

**CITY OF ONTARIO  
CITY COUNCIL AND HOUSING AUTHORITY  
AGENDA  
NOVEMBER 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 Closed Session and Closed Session Comment at 6:00 p.m., Public Comment at 6:30 p.m. immediately followed by the Regular Meeting and Public Hearings. No agenda item will be introduced for consideration after 10:00 p.m. except by majority vote of the City Council.

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

**CALL TO ORDER (*OPEN SESSION*)**

**6:00 p.m.**

***ROLL CALL***

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

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

***CLOSED SESSION***

- GC 54956.8, CONFERENCE WITH REAL PROPERTY NEGOTIATORS  
Property: APN 1049-054-06; 201 – 215 S. Fern Avenue; City/Authority Negotiator: Scott Ochoa or his designee; Negotiating parties: Fern Avenue Rentals, LLC (Mark Lesondak and Joyce Zimmerman); Under negotiation: Price and terms of payment.
- GC 54956.9 (d)(1), CONFERENCE WITH LEGAL COUNSEL, EXISTING LITIGATION: *Donastorg v. City of Ontario, et al., U.S. District Court, Central District of California, Case No. 5:18-cv-00992 JGB (SPx)*
- GC 54956.9 (d)(1), CONFERENCE WITH LEGAL COUNSEL, EXISTING LITIGATION: *Doe v. City of Ontario, et al., Superior Court of the State of California, County of San Bernardino, Case No. CIVDS 1509159*

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

***PLEDGE OF ALLEGIANCE***

Council Member Bowman

**INVOCATION**

Pastor Roberto Flores, Our Lady of Guadalupe

**REPORT ON CLOSED SESSION**

City Attorney

**PUBLIC COMMENTS**

**6:30 p.m.**

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

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

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

**CONSENT CALENDAR**

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

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

**1. APPROVAL OF MINUTES**

Minutes for the regular meeting of the City Council and Housing Authority of October 16, 2018, approving same as on file in the Records Management Department.

**2. BILLS/PAYROLL**

**Bills** September 23, 2018 through October 6, 2018 and **Payroll** September 23, 2018 through October 6, 2018, when audited by the Finance Committee.

**3. A RESOLUTION APPROVING AN IMPROVEMENT AGREEMENT, IMPROVEMENT SECURITY AND FINAL PARCEL MAP NO. 19302 LOCATED AT THE SOUTHEAST CORNER OF HOLT BOULEVARD AND VINE AVENUE**

That the City Council adopt a resolution approving an improvement agreement, improvement security and Final Parcel Map No. 19302 located at the southeast corner of Holt Boulevard and Vine Avenue.

RESOLUTION NO. \_\_\_\_\_

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF ONTARIO, CALIFORNIA, APPROVING AN IMPROVEMENT AGREEMENT, IMPROVEMENT SECURITY AND FINAL PARCEL MAP NO. 19302 LOCATED AT THE SOUTHEAST CORNER OF HOLT BOULEVARD AND VINE AVENUE.

**4. A PROFESSIONAL SERVICES AGREEMENT FOR THE PREPARATION OF AN ACTIVE TRANSPORTATION MASTER PLAN/KOA CORPORATION**

That the City Council approve a Professional Services Agreement (on file in the Records Management Department) with KOA Corporation of Monterey Park, California, to prepare an Active Transportation Master Plan for \$440,824 plus a 2.5% contingency of \$11,000 for a total authorized expenditure of \$451,824; and authorize the City Manager to execute said agreement and all future amendments.

**5. FISCAL YEAR 2018-19 FIRST QUARTER BUDGET UPDATE REPORT**

That the City Council approve the budget adjustments and recommendations as listed in the Fiscal Year 2018-19 First Quarter Budget Update Report. In addition, approve the updated and expanded 5-Year Capital Improvement Program for Fiscal Year 2018-19.

**6. RESOLUTIONS UPDATING AUTHORIZED DEPUTY CITY TREASURERS**

That the City Council adopt resolutions amending the list of Deputy City Treasurers authorized to invest City funds in the Local Agency Investment Fund (LAIF) and in other eligible investment securities.

RESOLUTION NO. \_\_\_\_\_

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF ONTARIO, CALIFORNIA, PROVIDING FOR THE INVESTMENT OF INACTIVE FUNDS IN THE LOCAL AGENCY INVESTMENT FUND OF THE CALIFORNIA STATE TREASURY AND HEREBY RESCINDING RESOLUTION NO. 2004-011.

RESOLUTION NO. \_\_\_\_\_

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF ONTARIO, CALIFORNIA, AUTHORIZING THE INVESTMENT OF CITY FUNDS AND HEREBY RESCINDING RESOLUTION NO. 2004-012.

**7. UPDATED INVESTMENT POLICY**

That the City Council consider and approve an update to the City of Ontario's Investment Policy.

**8. AN ORDINANCE LEVYING SPECIAL TAXES WITHIN CERTAIN TERRITORY ANNEXED TO CITY OF ONTARIO COMMUNITY FACILITIES DISTRICT NO. 27 (NEW HAVEN SERVICES)**

That the City Council consider and adopt an ordinance levying special taxes within certain territory annexed to City of Ontario Community Facilities District No. 27 (New Haven Services).

ORDINANCE NO. \_\_\_\_\_

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. 27 (NEW HAVEN SERVICES).

**9. AN ORDINANCE AMENDING CHAPTER 6, TITLE 2, OF THE ONTARIO MUNICIPAL CODE CONCERNING THE PROCUREMENT OF PUBLIC PROJECTS**

That the City Council consider and adopt an ordinance amending Chapter 6 of Title 2 of the Ontario Municipal Code to amend the formal and informal bidding thresholds.

ORDINANCE NO. \_\_\_\_\_

AN ORDINANCE OF THE CITY COUNCIL OF THE CITY OF ONTARIO, CALIFORNIA, TO AMEND CHAPTER 6 OF TITLE 2 OF THE ONTARIO MUNICIPAL CODE CONCERNING THE PROCUREMENT OF PUBLIC PROJECTS.

**10. A DEVELOPMENT IMPACT FEE CREDIT AGREEMENT WITH LENNAR HOMES OF CALIFORNIA**

That the City Council authorize the City Manager to execute a Development Impact Fee Credit Agreement (on file with the Records Management Department) with Lennar Homes of California for the construction of public infrastructure in the Esperanza East and Esperanza West Projects.

**11. AUTHORIZE THE PURCHASE AND INSTALLATION OF FURNITURE FOR THE PUBLIC WORKS ADMINISTRATION RELOCATION PROJECT/KIRKSEY & CO.**

That the City Council take the following actions:

- (A) Authorize a cooperative purchase agreement D&C18-005-PW Admin Move – Furniture Purchase and Installation in the amount of \$179,964 for the relocation, acquisition and installation services of furniture and workstations for Public Works Administration from Kirksey & Co., Inc. of Irvine, California, consistent with the terms and conditions of the National IPA 2017 Contract R142208;
- (B) Authorize the City Manager to execute all documents required for the completion of the project including, but not limited to, contracts, agreements, reduction of retention accounts, and filing of a notice of completion at the conclusion of all construction related activities; and

- (C) Authorize the City Manager to execute the agreement (on file in the Records Management Department), and the addition of future acquisitions or services that are consistent with the City Council approved budgets.

**12. A PROFESSIONAL SERVICES AGREEMENT FOR UT1018 - NORTH VINEYARD SANITARY SEWER MAIN PROJECT FEASIBILITY STUDY/STANTEC CONSULTING SERVICES, INC.**

That the City Council approve and authorize the City Manager to execute a Professional Services Agreement (on file with Records Management Department) with Stantec Consulting Services, Inc. of Irvine, California, for UT1018 - North Vineyard Sanitary Sewer Main Project Feasibility Study in the amount of \$148,500, plus a 15% contingency of \$22,275, for a total authorized amount of \$170,775.

**13. CONSTRUCTION CONTRACT FOR WATER MAIN IMPROVEMENTS IN EUCLID AVENUE AND HOLT BLVD/C.P. CONSTRUCTION CO.**

That the City Council approve the plans and specifications and award Contract No. UT 1617-08 (on file with the Records Management Department) to C.P. Construction Co., Inc. of Ontario, CA, for Water Main Improvements in Euclid Avenue and Holt Blvd., OMUC Contract No. UT 1617-08, in the amount of \$4,495,662 plus a 15% contingency of \$674,350, for a total amount of \$5,170,012; and authorize the City Manager to execute said contract and file a Notice of Completion at the conclusion of all construction activities related to the project.

**14. A RESOLUTION APPROVING THE SUBMITTAL OF AN APPLICATION TO PARTICIPATE IN THE BEVERAGE CONTAINER RECYCLING CITY/COUNTY PAYMENT PROGRAM FOR FISCAL YEAR 2018-19 FROM THE STATE OF CALIFORNIA DEPARTMENT OF RESOURCES RECYCLING AND RECOVER (CALRECYCLE)**

That the City Council adopt a resolution approving the submittal of an application for approximately \$44,000 through the Beverage Container Recycling City/County Payment Program for Fiscal Year 2018-19, and authorize the City Manager or his designee to execute all necessary documents to participate in the program.

RESOLUTION NO. \_\_\_\_\_

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF ONTARIO, CALIFORNIA, APPROVING THE SUBMITTAL OF AN APPLICATION TO PARTICIPATE IN THE BEVERAGE CONTAINER RECYCLING CITY/COUNTY PAYMENT PROGRAM FOR FISCAL YEAR 2018-19 FROM THE STATE OF CALIFORNIA DEPARTMENT OF RESOURCES RECYCLING AND RECOVERY (CALRECYCLE).

**15. PURCHASE OF ROLL-OFF CONTAINERS**

That the City Council award Bid No. 1009 for the purchase of roll-off containers in an amount not to exceed \$200,000 from Consolidated Fabricators, Corp. of Van Nuys, California.

## **PUBLIC HEARINGS**

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

### **16. A RESOLUTION OF NECESSITY FOR THE ACQUISITION BY EMINENT DOMAIN OF A FEE INTEREST IN A WELL SITE SITUATED ON REAL PROPERTY LOCATED ON THE NORTH SIDE OF CHINO AVENUE WEST OF ARCHIBALD AVENUE**

That the City Council adopt a Resolution of Necessity for a fee interest in a well site situated on real property located on the north side of Chino Avenue, west of Archibald Avenue for public health and safety reasons and the removal of blight.

