3. EXISTING CONDITIONS

3.1 Existing Land Uses

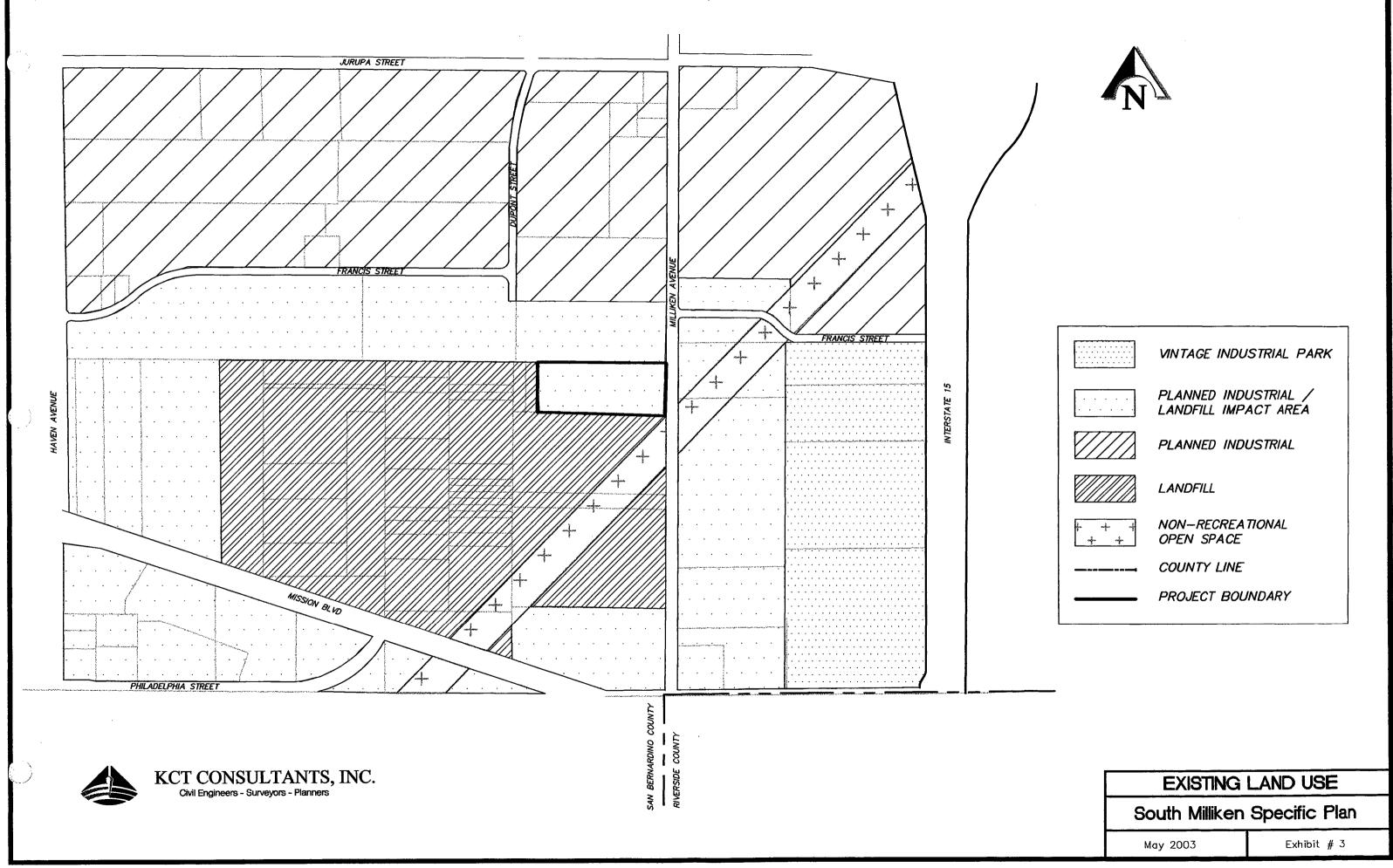
The land use of the project site is vacant. No structures remain on the site (see **Exhibit 3, Existing Land Uses**). The land immediately to the west is vacant with scattered brush. A 330' public utility easement for Southern California Edison runs northeast/southwest and is adjacent to the southeast corner of the property. Large 12,000 volt overhead Edison lines occupy this easement.

