0218-033-02, 0218-033-03, 0218-033-04, 0218-033-05, AND 0218-033-06, 0218-583-01 AND 0218-014-01, 0218-014-02, 0218-014-03, 0218-014-04, 0218-014-05, 0218-014-06 AND 0218-014-07.

WHEREAS, CALIFORNIA GOVERNMENT CODE SECTION 65864 NOW provides, in pertinent part, as follows:

“The Legislature finds and declares that:

(a) The lack of certainty in the approval process of development projects can result in a waste of resources, escalate the cost of housing and other developments to the consumer, and discourage investment in and commitment to comprehensive planning which would make maximum efficient utilization of resources at the least economic cost to the public.

(b) Assurance to the Applicant for a development project that upon approval of the project, the Applicant may proceed with the project in accordance with existing policies, rules and regulations, and subject to conditions of approval, will strengthen the public planning process, encourage private participation in comprehensive planning, and reduce the economic costs of development.”

WHEREAS, California Government Code Section 65865 provides, in pertinent part, as follows:

“Any city ... may enter into a Development Agreement with any person having a legal or equitable interest in real property for the development of such property as provided in this article ...”

WHEREAS, California Government Code Section 65865.2. provides, in part, as follows:

“A Development Agreement shall specify the duration of the Agreement, the permitted uses of the property, the density of intensity of use, the maximum height and size of proposed buildings, and provisions for reservation or dedication of land for public purposes. The Development Agreement may include conditions, terms, restrictions, and requirements for subsequent discretionary actions, provided that such conditions, terms, restrictions, and requirements for discretionary actions shall not prevent development of the land for the uses and to the density of intensity of development set forth in this Agreement ...”

WHEREAS, on April 4, 1995, the City Council of the City of Ontario adopted Resolution No. 95-22 establishing procedures and requirements whereby the City of Ontario may consider Development Agreements; and

WHEREAS, on September 10, 2002, the City Council of the City of Ontario adopted Resolution No. 2002-100 which revised the procedures and requirements whereby the City of Ontario may consider Development Agreements; and

WHEREAS, on November 7, 2006, the City Council of the City of Ontario, adopted Ordinance No. 2844, approving a Development Agreement between SL Ontario Development Company, LLC and the City; and

WHEREAS, on June 16, 2009, the City Council of the City of Ontario, adopted Ordinance No. 2908, approving an Amendment to the Development Agreement between SL Ontario Development Company, LLC and the City; and

WHEREAS, on October 1, 2013, the City Council of the City of Ontario, adopted Ordinance No. 2965, approving a Second Amendment to the Development Agreement between SL Ontario Development Company, LLC and the City; and

WHEREAS, attached to this Ordinance, marked Exhibit “A” and incorporated herein by this reference, is the proposed Third Amendment to the Development Agreement between SL Ontario Development Company, LLC, and the City of Ontario, File No. PDA13-003. Hereinafter in this Ordinance, the Development Agreement is referred to as the “Development Agreement”; and

WHEREAS, the environmental impacts of this project were previously reviewed in conjunction with an addendum to the Subarea 29 Specific Plan EIR (SCH# 2004011009) that was adopted by the City Council on April 21, 2015. This project introduces no new significant environmental impacts. All previously adopted mitigation measures are be a condition of project approval and are incorporated herein by reference; and

WHEREAS, on January 23, 2018, the Planning Commission of the City of Ontario conducted a hearing to consider the Project, and concluded said hearing on that date, voting to issue Resolution No. PC19-013 recommending the City Council approve the Application; and

WHEREAS, on February 20, 2018, the City Council of the City of Ontario conducted a hearing to consider the Project, and concluded said hearing on that date; and

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

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

SECTION 1. *Environmental Determination and Findings.* As the recommending body for the Project, the City Council has reviewed and considered the information contained in the previously adopted addendum to the Subarea 29 Specific Plan EIR (SCH# 2004011009) that was adopted by the City Council on April 21, 2015, and supporting documentation. Based upon the facts and information contained in the addendum to the Subarea 29 Specific Plan EIR (SCH# 2004011009) and supporting documentation, the City Council finds as follows:

(1) The environmental impacts of this project were previously reviewed in conjunction with the previously adopted addendum to the Subarea 29 Specific Plan EIR (SCH# 2004011009) that was adopted by the City Council on April 21, 2015. This application introduces no new significant environmental impacts; and

(2) 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

(3) 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.

(4) 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.

(5) 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

(6) 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. *Subsequent or Supplemental 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 Environmental Impact Report is not required for the Project, as the Project:

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

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

(3) 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 Certified EIR was certified/adopted, that shows any of the following:

(a) The project will have one or more significant effects not discussed in the Certified EIR; or

(b) Significant effects previously examined will be substantially more severe than shown in the Certified EIR; or

(c) 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

(d) 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. *Housing Element Consistency.* Pursuant to the requirements of California Government Code Chapter 3, Article 10.6, commencing with Section 65580, as the decision-making body for the Project, the City Council finds that based on 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. The project site is one of the properties listed in the Available Land Inventory contained in Table A-3 (Available Land by Planning Area) of the Housing Element Technical Report Appendix, and the proposed project is consistent with the maximum number of dwelling units and density specified within the Subarea 29 Specific Plan. Per the Available Land Inventory, the Subarea 29 Specific Plan is required to provide 2,291 dwelling units with an overall density of 5 DU/AC.

SECTION 4. Ontario International Airport Land Use Compatibility Plan (“ALUCP”) Compliance. The California State Aeronautics Act (Public Utilities Code Section 21670 et seq.) requires that an Airport Land Use Compatibility Plan be prepared for all public use airports in the State; and requires that local land use plans and individual development proposals must be consistent with the policies set forth in the adopted Airport Land Use Compatibility Plan. On April 19, 2011, the City Council of the City of Ontario approved and adopted the Ontario International Airport Land use Compatibility Plan (“ALUCP”), establishing the Airport Influence Area for Ontario International Airport (“ONT”), which encompasses lands within parts of San Bernardino, Riverside, and Los Angeles Counties, and limits future land uses and development within the Airport Influence Area, as they relate to noise, safety, airspace protection, and overflight impacts of current and future airport activity. As the decision-making body for the Project, the City Council has reviewed and considered the facts and information contained in the Application and supporting documentation against the ALUCP compatibility factors, including [1] Safety Criteria (ALUCP Table 2-2) and Safety Zones (ALUCP Map 2-2), [2] Noise Criteria (ALUCP Table 2-3) and Noise Impact Zones (ALUCP Map 2-3), [3] Airspace protection Zones (ALUCP Map 2-4), and [4] Overflight Notification Zones (ALUCP Map 2-5). As a result, the City Council, therefore, finds and determines that the Project, when implemented in conjunction with the conditions of approval, will be consistent with the policies and criteria set forth within the 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 Development Agreement applies to approximately 279 acres of land generally located north of Riverside County Line Channel (Bellegrave Flood Control Channel), south of Eucalyptus Avenue, east of Archibald Avenue, and west of the SCE utility corridor, within Planning Areas 4 through 27, of the Subarea 29 Specific Plan (Park Place Community), and is presently improved with residential development (Phase 1 of the Park Place Community) and grading and residential construction is on-going (Phase 2 and 3 of the Park Place Community); and

b. The properties to the north of the Project site are within the Grand Park Specific Plan, are designated for open space uses and are vacant. The properties to the south of the project site are developed with single family residents within the City of Eastvale. The properties to the east are within planning areas 28, 29, 30 and 31 -29 of the Subarea 29 Specific Plan and are vacant. The properties to the west are within planning area 1, 2 and 3 of the Subarea 29 Specific Plan (designated for single family residential and commercial) are vacant and developed with a dairy; and

The Third Amendment continues to apply to the same area as the original Development Agreement and proposes to clarify and update the phasing of the construction of public infrastructure to serve Tract Map No's 18913-1, 18913-2, 18913-3, 18913-4, 18913-5 and 18913 by cleaning up the Map numbering for all three phases and splitting up and revising the Phase III Improvements into Phases IIIA and IIIB. This will allow SL Ontario

Development Company, LLC to sell the tracts within phase III to independent developers to develop. Key points of the Third Amendment are as follows:

Phase III

- Splits Phase III into two sub-phases, Phase IIIA and Phase IIIB;
- Splits the public improvements between Phases IIIA & IIIB;
- Eliminates the condition requiring the extension of Parkview Street to Haven Avenue and replaces it with the requirement to construct the northern last lane on Eucalyptus Avenue east of the project frontage;
- Provides a mechanism by which the City may issue grading and encroachment permits prior to final map approval;
- Establishes conditions precedent to issuance of Production Building Permits;
- Allows for the deferral of the traffic signal and back of curb improvements at Celebration Avenue and Eucalyptus Avenue up to the issuance of a maximum of 112 production building permits in Phase III; and
- Provides for the construction of twelve (12) and eighteen (18) models prior to completion of the public improvements in Phases IIIA and IIIB respectively.

Phase II

- Eliminates completion of Celebration Park North as a condition precedent to issuance of Phase IIIC Production Building Permits;
- Ties completion of the Merrill Avenue and Celebration traffic signal and SCE trail to Phase IID; and
- Allows for the deferral to complete the southern last lane improvements on Merrill Avenue beyond the project frontage until the issuance of the 961st building permit for the project or the filing of an application for a final map for PA 27.

c. This Development Agreement will not be materially injurious or detrimental to the adjacent properties and will have a significant impact on the environment or the surrounding properties. The environmental impacts of this project were previously adopted addendum to the Subarea 29 Specific Plan EIR (SCH# 2004011009) that was adopted by the City Council on April 21, 2015, and supporting documentation. This application introduces no new significant environmental impacts; and

d. All adopted mitigation measures of the related EIR shall be a condition of project approval and are incorporated herein by reference.

SECTION 6. City Council Action. Based upon the findings and conclusions set forth in Sections 1 through 5, above, the City Council hereby APPROVES the Third Amendment to the Development Agreement, File No. PDA13-003, attached hereto as "Attachment A," and incorporated herein by this reference.

SECTION 7. *Indemnification. 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. *Severability.* If any section, sentence, clause or phrase of this Ordinance or the application thereof to any entity, person or circumstance is held for any reason to be invalid or unconstitutional, such invalidity or unconstitutionality shall not affect other provisions or applications of this Ordinance which can be given effect without the invalid provision or application, and to this end the provisions of this Ordinance are severable. The People of the City of Ontario hereby declare that they would have adopted this Ordinance and each section, sentence, clause or phrase thereof, irrespective of the fact that any one or more section, subsections, sentences, clauses or phrases be declared invalid or unconstitutional.

SECTION 10. *Effective Date.* This Ordinance shall become effective 30 days following its adoption.

SECTION 11. *Publication and Posting.* The Mayor shall sign this Ordinance and the City Clerk shall certify as to the adoption and shall cause a summary thereof to be published at least once, in a newspaper of general circulation in the City of Ontario, California within 15 days following the adoption. The City Clerk shall post a certified copy of this ordinance, including the vote for and against the same, in the Office of the City Clerk, in accordance with Government Code Section 36933.

PASSED, APPROVED, AND ADOPTED this ____ day of _____ 2018.

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 Ordinance No. _____ was duly introduced at a regular meeting of the City Council of the City of Ontario held February 20, 2018 and adopted at the regular meeting held _____, 2018 by the following roll call vote, to wit:

AYES: COUNCIL MEMBERS:

NOES: COUNCIL MEMBERS:

ABSENT: COUNCIL MEMBERS:

SHEILA MAUTZ, CITY CLERK

(SEAL)

I hereby certify that the foregoing is the original of Ordinance No. _____ duly passed and adopted by the Ontario City Council at their regular meeting held _____ and that Summaries of the Ordinance were published on _____ and _____, in the Inland Valley Daily Bulletin newspaper.

SHEILA MAUTZ, CITY CLERK

(SEAL)

ATTACHMENT A:

**File No. PDA13-003;
Development Agreement Third Amendment**

(Document follows this page)

**THIRD AMENDMENT TO THE DEVELOPMENT AGREEMENT BY AND
BETWEEN THE CITY OF ONTARIO AND SL ONTARIO DEVELOPMENT
COMPANY, LLC
FILE NO. PDA13-003**

This Third Amendment (hereinafter "Third Amendment") is entered into as of the _____ day of _____ 20__ by and among the City of Ontario, a California municipal corporation (hereinafter "CITY"), and SL ONTARIO DEVELOPMENT COMPANY LLC, a Delaware limited liability company (hereinafter "OWNER").

RECITALS

WHEREAS, the CITY and OWNER's predecessor have previously entered into a Development Agreement dated November 7, 2006 and recorded in San Bernardino County, California on March 19, 2007 as Instrument No. 2007-0171238 pursuant to Section 65864, et seq., of the Government Code, (hereinafter the "Original Development Agreement"); and

WHEREAS, the CITY and OWNER have previously entered into a First Amendment to the Development Agreement dated June 16, 2006 and recorded in San Bernardino County, California on September 14, 2009, as Instrument No. 2009-0403691, pursuant to Section 65864, et seq., of Government Code, (hereinafter the "First Amendment"); and

WHEREAS, the CITY and OWNER have previously entered into a Second Amendment to the Development Agreement dated October 1, 2103 and recorded in San Bernardino County, California on October 3, 2013, as Instrument No. 2013-0431431, pursuant to Section 65864, et seq., of Government Code, (hereinafter the "Second Amendment"); and

WHEREAS, the OWNER's predecessor has previously assigned the entered into an assignment and assumption agreement whereby OWNER's predecessor assigned to OWNER, and OWNER assumed all of the rights, duties and obligations of OWNER's predecessor; and

WHEREAS, the CITY and OWNER have previously entered into the First Supplemental Memorandum, Second Supplemental Memorandum, Third Supplemental Memorandum and Fourth Supplemental Memorandum to the Development Agreement (collectively, "Supplemental Memoranda"); and

WHEREAS, Section 2.5 of the Development Agreement specifies that the Development Agreement may be amended in whole or in part only in the manner provided for in Government Code Section 65868.1 and the procedure for adopting and entering into an amendment to the Development Agreement shall be the same as the procedure for adopting and entering into the Development Agreement; and

WHEREAS, the CITY and NMC Builders, LLC, a California limited liability company (“NMC Builders”), entered into that certain Agreement for the Financing and Construction of Phase I and II Infrastructure Improvements to Serve an Easterly Portion of the New Model Colony dated October 4, 2005, which is referred to both herein and in the Development Agreement as the “Construction Agreement;” and

WHEREAS, the CITY and NMC Builders have entered into the Amended and Restated Construction Agreement dated August 21, 2012 that supersedes and replaces the Construction Agreement (the “Construction Agreement Amendment”); and

WHEREAS, the City and NMC Builders have entered into an Amendment to the Amended and Restated Construction Agreement dated September 19, 2017 (the “First Amendment to the Construction Agreement Amendment”); and

WHEREAS, NMC Builders is identified as the “Developer” under the Construction Agreement Amendment; and

WHEREAS, OWNER is a member of NMC Builders and is a “Member” as such term is defined in the Construction Agreement Amendment; and

WHEREAS, OWNER and CITY have agreed to apply certain specified provisions of the Construction Agreement Amendment and modify the Development Agreement by and between the CITY and OWNER; and

WHEREAS, the CITY and OWNER agree that execution of this Third Amendment shall also constitute Certification of Agreement Compliance under Section 6.4 of the Development Agreement and City shall issue “Certificate of Agreement Compliance” within 20 days following the Effective Date of this Third Amendment.