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 NECESSITY OF THE CITY COUNCIL OF THE CITY OF ONTARIO, CALIFORNIA, FOR THE ACQUISITION OF A FEE INTEREST IN CERTAIN REAL PROPERTY LOCATED ON THE NORTH SIDE OF CHINO AVENUE, WEST OF ARCHIBALD AVENUE.

### **17. A PUBLIC HEARING TO CONSIDER FILE NO. PHP18-027, A HISTORIC PROPERTY PRESERVATION AGREEMENT FOR A DESIGNATED HISTORIC PROPERTY, LOCATED AT 122 EAST EL MORADO COURT**

That the City Council consider and adopt a resolution approving and authorizing the City Manager to enter into a Historic Preservation Agreement (Mills Act contract) for File No. PHP18-027, 122 East El Morado Court (APN: 1048-242-02).

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 FILE NO. PHP18-027, AND AUTHORIZING THE CITY OF ONTARIO TO ENTER INTO A HISTORIC PROPERTY PRESERVATION AGREEMENT WITH TARA MARIE JESSUP, FOR THE PROPERTY LOCATED AT 122 EAST EL MORADO COURT (APN: 1048-242-02).

**18. A PUBLIC HEARING TO CONSIDER A CITY INITIATED GENERAL PLAN AMENDMENT (FILE NO. PGPA18-006) TO ADD TEXT TO THE ONTARIO PLAN (TOP) EXHIBIT LU-01 - LAND USE PLAN, REGARDING PARKLAND IN THE ONTARIO RANCH AREA**

That the City Council adopt a resolution approving a General Plan Amendment (File No. PGPA18-006, on file with the Records Management Department), proposing the addition of a note to Exhibit LU-01- Land Use Plan of The Ontario Plan clarifying that the locations of park facilities in Ontario Ranch are conceptual and referring to Figure PR-1 Park Facilities Map for the locations of existing and proposed parks.

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 FILE NO. PGPA18-006, A GENERAL PLAN AMENDMENT TO ADD TEXT TO THE ONTARIO PLAN (TOP) EXHIBIT LU-01 - LAND USE PLAN REGARDING PARKLAND IN THE ONTARIO RANCH AREA, AND MAKING FINDINGS IN SUPPORT THEREOF—APN: N/A. (LAND USE ELEMENT CYCLE 3 FOR THE 2018 CALENDAR YEAR).

**19. A PUBLIC HEARING TO CONSIDER A CITY INITIATED ORDINANCE APPROVING A DEVELOPMENT CODE AMENDMENT, FILE NO. PDCA18-004 TO INCREASE THE ALLOWABLE BUILDING/STRUCTURE HEIGHT FROM 55 FEET TO 80 FEET WITHIN THE IH (HEAVY INDUSTRIAL) ZONING DISTRICT**

That the City Council consider and:

- (A) Adopt a resolution approving an addendum to The Ontario Plan Environmental Impact Report certified, by City Council on January 27, 2010; and
- (B) Introduce and waive further reading of an ordinance approving File No. PDCA18-004.



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, ALL IN ACCORDANCE WITH THE CALIFORNIA ENVIRONMENTAL QUALITY ACT, AS AMENDED, FOR FILE NO. PDCA18-004.

ORDINANCE NO. \_\_\_\_\_

AN ORDINANCE OF THE CITY COUNCIL OF THE CITY OF ONTARIO, CALIFORNIA, APPROVING FILE NO. PDCA18-004, A DEVELOPMENT CODE AMENDMENT TO INCREASE THE ALLOWABLE BUILDING/STRUCTURE HEIGHT FROM 55 FEET TO 80 FEET WITHIN THE IH (HEAVY INDUSTRIAL) ZONING DISTRICT, AND MAKING FINDINGS IN SUPPORT THEREOF.

## **STAFF MATTERS**

City Manager Ochoa

## **COUNCIL MATTERS**

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

## **ADJOURNMENT**

**CITY OF ONTARIO**  
**CLOSED SESSION REPORT**  
City Council // Housing Authority // Other // (GC 54957.1)  
**November 20, 2018**

**ROLL CALL:** Wapner \_\_, Bowman \_\_, Dorst-Porada \_\_, Valencia \_\_, Mayor / Chairman Leon \_\_.

**STAFF:** City Manager / Executive Director \_\_, City Attorney \_\_

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

- GC 54956.8, CONFERENCE WITH REAL PROPERTY NEGOTIATORS  
Property: APN: 1049-054-06; 201 – 215 S. Fern Avenue; City/Authority Negotiator: Scott Ochoa or his designee; Negotiating parties: Fern Avenue Rentals, LLC (Mark Lesondak and Joyce Zimmerman); Under negotiation: Price and terms of payment.

**No Reportable Action      Continue      Approved**

/ /                                      / /                                      / /

Disposition: \_\_\_\_\_

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

- GC 54956.9 (d)(1), CONFERENCE WITH LEGAL COUNSEL, EXISTING LITIGATION: Donastorg v. City of Ontario, et al., U.S. District Court, Central District of California, Case No. 5:18-cv-00992 JGB (SPx)

**No Reportable Action      Continue      Approved**

/ /                                      / /                                      / /

Disposition: \_\_\_\_\_

**CITY OF ONTARIO**  
**CLOSED SESSION REPORT**  
City Council // Housing Authority // Other // (GC 54957.1)  
**November 20, 2018**  
**(continued)**

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

- GC 54956.9 (d)(1), CONFERENCE WITH LEGAL COUNSEL, EXISTING LITIGATION: Doe v. City of Ontario, et al., Superior Court of the State of California, County of San Bernardino, Case No. CIVDS 1509159

<b>No Reportable Action</b>	<b>Continue</b>	<b>Approved</b>
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/ /	/ /	/ /
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Disposition: \_\_\_\_\_

Reported by:

\_\_\_\_\_  
City Attorney / City Manager / Executive Director

# CITY OF ONTARIO

Agenda Report  
November 20, 2018

SECTION:  
CONSENT CALENDAR

**SUBJECT: A RESOLUTION APPROVING AN IMPROVEMENT AGREEMENT, IMPROVEMENT SECURITY AND FINAL PARCEL MAP NO. 19302 LOCATED AT THE SOUTHEAST CORNER OF HOLT BOULEVARD AND VINE AVENUE**

**RECOMMENDATION:** That the City Council adopt a resolution approving an improvement agreement, improvement security and Final Parcel Map No. 19302 located at the southeast corner of Holt Boulevard and Vine Avenue.

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

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

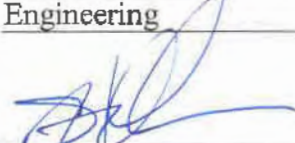
**BACKGROUND:** Final Parcel Map No. 19302, consisting of one residential lot on 2.94 acres for a 75-unit apartment complex, as shown on Exhibit A, has been submitted by the developer, Ontario Emporia Housing Partners, L.P., (Mr. Stan Smith, Principal) of Irvine, California.

The real property is currently owned by the Ontario Housing Authority, which intends to transfer said property to Ontario Emporia Housing Partners, L.P. Following approval by the City Council, Final Parcel Map No. 19302 and the associated conveyance/financing documents shall be recorded in the following order: (1) Final Parcel Map No. 19302; (2) grant deed, conveying the property to Ontario Emporia Housing Partners, L.P.; (3) subdivision improvement agreement; and (4) any and all financing documents.

Tentative Parcel Map No. 19302 was approved by the Planning Commission (4 to 0) on May 23, 2017.

Improvements will include AC pavement, road widening, curb & gutter, sidewalk, access ramps, parkway landscaping with irrigation, street lights, fire hydrants, water mains, sewer, and traffic signal

**STAFF MEMBER PRESENTING:** Scott Murphy, AICP, Executive Director, Development Agency

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

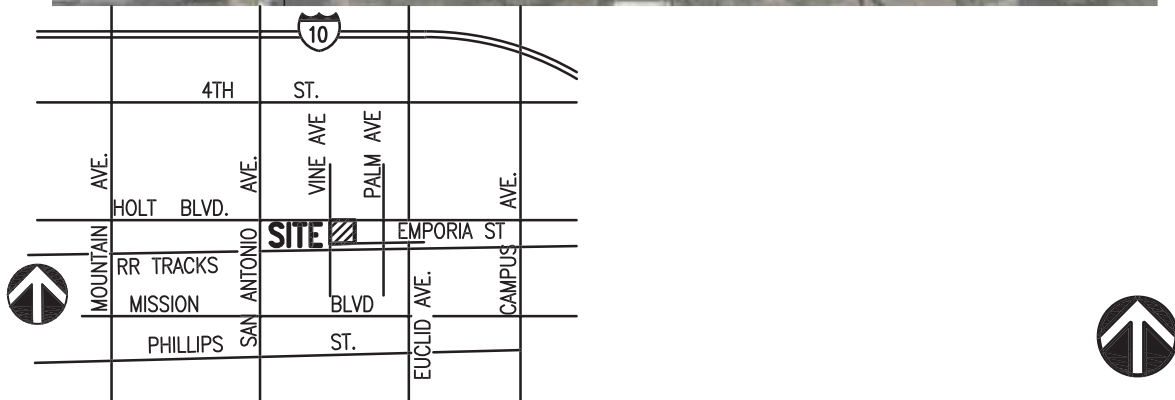
Submitted to Council/O.H.A. 11/20/2018  
Approved: \_\_\_\_\_  
Continued to: \_\_\_\_\_  
Denied: \_\_\_\_\_

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modifications. 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 Parcel Map No. 19302 and has posted adequate security to ensure construction of the required improvements.

The 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



SHEET 1 OF 1

JOB NO. RELC-020

BY: DSK

DATE: 10/19/18

SCALE: 1"=100'

CITY OF ONTARIO  
ENGINEERING DEPARTMENT

APPLICANT: ONTARIO EMPORIA  
HOUSING PARTNERS, L.P.  
PROJECT: V-282

**KES TECHNOLOGIES INC**  
CIVIL ENGINEERING  
LAND PLANNING AND SURVEYING  
1 VENTURE STE 130  
IRVINE CA, 92618

RESOLUTION NO. \_\_\_\_\_

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF ONTARIO, CALIFORNIA, APPROVING AN IMPROVEMENT AGREEMENT, IMPROVEMENT SECURITY AND FINAL PARCEL MAP NO. 19302 LOCATED AT THE SOUTHEAST CORNER OF HOLT BOULEVARD AND VINE AVENUE.