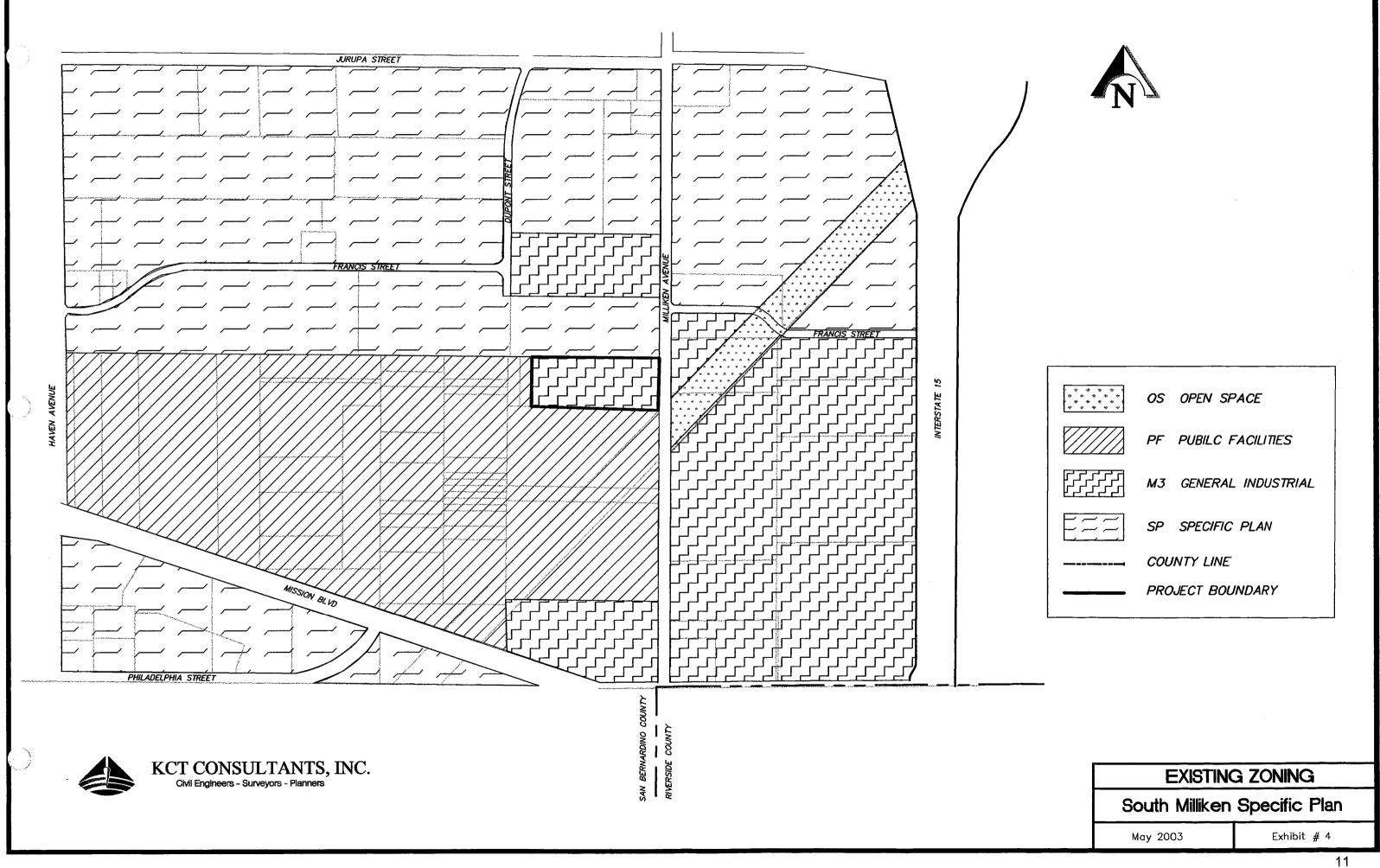
The Milliken Landfill is located west and south of the site on Mission Boulevard. The landfill has been closed since 1999. Possible environmental impacts associated with the landfill have the potential to constrain the nature and extent of development within this land use designation, as well as to affect site design and building placement. To investigate the potential impacts to the development from the landfill, a Phase I Environmental Assessment and a Phase II Subsurface Investigation were undertaken by K-Plus Environmental, May 2000, and August 25, 1999. (Please see Appendix "C" and "D"). The Phase II Subsurface Investigation prepared by K-Plus Environmental in May 2000 concluded that the adjacent landfill has not adversely impacted the subsurface soils at the subject property, and no evidence of contaminated soils was discovered.

A May 2002 Phase I investigation (records review and site reconnaissance) by PHASE ONE, Inc concluded that "Based on the findings of this Phase I Environmental Site Assessment, PHASE ONE inc. has identified no major, medium, or minor environmental concern currently associated with the subject site." (Please see Appendix "B")

The property east of the site along Milliken Avenue is vacant and further east is the Southern California Edison transmission line open space. A non-operating well is located adjacent to the eastern boundary line of the project site, at the northeast corner of the project site, on Milliken Avenue.