AGREEMENTS

NOW, THEREFORE, in consideration of the above recitals and of the mutual agreements hereinafter contained, the parties agree as follows:

1. DEFINITIONS AND EXHIBITS.

1.1 Existing Definitions. The following terms when used in this Third Amendment shall be defined as in the Original Development Agreement; the First Amendment to the Development Agreement and the Second Amendment to the Development Agreement: “CITY”; Construction Agreement; Construction Agreement Amendment, Deferred Infrastructure; Development; Effective Date; Existing Development Approvals; Development Exaction; Development Impact Fee; Development Plan; General Plan; Existing Land Use Regulations; “OWNER”; OWNER’s Fire Station No. 9 Capital Contribution, OWNER’s Storm Water Treatment Improvements Capital Contribution; Project, Property, Model Units, Production Units, Specific Plan; Storm Water Capacity Equivalents, Subsequent Development Approvals; and Subsequent Land Use Regulations, Water Availability Equivalents (WAE).

1.2 Revised Definitions. The definitions for the following terms shall be added or revised as follows:

“Phase I Improvements” means the public infrastructure and improvements that shall be designed, constructed and completed by OWNER prior to, and as a condition precedent to, CITY’s issuance of the first building permit for Production Units and as shown in Exhibit F- Phase I Improvements.”

“Phase I Units” means the first four hundred thirty-five (435) units for which the CITY issues building permits to OWNER and shall include up to thirty-five (35) Model Units.

“Phase II Units” means the residential units to be constructed in the Phase IIA, IIB, IIC and IID areas of the Property, as shown on the attached Exhibit “E-R3” titled “Conceptual Phasing Plan”.

“Phase II Improvements” means the public infrastructure and improvements that shall be designed, constructed and completed by OWNER for Phase II in phases, as shown on the attached Exhibits titled “Exhibit F- Phase IIA Improvements”, “Exhibit F-Phase IIB Improvements”, “Exhibit F-Phase IIC Improvements”, and “Exhibit F-Phase IID Improvements”.

“Phase II Area” means the combined areas with Phase IIA, IIB, IIC and IID, as shown on the attached Exhibit E-R3 titled “Conceptual Phasing Plan,” including the areas within Tract Nos. 18266, 18267, 18977, 18978, 18998, 18073, 18074 and the area described as “PA 27”.

“Phase IIA Improvements” means the public infrastructure and improvements, as described in the conditions of approval for Tract Nos. 18266 and 18267 and as further described in the attached Exhibit F- “Phase IIA Improvements”.

“Phase IIA Units” means the Production Units in Tract Nos. 18266 and 18267, excluding a maximum of twelve (12) Model Units.

“Phase IIB Improvements” means the public infrastructure and improvements as described in the conditions of approval for Tract Nos. 18977 and 18978 and as further described in the attached Exhibit “F-Phase IIB Improvements”.

“Phase IIB Units” means the Production Units in Tract Nos. 18977 and 18978, excluding a maximum of twelve (12) Model Units.

“Phase IIC Improvements” means the public infrastructure and improvements as described in the conditions of approval of Tract Nos. 18073, 18074 and 18998 and as further described in the attached Exhibit F- “Phase IIC Improvements”.

“Phase IIC Units” means the Production Units in Tract Nos. 18073, 18074 and 18998, excluding a maximum of twenty (20) Model Units.

“Phase IID Improvements” means the public infrastructure and improvements described in the attached “Exhibit F -Phase IID Improvements”.

“Phase IID Units” means the Production Units in Planning Area 27, excluding a maximum of six (6) Model Units.

“Phase III Improvements” means the public infrastructure and improvements that shall be designed, constructed and completed by OWNER for Phase III in phases, as shown on the attached “Exhibit F-Phase IIIA Improvements” and “Exhibit F- Phase IIIB Improvements”.

“Phase III Units” means the units in Phases IIIA and IIIB inclusive of the Phase IIIA Units in Tract Nos. 18067 and 18068 and the Phase IIIB Units in Tract Nos. 18065, 18066 and 18081 for which the CITY issues building permits to OWNER.

“Phase III Area” means the combined areas within Phase IIIA and IIIB as shown on the attached Exhibit E-R3 titled “Conceptual Phasing Plan”, including tracts 18065, 18066, 18067, 18068 and 18081.

“Improvement or Improvements” means those public improvements required to support the development of the Project, as described in the Tract Map conditions for the “A” Tract Map No’s 18913-1, 18913-2, 18913-3, 18913-4, 18913-5 and 18913 and the “B” Tract Maps for Tract Nos. 18075, 18076, 18077, 18078, 18079, and 18080 and as set forth on the attached Exhibits: Exhibit F-Phase IIA Improvements“, “Exhibit F- Phase IIB Improvements,” Exhibit F- Phase IIC Improvements, “Exhibit F – Phase IID Improvements, “Exhibit F – Phase IIIA Improvements” and Exhibit F – Phase IIIB Improvements” which describe Improvements for Phases 1, IIA, IIB, IIC, IID, IIIA and IIIB.

“Phase IIIA Additional Model Units” means a maximum of twelve (12) units constructed by OWNER prior to the construction of any Production Units and not offered for sale and occupancy prior to the issuance of building permits for any Production Units in Phase III A.

“Phase IIIA Improvements” means the public infrastructure and improvements, as described in the conditions of approval of “A” map Tract No. 18913-5, and “B” map Tract Nos. 18067 and 18068 and as further described in the attached Exhibit F- “Phase IIIA Improvements”.

“Phase IIIA Units” means the residential Production Units within Tract Nos. 18067 and 18068 of Phase IIIA.

“Phase IIIB Additional Model Units” means a maximum of eighteen (18) units constructed by OWNER prior to the construction of any Production Units in Phase IIIB and not offered

for sale and occupancy prior to the issuance of building permits for any Production Units in Phase IIIB.

“Phase IIIB Improvements” means the public infrastructure and improvements as described in the conditions of approval of “A” map Tract No. 18913 and “B” map Tract Nos. 18065, 18066 and 18081 and as further described in the attached Exhibit F-Phase IIIB Improvements”.

“Phase IIIB Units” means the residential Production Units within Tract Nos. 18065, 18066 and 18081 of Phase IIIB.

1.3 Revised Exhibits. The following documents are attached to, and by this reference made a part of, this Third Amendment. These revised Exhibits shall replace previous attached Exhibits to the Original Development Agreement, the First Amendment to the Development Agreement, the Second Amendment to the Development Agreement and the Supplemental Memoranda.

Exhibit E-R3 - “Conceptual Phasing Plan”

Exhibit F- “Phase IIA Improvements”

Exhibit F- “Phase IIB Improvements”

Exhibit F- “Phase IIC Improvements”

Exhibit F- “Phase IID Improvements”

Exhibit F – “Phase IIIA Improvements”

Exhibit F – “Phase IIIB Improvements”

2. Revised Phasing Plan. Section 3.4 of the Development Agreement is deleted in its entirety and replaced by the following:

“3.4 Phasing Plan. Development of the Property is contingent on the phasing of infrastructure improvements. Attached hereto as Exhibit “E-R3” is a revised phasing plan which is based on the OWNER’s established phasing for the completion of needed infrastructure improvements and the availability of improvements and services to serve Tract Map No’s 18913-1, 18913-2, 18913-3, 18913-4, 18913-5 and 18913.”

3. Revised Phase II References. Section 3.7.2.2 of the Development Agreement is deleted in its entirety and replaced by the following:

“3.7.2.2 (a) CITY and OWNER agree that OWNER shall file an application with CITY for approval of “A” map Tract Map No. 18913-2 and shall design, construct and

complete all public infrastructure for the areas within Phase IIA, as shown in the attached collective exhibits of Exhibit F-Phase IIA Improvements prior to, and as a condition precedent to, CITY's issuance of any building permits for any Production Units in the Phase IIA area, inclusive of the areas covered by "B" map Tract No. 18267 and "B" map Tract No. 18266. CITY and OWNER also agree that all Subdivision/Tract Map conditions, all other required improvements and all other conditions or requirements of "B" map Tract Map No. 18266 and "B" map Tract Map No. 18267 shall be completed and operational prior to, and as a condition precedent to, CITY's granting of a building permit for the Phase IIA Units.

(b) CITY and OWNER agree that OWNER shall file an application with CITY for approval of "A" map Tract Map 18913-3 and shall design, construct and complete all public infrastructure for the areas within Phase IIB, as shown in the attached collective exhibits of Exhibit F-Phase IIB Improvements prior to, and as a condition precedent to, CITY's issuance of any building permits for any Production Units in the Phase IIB area, inclusive of the areas covered by "B" map Tract No. 18977 and "B" map Tract No. 18978. CITY and OWNER agree that all Subdivision/Tract Map conditions, all other required improvements and all other conditions or requirements of "B" map Tract Map No. 18977 and "B" map Tract No. 18978 shall be completed and operational prior to, and as a condition precedent to, CITY's granting of a building permit for Phase IIB Units.

(c) CITY and OWNER agree that OWNER shall file an application with CITY for approval of "A" map Tract Map 18913-4 and shall design, construct and complete all public infrastructure for the areas within Phase IIC, as shown in the attached collective exhibits of Exhibit F-Phase IIC Improvements prior to, and as a condition precedent to, CITY's issuance of any building permits for any Production Units in the Phase IIC area, inclusive of the areas covered by "B" map Tract No 18073, "B" map Tract No. 18074 and "B" map Tract No. 18998. CITY and OWNER agree that all Subdivision/Tract Map conditions, all other required improvements and all other conditions or requirements of "B" map Tract Map No. 18073, "B" map Tract Map No. 18074 and "B" map Tract Map No. 18998 shall be completed and operational prior to, and as a condition precedent to, CITY's granting of a building permit for Phase IIC Units.

(d) CITY and OWNER agree that OWNER shall file an application with CITY for approval of "A" map Tract Map No. 18913-4 and shall design, construct and complete the Phase IID Improvements for the area within Phase IID, as shown in the attached collective exhibits of Exhibit F-Phase IID prior to, and as a condition precedent to, CITY's issuance of any building permits for any Production Units in the Phase IID area, inclusive of the areas covered by Planning Area 27.

Notwithstanding (d) of the above, CITY and OWNER agree that OWNER may defer the design and construction of the portion of the street Improvements to the South side of Merrill Avenue beyond the Eastern limits of Planning Area 27 to an intersection with Haven/Sumner Avenue. CITY and OWNER agree that OWNER shall acquire and dedicate the necessary Rights of Way and shall design and construct such

deferred Improvements prior to and a condition precedent to, either: (i) submittal of application by OWNER to CITY for CITY approval and recordation of a Final Tract Map for all or any portion of Planning Area 27; or (ii) OWNER requesting and CITY granting of the nine-hundred sixty first (961st) building permit for Production Units within the Property, whichever comes first.”

4. Revised Phase III References. Section 3.7.2.3 of the Development Agreement deleted in its entirety and replaced by the following:

“3.7.2.3 (a) CITY and OWNER agree that OWNER shall file an application with CITY for approval of “A” map Tract Map No. 18913-5 and “A” map Tract Map No. 18913 and shall design, construct and complete all Phase IIIA Improvements as shown in Exhibit F- Phase IIIA Improvements prior to, and as a condition precedent to, the earlier of: CITY’s issuance of the nine hundred sixty fourth (964th) building permit for the Property or CITY’s issuance of the first building permit for any Production Units in the Phase IIIA area inclusive of all Production Units in “B” map Tract Map Nos. 18067, or 18068.

(b) CITY and OWNER agree that the extension of Parkview Avenue to Haven Avenue shall no longer be required as a condition of approval for Tract 18067 and 18068 and the construction of the northern last lane street improvements on Eucalyptus Avenue from the eastern boundary of “A” map Tract Map No. 18913-5 to Haven Avenue shall be required as a condition of approval for “B” map Tract Nos. 18067 or 18068 and as shown on Exhibit F- Phase IIIA Improvements.

(c) CITY and OWNER agree that CITY may issue grading and encroachment permits prior to recordation of Final Maps for “B” map Tract Nos. 18067, 18068, or “A” map Tract Nos. 18913-5 or 18913, subject to the OWNER providing CITY with an “at risk” letter, in a form acceptable to the City Manager, acknowledging that the improvements are being installed at the OWNER’s risk and subject to OWNER meeting all other CITY requirements for the issuance of such Encroachment Permits.

(d) CITY and OWNER agree that OWNER may defer the completion of the Celebration Avenue / Eucalyptus Avenue traffic signal and the Eucalyptus Avenue Improvements that are outside of the street curb (underground utilities and streetlights behind the back of curb) as described in Exhibit F – Phase IIIA Improvements. CITY’s agreement to allow OWNER to defer the completion of the construction of the traffic signal is conditioned upon OWNER’s agreement that OWNER shall complete the Celebration Avenue / Eucalyptus Avenue traffic signal and the Eucalyptus Avenue Improvements that are outside of the street curb (underground utilities and streetlights behind the back of curb) prior to, and as a condition precedent to, OWNER requesting and the CITY granting a building permit for the one-hundred twelfth (112th) Production Unit in the Phase III Area.

(e) CITY and OWNER agree that OWNER shall not be required to construct full Right of Way Improvements on Celebration Avenue, however, OWNER shall be required to construct the curb-to-curb improvements to Celebration Avenue as described in Exhibit F- Phase IIIA Improvements.

(f) CITY and OWNER agree that OWNER shall be required to construct Improvements on Eucalyptus Avenue along the frontage of "A" map Tract Nos. 18913-5 and 18913 which shall be comprised of full curb to curb street improvements as described in Exhibit F- Phase IIIA Improvements and OWNER shall also be required to construct improvements to extend Eucalyptus Avenue to Haven Avenue from the eastern boundary of the "A" map Tract No. 18913-5 as described in Exhibit F- Phase IIIA Improvements.

3.7.2.3 (g) CITY and OWNER agree that the provisions of this Section 3.7.2.3 (a) through (f), to the extent they may be in conflict with the Subdivision Agreement and/or Tract Map conditions or requirements of the "A" Tract Map 18913-5 or the "B" Tract Map- Nos. 18067 or 18068, shall supersede and take precedence over such Subdivision Agreement provisions and/or Tract Map conditions and requirements. Notwithstanding, and except as expressly set forth herein in Sections 3.7.2.3 (a) through (g) above all other required improvements and all other conditions or requirements of the "A" Tract Map 18913-5 shall be completed and operational prior to, and as a condition precedent to, CITY's granting of a building permit for any Phase IIIA Unit.

3.7.2.3 (h) CITY and OWNER agree that OWNER shall file an application with CITY for approval of "A" map Tract Map 18913 and shall design, construct and complete all Phase IIIB Improvements as shown in Exhibit F- Phase IIIB Improvements prior to, and as a condition precedent to, the earlier of: CITY's issuance of the one-thousand one hundred and thirty first (1,131st) building permit for the Property; or CITY's issuance of any building permit for any Production Units in the Phase IIIB area, inclusive of all Production Units in "A" map Tract Map No 18913 and "B" map Tract Map Nos. 18065, 18066 and 18081.

3.7.2.3 (i) CITY and OWNER agree that the provisions of this Section 3.7.2.3 (a) through (h), inclusive, to the extent they may be in conflict with the Subdivision Agreement and/or Tract Map conditions or requirements of the "A" Tract Map 18913 or the "B" Tract Map Nos. 18065, 18066 and 18081, shall supersede and take precedence over such Subdivision Agreement provisions or Tract Map conditions and requirements. Notwithstanding and except as expressly set forth herein all other required improvements and all other conditions or requirements of the "A" Tract Map No. 18913-5 shall be completed and operational prior to, and as a condition precedent to, CITY's granting of a building permit for any Phase IIIB Unit. Additionally, except as expressly set forth herein in Sections 3.7.2.3 (a) through (h), inclusive, all other required improvements and all of the conditions for each Tract Map within Phase IIIB area shall be completed and operational prior to, and as condition precedent to, OWNER requesting and CITY's granting of a building permit for any Production Unit within any such "B" Tract Map."