WHEREAS, Tentative Parcel Map No. 19302, submitted for approval by the developer, Ontario Emporia Housing Partners, L.P., (Mr. Stan Smith, Principal) of Irvine, California was approved by the Planning Commission of the City of Ontario on May 23, 2017; and

WHEREAS, Tentative Parcel Map No. 19302 consists of one (1) residential lot, being a subdivision of lots 1 to 12 of block 56 together with lots 1 to 12 of block 57 of the Town of Ontario, as per map recorded in book 9, page 43, 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 Parcel Map No. 19302, 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 real property being subdivided by Final Parcel Map No. 19302 is currently owned by the Ontario Housing Authority, which intends to transfer said property to Ontario Emporia Housing Partners, L.P.; and

WHEREAS, following approval by the City Council, Final Parcel Map No. 19302 and the associated conveyance/financing documents shall be recorded in the following order: (1) Final Parcel Map No. 19302; (2) grant deed, conveying the property to Ontario Emporia Housing Partners, L.P.; (3) subdivision improvement agreement; and (4) any and all financing documents.

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

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 Parcel Map No. 19302, 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 20<sup>th</sup> day of November 2018.

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PAUL S. LEON, MAYOR

ATTEST:

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SHEILA MAUTZ, CITY CLERK

APPROVED AS TO FORM:

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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 November 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 November 20, 2018.

\_\_\_\_\_  
SHEILA MAUTZ, CITY CLERK

(SEAL)

# CITY OF ONTARIO

Agenda Report  
November 20, 2018

SECTION:  
CONSENT CALENDAR

**SUBJECT: A PROFESSIONAL SERVICES AGREEMENT FOR THE PREPARATION OF AN ACTIVE TRANSPORTATION MASTER PLAN**

**RECOMMENDATION:** That the City Council approve a Professional Services Agreement (on file in the Records Management Department) with KOA Corporation of Monterey Park, California, to prepare an Active Transportation Master Plan for \$440,824 plus a 2.5% contingency of \$11,000 for a total authorized expenditure of \$451,824; and authorize the City Manager to execute said agreement and all future amendments.

**COUNCIL GOALS:** Maintain the Current High Level of Public Safety  
Pursue City's Goals and Objectives by Working with Other Governmental Agencies  
Focus Resources in Ontario's Commercial and Residential Neighborhoods  
Invest in the City's Infrastructure (Water, Streets, Sewers, Parks, Storm Drains and Public Facilities)

**FISCAL IMPACT:** The Fiscal Year 2018-19 Adopted Operating Budget includes appropriations of \$451,824 consisting of \$400,000 from the State funded Sustainable Transportation Planning Grant and \$51,824 from the Gas Tax Fund for the required 11.47% match.

**BACKGROUND:** The project will define and prioritize pedestrian and bicycle improvements needed in the community to enhance systems for all mobility users and improve access to local schools, parks, transit stops and employment centers. The project will include extensive outreach to gain understanding of the active transportation needs of Ontario residents, students and employees. The plan will help support the anticipated growth which The Ontario Plan envisions and integrate the needed improvements into the City's transportation system. It will help determine where non-motorized improvements are needed to increase walking, biking and transit use, improve health and reduce Green House Gas (GHG) emissions. The State grant requirements established the scope of work and timeline for the project.

In August 2018, the City solicited proposals for the project and received five responses. A selection team of two City staff, one San Bernardino County Transportation Authority staff and one Caltrans staff

**STAFF MEMBER PRESENTING:** Scott Murphy, AICP, Executive Director, Development Agency

Prepared by: Melanie Mullis  
Department: Engineering  
City Manager Approval: 

Submitted to Council/O.H.A. 11/20/2018  
Approved: \_\_\_\_\_  
Continued to: \_\_\_\_\_  
Denied: \_\_\_\_\_

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reviewed the responses. The top three firms were interviewed, and the selection team recommended KOA Corporation. KOA submitted an initial fee of \$398,157 and through the negotiation process, additional pop-up events and additional data collection were added to the scope that will help inform the active transportation needs of the more than 100,000 employees in Ontario.

# CITY OF ONTARIO

Agenda Report  
November 20, 2018

SECTION:  
CONSENT CALENDAR

**SUBJECT: FISCAL YEAR 2018-19 FIRST QUARTER BUDGET UPDATE REPORT**

**RECOMMENDATION:** That the City Council approve the budget adjustments and recommendations as listed in the Fiscal Year 2018-19 First Quarter Budget Update Report. In addition, approve the updated and expanded 5-Year Capital Improvement Program for Fiscal Year 2018-19.

**COUNCIL GOALS: Operate in a Businesslike Manner**

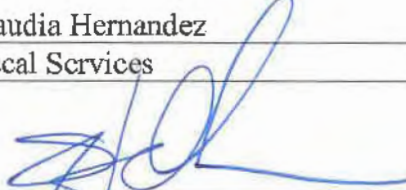
**FISCAL IMPACT:** The recommended actions will affect several fund budgets as outlined in the Fiscal Year 2018-19 First Quarter Budget Update Report and supporting schedules.

**BACKGROUND:** This first quarter budget update report for Fiscal Year 2018-19 reflects the Financial 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:

- Provide a reconciliation of budgeted-to-actual financial data from the prior fiscal year;
- Address annual carryforward appropriations across all funds;
- 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:** Doreen Nunes, Fiscal Services Director

Prepared by: Claudia Hernandez  
Department: Fiscal Services  
City Manager Approval: 

Submitted to Council/O.H.A. 11/20/2018  
Approved: \_\_\_\_\_  
Continued to: \_\_\_\_\_  
Denied: \_\_\_\_\_

5

### **Fiscal Year 2017-18 Results**

The General Fund activity for the year resulted in a favorable balance of \$4.4 million. The positive year-end balance was primarily due to revenue growth in sales tax and development related revenue, and the receipt of one-time solar rebate revenue of \$1.1 million from Edison, as well as overall expenditure savings. However, this positive result is off-set by the continued impact of the absorption of unbillable costs per FAA regulations for providing certain law enforcement and fire suppression services at the Ontario International Airport (ONT). This scenario could continue for the next few years at an estimated amount of approximately \$1.5 million annually. For Fiscal Year 2017-18, the absorption amount was \$4.3 million, primarily the result of initial start-up costs, restrictions on recouping capital outlay expenditures, and Los Angeles World Airport (LAWA) transitional expenses Ontario International Airport Authority (OIAA) is responsible for.

### **First Quarter Budget Update Recommendations**

First Quarter Budget Update recommendations are routine in nature and comprised predominately by City Council actions taken since the beginning of the fiscal year, encumbrance carryforward items to rollover purchase orders that have not yet been expended, and Capital Improvement Program (CIP) carryforward items to rollover budget from approved projects that have not yet been completed. For the General Fund, the net result of these actions will bring the General Fund estimated available and unencumbered ending fund balance to \$45,582,845; this amount achieves the 18 percent goal set by City Council.

Proposed items included in the First Quarter Budget Update in the General Fund are: an additional transfer-in of \$1.6 million from the Community Facilities Districts (CFD) for city services; appropriations of approximately \$350,000 for citywide traffic signal and custodial maintenance services; funding of \$500,000 for the second and third year of the operating lease agreement at 400 North Euclid (total 3-year funding of \$750,000); additional \$250,000 for the Ontario Plan update (total funding of \$500,000); and \$114,500 for Police dispatch workstations (funded from the Communications/Computer Dispatch Reserve).

Noteworthy budget adjustments in Other Funds (i.e., non-General Fund) include: appropriations of \$1.3 million for the Anthony Munoz Community Center and Park Improvements project and \$1.0 million to reimburse the Riverside Drive Recycled Water project (funding from development impact fees for both projects); approximately \$900,000 for various new grants citywide; and a reduction of estimated Gas Tax revenues from the State of California of approximately \$600,000.

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 Housing and Neighborhood Preservation Agency (no cost) and the Fire Department (limited cost). The proposed recommendations will result in zero position changes and an annual increase of \$84,540 to General Fund (offset by reimbursement for fire safety airport operations).

### **Economic Outlook**

The local economy is continuing to show signs of growth, with consumer confidence at high levels, combined with healthy gains in employment. Consumers continue to be optimistic for the future, as reflected in the robust Consumer Confidence Index of 137.9 for October 2018; a strong increase from the 125.9 reported for the prior year in October. Gross Domestic Product (GDP), the broadest measure of economic output, increased significantly at 3.5 percent for the third quarter of 2018. In addition, the national labor market continues to create enough jobs to keep up with the population and labor force; these job gains are reflected in low unemployment rate experienced in the State of California and locally in the Inland Empire region (nationwide unemployment rate is the lowest since 1969). However, the job growth

is surpassing those seeking jobs, especially skilled jobs. If this continues, it may negatively impact the growth in the economy as companies will be stymied by the tight labor market.

The housing market is showing signs of slowdown with rising mortgage rates, increasing home prices, and declining new home construction. Sales of existing single-family homes in the Inland Empire in September decreased by 17.8 percent compared to the prior month and 10.8 percent compared to the same time last year. Housing prices are skyrocketing due to the shortage of new homes, which has pushed the price of homes out of reach for some home buyers, especially first-timers. In the Inland Empire, median sale price of single-family homes increased by 7.5 percent compared to the prior year for September 2018. The outlook of the housing market is trending toward a slowdown because of the short supply of homes, rising mortgage rates and the lack of affordability from home buyers.

Sales tax revenue for the second quarter 2018 declined at 4.7 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. 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 weakening sales tax revenue appears to be leveling off; however, this trend of modest or flat growth of sales tax revenue may continue through 2019.