The 10.7-acre site is currently designated "Planned Industrial/Landfill Impact Study Area" per the City of Ontario's General Plan, and zoned M-3 General Industrial District. These designations allow for general industrial uses, provided a Specific Plan is filed and approved as required by the "Planned Industrial/Landfill Impact Study Area" General Plan designation.





3.2 Existing Circulation

Interstate 15 and State Route 60 are located within a one-mile radius of the project site, making the property easily accessible from every direction. Interstate 15 provides major north-south connections, while State Route 60 provides east-west connections. Local circulation is provided by Milliken Avenue and Mission Boulevard. Mission Boulevard is considered a principal thoroughfare of the City. It is designated as a Divided Arterial with an ultimate right-of-way of 150 feet.

Milliken Avenue, which borders the east side of the project, is also considered to be a principal thoroughfare and is designated as a Divided Arterial. It provides local north/south circulation. It currently is paved with four undivided lanes.

3.3 Infrastructure and Facilities

Existing Drainage/Storm Drain

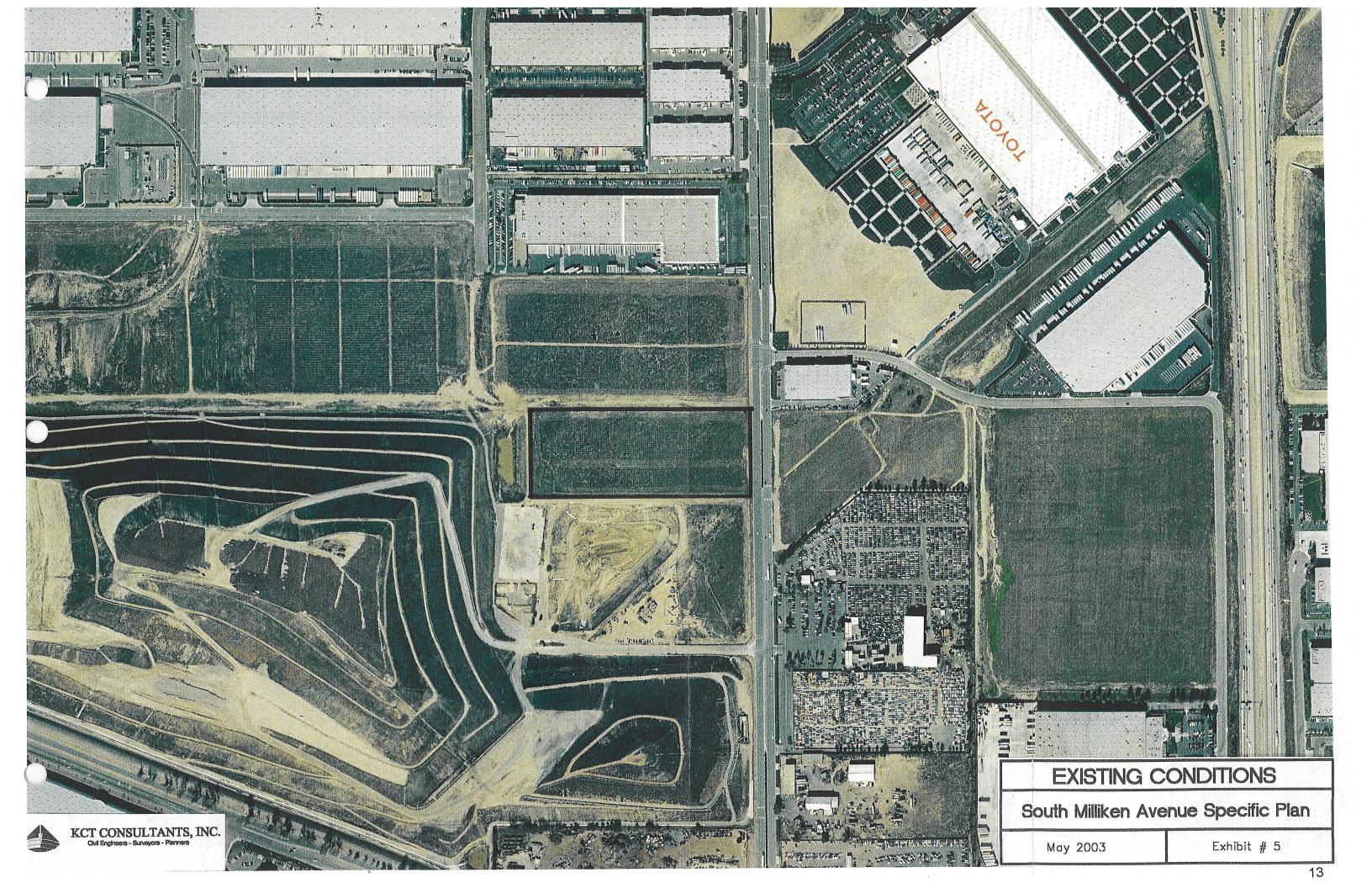
Existing Drainage

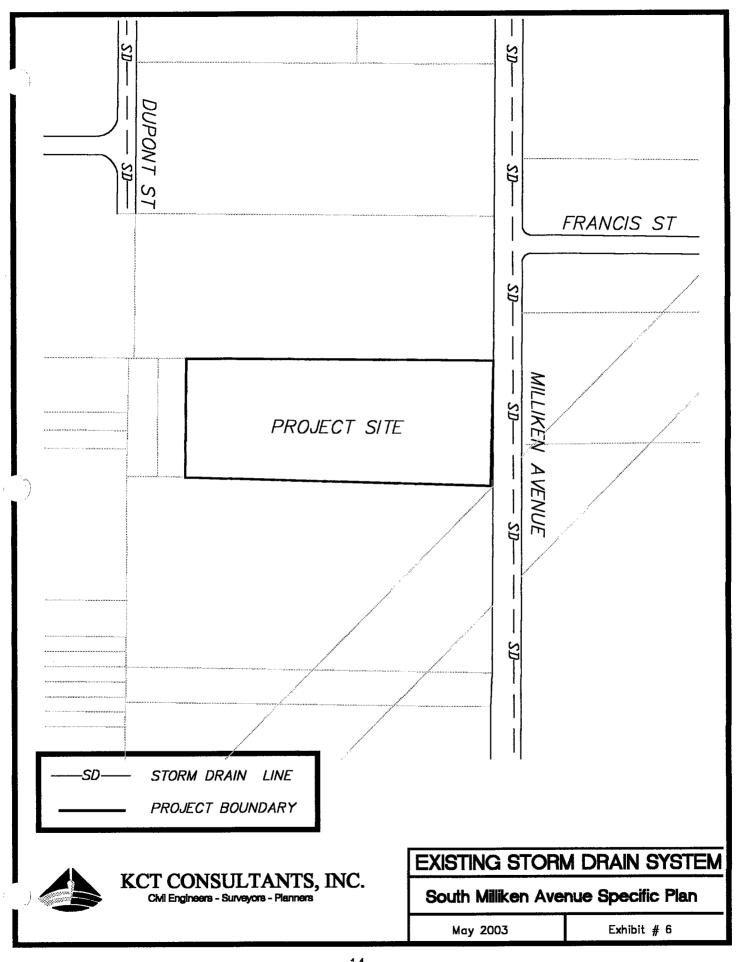
A preliminary drainage analysis of the site and tributary areas (study area) was performed. The study area ground surface gently slopes to the south at approximately 1.0 to 2.5%. Existing drainage facilities in the study area are comprised of natural drainage courses and culverts under Milliken Avenue.