5. Modification of Second Supplemental Memorandum. Section 2.e.ii of the Second Supplemental Memorandum is deleted in its entirety.

6. Section 5. FINANCING OF PUBLIC IMPROVEMENTS. All provisions of Section 5 of the Development Agreement titled "FINANCING OF PUBLIC IMPROVEMENTS" shall continue and shall be unaffected by this Third Amendment.

7. Additional Model Units. A new Section 3.4.1.1 shall be added to the Development Agreement as follows:

“3.4.1.1 In addition to the previously constructed Model Units and subject to the prior submittal by OWNER and approval by CITY of a plan to provide sufficient public infrastructure for the construction the Phase IIIA Additional Model Units and the Phase IIIB Additional Model Units, OWNER may request and CITY shall issue a maximum of thirty (30) additional building permits for Model Units. The plan to be submitted by OWNER for CITY approval shall describe the utilities and other infrastructure necessary to provide sufficient fire protection and other public health and safety requirements for the Phase IIIA and the Phase IIIB Additional Model Units.”

8. INTEGRATION.

8.1 Integration of Previous Understandings and Clarifications. This Third Second Amendment reflects the complete understanding of the parties with respect to the subject matter hereof. To the extent this Third Amendment conflicts with the Development Agreement, the First Amendment, the Second Amendment and/or the Supplemental Memoranda, this Third Amendment supersedes such previous document(s). In all other respects, the parties hereto re-affirm and ratify all other provisions of the Development Agreement, the First Amendment, the Second Amendment and the Supplemental Memoranda. This Third Amendment shall be recorded against the Property within 60 days following its full execution.

IN WITNESS WHEREOF, the parties hereto have executed this Third Amendment as of the date the ordinance adopting this Third Amendment becomes effective.

**SIGNATURE PAGE
TO THIRD AMENDMENT TO DEVELOPMENT AGREEMENT BY AND BETWEEN
THE CITY OF ONTARIO AND SL ONTARIO DEVELOPMENT COMPANY LLC**

"OWNER"

**SL ONTARIO DEVELOPMENT COMPANY
LLC, a Delaware California limited liability
company**

By: _____

Name: John M. Goodman

Its: Authorized Agent

Date: _____

By: _____

Name: Keyvan Razi

Its: Authorized Agent

Date: _____

"CITY"

CITY OF ONTARIO

By: _____

Scott Ochoa, City Manager

Date: _____

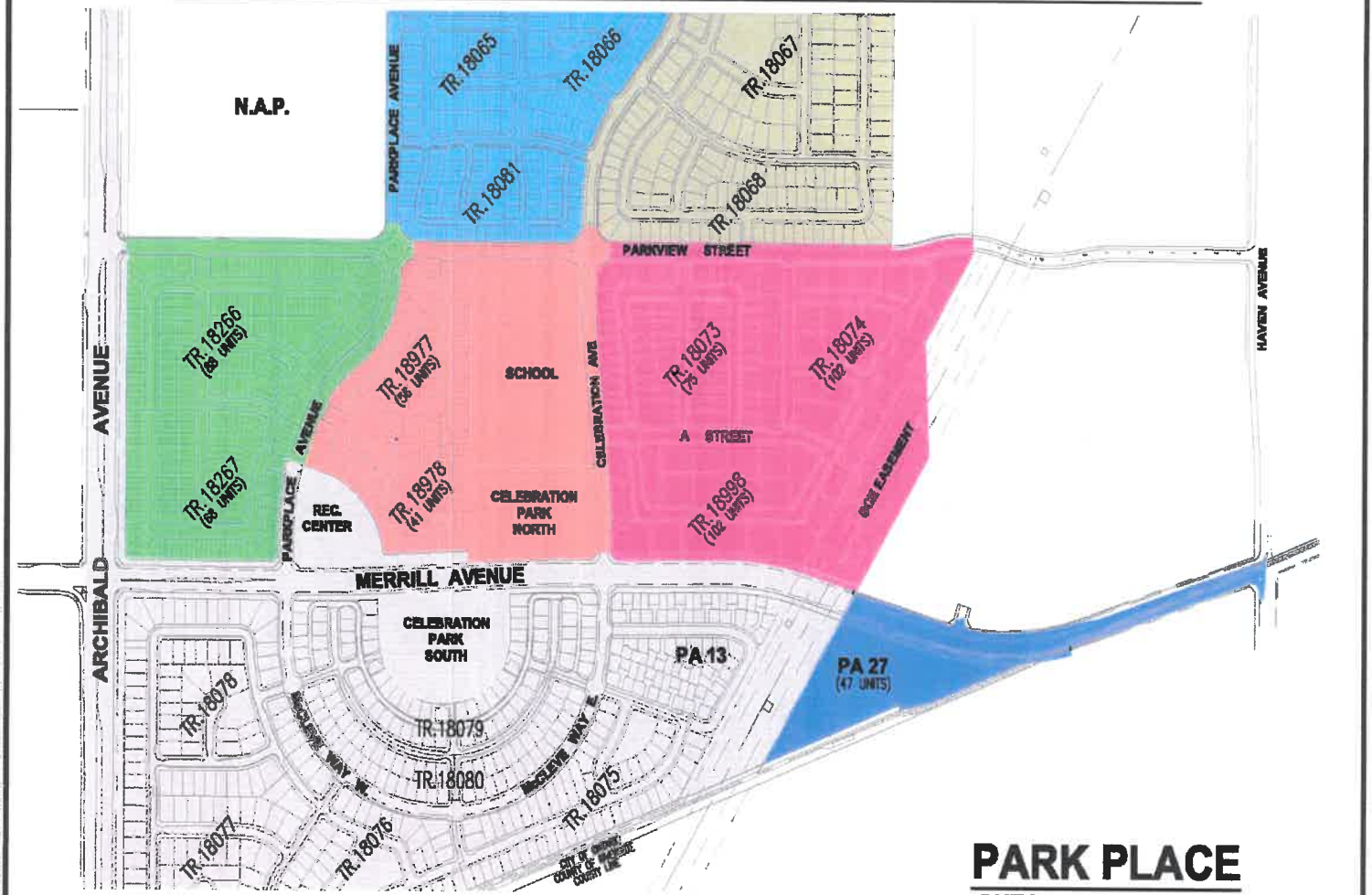
ATTEST:

City Clerk, Ontario






**APPROVED AS TO FORM:
BEST, BEST & KRIEGER LLP**

City Attorney

EXHIBIT "E-R3" | REVISED CONCEPTUAL PHASING PLAN



LEGEND

	PHASE I (EXISTING)		PHASE II-D
	PHASE II-A		PHASE III-A
	PHASE II-B		PHASE III-B
	PHASE II-C		



PARK PLACE
ONTARIO, CALIFORNIA
JUNE 27, 2016

LDKING
10390 Commerce Center Drive, Ste. 250
Rancho Cucamonga, California 91730
(909) 945-0526

EXHIBIT "E-R3" - CONCEPTUAL PHANNING PLAN

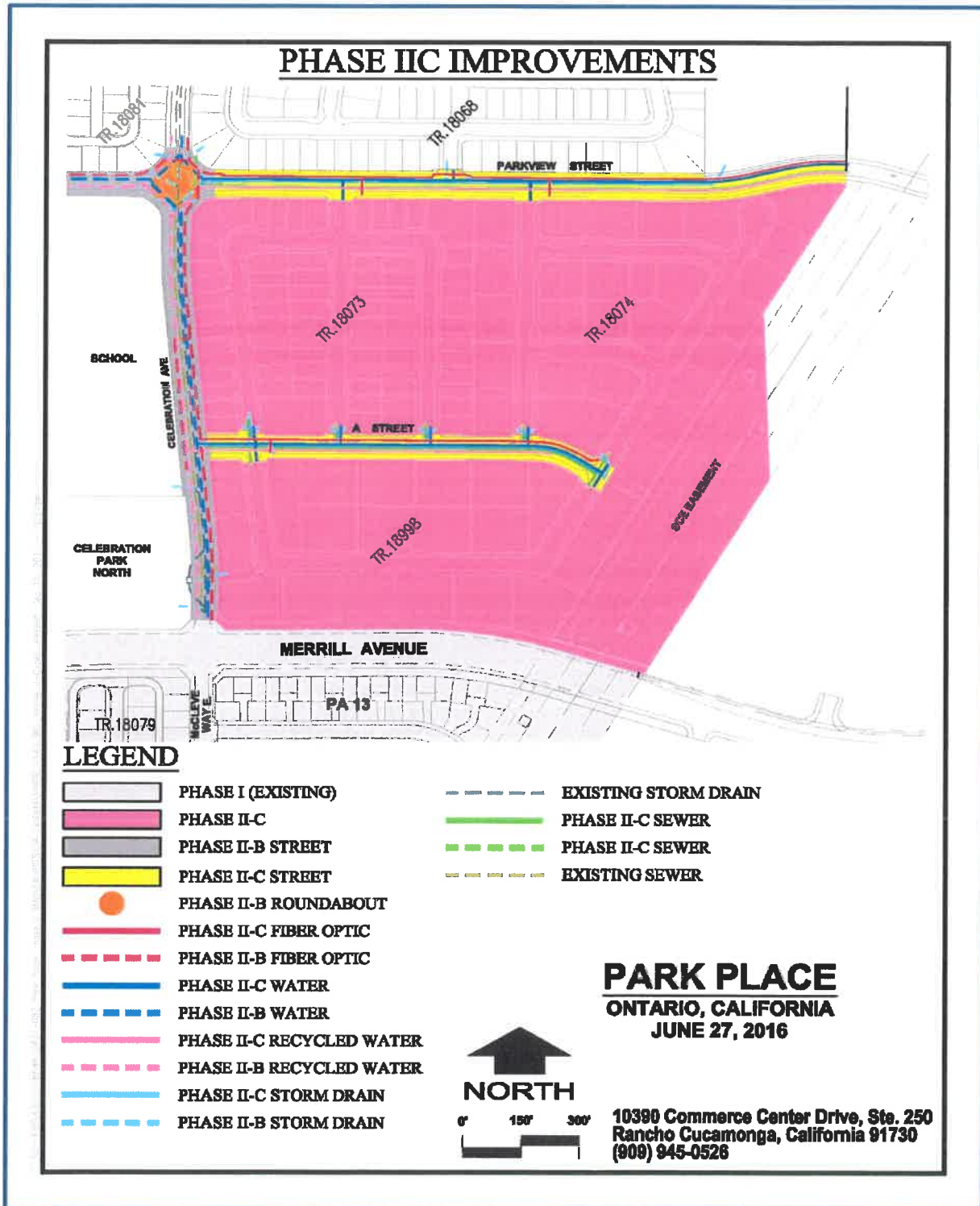
EXHIBIT F- PHASE IIA IMPROVEMENTS



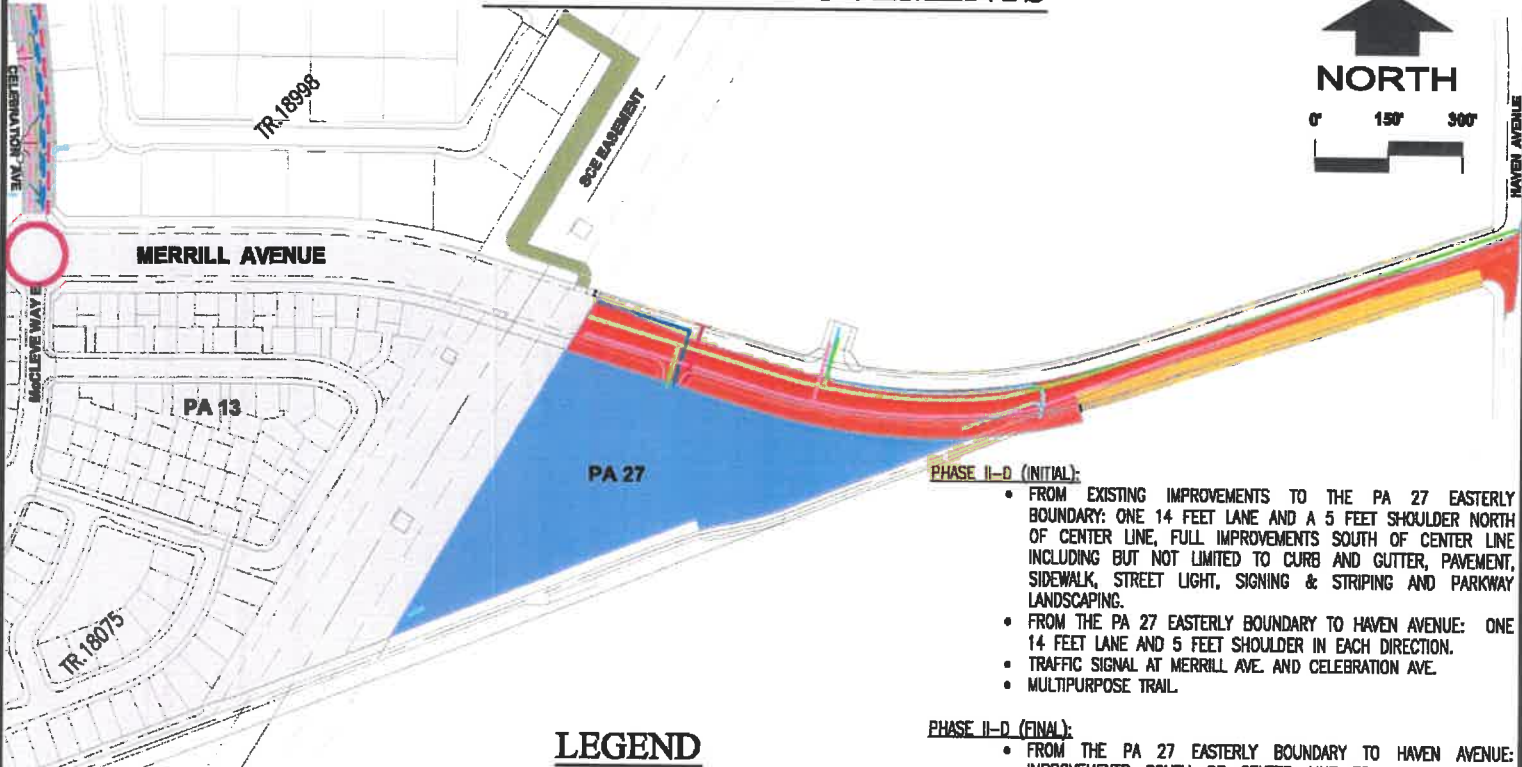
EXHIBIT F- PHASE IIB IMPROVEMENTS



EXHIBIT F- PHASE IIC IMPROVEMENTS



PHASE IID IMPROVEMENTS



- PHASE II-D (INITIAL):**
- FROM EXISTING IMPROVEMENTS TO THE PA 27 EASTERLY BOUNDARY: ONE 14 FEET LANE AND A 5 FEET SHOULDER NORTH OF CENTER LINE, FULL IMPROVEMENTS SOUTH OF CENTER LINE INCLUDING BUT NOT LIMITED TO CURB AND GUTTER, PAVEMENT, SIDEWALK, STREET LIGHT, SIGNING & STRIPING AND PARKWAY LANDSCAPING.
 - FROM THE PA 27 EASTERLY BOUNDARY TO HAVEN AVENUE: ONE 14 FEET LANE AND 5 FEET SHOULDER IN EACH DIRECTION.
 - TRAFFIC SIGNAL AT MERRILL AVE. AND CELEBRATION AVE.
 - MULTIPURPOSE TRAIL.