### **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 70 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 \$4.3 million beginning in Fiscal Year 2018-19 and, by Fiscal Year 2022-23, the increase is \$18.9 million. The City's annual General Fund CalPERS pension expense will increase an average of almost 11 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**

Economic growth for 2019 may downshift with the tight labor market, slowdown in the housing market, and with rising interest rates as the Federal Reserve aims at keeping inflation contained. As a result, Ontario needs to be cognizant of a modest or flat growth in sales tax revenues for calendar year 2019. 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. In addition, the City should be mindful that in providing services to 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 2018-19, as modified through this First Quarter 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 2018-19  
First Quarter Budget Update

November 20, 2018

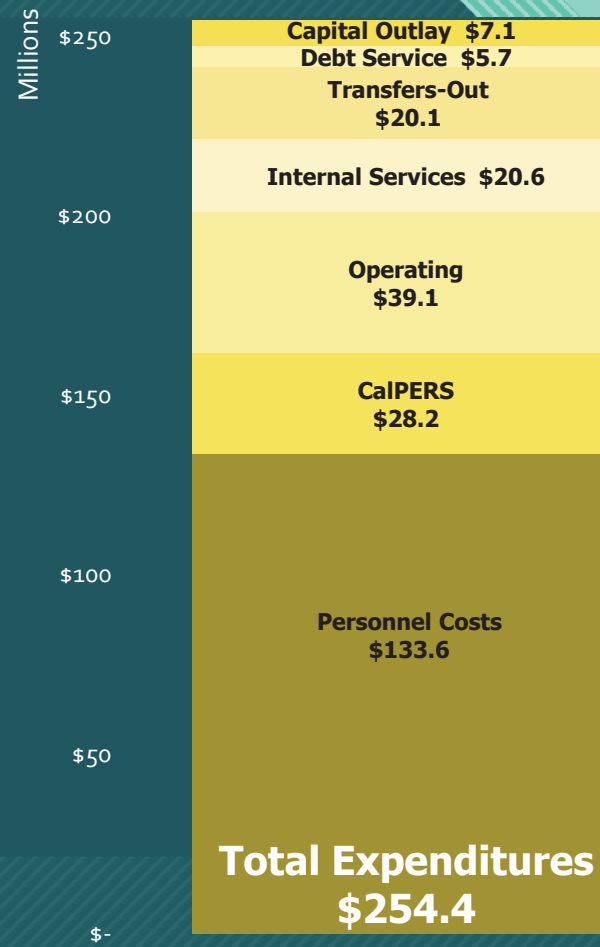


# 5 Year Financial Forecast Revenue vs. Expenditures

	<b>FY 2017-18 Actuals</b>	<b>FY 2018-19 Projected</b>	<b>FY 2019-20 Projected</b>	<b>FY 2020-21 Projected</b>	<b>FY 2021-22 Projected</b>	<b>FY 2022-23 Projected</b>
Total Revenues	\$ 218,128,613	\$ 220,469,566	\$ 227,122,440	\$ 233,991,680	\$ 241,080,510	\$ 248,400,160
Transfers-In	\$ 40,654,821	\$ 34,921,476	\$ 37,578,940	\$ 35,781,180	\$ 33,991,210	\$ 32,209,340
Total Revenues & Transfers-In	\$ 258,783,434	\$ 255,391,042	\$ 264,701,380	\$ 269,772,860	\$ 275,071,720	\$ 280,609,500
Total Expenditures	\$ 234,299,367	\$ 244,045,042	\$ 258,437,000	\$ 266,516,860	\$ 275,620,820	\$ 284,510,350
Transfers-Out	\$ 20,075,715	\$ 9,178,587	\$ 6,220,000	\$ 6,220,000	\$ 6,220,000	\$ 6,220,000
Total Expenditures & Transfers-In	\$ 254,375,082	\$253,223,629	\$ 264,657,000	\$ 272,736,860	\$ 281,840,820	\$ 290,730,350
<b><i>Recommended Uses of FY 2017-18 Surplus</i></b>		<b><i>\$ 4,345,187</i></b>				
<b>Surplus/(Deficit)</b>	<b>\$ 4,408,352</b>	<b>\$ 6,512,600</b>	<b>\$ 44,380</b>	<b>(\$2,964,000)</b>	<b>(\$6,769,100)</b>	<b>(\$10,120,850)</b>

- Transfers-Out (recurring): \$2 million Public Safety Equipment Reserve; \$1.5 million City Facilities Reserve; \$1 million ongoing Facilities Maintenance; \$900,000 Pavement Management Program; \$370,000 AD Parkway Contribution; \$300,000 Leave Liability; \$150,000 Dispatch Communications Reserve

# Fiscal Year 2017-18 General Fund Year-End Results



Surplus  
\$ 4.4 m

# Fiscal Year 2017-18 General Fund Year-End Results

<b>General Fund</b>	
Total Revenues	\$ 218,128,613
Transfers-In	\$ 40,654,821
<b>Total Revenues &amp; Transfers-In</b>	<b>\$ 258,783,434</b>
Total Expenditures	\$ 234,299,367
Transfers-Out	\$ 20,075,715
<b>Total Expenditures &amp; Transfers-Out</b>	<b>\$ 254,375,082</b>
<b>FY 2017-18 General Fund Surplus</b>	<b>\$ 4,408,352</b>
Surplus Appropriated in FY 2018-19 Adopted Budget	\$ 2,760,000
FY 2018-19 First Quarter Recommended Uses of Surplus	\$ 1,523,587
Remaining FY 2017-18 Surplus	\$ 124,765

# Fiscal Year 2017-18 General Fund Year-End Results

Agency	FY 2017-18 Current Budget	FY 2017-18 Expenditures	FY 2017-18 Budget Variance	% Variance
Administrative Services	\$ 3,791,541	\$ 3,505,015	\$ 286,526	7.6%
Community Life & Culture	\$ 11,644,084	\$ 11,070,205	\$ 573,879	4.9%
Development	\$ 17,060,492	\$ 15,736,280	\$ 1,324,212	7.8%
Economic Development	\$ 10,251,781	\$ 10,526,962	(\$ 275,181)	(2.7%)
Elected Officials	\$ 584,408	\$ 495,789	\$ 88,619	15.2%
Financial Services	\$ 14,258,540	\$ 14,211,074	\$ 47,466	0.3%
Fire Department	\$ 57,399,938	\$ 55,502,165	\$ 1,897,773	3.3%
Housing & Neighborhood Preservation	\$ 3,569,508	\$ 3,451,987	\$ 117,521	3.3%
Human Resources	\$ 3,666,110	\$ 3,218,957	\$ 447,153	12.2%
Police Department	\$ 98,580,245	\$98,273,283	\$ 306,962	0.3%
Public Works	\$ 20,159,933	\$ 18,307,650	\$ 1,852,283	9.2%
Transfers-Out	\$ 10,539,342	\$ 20,075,715	(\$9,536,373)	(122.1%)
<b>Grand Total</b>	<b>\$ 251,505,922</b>	<b>\$ 254,375,082</b>	<b>(\$ 2,869,160)</b>	<b>(1.1%)</b>

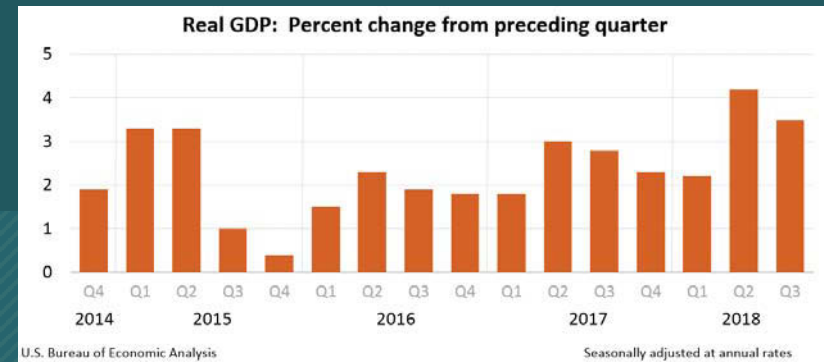
# Economic Indicators

*"It is increasingly apparent that homes are getting too expensive to afford...the economy cannot grow at a sustainable 3% pace for long if new home sales continue to tumble."*

*-Chief Economist Chris Rupkey,  
BBC News, October 24, 2018*

*"The housing issue is a real one, and unless we do something... it's going to hurt the economy."*

*-John Husing, IE Business Daily, November 5, 2018*



GDP increased at an annual rate of 3.5% in the third quarter of 2018



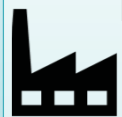
Consumer Confidence Index

Oct 137.90



Consumer Price Index

Sept 0.1%

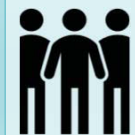


Purchasing Managers Index – Oct

U.S. 57.7



I.E. 61.3



Unemployment – Sept

U.S. 3.7



CA 4.1

I.E. 4.1

Southern California (Median Sold Price Existing Single-Family Homes)	Sep-18	Aug-18	Sep-17	Price MTM% Chg	Price YTY% Chg	Sales MTM% Chg	Sales YTY% Chg
Los Angeles	\$634,680	\$607,490	\$606,110	4.5%	4.7%	-18.3%	-22.0%
Orange	\$825,000	\$838,500	\$799,000	-1.6%	3.3%	-20.3%	-21.8%
Riverside	\$405,950	\$400,750	\$385,700	1.3%	5.3%	-16.6%	-9.7%
San Bernardino	\$300,000	\$290,000	\$279,000	3.4%	7.5%	-19.5%	-12.4%
San Diego	\$640,000	\$660,000	\$605,000	-3.0%	5.8%	-21.5%	-15.6%
Ventura	\$673,750	\$660,000	\$609,000	2.1%	10.6%	-25.4%	-18.1%

Source: California Association of Realtors

# Fiscal Year 2018-19 First Quarter Budget Update General Fund Reconciliation

FY 2018-19 Current Budget	
<b>Estimated Beginning Fund Balance - 7/1/2018</b>	<b>\$ 52,248,503</b>
Revenues	\$ 218,926,608
Transfers-In	\$ 33,247,940
Expenditures	\$ (246,214,548)
Transfers-Out	\$ (8,720,000)
<b>First Quarter Recommendations:</b>	
Revenues & Transfers-In	\$ 1,837,351
Expenditures & Transfers-Out	\$ (2,152,037)
FY 2017-18 Carryforward Encumbrances	\$ (3,590,972)
<b>Estimated Ending Fund Balance – 6/30/2019</b>	<b>\$ 45,582,845</b>
<b>Percentage of General Fund Recurring Appropriations</b>	<b>18.6%</b>

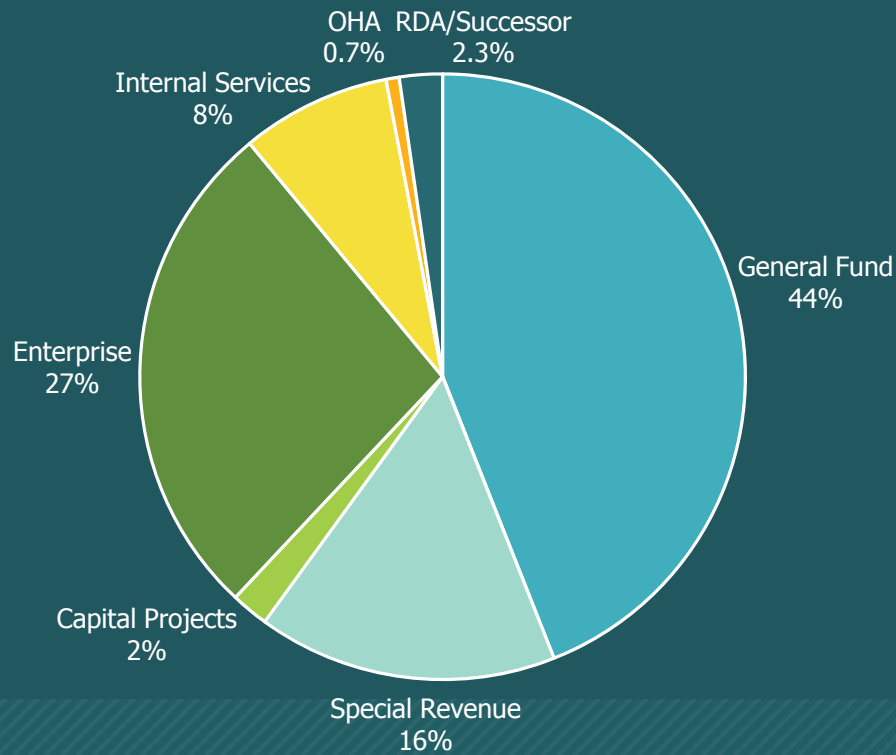
# Fiscal Year 2018-19 First Quarter Budget Update