The drainage area is bounded by Milliken Avenue to the east and private property to the north. The tributary watershed is limited to the publicly owned parcels to the North (County of San Bernardino). The total tributary drainage area to the site is approximately 20 acres. The site is currently protected from inundation by a low berm lying northerly of and adjacent to the north property line. This berm, which also protects an existing trunk sewer line, directs surface runoff westerly to the existing detention basin lying within the landfill property, directly west of the project.

Existing Storm Drain Facilities

There are no existing drainage facilities within the 10.7-acre project site. However, the County of San Bernardino maintains two large detention basins adjacent to the property (south and west of the site). These existing storm drain basins are shown on Exhibit 5, Existing Conditions Map and Exhibit 6, Existing Storm Drain.





According to the Flood Insurance Rate Map (FIRM) for San Bernardino County and Incorporated Areas, (Panels 8637 and 8637 of 9400, dated March 18, 1996) prepared by the Federal Emergency Management Agency (FEMA), the site is within Zone "X" (unshaded). Zone "X," designation is given to an area which is outside the 500-year flood limits, and is defined as areas with no flood hazard. Since FEMA has designated the site as Zone "X," no FEMA application is required. In addition, as there is no "blueline stream" traversing the site, no California Department of Fish and Game or U.S. Army Corps of Engineers permits are anticipated.

Existing Water Facilities

Water service is provided by the City of Ontario for domestic, landscape irrigation and fire protection service. The principal line serving this area is an 18" main located in Milliken Avenue. **Exhibit 7, Existing Water System** shows the location of the existing water main.