- PHASE II-D (FINAL):**
- FROM THE PA 27 EASTERLY BOUNDARY TO HAVEN AVENUE: IMPROVEMENTS SOUTH OF CENTER LINE TO BACK OF CURB, INCLUDING CURB & GUTTER, PAVEMENT AND SIGNING & STRIPING.

LEGEND

	PHASE I (EXISTING)		PHASE II-D WATER
	PHASE II-D		PHASE II-B WATER
	PHASE II-B STREET		PHASE II-D RECYCLED WATER
	PHASE II-D STREET (INITIAL)		PHASE II-B RECYCLED WATER
	PHASE II-D STREET (FINAL)		PHASE II-D STORM DRAIN
	PHASE II-D TRAILS		PHASE II-B STORM DRAIN
	PHASE II-D TRAFFIC SIGNAL		EXISTING STORM DRAIN
	PHASE II-D FIBER OPTIC		PHASE II-D SEWER
	PHASE II-B FIBER OPTIC		EXISTING SEWER

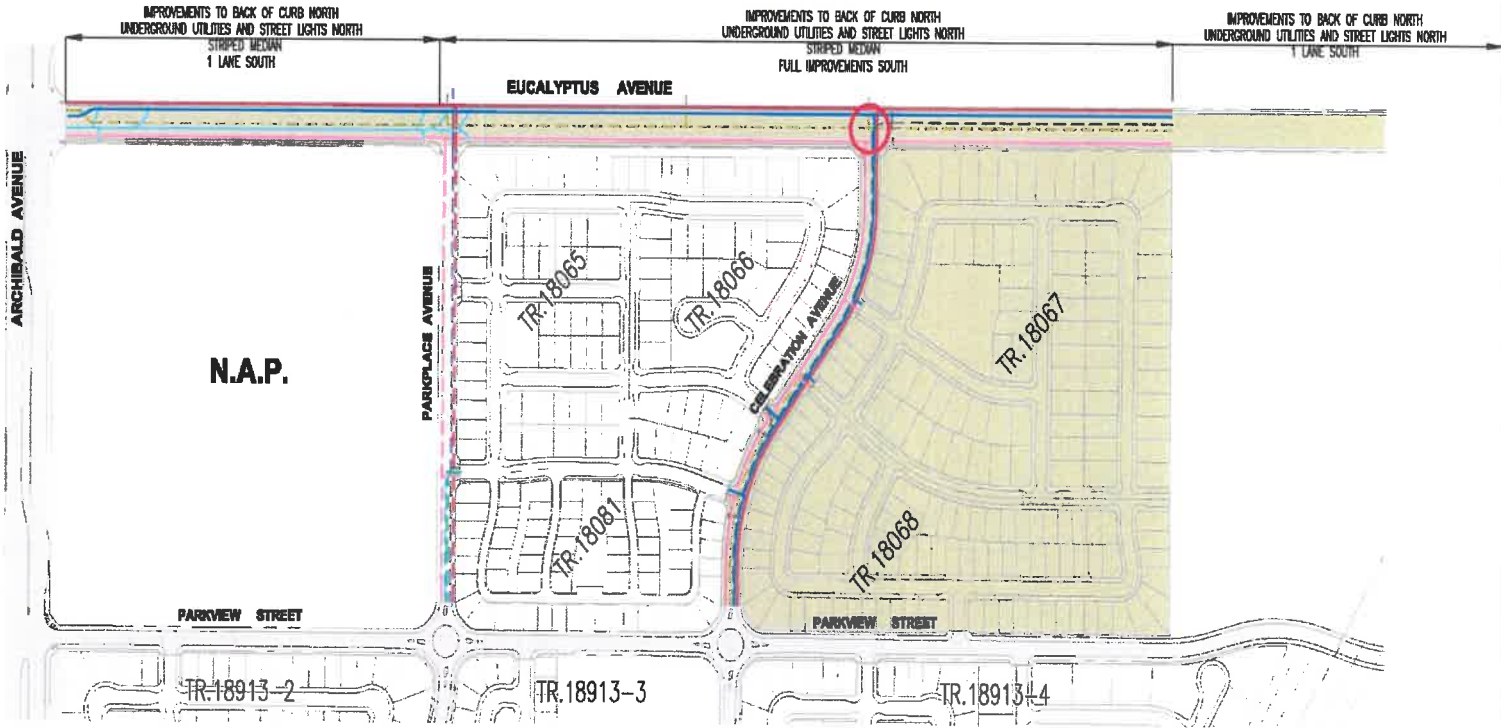
PARK PLACE
 ONTARIO, CALIFORNIA
 JUNE 27, 2016

LDKING

10390 Commerce Center Drive, Ste. 250
 Rancho Cucamonga, California 91730
 (909) 945-0526

EXHIBIT F - PHASE IID IMPROVEMENTS

PHASE IIIA IMPROVEMENTS



LEGEND

- | | | | |
|--|----------------------------|--|----------------------------|
| | EXISTING | | PHASE III-B RECYCLED WATER |
| | PHASE III-A | | PHASE III-A STORM DRAIN |
| | PHASE III-A FIBER OPTIC | | PHASE III-B STORM DRAIN |
| | PHASE III-B FIBER OPTIC | | EXISTING STORM DRAIN |
| | PHASE III-A WATER | | PHASE III-B SEWER |
| | EXISTING WATER | | EXISTING SEWER |
| | PHASE III-A RECYCLED WATER | | PHASE III-A TRAFFIC SIGNAL |

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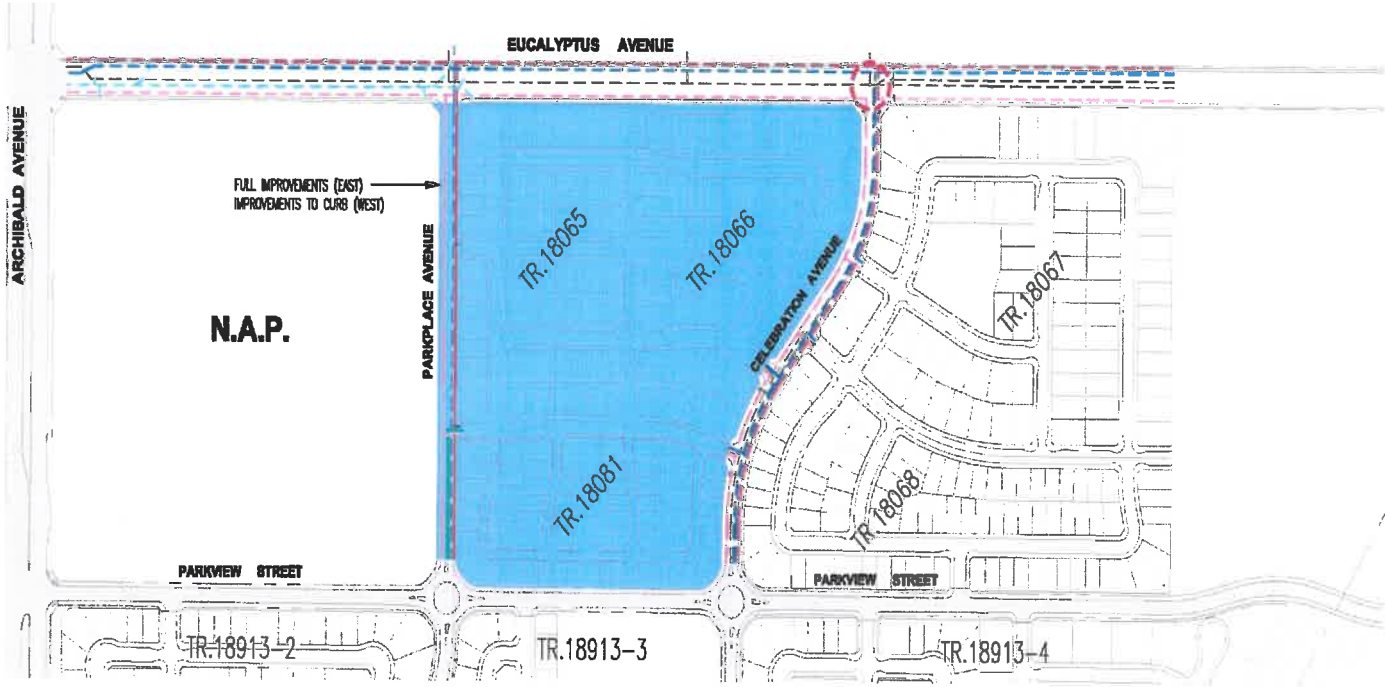
10390 Commerce Center Drive, Ste. 250
 Rancho Cucamonga, California 91730
 (909) 945-0526

PARK PLACE
 ONTARIO, CALIFORNIA
 March 6, 2017



EXHIBIT F- PHASE IIIA IMPROVEMENTS

PHASE IIIB IMPROVEMENTS



LEGEND

- | | | | |
|--|----------------------------|--|----------------------------|
| | EXISTING | | PHASE III-B RECYCLED WATER |
| | PHASE III-B | | PHASE III-A STORM DRAIN |
| | PHASE III-A FIBER OPTIC | | PHASE III-B STORM DRAIN |
| | PHASE III-B FIBER OPTIC | | EXISTING STORM DRAIN |
| | PHASE III-A WATER | | PHASE III-B SEWER |
| | EXISTING WATER | | EXISTING SEWER |
| | PHASE III-A RECYCLED WATER | | PHASE III-A TRAFFIC SIGNAL |

LDKING
 10390 Commerce Center Drive, Ste. 250
 Rancho Cucamonga, California 91730
 (909) 945-0528

PARK PLACE
 ONTARIO, CALIFORNIA
 March 6, 2017



CITY OF ONTARIO

Agenda Report
February 20, 2018

SECTION:
PUBLIC HEARINGS

SUBJECT: A PUBLIC HEARING TO CONSIDER AN ORDINANCE APPROVING A DEVELOPMENT AGREEMENT AMENDMENT (FIRST AMENDMENT – FILE NO PDA08-001) BETWEEN THE CITY OF ONTARIO AND TNHYIF REIV INDIA, LLC, A DELAWARE LIMITED LIABILITY COMPANY, TO EXTEND THE TERM OF THE DEVELOPMENT AGREEMENT ALLOWING FOR THE CONSTRUCTION OF UP TO 870,000 SQUARE FEET OF CLASS “A” MIXED USE OFFICE PARK AND THE REQUIRED INFRASTRUCTURE, ON APPROXIMATELY 24.8 ACRES OF LAND WITHIN THE GUASTI SPECIFIC PLAN, FOR PROPERTY LOCATED NORTH OF GUASTI ROAD AND SOUTH OF THE I-10 FREEWAY, BETWEEN TURNER AVENUE AND ARCHIBALD AVENUE (APN: 0210-192-13, 0210-192-14, 0210-192-15, 0210-192-16, 0210-192-17, 0210-192-18, 0210-192-19, 0210-192-20, 0210-192-21, 0210-192-22, 0210-192-23, AND 0210-192-24

RECOMMENDATION: That the City Council introduce and waive further reading of an ordinance approving an amendment to a Development Agreement (first amendment to File No. PDA08-001, on file with the Records Management Department) between the City of Ontario and TNHYIF REIV India, LLC, a Delaware Limited Liability Company, to extend the term of the Development Agreement.

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

FISCAL IMPACT: None.

BACKGROUND: In September 2008, the City Council approved the Development Agreement for the Ontario Airport Towers (File No. PDA08-001). The original Development Plan application provided for the construct of up to 870,000 square feet of Class “A” mixed use office space. The conditions of approval for the project required the construction of a substantial amount of infrastructure early in the

STAFF MEMBER PRESENTING: Scott Murphy, Assistant Development Director

Prepared by: Scott Murphy
Department: Planning
City Manager Approval: 

Submitted to Council/O.H.A. 02/20/2018
Approved: _____
Continued to: _____
Denied: _____

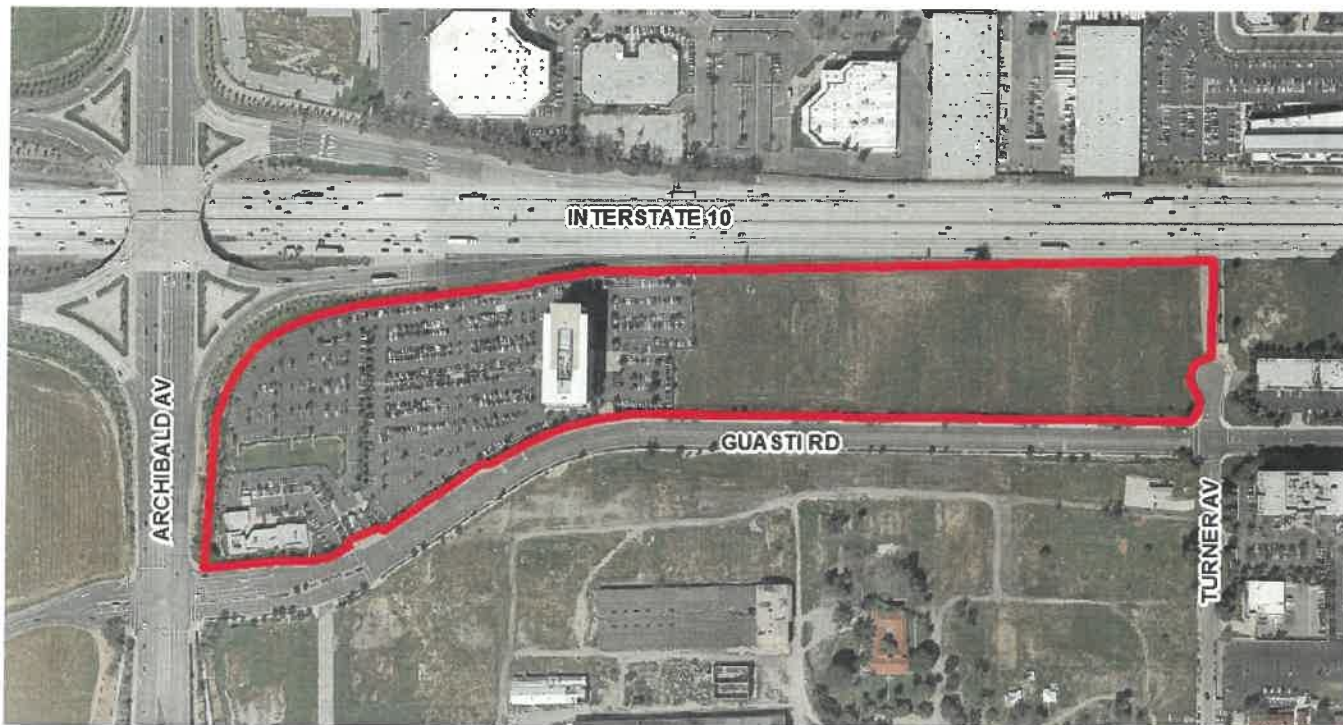
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project. To assist with the financing of these improvements, a Mello-Roos Community Facilities District was established which levies assessments against the various properties within the project. In order to provide assurances regarding the financing of the project, the property owner requested approval of a Development Agreement. Additionally, City staff desired to restrict the development of limited service hotels in the Guasti area, and the owner agreed to accept this restriction in exchange for the Development Agreement. The original term of the agreement was for ten years and is due to expire in September of this year.