## General Fund

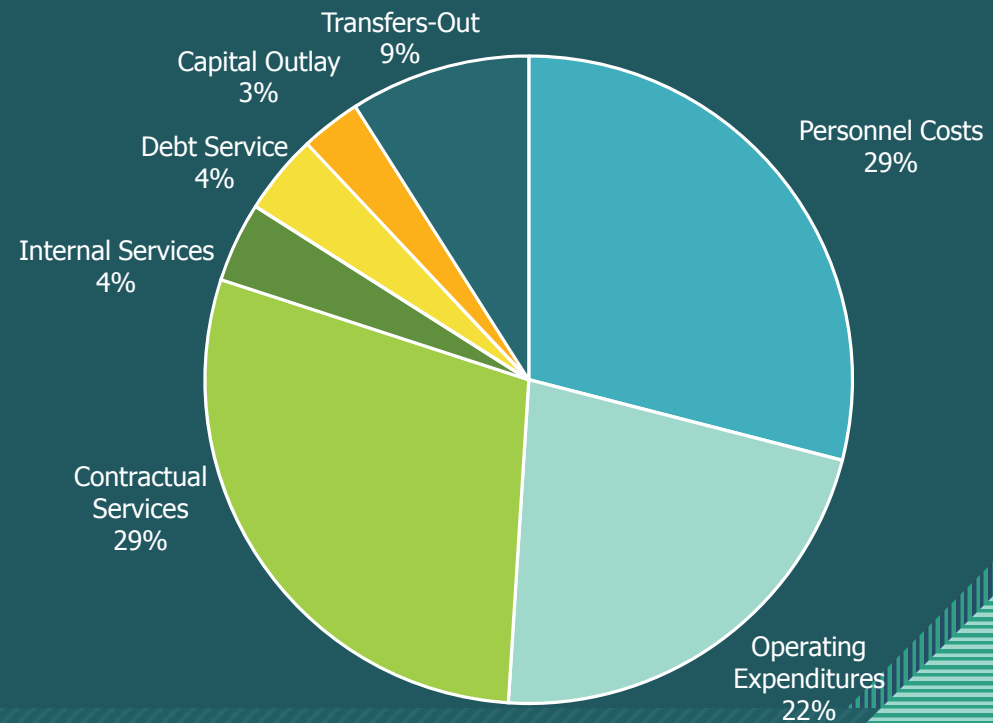
Total Adopted Revenue	\$ 252,174,548
<u>Revenue Adjustments</u>	
Miscellaneous Revenues	\$ 49,315
Transfers-In	<u>1,788,036</u>
<b>Total Revised Revenue</b>	<b><u>\$ 254,011,899</u></b>
Total Adopted Expenditures	\$ 254,934,548
<u>Expenditure Adjustments</u>	
Economic Development	\$ 770,000
Development	539,760
Public Works	171,600
Police Department	146,100
Fire Department	49,315
Transfers-Out	475,262
FY 2017-18 Carryforward Encumbrances	<u>3,590,972</u>
<b>Total Revised Expenditures</b>	<b><u>\$ 260,677,557</u></b>

# Fiscal Year 2018-19 First Quarter Budget Update Citywide Budget – All Funds

Sources \$573,783,704



Uses \$778,211,860





# Fiscal Year 2018-19 First Quarter Budget Update

Citywide Budget – All Funds (in millions)

	<b>FY 2018-19 Adopted</b>	<b>First Quarter Budget Update</b>	<b>FY 2018-19 Revised Budget</b>
Personnel Costs	\$ 223.2	\$ 0.1	\$ 223.3
Operating	\$ 168.1	\$ 2.7	\$ 170.8
Contractual	\$ 53.2	\$ 3.5	\$ 56.7
Internal Service	\$ 31.8	-	\$ 31.8
Debt Service	\$ 15.5	-	\$ 15.5
Reimbursement Agreements	\$ 15.1	\$ 1.1	\$ 16.2
Capital Outlay	\$ 16.0	\$ 0.6	\$ 16.6
Transfers-Out	\$ 66.1	\$ 2.1	\$ 68.2
FY 2017-18 Carryforward Encumbrances	-	\$ 29.4	\$ 29.4
FY 2017-18 Carryforward Appropriations Capital Improvement Projects	-	\$ 149.7	\$ 149.7
<b>Total Citywide Budget</b>	<b>\$ 589.0</b>	<b>\$ 189.2</b>	<b>\$ 778.2</b>

**City of Ontario**  
**Summary of General Fund Recommended Revenue Adjustments**  
**Fiscal Year 2018-19**  
**First Quarter Budget Update**

Revenue Source	Adopted Budget	Current Budget	Recommended First Quarter Budget Update Adjustments	Current Budget After Adjustments	Actuals As of 10/31/2018	Percent of Budget Received
Sales Tax	\$ 89,400,000	\$ 89,400,000	\$ -	\$ 89,400,000	\$ 15,883,994	17.8%
Business License Tax	7,600,000	7,600,000	-	7,600,000	264,621	3.5%
Occupancy Tax	15,000,000	15,000,000	-	15,000,000	3,576,878	23.8%
Parking Tax	3,000,000	3,000,000	-	3,000,000	808,950	27.0%
Franchises	3,300,000	3,300,000	-	3,300,000	-	0.0%
Property Tax	57,900,000	57,900,000	-	57,900,000	379,577	0.7%
Development Related	8,348,000	8,348,000	-	8,348,000	4,299,261	51.5%
Recreation Programs	940,000	940,000	-	940,000	341,907	36.4%
Interest & Rentals	3,852,920	3,852,920	-	3,852,920	527,669	13.7%
Miscellaneous Revenues	26,973,373	26,973,373	49,315	27,022,688	2,070,407	7.7%
Reimbursables	2,612,315	2,612,315	-	2,612,315	762,784	29.2%
<b>Total General Fund Revenues</b>	<u>\$ 218,926,608</u>	<u>\$ 218,926,608</u>	<u>\$ 49,315</u>	<u>\$ 218,975,923</u>	<u>\$ 28,916,047</u>	13.2%
Transfers-In	33,247,940	33,247,940	1,788,036	35,035,976	8,618,324	
<b>TOTAL REVENUES &amp; TRANSFERS-INS</b>	<u><u>\$ 252,174,548</u></u>	<u><u>\$ 252,174,548</u></u>	<u><u>\$ 1,837,351</u></u>	<u><u>\$ 254,011,899</u></u>	<u><u>\$ 37,534,371</u></u>	14.8%

**SCHEDULE II**

**City of Ontario  
Summary of General Fund Recommended Expenditure Adjustments  
Fiscal Year 2018-19  
First Quarter Budget Update**

	Expenditures
Adopted Expenditures Budget	\$ 246,214,548
Adopted Transfers-Out Budget	8,720,000
<b>TOTAL ADOPTED EXPENDITURES &amp; TRANSFERS-OUT BUDGET</b>	<b>\$ 254,934,548</b>
Recommended Adjustments:	
Operating lease agreement ref: 400 North Euclid Avenue <i>(CC Apprvd 6/19/2018)*</i>	\$ 500,000
Public Improvements ref: 200 North Euclid Avenue <i>(CC Apprvd 10/2/2018)*</i>	270,000
Additional Citywide traffic signal maintenance services	255,760
The Ontario Plan update*	250,000
Police Dispatch office furniture and equipment (Transfers-In from Fund 098)	114,500
Citywide custodial maintenance services <i>(CC Apprvd 8/21/2018)</i>	96,600
Public Facilities condition assessment and inventory software program*	45,000
Police lease termination fee	31,600
Temporary/Part Time Salaries - Building Department	34,000
Replanting of medians and parkway landscaping in Ontario Ranch	30,000
Recommended personnel changes (Offset with Ontario International Airport Authority Revenue)	49,315
Transfers-Out (to Fund 017) for Capital Projects*	458,587
Transfers-Out (to Fund 015) for FY 2017-18 Carryforward Grant Appropriations	16,675
FY 2017-18 Carryforward Encumbrances	3,590,972
Total Recommended Expenditures & Transfers-Out Adjustments	<u>\$ 5,743,009</u>
<b>TOTAL RECOMMENDED EXPENDITURES &amp; TRANSFERS-OUT BUDGET</b>	<b><u>\$ 260,677,557</u></b>

\*Recommended Use of Fiscal Year 2017-18 Surplus

**City of Ontario**  
**Unreserved Fund Balance with Recommended Adjustments for All Funds**  
**Fiscal Year 2018-19**  
**First Quarter Budget Update**