Existing Sewer Facilities

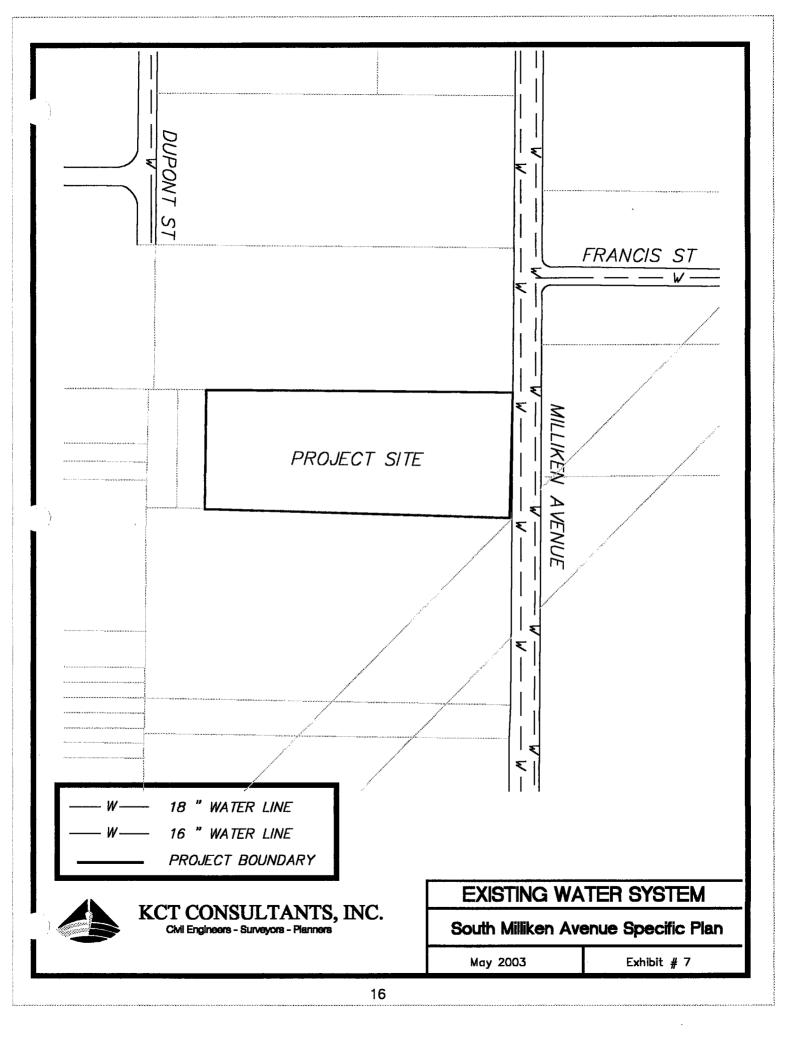
The sewer line that will be used to serve the proposed project is located within Milliken Avenue and is 12" in diameter. (see **Exhibit 8, Existing Sewer System**). Major sewer trunk lines also exist northerly and adjacent to the project, and include a 66" Inland Empire Utilities Agency (IEUA) sewer line and a 39" IEUA sewer line. These lines are not available for local use.

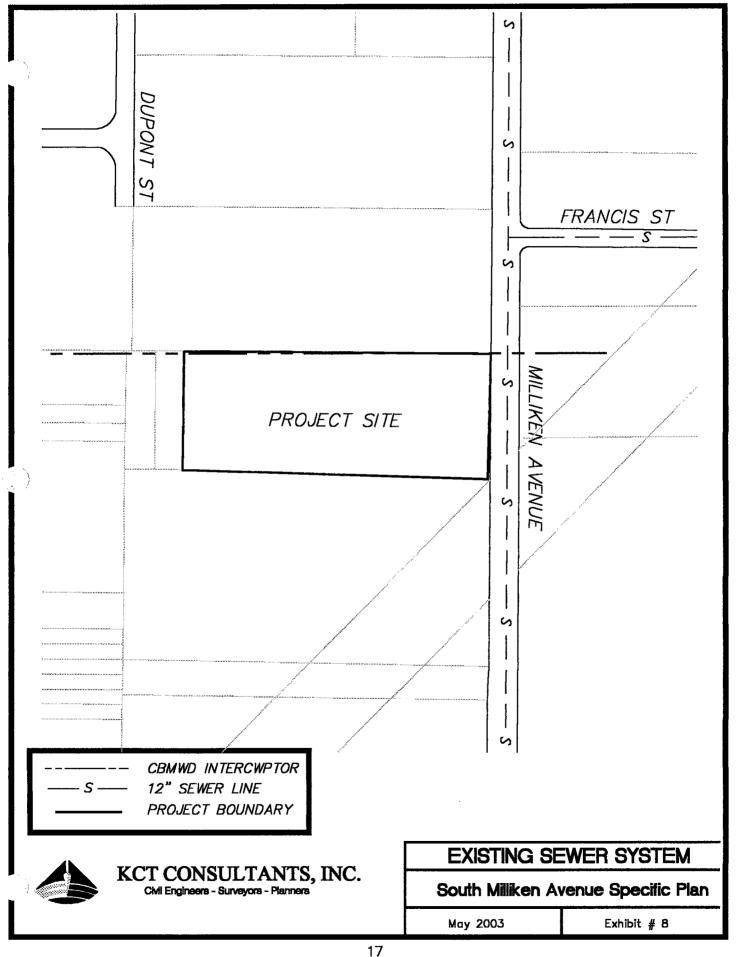
Existing sewage collection facilities are provided and maintained by the City of Ontario. Wastewater facilities are operated by the Chino Basin Municipal Water District under the provisions of a regional wastewater treatment contract. The sewer lines ultimate destination is a lift station and a force main constructed under Assessment District 105.