The applicant is now seeing increased activity in the office market and renewed interest in development of the site. The project site, at the entry to Ontario International Airport, is a site viewed as a desirable location for Class "A" office and hotel development. To that end, staff and the applicant believe that extending the term of the Development Agreement will help the marketing of the property and encourage the type of development desired by the City.

The term of the Development Agreement is proposed to be extended five years to 2023. Additionally, the City Manager would have the ability to extend the agreement for an additional five years if reasonable cause is provided. The main points of the agreement remain unchanged (see attached Development Agreement).

ENVIRONMENTAL REVIEW: The environmental impacts of this project were previously reviewed in conjunction with File Nos. PSPA06-002, PDEV06-001, and PMTT06-019, for which a Negative Declaration was adopted by the City Council on June 6, 2006. This Application introduces no new significant environmental impacts. All previously adopted mitigation measures are incorporated herein by reference. All previously adopted mitigation measures are to be a condition of project approval and are incorporated herein by reference.



ORDINANCE NO. _____

AN ORDINANCE OF THE CITY COUNCIL OF THE CITY OF ONTARIO, CALIFORNIA, APPROVING THE FIRST AMENDMENT TO THE DEVELOPMENT AGREEMENT, FILE NO. PDA08-001, BETWEEN THE CITY OF ONTARIO AND TNHYIF REIV INDIA, LLC, A DELAWARE LIMITED LIABILITY COMPANY TO EXTEND THE TERM OF THE DEVELOPMENT AGREEMENT ALLOWING FOR THE CONSTRUCTION OF UP TO 870,000 SQUARE FEET OF CLASS "A" MIXED USE OFFICE PARK AND THE REQUIRED INFRASTRUCTURE, ON APPROXIMATELY 24.8 ACRES OF LAND WITHIN THE GUAСТИ SPECIFIC PLAN, FOR PROPERTY LOCATED NORTH OF GUAСТИ ROAD AND SOUTH OF THE I-10 FREEWAY, BETWEEN TURNER AVENUE AND ARCHIBALD AVENUE (APN: 0210-192-13, 0210-192-14, 0210-192-15, 0210-192-16, 0210-192-17, 0210-192-18, 0210-192-19, 0210-192-20, 0210-192-21, 0210-192-22, 0210-192-23, AND 0210-192-24).

WHEREAS, CALIFORNIA GOVERNMENT CODE SECTION 65864 NOW provides, in pertinent part, as follows:

"The Legislature finds and declares that:

(a) The lack of certainty in the approval process of development projects can result in a waste of resources, escalate the cost of housing and other developments to the consumer, and discourage investment in and commitment to comprehensive planning which would make maximum efficient utilization of resources at the least economic cost to the public.

(b) Assurance to the Applicant for a development project that upon approval of the project, the Applicant may proceed with the project in accordance with existing policies, rules and regulations, and subject to conditions of approval, will strengthen the public planning process, encourage private participation in comprehensive planning, and reduce the economic costs of development."

WHEREAS, California Government Code Section 65865 provides, in pertinent part, as follows:

"Any city ... may enter into a Development Agreement with any person having a legal or equitable interest in real property for the development of such property as provided in this article ..."

WHEREAS, California Government Code Section 65865.2. provides, in part, as follows:

"A Development Agreement shall specify the duration of the Agreement, the permitted uses of the property, the density of intensity of use, the maximum height and size of proposed buildings, and provisions for reservation or dedication of land for public

purposes. The Development Agreement may include conditions, terms, restrictions, and requirements for subsequent discretionary actions, provided that such conditions, terms, restrictions, and requirements for discretionary actions shall not prevent development of the land for the uses and to the density of intensity of development set forth in this Agreement ...”

WHEREAS, on April 4, 1995, the City Council of the City of Ontario adopted Resolution No. 95-22 establishing procedures and requirements whereby the City of Ontario may consider Development Agreements; and

WHEREAS, on September 10, 2002, the City Council of the City of Ontario adopted Resolution No. 2002-100 which revised the procedures and requirements whereby the City of Ontario may consider Development Agreements; and

WHEREAS, on September 16, 2008, the City Council of the City of Ontario, adopted Ordinance No. 2895, approving a Development Agreement between Ontario Airport Center, LLC and the City; and

WHEREAS, attached to this Ordinance, marked Exhibit “A” and incorporated herein by this reference, is the proposed First Amendment to the Development Agreement between TNHYIF REIV INDIA, LLC, (the successor to Ontario Airport Center, LLC) and the City of Ontario, File No. PDA08-001. Hereinafter in this Ordinance, the Development Agreement Amendment is referred to as the “Development Agreement”; and

WHEREAS, the environmental impacts of this project were previously reviewed in conjunction with File Nos. PSPA06-002, PDEV06-001, and PMTT06-019, for which a Negative Declaration was adopted by the City Council on June 6, 2006. This Application introduces no new significant environmental impacts. All previously adopted mitigation measures are incorporated herein by reference. All previously adopted mitigation measures are be a condition of project approval and are incorporated herein by reference; and

WHEREAS, on January 23, 2018, the Planning Commission of the City of Ontario conducted a hearing to consider the Project, and concluded said hearing on that date. After considering all public testimony, the Planning Commission voted unanimously to recommend approval of the Development Agreement Amendment to the City Council; and

WHEREAS, on February 20, 2018, the City Council of the City of Ontario conducted a hearing to consider the Project, and concluded said hearing on that date; and

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

NOW, THEREFORE, it is hereby found, determined, and ordained by the City Council of the City of Ontario as follows:

SECTION 1. *Environmental Determination and Findings.* As the decision-making body for the Project, the City Council has reviewed and considered the information contained in the previous Negative Declaration and supporting documentation. Based upon the facts and information contained in the previous Negative Declaration and supporting documentation, the City Council finds as follows:

(1) The environmental impacts of this project were reviewed in conjunction with a Negative Declaration, previously adopted by the City of Ontario City Council on June 6, 2006, in conjunction with File Nos. PSPA06-002, PDEV06-001, and PMTT06-019.

(2) The previous Negative Declaration contains a complete and accurate reporting of the environmental impacts associated with the Project; and

(3) The previous Negative Declaration was completed in compliance with CEQA and the Guidelines promulgated thereunder; and

(4) The previous Negative Declaration reflects the independent judgment of the City Council; and

(5) The proposed project will introduce no new significant environmental impacts beyond those previously analyzed in the previous Negative Declaration, and all mitigation measures previously adopted with the Negative Declaration, are incorporated herein by this reference.

SECTION 2. *Subsequent or Supplemental Environmental Review Not Required.* Based on the 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 Negative Declaration is not required for the Project, as the Project:

(1) Does not constitute substantial changes to the Negative Declaration that will require major revisions to the Negative Declaration due to the involvement of new significant environmental effects or a substantial increase in the severity of previously identified significant effects; and

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

(3) 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 Negative Declaration was certified/adopted, that shows any of the following:

(a) The project will have one or more significant effects not discussed in the Negative Declaration; or

(b) Significant effects previously examined will be substantially more severe than shown in the Negative Declaration; or

(c) 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

(d) Mitigation measures or alternatives considerably different from those analyzed in the Negative Declaration 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 decision-making body for the Project, the City Council finds that based on 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. The project site is one of the properties listed in the Available Land Inventory contained in Table A-3 (Available Land by Planning Area) of the Housing Element Technical Report Appendix, and the proposed project is consistent with the maximum number of dwelling units and density specified within the Subarea 29 Specific Plan. Per the Available Land Inventory, the Subarea 29 Specific Plan is required to provide 2,291 dwelling units with an overall density of 5 DU/AC.

SECTION 4. *Ontario International Airport Land Use Compatibility Plan (“ALUCP”) Compliance.* The California State Aeronautics Act (Public Utilities Code Section 21670 et seq.) requires that an Airport Land Use Compatibility Plan be prepared for all public use airports in the State; and requires that local land use plans and individual development proposals must be consistent with the policies set forth in the adopted Airport Land Use Compatibility Plan. On April 19, 2011, the City Council of the City of Ontario approved and adopted the Ontario International Airport Land use Compatibility Plan (“ALUCP”), establishing the Airport Influence Area for Ontario International Airport (“ONT”), which encompasses lands within parts of San Bernardino, Riverside, and Los Angeles Counties, and limits future land uses and development within the Airport Influence Area, as they relate to noise, safety, airspace protection, and overflight impacts of current and future airport activity. As the decision-making body for the Project, the City Council has reviewed and considered the facts and information contained in the Application and supporting documentation against the ALUCP compatibility factors, including [1] Safety Criteria (ALUCP Table 2-2) and Safety Zones (ALUCP Map 2-2), [2] Noise Criteria (ALUCP Table 2-3) and Noise Impact Zones (ALUCP Map 2-3), [3] Airspace protection Zones (ALUCP Map 2-4), and [4] Overflight Notification Zones (ALUCP Map 2-5). As a result, the City Council, therefore, finds and determines that the Project, when implemented in conjunction with the conditions of approval, will be consistent with the policies and criteria set forth within the ALUCP.

SECTION 5. *Concluding Facts and Reasons.* Based upon substantial evidence presented to the City Council during the above-referenced hearing on February 20, 2018, including written and oral staff reports, together with public testimony, the City Council hereby specifically finds as follows:

a. The Development Agreement applies to approximately 24.7 acres of land generally located north of Guasti Road, south of Interstate 10, Freeway, east of Archibald Avenue, and west of Turner Avenue within the Office/Commercial designation of the Guasti Specific Plan; and

b. The property to the north is the Interstate 10 Freeway. The properties to the south of the project site are developed with a historic winery and single family residences. The properties to the east are within the Centrelake Specific Plan and are developed with office buildings. The properties to the west are within the mixed use land use designation and are vacant and contain a warehouse facility; and

c. This Development Agreement will not be materially injurious or detrimental to the adjacent properties and will have a significant impact on the environment or the surrounding properties. The environmental impacts of this project were previously adopted addendum to the Subarea 29 Specific Plan EIR (SCH# 2004011009) that was adopted by the City Council on April 21, 2015, and supporting documentation. This application introduces no new significant environmental impacts; and

d. All adopted mitigation measures of the related Negative Declaration shall be a condition of project approval and are incorporated herein by reference.

SECTION 6. *City Council Action.* Based upon the findings and conclusions set forth in paragraphs 1 through 5 above, the City Council hereby APPROVES the First Amendment of the Development Agreement, File No. PDA08-001, to the City Council.

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. *Severability.* If any section, sentence, clause or phrase of this Ordinance or the application thereof to any entity, person or circumstance is held for any reason to be invalid or unconstitutional, such invalidity or unconstitutionality shall not affect other provisions or applications of this Ordinance which can be given effect without the invalid provision or application, and to this end the provisions of this Ordinance are severable. The People of the City of Ontario hereby declare that they would have adopted this Ordinance and each section, sentence, clause or phrase thereof, irrespective of the fact that any one or more section, subsections, sentences, clauses or phrases be declared invalid or unconstitutional.

SECTION 10. **Effective Date.** This Ordinance shall become effective 30 days following its adoption.

SECTION 11. **Publication and Posting.** The Mayor shall sign this Ordinance and the City Clerk shall certify as to the adoption and shall cause a summary thereof to be published at least once, in a newspaper of general circulation in the City of Ontario, California, within 15 days following the adoption. The City Clerk shall post a certified copy of this ordinance, including the vote for and against the same, in the Office of the City Clerk, in accordance with Government Code Section 36933.

PASSED, APPROVED, AND ADOPTED this ____ day of _____ 2018.

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 Ordinance No. _____ was duly introduced at a regular meeting of the City Council of the City of Ontario held _____ and adopted at the regular meeting held _____, 2018 by the following roll call vote, to wit:

AYES: COUNCIL MEMBERS:

NOES: COUNCIL MEMBERS:

ABSENT: COUNCIL MEMBERS:

SHEILA MAUTZ, CITY CLERK

(SEAL)

I hereby certify that the foregoing is the original of Ordinance No. _____ duly passed and adopted by the Ontario City Council at their regular meeting held _____ and that Summaries of the Ordinance were published on _____ and _____, in the Inland Valley Daily Bulletin newspaper.

SHEILA MAUTZ, CITY CLERK

(SEAL)

ATTACHMENT A:

Development Agreement Amendment

(Document to follow this page)

**FIRST AMENDMENT
TO
DEVELOPMENT AGREEMENT
(ONTARIO AIRPORT TOWERS)**

THIS FIRST AMENDMENT TO DEVELOPMENT AGREEMENT (Ontario Airport Towers) ("**First Amendment**") is dated effective as of _____, 2018, ("**Effective Date**"), and is entered into by and between THE CITY OF ONTARIO, a California municipal corporation ("**City**"), and TNHYIF REIV INDIA, LLC, a Delaware limited liability company, as successor to Ontario Airport Center, LLC, a Delaware limited liability company ("**Owner**"). The City and the Owner are sometimes referred to in this First Amendment, each individually as a "**Party**," or collectively, as the "**Parties**." The City and Owner enter into this Agreement with reference to the following recited facts (each a "**Recital**"):

RECITALS

A. The City and Ontario Airport Center, LLC, a Delaware limited liability company, the predecessor in interest to Owner entered into that certain Development Agreement dated as of September 16, 2008, and recorded in the Official Records of County of San Bernardino (the "**Official Records**") as Document No. 2008-0544740 (the "**Agreement**"), which Agreement contains certain rights, duties and obligations relating to the development of the Development. Capitalized terms used but not otherwise defined herein shall have the meaning ascribed to such terms in the Agreement.

B. Owner has assigned rights under the Agreement to various parties pursuant to that certain recorded Partial Assignment and Assumption of Development Agreement. Pursuant to those assignments, Owner is authorized to extend the Term of this Agreement as to the entire Development for a period of up to ten (10) years.

C. The purpose of this First Amendment is to amend and modify the Agreement to confirm the term of the Agreement and extend the term of the Agreement.

NOW, THEREFORE, in consideration of the above Recitals and the material covenants set forth herein and for other good and valuable consideration, the receipt and sufficiency of which is hereby acknowledged, the parties agree as follows:

1. **Extension.** City and Owner hereby confirm and acknowledge that the "Effective Date" of the Agreement is currently September 16, 2008. Section 2.3 of the Agreement is hereby amended and modified to extend the term of the Agreement for a period of five (5) years until September 16, 2023, unless the Agreement is earlier terminated, modified or extended pursuant to the terms of the Agreement. Prior to the expiration of the Development Agreement, Owner may request to extend the term of the Agreement for an additional five year. The request shall be submitted to the City 60 days prior to the expiration of the Agreement and shall be reviewed by the City. Upon showing of reasonable cause, the City Manager shall be authorized to extend the Agreement to September 16, 2028.

2. Miscellaneous.

2.1 Conflict. In the event of any conflict or inconsistency between the provisions of this First Amendment and the provisions of the Agreement or any other documents, the provisions of this First Amendment shall govern and prevail.

2.2 Recordation. The parties hereby authorize this First Amendment to be recorded in the Official Records.

2.3 Successors and Assigns. This First Amendment shall be binding upon and inure to the benefit of the respective successors, assigns, personal representations, heirs and legatees of City and Owner.