Funds/Sources	Total Unreserved Fund Balance July 1, 2018	Current Budget Control					Estimated Total Unreserved Fund Balance June 30, 2019	Recommended First Quarter Budget Update Adjustments Increase(Decrease) to Fund Balance Net Adjustments	Adjusted Unreserved Fund Balance June 30, 2019
		Revenues	Operating Transfers-In	Operating Transfers-Out	Total Available	Expenditures			
<b>General Fund (incl. encumbrances)</b>									
001 General Fund	\$ 52,248,503	\$ 218,926,608	\$ 33,247,940	\$ 8,720,000	\$ 295,703,051	\$ 246,214,548	\$ 49,488,503	\$ (3,905,658)	\$ 45,582,845
Total General Fund	<u>\$ 52,248,503</u>	<u>\$ 218,926,608</u>	<u>\$ 33,247,940</u>	<u>\$ 8,720,000</u>	<u>\$ 295,703,051</u>	<u>\$ 246,214,548</u>	<u>\$ 49,488,503</u>	<u>\$ (3,905,658)</u>	<u>\$ 45,582,845</u>
<b>Special Revenue Funds</b>									
002 Quiet Home Program	\$ -	\$ 1,067,000	\$ -	\$ -	\$ 1,067,000	\$ 1,067,000	\$ -	\$ -	\$ -
003 Gas Tax	3,193,027	7,326,191	900,000	2,790,550	8,628,668	5,755,619	2,873,049	(2,651,412)	221,637
004 Measure I	4,238,916	3,112,272	-	-	7,351,188	4,475,000	2,876,188	(457,436)	2,418,752
005 Measure I Valley Major Projects	-	-	-	-	-	-	-	-	-
007 Park Impact/Quimby	5,434,736	12,150	-	-	5,446,886	-	5,446,886	-	5,446,886
008 C.D.B.G.	-	2,795,953	-	-	2,795,953	2,795,953	-	-	-
009 HOME Grants	-	1,745,114	-	-	1,745,114	1,745,114	-	-	-
010 Asset Seizure	2,528,706	-	-	-	2,528,706	617,534	1,911,172	(175,645)	1,735,527
013 A.D. Administration	1,080,082	41,100	-	-	1,121,182	585,509	535,673	-	535,673
014 Mobile Source Air	1,232,388	221,300	-	10,000	1,443,688	39,963	1,403,725	(374,780)	1,028,945
015 General Fund Grants	-	33,883,387	-	-	33,883,387	33,883,387	-	-	-
018 Building Safety	-	930,000	-	65,410	864,590	1,461,104	(596,514)	-	(596,514)
019 Parkway Maintenance	919,611	609,340	370,000	232,855	1,666,096	853,046	813,050	-	813,050
021 Storm Drain Fee District	69,721	1,390	-	-	71,111	-	71,111	-	71,111
060 OMC CFD #21-Parkside Services	99,473	62,615	-	29,000	133,088	32,000	101,088	-	101,088
061 NMC CFD #31-Carriage House/Amber Svcs	311,864	191,490	-	185,000	318,354	3,000	315,354	-	315,354
062 NMC CFD #23-Park Place Services	99,636	711,000	-	700,000	110,636	11,000	99,636	-	99,636
064 NMC CFD #27-New Haven Services	657,692	605,660	-	584,000	679,352	14,000	665,352	-	665,352
065 NMC CFD #28-New Haven Fac Area A	520,367	676,185	-	-	1,196,552	-	1,196,552	-	1,196,552
069 NMC CFD #20-Walmart Services	56,447	26,870	-	18,000	65,317	8,000	57,317	-	57,317
070 Street Light Maintenance	2,516,206	496,000	-	75,748	2,936,458	282,412	2,654,046	-	2,654,046
071 OMC CFD #10-Airport Tower Services	-	11,000	-	10,000	1,000	1,000.00	-	-	-
072 NMC CFD #9-Edenglen Services	-	549,000	-	523,000	26,000	26,000	-	-	-
076 Facilities Maintenance	54,346	-	1,000,000	-	1,054,346	1,000,000	54,346	(27,173)	27,173
077 Storm Drain Maintenance	523,462	1,240,020	-	-	1,763,482	1,809,418	(45,936)	(17,499)	(63,435)
114 Historic Preservation	222,021	4,410	-	-	226,431	-	226,431	-	226,431
119 NMC Public Services	8,627,597	130,910	-	-	8,758,507	-	8,758,507	-	8,758,507
122 NMC CFD#19-Countryside Services	55,554	120,080	-	115,000	60,634	5,000	55,634	-	55,634
505 OMC-DFD#13-Commerce Ctr Facilities	-	-	-	-	-	-	-	-	-
Total Special Revenue Funds	<u>\$ 32,441,852</u>	<u>\$ 56,570,437</u>	<u>\$ 2,270,000</u>	<u>\$ 5,338,563</u>	<u>\$ 85,943,726</u>	<u>\$ 56,471,059</u>	<u>\$ 29,472,667</u>	<u>\$ (3,703,945)</u>	<u>\$ 25,768,722</u>

**City of Ontario**  
**Unreserved Fund Balance with Recommended Adjustments for All Funds**  
**Fiscal Year 2018-19**  
**First Quarter Budget Update**

Funds/Sources	Total Unreserved Fund Balance July 1, 2018	Current Budget Control					Estimated Total Unreserved Fund Balance June 30, 2019	Recommended First Quarter Budget Update Adjustments Increase(Decrease) to Fund Balance Net Adjustments	Adjusted Unreserved Fund Balance June 30, 2019
		Revenues	Operating Transfers-In	Operating Transfers-Out	Total Available	Expenditures			
<b>Capital Project Funds</b>									
016 Ground Access	\$ 8,623,984 *	\$ 189,480	\$ -	\$ -	\$ 8,813,464	\$ -	\$ 8,813,464	\$ -	\$ 8,813,464
017 Capital Projects	35,656,821 *	-	3,884,000	-	39,540,821	6,537,073	33,003,748	(20,746,832)	12,256,916
101 Law Enforcement Impact	448,376 *	41,090	-	-	489,466	-	489,466	-	489,466
106 Integrated Waste Impact	3,648,420	64,710	-	-	3,713,130	200,000	3,513,130	-	3,513,130
107 General Facility Impact	3,346,618	59,535	-	-	3,406,153	-	3,406,153	-	3,406,153
108 Library Impact	4,002,432	66,970	-	-	4,069,402	-	4,069,402	-	4,069,402
109 Public Meeting Impact	5,154,867	88,450	-	-	5,243,317	-	5,243,317	(1,300,000)	3,943,317
110 Aquatics Impact	410,167	7,235	-	-	417,402	-	417,402	-	417,402
112 Species Habitat Impact	3,637,852	61,035	-	-	3,698,887	-	3,698,887	-	3,698,887
120 Affordability In-Lieu	15,054,923	239,700	-	-	15,294,623	10,744,454	4,550,169	-	4,550,169
170 OMC - Regional Streets	4,530,482	184,760	-	-	4,715,242	-	4,715,242	(7,094,583)	(2,379,341)
171 OMC - Local Adjacent Streets	7,669,007	149,690	-	-	7,818,697	-	7,818,697	(12,141,122)	(4,322,425)
172 OMC - Regional Storm Drains	1,419,507	27,715	-	-	1,447,222	-	1,447,222	-	1,447,222
173 OMC - Local Adjacent Storm Drain	18,985,469	391,720	-	-	19,377,189	30,000	19,347,189	(8,420,100)	10,927,089
174 OMC - Regional Water	14,154,303	275,030	-	-	14,429,333	-	14,429,333	-	14,429,333
175 OMC - Local Adjacent Water	1,927,230	31,390	-	-	1,958,620	-	1,958,620	(334,451)	1,624,169
176 OMC - Regional Sewer	2,558,032	46,675	-	-	2,604,707	-	2,604,707	-	2,604,707
177 OMC - Local Adjacent Sewer	4,230,377	82,440	-	-	4,312,817	-	4,312,817	(3,500,000)	812,817
178 OMC - Fire Impact	292,980	-	-	-	292,980	-	292,980	(2,057,130)	(1,764,150)
180 NMC - Regional Streets	2,925,320	45,930	-	-	2,971,250	-	2,971,250	(1,605,126)	1,366,124
181 NMC - Local Adjacent Streets	2,248,153	37,390	-	-	2,285,543	-	2,285,543	-	2,285,543
182 NMC - Regional Storm Drains	2,129,981	29,520	-	-	2,159,501	-	2,159,501	-	2,159,501
183 NMC - Local Adjacent Storm Drain	3,655,095	66,645	-	-	3,721,740	-	3,721,740	-	3,721,740
184 NMC - Regional Water	-	-	-	-	-	-	-	-	-
185 NMC - Local Adjacent Water	15,773,707	284,460	-	-	16,058,167	-	16,058,167	(2,000,000)	14,058,167
186 NMC - Regional Sewer	443,406	308,550	-	-	751,956	150,000	601,956	-	601,956
187 NMC - Local Adjacent Sewer	295,101	351,955	-	-	647,056	173,000	474,056	-	474,056
188 NMC - Local Regional Fiber	-	-	-	-	-	-	-	-	-
189 NMC - Local Adjacent Fiber	4,066,835	72,915	-	-	4,139,750	-	4,139,750	-	4,139,750
190 NMC - Fire Impact	8,467,420	163,620	-	-	8,631,040	1,675,000	6,956,040	(8,785,742)	(1,829,702)
501 NMC CFD - Developer Deposits	678,738	-	-	-	678,738	-	678,738	-	678,738
502 OMC CFD - Developer Deposits	74,996	-	-	-	74,996	-	74,996	-	74,996
<b>Total Capital Project Funds</b>	<b>\$ 176,510,599</b>	<b>\$ 3,368,610</b>	<b>\$ 3,884,000</b>	<b>\$ -</b>	<b>\$ 183,763,209</b>	<b>\$ 19,509,527</b>	<b>\$ 164,253,682</b>	<b>\$ (67,985,086)</b>	<b>\$ 96,268,596</b>

**City of Ontario**  
**Unreserved Fund Balance with Recommended Adjustments for All Funds**  
**Fiscal Year 2018-19**  
**First Quarter Budget Update**