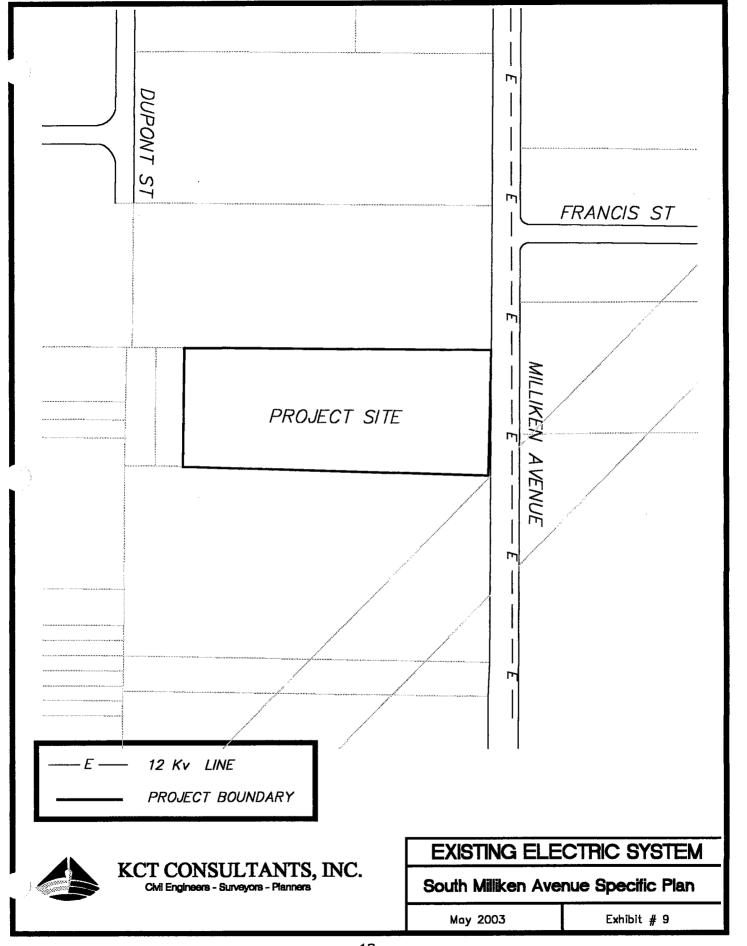
Existing Utilities

Electrical Service

Electric service is provided by the Southern California Edison Company. Asbuilt plans received from SCE show an underground electric line located Milliken Avenue. (See **Exhibit 9**, **Existing Electrical System**)







Panattoni Development Company, LLC SOUTH MILLIKEN AVENUE SPECIFIC PLAN

3. Existing Conditions

Gas Service

The Southern California Gas Company provides natural gas service to the area. The Gas Company presently maintains a four-inch main on Milliken Avenue. (See Exhibit 10, Existing Gas System).

Telephone Service

Telephone service will be provided by Verizon. Currently Verizon owns an underground facility in Milliken Avenue. (See Exhibit 11, Existing Telephone System).

3.4 Existing Community Services

Police

Police protection will be provided by the City of Ontario's Police Department through their existing service. The project is located within Sector 6 of the City of Ontario's Police Department. Sufficient levels of service will be evaluated when the size and type of development is identified.