[Signatures on the following page)

**SIGNATURE PAGE
TO
FIRST AMENDMENT
TO
DEVELOPMENT AGREEMENT
(ONTARIO AIRPORT TOWERS)**

IN WITNESS WHEREOF, the City and Owner have executed this First Amendment to Development Agreement (Ontario Airport Towers) by and through the signatures of their duly authorized representative(s) set forth below:

TNHYIF REIV INDIA, LLC

"OWNER"

TNHYIF REIV INDIA, LLC, a California limited liability company

By: _____

Name:

Title: Authorized Representative

Date: _____

"CITY"

CITY OF ONTARIO

By: _____

Scott Ochoa
City Manager

Date: _____

ATTEST:

City Clerk, Ontario

APPROVED AS TO FORM:

BEST, BEST & KREIGER LLP

City Attorney

A notary public or other officer completing this certificate certifies only the identity of the individual who signed the document to which this certificate is attached, and not the truthfulness, accuracy, or validity of that document.

State of California

County of _____

On _____ before me, _____, Notary Public, personally appeared _____ who proved to me on the basis of satisfactory evidence to be the person(s) whose name(s) is/are subscribed to the within instrument and acknowledged to me that he/she/they executed the same in his/her/their authorized capacity(ies) and that by his/her/their signature(s) on the instrument the person(s), or the entity upon behalf of which the person(s) acted, executed the instrument.

I certify under PENALTY OF PERJURY under the laws of the State of California that the foregoing paragraph is true and correct.

WITNESS my hand and official seal.

Signature _____ (Seal)

A notary public or other officer completing this certificate certifies only the identity of the individual who signed the document to which this certificate is attached, and not the truthfulness, accuracy, or validity of that document.

State of California

County of _____

On _____ before me, _____, Notary Public, personally appeared _____ who proved to me on the basis of satisfactory evidence to be the person(s) whose name(s) is/are subscribed to the within instrument and acknowledged to me that he/she/they executed the same in his/her/their authorized capacity(ies) and that by his/her/their signature(s) on the instrument the person(s), or the entity upon behalf of which the person(s) acted, executed the instrument.

I certify under PENALTY OF PERJURY under the laws of the State of California that the foregoing paragraph is true and correct.

I certify under PENALTY OF PERJURY under the laws of the State of California that the foregoing paragraph is true and correct.

WITNESS my hand and official seal.

Signature _____ (Seal)

CITY OF ONTARIO

Agenda Report
February 20, 2018

SECTION:
PUBLIC HEARINGS

SUBJECT: A PUBLIC HEARING TO CONSIDER FILE NO. PSPA17-004, AN AMENDMENT TO THE ONTARIO CENTER SPECIFIC PLAN TO ALLOW "SHORT-TERM SLEEPING ACCOMMODATION FACILITIES" AS AN ALLOWED LAND USE WITHIN THE GARDEN COMMERCIAL LAND USE DISTRICT

RECOMMENDATION: That the City Council uphold the Planning Commission's action and deny an amendment to The Ontario Center Specific Plan (File No. PSPA17-004) to allow Short-Term Sleeping Accommodations as an allowed land use within the Garden Commercial Land Use District.

COUNCIL GOALS: Invest in the Growth and Evolution of the City's Economy
Operate in a Businesslike Manner


FISCAL IMPACT: The proposed use would be subject to the City's Transient Occupancy Tax ("TOT") and the extent of TOT revenue would be dependent upon facility rental rates and occupancy or use. The cost for any City services associated with public safety calls for service is unknown at this time.

BACKGROUND: Nap-To-Go, LLC ("Applicant") of Claremont, CA, is requesting approval of an Amendment to the Ontario Center Specific Plan (OCSP) to allow "Short-Term Sleeping Accommodation Facilities" as an allowed land use within the Garden Commercial Land Use District. Properties affected by the proposed Specific Plan Amendment are identified in Exhibit "A" (OCSP Garden Commercial Land Use District), attached.

Over the past few years, sleeping pods have become common in busier airports worldwide, providing convenient, comfortable ways to sleep during airport layovers. In the United States, Minute Suites has established short-term sleeping accommodations at Hartsfield-Jackson Atlanta International Airport, Philadelphia International Airport, and Dallas-Fort Worth International Airport, which are the only facilities in this country that are comparable to the proposed use.

The Applicant, Veronica Payne, attempted to locate a short-term sleeping accommodation within an Ontario International Airport (ONT) terminal; however, was told that no space was currently available

STAFF MEMBER PRESENTING: Scott Murphy, Assistant Development Director

Prepared by: Charles Mercier
Department: Planning
City Manager Approval: 

Submitted to Council/O.H.A. 02/20/2018
Approved: _____
Continued to: _____
Denied: _____

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that would accommodate the use. The Applicant then approached the City with a request to establish an off-airport short-term sleeping accommodation.

City staff worked with the Applicant to ascertain areas that might be considered by the City for the establishment the proposed use. Staff identified the OCSP Garden Commercial Land Use District as an area that may be a suitable location for the proposed use due to its close proximity and accessibility to ONT, subject to Conditional Use Permit approval.

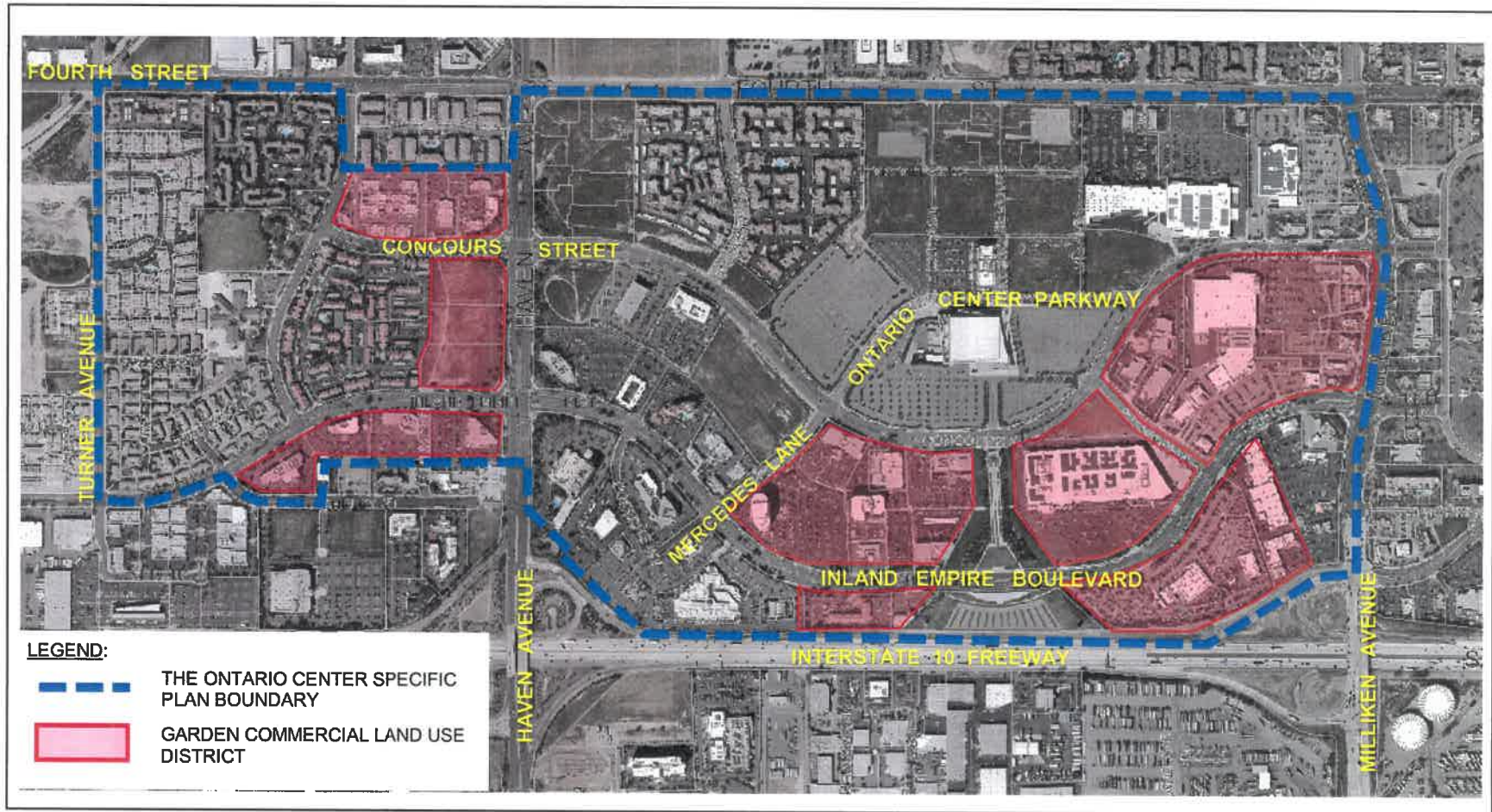
On November 28, 2017, and continued to December 18, 2017, the Planning Commission conducted a duly noticed public hearing on the subject application and voted unanimously (6–0) to recommend the City Council deny the proposed Specific Plan Amendment, citing the following reasons for their action:

- The proposed short-term accommodation use would be more appropriate within the airport or immediately adjacent to the airport, within a proper facility; however, due to the fact that ONT is a destination airport, and not a layover airport, the market conditions do not currently support the proposed use within ONT, or more particularly, at an off airport facility;
- The Planning Commission concurs with the Police Department’s public testimony stating that, based on their prior experiences with hotels and motels, the proposed use could have significant impacts on public safety and quality of life within the proposed area;
- The proposed land use would be incompatible with the other land uses allowed in the Garden Commercial Land Use District of the OCSP. According to the Specific Plan, the Garden Commercial Land Use District is intended for lower intensity commercial uses and offices. To allow Short-Term Sleeping Accommodations within the Garden Commercial Land Use District would be inconsistent with the intent of the district. Furthermore, the nature of the proposed 24-hour land use would result in security issues within the affected area, impacting adjacent businesses;
- The Applicant’s plan to market the proposed use to the TA Truck Stop would result in the parking of tractor/trailers within automobile parking lots. While the Applicant has stated that a free shuttle service would be provided, it is highly unlikely that drivers would pay to park their tractor/trailer at truck stop and pay to sleep at a Short-Term Sleeping Accommodation located off site. It would be more likely that tractor/trailers would be parked in the parking lot of the Short-Term Sleeping Accommodation, or within the parking areas of adjacent commercial uses; and
- The westerly portions of the OCSP Garden Commercial Land Use District abuts existing single-family and multiple-family residential land uses. The 24-hour nature of the proposed use would be incompatible with adjacent residential land uses.

At the Planning Commission public hearing, several property owners expressed their opposition to the proposed use, stating that The Ontario Center offers some of the best land for office and commercial development and that allowing the proposed use would introduce safety concerns and diminish the value of the property (see Planning Commission minutes attached).

Ultimately, the Planning Commission determined that a Short-Term Sleeping Accommodation business would not be an acceptable use within The Ontario Center Specific Plan and unanimously recommended denial of the application to the City Council.

Exhibit A: OCSP Garden Commercial Land Use District



RESOLUTION NO. _____

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF ONTARIO, CALIFORNIA, DENYING FILE NO. PSPA17-004, AN AMENDMENT TO THE ONTARIO CENTER SPECIFIC PLAN TO ALLOW "SHORT-TERM SLEEPING ACCOMMODATION FACILITIES" AS AN ALLOWED LAND USE WITHIN THE GARDEN COMMERCIAL LAND USE DISTRICT, AND MAKING FINDINGS IN SUPPORT THEREOF.

WHEREAS, Nap-To-Go, LLC ("Applicant") has filed an Application for the approval of a Specific Plan Amendment, File No. PSPA17-004, as described in the title of this Resolution (hereinafter referred to as "Application" or "Project"); and

WHEREAS, over the past few years, sleeping pods have become common in busier airports worldwide, providing convenient, comfortable ways to sleep during airport layovers. In the United States, Minute Suites has established short-term sleeping accommodations at Hartsfield-Jackson Atlanta International Airport, Philadelphia International Airport, and Dallas-Fort Worth International Airport, which are the only facilities in this country that are comparable to the proposed use; and

WHEREAS, the Applicant attempted to locate a short-term sleeping accommodation within an Ontario International Airport (ONT) terminal; however, was told that no space was currently available that would accommodate the use. The Applicant then approached the City with a request to establish an off-airport short-term sleeping accommodation; and

WHEREAS, the Application is a project pursuant to the California Environmental Quality Act (Public Resources Code Section 21000 et seq.) ("CEQA"); and

WHEREAS, the Project is exempt from CEQA pursuant to a categorical exemption (listed in CEQA Guidelines Article 19, commencing with Section 15300) and the application of that categorical exemption is not barred by one of the exceptions set forth in CEQA Guidelines Section 15300.2; and

WHEREAS, Ontario Development Code Table 2.02-1 (Review Matrix) grants the City Council the responsibility and authority to review and act on the subject Application; and

WHEREAS, the Project is located within the Airport Influence Area of Ontario International Airport, 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 Ontario International 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, City of Ontario Development Code Division 2.03 (Public Hearings) prescribes the manner in which public notification shall be provided and hearing procedures to be followed, and all such notifications and procedures have been completed; and

WHEREAS, on November 28, 2017, and continued to December 18, 2017, the Planning Commission of the City of Ontario conducted a hearing to consider the Project, and concluded said hearing on December 18, 2017, voting unanimously (6–0) to recommend City Council denial the Application; and

WHEREAS, on February 20, 2018, the City Council of the City of Ontario conducted a hearing to consider 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. 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 the public record and supporting documents, the City Council hereby concludes as follows:

(1) ***The proposed Specific Plan Amendment is inconsistent with the goals, policies, plans and exhibits of the Vision, Policy Plan (General Plan), and City Council Priorities components of The Ontario Plan.*** To allow the proposed Short-Term Sleeping Accommodation land use within the Garden Commercial land use district of the Ontario Center Specific Plan (OCSP) would be contrary to, and inconsistent with, the goals and policies of The Ontario Plan, as (a) the land use could have significant impacts to public safety and quality of life within the area surrounding a proposed business location, (b) The 24-hour nature of the proposed use would be incompatible with adjacent land uses, and (c) ONT is a destination airport, and not a layover airport; therefore, the existing market is insufficient to support the proposed use within ONT, or more particularly, at an off airport facility.

(2) ***The proposed Specific Plan Amendment would be detrimental to the public interest, health, safety, convenience, or general welfare of the City, for the following reasons:***

(a) The Planning Commission concurs with the Police Department's public testimony stating that based on their prior experiences with hotels and motels, the proposed Short-Term Sleeping Accommodation use could have significant impacts on public safety;

(b) The Applicant's plan to market the proposed land use to the TA Truck Stop would result in the parking of tractor/trailers within automobile parking lots. While the Applicant has stated that a free shuttle service would be provided, it is highly unlikely that

drivers would pay to park their tractor/trailer at the truck stop and pay to sleep at a Short-Term Sleeping Accommodation. It would be more likely that the tractor/trailer would be parked in the parking lot of the Short-Term Sleeping Accommodation, or within the parking areas of adjacent commercial uses; and

(c) The westerly portions of the OCSP Garden Commercial land use district abuts existing single-family and multiple-family residential land uses. The 24-hour nature of the proposed use would be incompatible with adjacent residential land uses, if a Short-Term Sleeping Accommodation business was to be proposed in that area.

(3) *In the case of an application affecting specific properties, the proposed Specific Plan Amendment will adversely affect the harmonious relationship with adjacent properties and land uses, for the following reasons:*

(a) The proposed Short-Term Sleeping Accommodation land use would be more appropriate within the airport, or immediately adjacent to the airport, within a proper facility; however, due to the fact that ONT is a destination airport, and not a layover airport, the market is not yet here to support the proposed use within ONT, or more particularly, at an off airport facility.