Funds/Sources	Total Unreserved Fund Balance July 1, 2018	Current Budget Control					Estimated Total Unreserved Fund Balance June 30, 2019	Recommended First Quarter Budget Update Adjustments Increase/Decrease to Fund Balance Net Adjustments	Adjusted Unreserved Fund Balance June 30, 2019
		Revenues	Operating Transfers-In	Operating Transfers-Out	Total Available	Expenditures			
<b>Enterprise Funds</b>									
024 Water Operating	\$ 69,849,389 *	\$ 60,259,840	\$ -	\$ 29,909,748	\$ 100,199,481	\$ 50,819,430	\$ 49,380,051	\$ (275,188)	\$ 49,104,863
025 Water Capital	84,308,850 *	1,822,630	20,000,000	2,664,627	103,466,853	16,399,276	87,067,577	(47,763,761)	39,303,816
026 Sewer Operating	28,786,695 *	27,947,680	-	9,327,750	47,406,625	21,814,983	25,591,642	(115,943)	25,475,699
027 Sewer Capital	23,536,658 *	468,530	4,000,000	435,853	27,569,335	4,780,235	22,789,100	(1,511,615)	21,277,485
029 Integrated Waste	36,330,686 *	36,648,525	-	8,821,399	64,157,812	34,443,378	29,714,434	(5,614,282)	24,100,152
031 Integrated Waste Facilities	646,194 *	12,850	-	-	659,044	-	659,044	(61,176)	597,868
035 I.T. Broadband	1,176,570	714,462	-	-	1,891,032	2,300,574	(409,542)	(6,725,979)	(7,135,521)
<b>Total Enterprise Funds</b>	<b>\$ 244,635,042</b>	<b>\$ 127,874,517</b>	<b>\$ 24,000,000</b>	<b>\$ 51,159,377</b>	<b>\$ 345,350,182</b>	<b>\$ 130,557,876</b>	<b>\$ 214,792,306</b>	<b>\$ (62,067,944)</b>	<b>\$ 152,724,362</b>
<b>Internal Service Funds</b>									
032 Equipment Services	\$ 40,301,583	\$ 11,979,385	\$ -	\$ -	\$ 52,280,968	\$ 24,795,459	\$ 27,485,509	\$ (5,469,992)	\$ 22,015,517
033 Self Insurance	11,249,150	10,996,849	-	-	22,245,999	8,396,179	13,849,820	(275,424)	13,574,396
034 Information Technology	15,985,508	9,486,853	90,000	840,000	24,722,361	14,078,300	10,644,061	(4,525,287)	6,118,774
099 Other Post Employment Benefits (OPEB)	157,764,033	12,890,501	-	-	170,654,534	4,700,000	165,954,534	-	165,954,534
<b>Total Internal Service Funds</b>	<b>\$ 225,300,274</b>	<b>\$ 45,353,588</b>	<b>\$ 90,000</b>	<b>\$ 840,000</b>	<b>\$ 269,903,862</b>	<b>\$ 51,969,938</b>	<b>\$ 217,933,924</b>	<b>\$ (10,270,703)</b>	<b>\$ 207,663,221</b>
<b>Fiduciary Funds</b>									
098 General Fund Trust	\$ 23,016,776	\$ -	\$ 4,950,000	\$ 2,384,000	\$ 25,582,776	\$ -	\$ 25,582,776	\$ (299,470)	\$ 25,283,306
<b>Total Trust Funds</b>	<b>\$ 23,016,776</b>	<b>\$ -</b>	<b>\$ 4,950,000</b>	<b>\$ 2,384,000</b>	<b>\$ 25,582,776</b>	<b>\$ -</b>	<b>\$ 25,582,776</b>	<b>\$ (299,470)</b>	<b>\$ 25,283,306</b>
<b>Ontario Housing Authority (OHA)</b>									
048 Ontario Housing Authority	\$ 5,033,331	\$ 3,808,415	\$ -	\$ -	\$ 8,841,746	\$ 4,538,553	\$ 4,303,193	\$ -	\$ 4,303,193
166 Housing Asset Fund	958,965	18,270	-	-	977,235	561,700	415,535	270,000	685,535
<b>Total Ontario Housing Authority Funds</b>	<b>\$ 5,992,296</b>	<b>\$ 3,826,685</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ 9,818,981</b>	<b>\$ 5,100,253</b>	<b>\$ 4,718,728</b>	<b>\$ 270,000</b>	<b>\$ 4,988,728</b>
<b>Redevelopment Successor Agency (Successor)</b>									
139 Successor Agency For RDA/Admin	\$ -	\$ -	\$ 500,000	\$ -	\$ 500,000	\$ 500,000	\$ -	\$ -	\$ -
159 Guasti Successor/Debt Svc	-	-	250,000	-	250,000	250,000	-	-	-
162 Ctr City Successor/Debt Svc	-	-	707,214	-	707,214	707,214	-	-	-
163 PA#1 Successor/Debt Svc	-	-	10,654,510	-	10,654,510	10,654,510	-	-	-
266 LMI Successor Agency	-	-	1,040,360	-	1,040,360	1,040,360	-	-	-
299 Redev Obligation Retirement Fd	-	13,152,084	-	13,152,084	-	-	-	-	-
<b>Total Redevelopment Successor Agency</b>	<b>\$ -</b>	<b>\$ 13,152,084</b>	<b>\$ 13,152,084</b>	<b>\$ 13,152,084</b>	<b>\$ 13,152,084</b>	<b>\$ 13,152,084</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>
	<b>\$ 760,145,342</b>	<b>\$ 469,072,529</b>	<b>\$ 81,594,024</b>	<b>\$ 81,594,024</b>	<b>\$ 1,229,217,871</b>	<b>\$ 522,975,285</b>	<b>\$ 706,242,586</b>	<b>\$ (147,962,806)</b>	<b>\$ 558,279,780</b>

City of Ontario  
 Recommended Adjustments by Fund  
 Fiscal Year 2018-19  
 First Quarter Budget Update

Description	Appropriation Adjustments	Revenue Adjustments	Operating Transfers-In	Operating Transfers-Out	Fund Balance Impact
<b>Fund 001 - General Fund</b>					
Operating lease agreement ref: 400 North Euclid Avenue (CC Apprvd 6/19/2018)*	500,000				(500,000)
Public improvements ref: 200 North Euclid Avenue (CC Apprvd 10/2/2018)*	270,000				(270,000)
Additional Citywide traffic signal maintenance services	255,760				(255,760)
The Ontario Plan update*	250,000				(250,000)
Police Dispatch office furniture and equipment (Transfers-In from Fund 098)	114,500		114,500		-
Citywide custodial maintenance services (CC Apprvd 8/21/2018)	96,600				(96,600)
Public Facilities condition assessment and inventory software program*	45,000				(45,000)
Police lease termination fee	31,600				(31,600)
Replanting of medians and parkway landscaping in Ontario Ranch	30,000				(30,000)
Temporary/Part Time Salaries - Building Department	34,000				(34,000)
Recommended personnel changes (Offset with Ontario International Airport Authority Revenue)	49,315	49,315			-
Transfers-In (from Funds 061, 062, 064, 072, 122, and 079) Community Facilities Districts funding/City services	-		1,673,536		1,673,536
Transfers-Out (to Fund 017) for Capital Projects*	-			458,587	(458,587)
Transfers-Out (to Fund 015) for FY 2017-18 Carryforward Grant Appropriations	-			16,675	(16,675)
FY 2017-18 Carryforward Encumbrances	3,590,972				(3,590,972)
	<u>5,267,747</u>	<u>49,315</u>	<u>1,788,036</u>	<u>475,262</u>	<u>(3,905,658)</u>
<b>+/- Required Reserve Changes:</b>					
Carryforward Appropriations Reserve					3,590,972
<b>Total General Fund Adjustments</b>					<u>(314,686)</u>
<b>Fund 003 - Gas Tax</b>					
Highway Users Tax revenue/Revise budget		(599,916)			(599,916)
Carryforward Encumbrances from FY 2017-18	588,301				(588,301)
Carryforward CIP Appropriations from FY 2017-18	1,856,386	393,191			(1,463,195)
	<u>2,444,687</u>	<u>(206,725)</u>	<u>-</u>	<u>-</u>	<u>(2,651,412)</u>
<b>Fund 004 - Measure I Five-Year Capital Improvement Plan</b>					
Carryforward CIP Appropriations from FY 2017-18	457,436				(457,436)
	<u>457,436</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>(457,436)</u>

\*Recommended Use of Fiscal Year 2017-18 Surplus

City of Ontario  
 Recommended Adjustments by Fund  
 Fiscal Year 2018-19  
 First Quarter Budget Update

Description	Appropriation Adjustments	Revenue Adjustments	Operating Transfers-In	Operating Transfers-Out	Fund Balance Impact
<b>Fund 005 - Measure I-Valley Major Projects</b>					
Carryforward Encumbrances from FY 2017-18	337,935	337,935			-
Carryforward CIP Appropriations from FY 2017-18	27,311,698	27,311,698			-
	<u>27,649,633</u>	<u>27,649,633</u>	-	-	-
<b>Fund 008 - Community Development Block Grant</b>					
Community Development Block Grant and ESG Grant Program/Revise budget (CC Apprvd 5/15/2018)	900,883	900,883			-
	<u>900,883</u>	<u>900,883</u>	-	-	-
<b>Fund 009 - HOME Grants</b>					
Home Grant Program/Revise budget (CC Apprvd 5/15/2018)	(91,166)	(91,166)			-
	<u>(91,166)</u>	<u>(91,166)</u>	-	-	-
<b>Fund 010 - Asset Seizure</b>					
Carryforward Encumbrances from FY 2017-18	175,645				(175,645)
	<u>175,645</u>	-	-	-	<u>(175,645)</u>
<b>Fund 014 - Mobile Source Air</b>					
Carryforward Encumbrances from FY 2017-18	10,571				(10,571)
Carryforward CIP Appropriations from FY 2017-18	364,209				(364,209)
	<u>374,780</u>	-	-	-	<u>(374,780)</u>
<b>Fund 015 - General Fund Grants</b>					
FY 2018-19 OTS STEP Grant (CC Apprvd 3/6/2018)	495,000	495,000			-
Institute of Museum and Library Services Grant	183,278	183,278			-
Library Lightspeed Makerspace Grant	60,000	60,000			-
FY 2018-19 Historic Preservation Grant - Jay Littleton Ballpark historic review	30,000	30,000			-
FY 2018-19 California Department of Justice Tobacco Enforcement Grant (CC Apprvd 7/3/2018)	45,200	45,200			-
California Firefighters Joint Apprenticeship Committee Grant (CAL-JAC)	38,000	38,000			-
FY 2017-18 Emergency Management Performance Grant: communications equipment (Fire)	26,819	26,819			-
Carryforward Encumbrances from FY 2017-18	957,859	957,859			-
Carryforward Grant Appropriations from FY 2017-18 (Transfers-In from Fund 001)	3,231,830	3,215,155	16,675		-
	<u>5,067,986</u>	<u>5,051,311</u>	<u>16,675</u>	-	-



City of Ontario  
 Recommended Adjustments by Fund  
 Fiscal Year 2018-19  
 First Quarter Budget Update