Fire

Fire protection service will be provided by the Ontario Fire Department. The City of Ontario has adopted Ordinance 2491, Section 3-9.01(d) which requires any new development within this area to pay a Fire Facility/Equipment Impact Fee. The cost of the fee for industrial projects is \$.15 per square foot of building area. This ordinance is part of the City's five-year capital improvement program adopted January 15, 1991.

Solid Waste

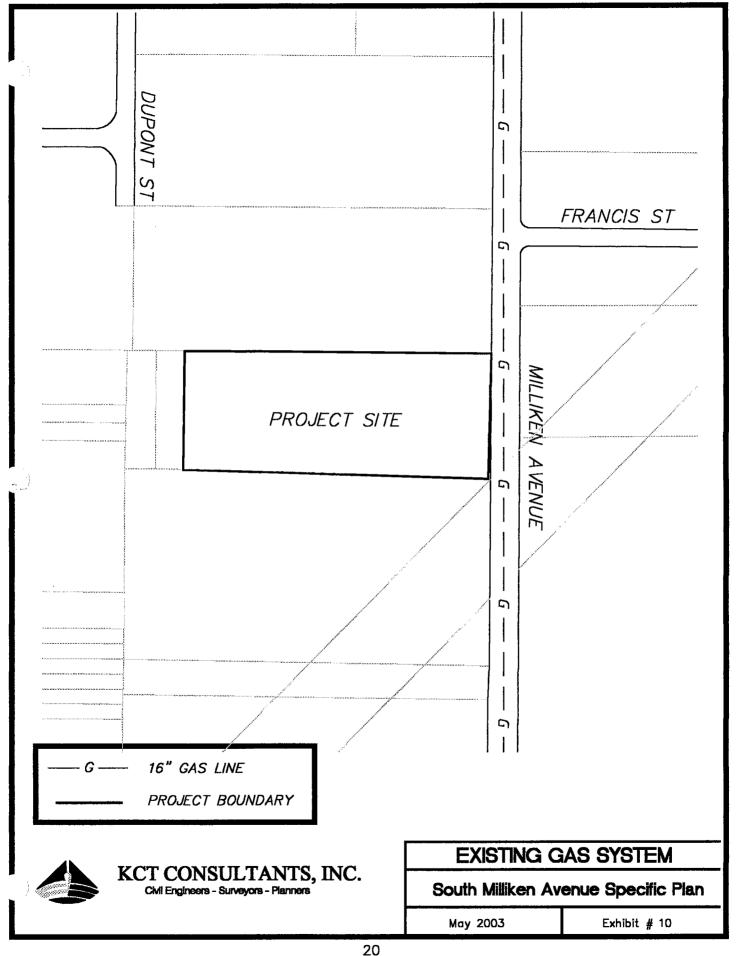
The City of Ontario provides and monitors the collection of solid waste. Fees are collected for trash compaction service, recycling and space needed for recycling. All required fees will be paid.

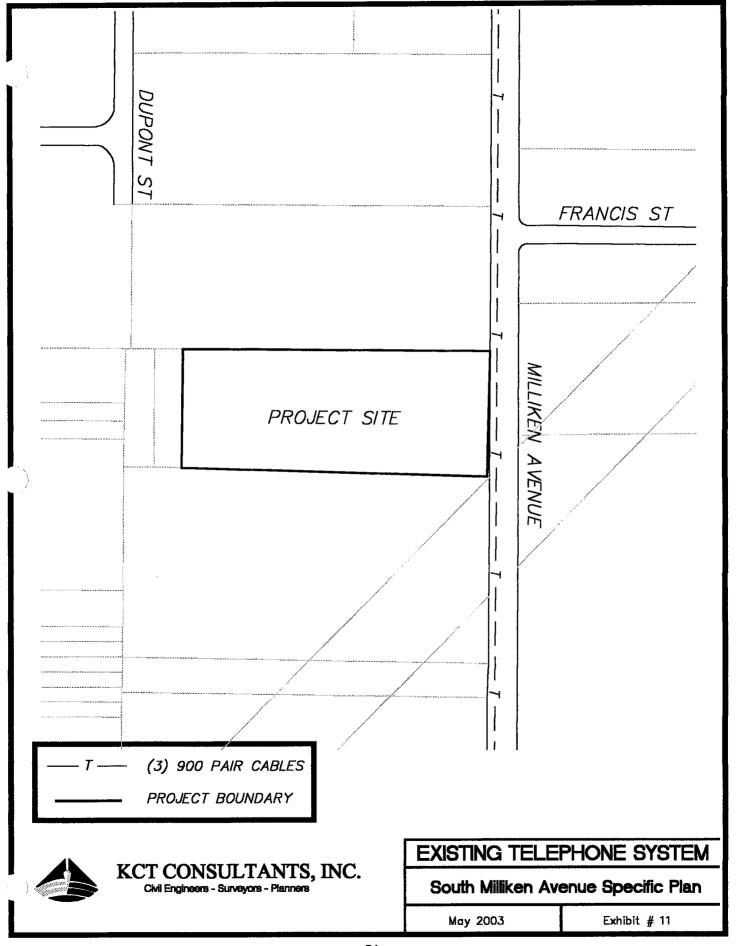
Public Transportation

The closest service is one mile from the site at Rockefeller Avenue and Jurupa Avenue.