(b) The proposed land use would be incompatible with the other land uses allowed in the Garden Commercial land use district of the Ontario Center Specific Plan. According to the Specific Plan, the Garden Commercial land use district is intended for lower intensity commercial uses and offices. To allow Short-Term Sleeping Accommodations within the Garden Commercial land use district would be inconsistent with the intent of the district. Furthermore, the nature of the proposed 24-hour land use would result in security issues within the affected area, impacting adjacent businesses.

(c) The proposed land use would be incompatible with the other land uses allowed in the Ontario Center Specific Plan. According to the Specific Plan, the Garden Commercial land use district is intended for lower intensity commercial uses and offices. To allow Short-Term Sleeping Accommodations within the Garden Commercial land use district would be inconsistent with the intent of the district, and the nature of the 24-hour land use would result in security issues within the affected area, impacting adjacent businesses. Furthermore, westerly portions of the OCSP Garden Commercial land use district abuts existing single-family and multiple-family residential land uses. The 24-hour nature of the proposed use would be incompatible with adjacent residential land uses.

SECTION 2. *City Council Action.* Based upon the findings and conclusions set forth in Section 1, above, the City Council hereby DENIES the herein described Specific Plan Amendment.

SECTION 3. *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 4. ***Certification to Adoption.*** The City Clerk shall certify to the adoption of the Resolution.

PASSED, APPROVED, AND ADOPTED this 20th day of February 2018.

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. 2018- was duly passed and adopted by the City Council of the City of Ontario at their regular meeting held February 20, 2018 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. 2018- duly passed and adopted by the Ontario City Council at their regular meeting held February 20, 2018.

SHEILA MAUTZ, CITY CLERK

(SEAL)

CITY OF ONTARIO

Agenda Report
February 20, 2018

SECTION:
PUBLIC HEARINGS

SUBJECT: A PUBLIC HEARING TO CONSIDER AN AMENDMENT TO THE RICH HAVEN SPECIFIC PLAN FOR FILE NO. PSPA16-005 TO ANNEX 72.3 ACRES OF LAND LOCATED ON THE SOUTHEAST CORNER OF HAVEN AVENUE AND ONTARIO RANCH ROAD INTO THE MIXED-USE OVERLAY DISTRICT OF THE RICH HAVEN SPECIFIC PLAN INCLUDING UPDATES TO THE DEVELOPMENT STANDARDS, EXHIBITS AND TEXT CHANGES TO REFLECT THE PROPOSED ANNEXATION AND POLICY PLAN (GENERAL PLAN) COMPLIANCE. (APN NO'S: 218-161-01, 218-161-04, 218-161-05, 218-161-09, 218-161-10, 218-161-11, 218-161-13, 218-161-14, 218-211-01, 218-211-02, 218-211-05, 218-211-08, 218-211-12, 218-211-15, 218-211-17, 218-211-21, 218-211-23, 218-211-24, 218-211-25 AND 218-211-27)

RECOMMENDATION: That the City Council adopt a resolution approving an addendum to The Ontario Plan (SCH# 2008101140) Environmental Impact Report, analyzing the environmental effects of the Project, pursuant to State CEQA Guidelines section 15164; and adopt a resolution approving an amendment to Rich-Haven Specific Plan (File No. PSPA16-005).

COUNCIL GOALS: Invest in the Growth and Evolution of the City's Economy

Operate in a Businesslike Manner

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 Ontario Ranch

FISCAL IMPACT: Adoption of the Amendment to the Rich-Haven Specific Plan may result in increased City expenditures due to an increase in residential units from 4,866 to 7,194. To offset the increase in service costs, an operations and maintenance Community Facilities District (CFD) will be established through the various tract map entitlements to cover the additional costs of Police and Fire services, landscape maintenance of medians, neighborhood edges, and street light operations and maintenance along the public streets. Additionally, an increase in commercial/office development of 1,039,200 to 1,131,702 square feet would result in an increase in sales tax to the City.

STAFF MEMBER PRESENTING: Scott Murphy, Assistant Development Director

Prepared by: Lorena Mejia
Department: Planning

City Manager Approval: 

Submitted to Council/O.H.A. 02/20/2018

Approved: _____

Continued to: _____

Denied: _____

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BACKGROUND: On December 4, 2007, the City Council approved the Rich Haven Specific Plan (File No. PSP05-004) and certified the Environmental Impact Report (EIR) for the Specific Plan. The Specific Plan established the land use designations, development standards, and design guidelines for approximately 512 acres of land, which included the potential development of 4,256 residential units and 889,200 square feet of commercial/office use.

In 2010, The Ontario Plan (TOP) was adopted by the City Council. TOP Policy Plan (General Plan) Land Use Plan (Policy Plan Exhibit LU-01) changed the land use designations within certain areas of the Rich Haven Specific Plan. To bring the Rich Haven Specific Plan into conformance with TOP Policy Plan, an amendment to the Rich Haven Specific Plan (File No. PSPA16-001) was processed and approved by the City Council on March 15, 2016. The Amendment included updates to the Rich Haven Specific Plan Land Use Plan, the housing product types, exhibits and language to reflect the proposed land use changes and overall TOP Policy Plan consistency.

On December 16, 2016, Brookcal Ontario LLC and Richland Communities submitted an amendment to the Rich Haven Specific Plan that includes the following:

1) *The annexation of 72.3 acres of land located on the southeast corner of Haven Avenue and Ontario Ranch Road into the Mixed-Use District and updates to the Rich Haven Specific Plan Table 3-1 – Land Use Summary Table.*

- The proposed 72.3 acre annexation will create two additional planning areas within the Mixed-Use District, 9A and 9B. The entire Mixed-Use District will encompass 312.9 gross acres and consist of Planning Areas 6, 7, 8, and 9. This District is envisioned to be a highly active area with a variety of commercial uses, including retail, office, residential, medical, research, entertainment and other comparable uses. The Mixed Use District includes a Stand Alone Residential Overlay, Regional Commercial and Mixed Use Overlay land use designations.
- Planning Area 9A is presently controlled by Brookcal Ontario LLC and totals 35.97 acres of land that is divided into three land use categories: 7.3 acres of Regional Commercial located on the southeast corner of Ontario Ranch Road and Haven Avenue; 27.97 acres of Stand Alone Residential that encompasses the majority of site with street frontages along Ontario Ranch Road and Haven Avenue; and a 0.70 acre SCE Easement area located on the southeast corner of Planning Area 9A.
- Planning Area 9B is presently controlled by Richland Communities and totals 36.42 acres of land that is divided into three land use categories: 4.55 acres of Regional Commercial located on the northeast corner of Planning Area 9B with street frontage along Ontario Ranch Road; 23.63 acres of Stand Alone Residential that encompasses the majority of the site with street frontage along Ontario Ranch Road; and a 8.24 acre SCE Easement area that runs diagonally southwest to northeast throughout Planning Area 9B.

2) *Revisions of Rich Haven Specific Plan document to reflect the proposed 72.3 annexation.*

- The Amendments included Map exhibit changes (land use, utility, circulation, etc.) for the expanded geographic boundaries (Planning Areas 9A and 9B) and text changes throughout the document to include the additional planning areas.

3) *Revisions and updates to the Rich Haven Specific Plan for compliance with the Development Code and TOP Compliance.*

- Revisions were made to the Specific Plan to reflect the most recent update to the Development Code that primarily consisted of updating code section number references and changes to the parking standards.
- Language within the Specific Plan referring to the previous NMC General Plan has been changed to reflect consistency with TOP Policy Plan Land Use Plan. The policy analysis in Section 9 of the Specific Plan has been expanded to include “The Ontario Plan Residential and Mixed Use Consistency Tables”. These tables provide a summary of the minimum and maximum number of units or commercial/office square footages allowed within each Planning Area and shows that the Rich Haven Specific Plan Land Use Plan is consistent with the assigned TOP Land Use Designation.

4) *Revisions to the permitted uses and development standards within the Regional Commercial and Mixed Use land use categories.*

- Additional permitted land uses were added to the Regional Commercial and Mixed Use land use categories to include Hospital and Helistop/Heliport/Helipad uses. Hospitals would be permitted by right and Helistop/Heliport/Helipad would require approval of a Conditional Use Permit. Building heights were also increased from 55 feet to 75 feet for single use buildings.

On October 24, 2017, the Planning Commission conducted a public hearing and voted unanimously (6-0) to recommend the City Council adopt an Addendum to The Ontario Plan Final Environmental Impact Report (SCH# 2008101140) and a resolution approving an Amendment to the Rich-Haven Specific Plan File No. PSPA16-005.

ENVIRONMENTAL REVIEW: The environmental impacts of this project were reviewed in conjunction with an Addendum to The Ontario Plan (SCH# 2008101140) Environmental Impact Report. This application introduces no new significant environmental impacts. 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. All previously adopted mitigation measures shall be a condition of project approval and are incorporated herein by reference.

Exhibit "A"

Rich-Haven Specific Plan Land Use Plan

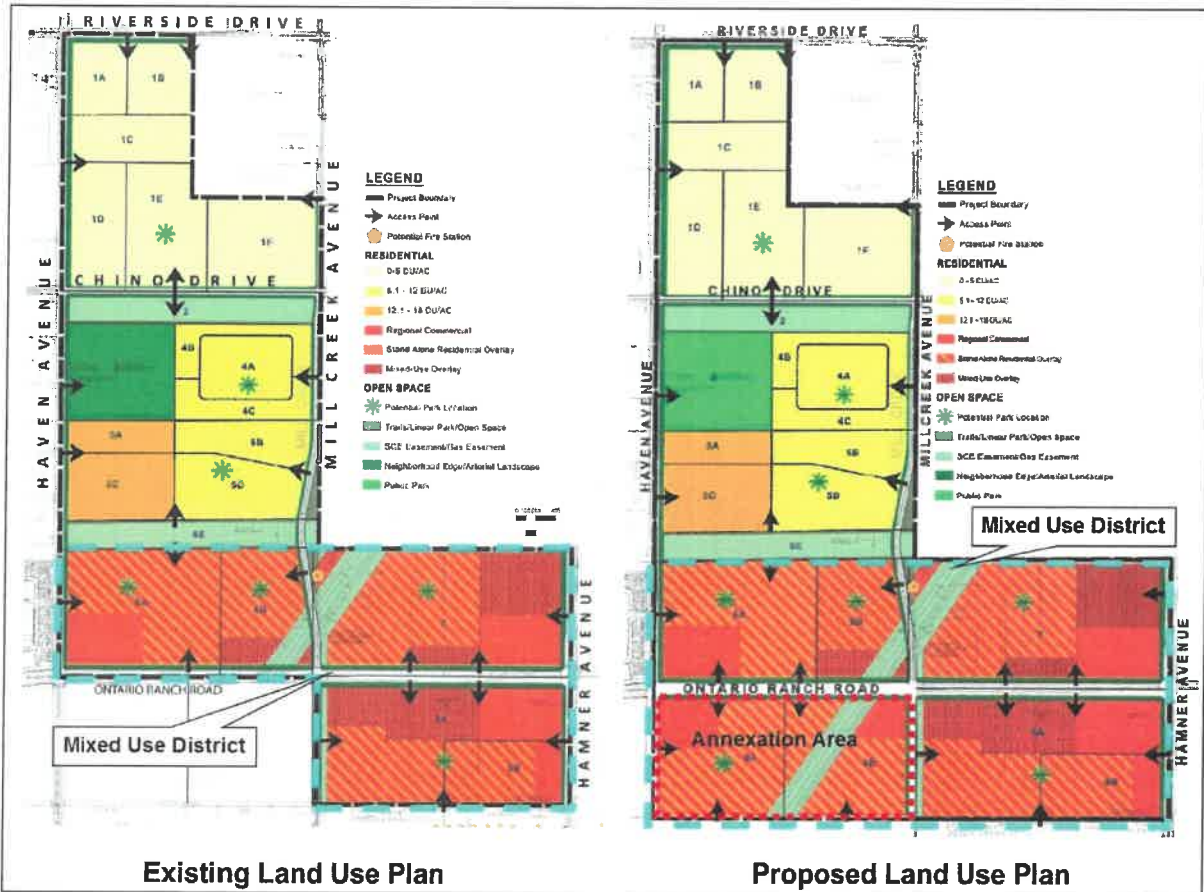


Exhibit "B"
Rich-Haven Specific Plan Land Use Summary Table

RICH-HAVEN

LAND USE

3

Planning Area ^{3,4}	Land Use	Dwelling Units ¹	Acres (Gross)	Density (Gross)
1A	Residential - SFD	58	12.8	4.5
1B	Residential - SFD	57	12.7	4.5
1C	Residential - SFD	68	14.9	4.5
1D	Residential - SFD	91	20.5	4.5
1E	Residential - SFD	109	23.4	4.5
1F	Residential - SFD	120	26.3	4.5
Subtotal		503	110.6	4.5
2	Edison Parcel ²		20.0	
3	Park ²		27.0	
Subtotal			47.0	
4A	Residential – Small Lot SFD	154	14.0	11.0
4B	Residential – Small Lot SFD	101	9.2	11.0
4C	Residential – Small Lot SFD	108	9.8	11.0
Subtotal		363	33.1	11.0
5A ⁵	Residential – Small Lot SFD	109	9.1	12.1
5B	Residential – Small Lot SFD	165	14.2	11.7
5C ⁵	Residential – Small Lot SFD	332	27.0	12.3
5D	Residential – Small Lot SFD	361	30.3	11.9
5E	Edison Easement	-	-	-
Subtotal		967	80.6	12.0
Subtotal Residential District		1,833	271.3	8.2

Mixed Use District Planning Area ^{5,6,7,8}	Land Use	Gross Acreage	Residential Maximum	Commercial/ Office Min (SF)	Commercial/ Office Max (SF)
6A + 9A	Residential & Commercial	85.6	2,178	109,335	166,162
6B + 9B	Residential & Commercial	65.1	1,406	36,639	76,320
7 ⁵	Residential & Commercial	81.1	725	100,000	440,800
8A	Residential & Commercial	61.4	852	95,000	325,000
8B	Residential & Commercial	19.70	200	20,000	123,400
Total		312.9	5,361	360,974	1,131,702

NOTES:

1. ALL RESIDENTIAL DWELLING UNITS SHOWN IN LAND USE SUMMARY ARE MAXIMUMS.
2. PROJECT TOTAL & SUBTOTAL RESIDENTIAL DISTRICT DENSITIES ARE CALCULATED USING RESIDENTIAL ACREAGES ONLY, THEREFORE THE ACREAGES OF PA 2 & 3 ARE NOT INCLUDED.
3. WITHIN THIS SPECIFIC PLAN DOCUMENT, REFERENCES TO PLANNING AREAS ARE ONLY 1 THROUGH 9. SUB-PLANNING AREAS SUCH AS 1A, 1B, ETC ARE DESIGNATED TO HELP ADDRESS OWNERSHIP PATTERNS AND ARE NOT INTENDED TO BE USED FOR DENSITY TRANSFER.
4. PLANNING AREAS 1A THROUGH 1F SHALL INCLUDE A MINIMUM OF 80 LOTS OF 7,200 SQ. FT. OR ABOVE.
5. RESIDENTIAL DEVELOPMENT ALONG THE FRONTAGE OF HAVEN AVENUE WITHIN PLANNING AREAS 5A, 5C, 6A AND 7 SHALL AVERAGE A DENSITY OF 18 TO 25 DWELLING UNITS PER ACRE TO SUPPORT BUS RAPID TRANSIT (BRT) ALONG HAVEN AVENUE.
6. RESIDENTIAL DEVELOPMENT WITHIN PLANNING AREAS 6A, 6B, 7, 8A, 8B, 9A AND 9B SHALL MEET A MINIMUM NET DENSITY OF 14 DWELLING UNITS PER TOP ADJUSTED GROSS ACREAGE.
7. RESIDENTIAL DEVELOPMENT WITHIN PLANNING AREAS 6A + 9A AND RESIDENTIAL DEVELOPMENT WITHIN PLANNING AREAS 6B + 9B SHALL MEET A MINIMUM NET DENSITY OF 14 DWELLING UNITS PER TOP ADJUSTED GROSS ACREAGE. THE MINIMUM DENSITY IN PLANNING AREAS 6A + 9A AND PLANNING AREAS 6B + 9B CAN BE AVERAGED BETWEEN THE TWO AREAS AND SHALL BE ESTABLISHED AT TENTATIVE TRACT SUBMITTAL FOR EACH PLANNING AREA.
8. ALTERNATE COMMERCIAL/OFFICE SQUARE FOOTAGE OR RESIDENTIAL DWELLING UNITS MAY BE PERMITTED, IF A TRIP GENERATION ANALYSIS DEEMS THAT THE PROPOSAL IS CONSISTENT WITH OR LESS THAN SIGNIFICANT WITH THE ONTARIO PLAN AIR AVERAGE DAILY TRIPS (ADT) ASSUMPTION FOR THE PLANNING AREA. THE PROPOSAL SHALL BE REVIEWED AND APPROVED BY THE PLANNING DIRECTOR OR ASSIGNEE AT SUBDIVISION ENTITLEMENT.