Metrolink

The closest Metrolink service to the project site is approximately 3 miles southwesterly of the site at Mission Boulevard and Haven Avenue.





3.5 Environmental Factors

The South Milliken Avenue Specific Plan site, located within the City of Ontario, falls within an area of potential soils substrate classification called "Dehli fine sand". This soil type is considered "suitable habitat" for the Delhi Sands flower-loving Fly (DSF) by the US Fish and Wildlife Service (Service). The number of individuals and the habitat of the DSF has been dramatically reduced in recent years. The species is listed as endangered by the Service and occurs at several areas of the remnants of the original Colton Dunes within portions of San Bernardino and Riverside county. The subject site is within the Ontario Recovery Unit for the DSF, one of the areas of the remnant Colton Dunes, as determined by the Service.

Possible environmental impacts associated with the DSF have the potential to constrain the nature and extent of development for the South Milliken Avenue Specific Plan site. Due to the location of the project site, the applicant has complied with the Service's requirements for habitat assessment and has had three consecutive protocol surveys conducted for the DSF. Please see **Appendix E, F and G** for the full text of the 2002, 2001 and 2000 Biological Surveys performed by Agresearch, Inc. for the project site. A summary of the three protocol survey results follows.

2000 Biological Survey for the Delhi Sands giant flower-loving fly Rhaphiomidas terminatus abdominalis Milliken Avenue south of the Jurupa Street, City of Ontario, San Bernardino County, California, Agresearch, Inc. September 25, 2000. Features of both the physical and biological environment of the parcel that would be important in determining demographics of the DSF were noted to provide an evaluation of overall habitat quality. The plant community was also assessed based upon plant species identifiable in August and September and the survey was conducted by individuals permitted by the Service to perform such work utilizing a protocol established by the Service.

The 2000 Agresearch, Inc. survey and study results indicate neither adults nor pupa cases of the DSF were seen across the property. The 2000 report concludes that the DSF do not occupy any part of the site as a breeding population. These results also indicate that no DSF migrants appeared during the surveys. There is sparse and non-native plant cover and as the site has been disked and cleared, the property was determined as unsuitable as DSF habitat.

2001 Biological Survey for the Delhi Sands giant flower-loving fly *Rhaphiomidas* terminatus abdominalis Milliken Avenue south of the Jurupa Street, City of Ontario, San

Panattoni Development Company, LLC SOUTH MILLIKEN AVENUE SPECIFIC PLAN

3. Existing Conditions

Bernardino County, California, Agresearch, Inc. September 30, 2001. The 2001 Agresearch, Inc. survey and study results also indicate neither adults nor pupa cases of the DSF were seen across the property. The 2001 report concludes that the DSF do not occupy any part of the site as a breeding population. This is the second year with negative findings. These results also indicate that no DSF migrants appeared during the surveys. There is sparse and non-native plant cover and as the site has been disked and cleared, the property was determined as unsuitable as DSF habitat.

2002 Biological Survey for the Delhi Sands giant flower-loving fly Rhaphiomidas terminatus abdominalis Milliken Avenue south of the Jurupa Street, City of Ontario, San Bernardino County, California, Agresearch, Inc. September 23, 2002. The 2002 Agresearch, Inc. survey and study results also indicate neither adults nor pupa cases of the DSF were seen across the property. The 2002 report concludes that the DSF do not occupy any part of the site as a breeding population. This is the third year with negative findings. These results also indicate that no DSF migrants appeared during the surveys. There is sparse and non-native plant cover and the site has been disked and cleared. Since the survey observations reported no extensive occurrence of free-flowing sand at the site-which exhibits a high content of alluvial rock and geochemical consolidation of sand- and with few indicator plants and previously noted sparse non-native grass cover, the property was determined as highly unlikely DSF habitat.

As mitigation for permanent loss of potential habitat for the Delhi Sands flower-loving fly, the project proponent has agreed to create a conservation easement over the west 60.00 feet of the subject property for permanent habitat and open space. The proposed land use for this portion of the South Milliken Avenue Specific Plan site is Non-Recreational Open Space.