RICH HAVEN SPECIFIC PLAN
LAND USE SUMMARY

TABLE 3-1

3-5

December 2017

RESOLUTION NO. _____

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF ONTARIO, CALIFORNIA, APPROVING AN ADDENDUM TO THE ONTARIO PLAN ENVIRONMENTAL IMPACT REPORT, FOR WHICH AN INITIAL STUDY WAS PREPARED, ALL IN ACCORDANCE WITH THE CALIFORNIA ENVIRONMENTAL QUALITY ACT, AS AMENDED, FOR FILE NO. PSPA16-005, AND MAKING FINDINGS IN SUPPORT THEREOF—APN'S: 0218-161-01, 0218-161-04, 0218-161-05, 0218-161-09, 0218-161-10, 0218-161-11, 0218-161-13, 0218-161-14, 0218-211-01, 0218-211-02, 0218-211-05, 0218-211-08, 0218-211-12, 0218-211-15, 0218-211-17, 0218-211-21, 0218-211-23, 0218-211-24, 0218-211-25 AND 0218-211-27.

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 Environmental Impact Report for File No. PGPA06-001 (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. PSPA16-005 analyzed under the Initial Study/Environmental Impact Report Addendum, consists of a Specific Plan Amendment to the Rich Haven Specific Plan to annex 72.3 acres of land located at the southeast corner of Haven Avenue and Ontario Ranch Road into the Mixed-Use district of the Rich Haven Specific Plan including updates to the development standards, exhibits and text changes to reflect the proposed annexation and TOP Policy Plan compliance, 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 could result in a number of significant effects on the environment and identified mitigation measures that would reduce each of those significant effects to a less-than-significant level; and

WHEREAS, The Ontario Plan Environmental Impact Report 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 proposed approval to construct and otherwise undertake the Project; 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 of 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 decision-making 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:

(1) 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 (hereinafter referred to as "Certified EIR").

(2) 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

(3) 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.

(4) 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.

(5) 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

(6) 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 Environmental Impact Report is not required for the Project, as the Project:

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

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

(3) 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 Certified EIR was certified/adopted, that shows any of the following:

(a) The project will have one or more significant effects not discussed in the Certified EIR; or

(b) Significant effects previously examined will be substantially more severe than shown in the Certified EIR; or

(c) 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

(d) 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.* Based upon the findings and conclusions set forth in Sections 1 through 5, above, the City Council hereby finds 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 does hereby approve the Addendum to the Certified EIR, attached hereto as "Attachment A," and incorporated herein by this reference.

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

PASSED, APPROVED, AND ADOPTED this 20th day of February 2018.

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. 2018- was duly passed and adopted by the City Council of the City of Ontario at their regular meeting held February 20, 2018 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. 2018- duly passed and adopted by the Ontario City Council at their regular meeting held February 20, 2018.

SHEILA MAUTZ, CITY CLERK

(SEAL)

ATTACHMENT A:

**Addendum to The Ontario Plan
Environmental Impact Report**

(See Planning Commission Backup)

RESOLUTION NO. _____

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF ONTARIO, CALIFORNIA, APPROVING FILE NO. PSPA16-005, AN AMENDMENT TO THE RICH HAVEN SPECIFIC PLAN TO ANNEX 72.3 ACRES OF LAND LOCATED ON THE SOUTHEAST CORNER OF HAVEN AVENUE AND ONTARIO RANCH ROAD INTO THE MIXED-USE DISTRICT OF THE RICH HAVEN SPECIFIC PLAN INCLUDING UPDATES TO THE DEVELOPMENT STANDARDS, EXHIBITS AND TEXT CHANGES TO REFLECT THE PROPOSED ANNEXATION AND TOP POLICY PLAN COMPLIANCE, AND MAKING FINDINGS IN SUPPORT THEREOF — APN'S: 0218-161-01, 0218-161-04, 0218-161-05, 0218-161-09, 0218 161-10, 0218-161-11, 0218-161-13, 0218-161-14, 0218-211-01, 0218-211-02, 0218-211-05, 0218-211-08, 0218-211-12, 0218-211-15, 0218-211-17, 0218-211-21, 0218-211-23, 0218-211-24, 0218-211-25 AND 0218-211-27.

WHEREAS, BROOKCAL ONTARIO LLC AND RICHLAND COMMUNITIES ("Applicant") have filed an Application for the approval of a Specific Plan Amendment, File No. PSPA16-005, as described in the title of this Resolution (hereinafter referred to as "Application" or "Project"); and

WHEREAS, the Application applies to 72.3 acres of land generally located southeast corner of Haven Avenue and Ontario Ranch Road, within the Mixed-Use District of the Rich Haven Specific Plan, and is presently improved with agriculture uses; and

WHEREAS, the properties north of the Rich Haven Specific Plan are designated Low Density Residential/PS (Public School) and developed with the Creekside Residential Community and Colony High School. The properties to southeast are designated High Density Residential, located within the Esperanza Specific Plan and developed with dairy and agriculture uses. The properties to the southwest are zoned SP/AG (Specific Plan/Agriculture Overlay) and developed with dairy and agriculture uses. The properties to the east are located within the City of Eastvale, zoned Industrial/Commercial and developed with industrial uses. The properties to the west are designated Low Density Residential, Medium Density Residential and Neighborhood Commercial, located within portions of the West Haven Specific Plan and The Avenue Specific Plan and developed with new residential subdivisions, dairy and agriculture uses; and

WHEREAS, on December 4, 2007, the City Council approved the Rich Haven Specific Plan (File No. PSP05-004) and certified the Environmental Impact Report (EIR) (SCH#2006051081) for the Specific Plan. The Specific Plan established the land use designations, development standards, and design guidelines for approximately 512 acres of land, which included the potential development of 4,256 residential units and 889,200 square feet of commercial/office; and

WHEREAS, in 2010, The Ontario Plan (TOP) was adopted by City Council. TOP Policy Plan (General Plan) Land Use Plan (Policy Plan Exhibit LU-01) changed the land use designations within certain areas of the Rich Haven Specific Plan. To bring the Rich Haven Specific Plan into conformance with TOP Policy Plan, an amendment to the Rich Haven Specific Plan (File No. PSPA16-001) was processed and approved by the Ontario City Council on March 15, 2016. The Amendment included updates to the Rich Haven Specific Plan Land Use Plan, the housing product types, exhibits and language to reflect the proposed land use changes and TOP Policy Plan consistency; and

WHEREAS, on December 16, 2016, Brookcal Ontario LLC and Richland Communities submitted an amendment to the Rich Haven Specific Plan to accommodate the annexation of 72.3 acres of land located at the southeast corner of Haven Avenue and Ontario Ranch Road into the Mixed-Use District. The amendment includes updates to the development standards, exhibits and text changes to reflect the proposed annexation and overall TOP Policy Plan compliance; and

WHEREAS, the proposed 72.3 acre annexation will create two additional planning areas within the Mixed-Use District, 9A and 9B. The entire Mixed-Use District will encompass 312.9 gross acres and consist of Planning Areas 6, 7, 8, and 9. The District is envisioned to be a highly active area with a variety of commercial uses, including retail, office, residential, medical, research, entertainment and other comparable uses. The Mixed Use District includes a Stand Alone Residential Overlay, Regional Commercial and Mixed Use Overlay land use designations; and

WHEREAS, the Rich Haven Specific Plan Land Use Summary Table 3-1, has been updated to reflect the addition of Planning Areas 9A and 9B to the Mixed Use District; and

WHEREAS, revisions were made to the Specific Plan for compliance with the Development Code and TOP Compliance; and

WHEREAS, the policy analysis in Section 9 of the Specific Plan has been expanded to include "The Ontario Plan Residential and Mixed Use Consistency Tables". The Consistency Tables within Section 9 include a detailed breakdown of how each Planning Area is consistent with TOP and are incorporated by reference; and

WHEREAS, the environmental impacts of this project were reviewed in conjunction with an Addendum to TOP Environmental Impact Report (State Clearinghouse No. 2008101140) adopted by City Council on January 27, 2010 in conjunction with File No. PGPA06-001; and

WHEREAS, the City's "Local 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; 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, Ontario Development Code Table 2.02-1 (Review Matrix) grants the City Council the responsibility and authority to review and act on the subject Application; and

WHEREAS, the Project is located within the Airport Influence Area of Ontario International Airport, 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 Ontario International 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, City of Ontario Development Code Division 2.03 (Public Hearings) prescribes the manner in which public notification shall be provided and hearing procedures to be followed, and all such notifications and procedures have been completed; and

WHEREAS, on January 23, 2018, the Planning Commission of the City of Ontario conducted a hearing to consider the Addendum and the Project, and concluded said hearing on that date, voting to issue Resolution No. PC18-015 recommending the City Council approve the Application; and

WHEREAS, on February 20, 2018, the City Council of the City of Ontario conducted a hearing to consider the Initial Study/Addendum and the Project, and concluded said hearing on that date; and

WHEREAS, as the first action on the Project, on February 20, 2018, the City Council approved a resolution adopting an Addendum to The Ontario Plan (SCH#2008101140) Environmental Impact Report prepared pursuant to CEQA, the State CEQA Guidelines and the City of Ontario Local CEQA Guidelines, which indicated that all potential environmental impacts from the Project were less than significant or could be mitigated to a level of significance; 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 decision-making body for the Project, the City Council has reviewed and considered the information contained in the previous Certified EIR and supporting documentation. Based upon the facts and information contained in the previous Certified EIR and supporting documentation, the City Council finds as follows:

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

(2) 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

(3) 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; and

(4) 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

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

(6) The proposed project will introduce no new significant environmental impacts beyond those previously analyzed in the Certified EIR, and all mitigation measures previously adopted by the Certified EIR, are incorporated herein by this reference.

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 Certified EIR is not required for the Project, as the Project:

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

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

(3) 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 Certified EIR was certified/adopted, that shows any of the following:

(a) The project will have one or more significant effects not discussed in the Certified EIR; or

(b) Significant effects previously examined will be substantially more severe than shown in the Certified EIR; or

(c) 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

(d) 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. *Housing Element Compliance.* Pursuant to the requirements of California Government Code Chapter 3, Article 10.6, commencing with Section 65580, as the decision-making 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. *Ontario International Airport Land Use Compatibility Plan (“ALUCP”) Compliance.* The California State Aeronautics Act (Public Utilities Code Section 21670 et seq.) requires that an Airport Land Use Compatibility Plan be prepared for all public use airports in the State; and requires that local land use plans and individual development proposals must be consistent with the policies set forth in the adopted Airport Land Use Compatibility Plan. On April 19, 2011, the City Council of the City of Ontario approved and adopted the Ontario International Airport Land use Compatibility Plan (“ALUCP”), establishing the Airport Influence Area for Ontario International Airport (“ONT”), which encompasses lands within parts of San Bernardino, Riverside, and Los Angeles Counties, and limits future land uses and development within the Airport Influence Area, as they relate to noise, safety, airspace protection, and overflight impacts of current and future airport activity. As the decision-making body for the Project, the City Council has reviewed and considered the facts and information contained in the Application and supporting documentation against the ALUCP compatibility factors, including [1] Safety Criteria (ALUCP Table 2-2) and Safety Zones (ALUCP Map 2-2), [2] Noise Criteria (ALUCP Table 2-3) and Noise Impact Zones (ALUCP Map 2-3), [3] Airspace protection Zones (ALUCP Map 2-4), and [4] Overflight Notification Zones (ALUCP Map 2-5). As a result, the DAB, therefore, finds and determines that the Project, when implemented in conjunction with the conditions of approval, will be consistent with the policies and criteria set forth within the 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:

(1) ***The proposed Specific Plan, or 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 Rich Haven Specific will bring the annexation area in conformance with TOP Policy Plan Land Use Plan (Policy Plan Exhibit LU-01). In addition, TOP Policy

Plan analysis in *Section 9* of the Specific Plan, has been updated and describes the manner in which Rich Haven Specific Plan complies with the Policy Plan goals and policies.

(2) ***The proposed Specific Plan, or amendment thereto, would not be detrimental to the public interest, health, safety, convenience, or general welfare of the City.*** The TOP EIR and Rich Haven Specific Plan EIR include safeguards, and imposed certain mitigation measures to ensure that development within the Rich Haven Specific Plan boundary and annexation area would not be detrimental to public interest, health, safety, or general welfare of City.

(3) ***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.*** According to the TOP Policy Plan (General Plan) and the Rich Haven Specific Plan, the project site is located in an area that will be developed with urban land uses. The Rich Haven Specific Plan Amendment ensures the annexation area is of similar design and size to adjacent development within the Mixed Use District. The annexation land use is predominately agricultural and adjacent land uses are sparsely populated with no strong spatial community pattern. The project will become an integrated part of Ontario Ranch and the Rich Haven Specific Plan and surrounding planned communities.

(4) ***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 annexation to the Rich Haven Specific Plan will maintain the appropriate balance of land uses within the City consistent with TOP Policy Plan. In addition, development within the Rich Haven Specific Plan will be required to construct the necessary infrastructure and public services that will support Rich Haven's residential and commercial/office uses.

SECTION 6. City Council Action. Based upon the findings and conclusions set forth in Sections 1 through 5, above, the City Council hereby APPROVES the herein described Specific Plan Amendment, attached hereto as "Attachment A," and incorporated herein by this reference.

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 City Clerk shall certify to the adoption of the Resolution.

PASSED, APPROVED, AND ADOPTED this 20th day of February 2018.

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. 2018- was duly passed and adopted by the City Council of the City of Ontario at their regular meeting held February 20, 2018 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. 2018- duly passed and adopted by the Ontario City Council at their regular meeting held February 20, 2018.

SHEILA MAUTZ, CITY CLERK

(SEAL)

ATTACHMENT A:

**File No. PSPA16-005;
Rich Haven Specific Plan Amendment**

(See Planning Commission Backup)