Description	Appropriation Adjustments	Revenue Adjustments	Operating Transfers-In	Operating Transfers-Out	Fund Balance Impact
<b>Fund 016 - Ground Access</b>					
Carryforward Encumbrances from FY 2017-18	221,335	221,335			-
Carryforward CIP Appropriations from FY 2017-18	1,887,358	1,887,358			-
	<u>2,108,693</u>	<u>2,108,693</u>	-	-	-
<b>Fund 017 - Capital Projects</b>					
Fourth Street Rehab Project (Vineyard/Archibald) reimbursement agreement (CC Apprvd 8/21/2018)	239,907	239,907			-
Museum collections storage improvements (Transfers-In from Fund 001)*	200,000		200,000		-
North Turner storm drain improvements reimbursement agreement (Transfers-In from Fund 001)*	82,587		82,587		-
Fire Prevention/Human Resources Work Station Renovation (Transfers-In from Fund 001)*	70,000		70,000		-
Access Ramp at Chaffey Community Museum of Art (Transfers-In from Fund 001)*	56,000		56,000		-
Urgency sidewalk repairs (Vine/Palm) (Transfers-In from Fund 001)*	50,000		50,000		-
Citizens Business Bank Arena equipment replacements (Transfers-In from Fund 098)	184,970		184,970		-
Carryforward Encumbrances from FY 2017-18	2,832,683	1,167,369			(1,665,314)
Carryforward CIP Appropriations from FY 2017-18	19,099,763	18,245			(19,081,518)
	<u>22,815,910</u>	<u>1,425,521</u>	<u>643,557</u>	-	<u>(20,746,832)</u>
<b>Fund 024 - Water Operating</b>					
Carryforward Encumbrances from FY 2017-18	275,188				(275,188)
	<u>275,188</u>	-	-	-	<u>(275,188)</u>
<b>Fund 025 - Water Capital</b>					
Carryforward Encumbrances from FY 2017-18	9,309,019				(9,309,019)
Carryforward CIP Appropriations from FY 2017-18	38,454,742				(38,454,742)
	<u>47,763,761</u>	-	-	-	<u>(47,763,761)</u>
<b>Fund 026 - Sewer Operating</b>					
Carryforward Encumbrances from FY 2017-18	115,943				(115,943)
	<u>115,943</u>	-	-	-	<u>(115,943)</u>
<b>Fund 027 - Sewer Capital</b>					
Carryforward Encumbrances from FY 2017-18	529,981				(529,981)
Carryforward CIP Appropriations from FY 2017-18	981,634				(981,634)
	<u>1,511,615</u>	-	-	-	<u>(1,511,615)</u>

\*Recommended Use of Fiscal Year 2017-18 Surplus

City of Ontario  
 Recommended Adjustments by Fund  
 Fiscal Year 2018-19  
 First Quarter Budget Update

Description	Appropriation Adjustments	Revenue Adjustments	Operating Transfers-In	Operating Transfers-Out	Fund Balance Impact
<b>Fund 029 - Integrated Waste</b>					
FY 2017-18 Bottle Bill Grant <i>(CC Apprvd 3/6/2018)</i>	43,245	43,245			-
Used Oil Payment Program (OPP9) Grant FY 2018-19 <i>(CC Apprvd 6/5/2018)</i>	48,204	48,204			-
Carryforward Encumbrances from FY 2017-18	1,337,354				(1,337,354)
Carryforward CIP Appropriations from FY 2017-18	4,365,259	88,331			(4,276,928)
	<u>5,794,062</u>	<u>179,780</u>	<u>-</u>	<u>-</u>	<u>(5,614,282)</u>
<b>Fund 031 - Integrated Waste Facilities</b>					
Carryforward Encumbrances from FY 2017-18	445				(445)
Carryforward CIP Appropriations from FY 2017-18	60,731				(60,731)
	<u>61,176</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>(61,176)</u>
<b>Fund 032 - Equipment Services</b>					
Carryforward Encumbrances from FY 2017-18	5,031,371				(5,031,371)
Carryforward CIP Appropriations from FY 2017-18	438,621				(438,621)
	<u>5,469,992</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>(5,469,992)</u>
<b>Fund 033 - Self Insurance</b>					
Settlement claims/Revise budget	85,424				(85,424)
Self Insurance/Revise budget	190,000				(190,000)
	<u>275,424</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>(275,424)</u>
<b>Fund 034 - Information Technology</b>					
Airport Operations vehicle	43,000				(43,000)
Carryforward Encumbrances from FY 2017-18	635,516				(635,516)
Carryforward CIP Appropriations from FY 2017-18	3,846,771				(3,846,771)
	<u>4,525,287</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>(4,525,287)</u>
<b>Fund 035 - Information Technology Broadband</b>					
Carryforward Encumbrances from FY 2017-18	1,835,129				(1,835,129)
Carryforward CIP Appropriations from FY 2017-18	4,890,850				(4,890,850)
	<u>6,725,979</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>(6,725,979)</u>

City of Ontario  
 Recommended Adjustments by Fund  
 Fiscal Year 2018-19  
 First Quarter Budget Update

Description	Appropriation Adjustments	Revenue Adjustments	Operating Transfers-In	Operating Transfers-Out	Fund Balance Impact
<b>Fund 048 - Ontario Housing Authority</b>					
Carryforward CIP Appropriations from FY 2017-18	56,250	56,250			-
	<u>56,250</u>	<u>56,250</u>	<u>-</u>	<u>-</u>	<u>-</u>
<b>Fund 061 - NMC CFD #31 - Carriage House Services Area B</b>					
Transfers-Out (to Fund 001)/Revise budget estimate		43,953		43,953	-
	<u>-</u>	<u>43,953</u>	<u>-</u>	<u>43,953</u>	<u>-</u>
<b>Fund 062 - NMC CFD #23 - Park Place Services</b>					
Transfers-Out (to Fund 001)/Revise budget estimate		355,042		355,042	-
	<u>-</u>	<u>355,042</u>	<u>-</u>	<u>355,042</u>	<u>-</u>
<b>Fund 064 - NMC CFD #27 - New Haven Services</b>					
Transfers-Out (to Fund 001)/Revise budget estimate		616,107		616,107	-
	<u>-</u>	<u>616,107</u>	<u>-</u>	<u>616,107</u>	<u>-</u>
<b>Fund 072- NMC CFD #9 - Edenglen Services</b>					
Transfers-Out (to Fund 001)/Revise budget estimate		71,025		71,025	-
	<u>-</u>	<u>71,025</u>	<u>-</u>	<u>71,025</u>	<u>-</u>
<b>Fund 076 - Facility Maintenance</b>					
Carryforward Encumbrances from FY 2017-18	27,173				(27,173)
	<u>27,173</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>(27,173)</u>
<b>Fund 077 - Storm Drain Maintenance</b>					
Carryforward Encumbrances from FY 2017-18	17,499				(17,499)
	<u>17,499</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>(17,499)</u>
<b>Fund 079 - NMC CFD #37 - Park &amp; Turner-NE RF</b>					
Transfers-Out (to Fund 001)/Revise budget estimate		340,704		340,704	-
	<u>-</u>	<u>340,704</u>	<u>-</u>	<u>340,704</u>	<u>-</u>

City of Ontario  
 Recommended Adjustments by Fund  
 Fiscal Year 2018-19  
 First Quarter Budget Update

Description	Appropriation Adjustments	Revenue Adjustments	Operating Transfers-In	Operating Transfers-Out	Fund Balance Impact
<b>Fund 098 - General Fund Trust</b>					
Transfers-Out (to Fund 017) Citizens Business Bank Arena equipment replacements				184,970	(184,970)
Transfers-Out (to Fund 001) for Police Dispatch office furniture and equipment				114,500	(114,500)
	-	-	-	299,470	(299,470)
<b>Fund 109 - Public Meeting Impact</b>					
Anthony Munoz Community Center & Park Improvements/Revise budget	1,300,000				(1,300,000)
	1,300,000	-	-	-	(1,300,000)
<b>Fund 122 - NMC CFD #9 - Countryside Services</b>					
Transfers-Out (to Fund 001)/Revise budget estimate		246,705		246,705	-
	-	246,705	-	246,705	-
<b>Fund 166 - Housing Asset Fund</b>					
Land sale proceeds from 200 North Euclid Avenue (CC Apprvd 10/2/2018)		270,000			270,000
	-	270,000	-	-	270,000
<b>Fund 170 - OMC Regional Streets</b>					
Carryforward Encumbrances from FY 2017-18	22,496				(22,496)
Carryforward CIP Appropriations from FY 2017-18	7,072,087				(7,072,087)
	7,094,583	-	-	-	(7,094,583)
<b>Fund 171 - OMC Local Adjacent Streets</b>					
Carryforward Encumbrances from FY 2017-18	252,480				(252,480)
Carryforward CIP Appropriations from FY 2017-18	11,888,642				(11,888,642)
	12,141,122	-	-	-	(12,141,122)
<b>Fund 173 - OMC Local Adjacent Storm Drain</b>					
Carryforward Encumbrances from FY 2017-18	1,465,864				(1,465,864)
Carryforward CIP Appropriations from FY 2017-18	6,954,236				(6,954,236)
	8,420,100	-	-	-	(8,420,100)
<b>Fund 175 - OMC Local Adjacent Water</b>					
Carryforward Encumbrances from FY 2017-18	334,451				(334,451)
	334,451	-	-	-	(334,451)

City of Ontario  
 Recommended Adjustments by Fund  
 Fiscal Year 2018-19  
 First Quarter Budget Update

Description	Appropriation Adjustments	Revenue Adjustments	Operating Transfers-In	Operating Transfers-Out	Fund Balance Impact
<b>Fund 177 - OMC Local Adjacent Sewer</b>					
Carryforward CIP Appropriations from FY 2017-18	3,500,000				(3,500,000)
	<u>3,500,000</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>(3,500,000)</u>
<b>Fund 178 - OMC Fire Impact</b>					
Carryforward Encumbrances from FY 2017-18	292,980				(292,980)
Carryforward CIP Appropriations from FY 2017-18	1,764,150				(1,764,150)
	<u>2,057,130</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>(2,057,130)</u>
<b>Fund 180 - NMC Regional Streets</b>					
Carryforward CIP Appropriations from FY 2017-18	1,605,126				(1,605,126)
	<u>1,605,126</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>(1,605,126)</u>
<b>Fund 185 - NMC Local Adjacent Water</b>					
Riverside Drive recycled water improvements	1,000,000				(1,000,000)
Carryforward CIP Appropriations from FY 2017-18	1,000,000				(1,000,000)
	<u>2,000,000</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>(2,000,000)</u>
<b>Fund 190 - NMC Fire Impact</b>					
Carryforward Encumbrances from FY 2017-18	180,407				(180,407)
Carryforward CIP Appropriations from FY 2017-18	8,605,335				(8,605,335)
	<u>8,785,742</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>(8,785,742)</u>
<b>Total Other Fund Adjustments</b>	<u><b>181,762,090</b></u>	<u><b>39,017,716</b></u>	<u><b>660,232</b></u>	<u><b>1,973,006</b></u>	<u><b>(144,057,148)</b></u>

**City of Ontario  
Recommended Personnel and Organizational Changes  
Fiscal Year 2018-19  
First Quarter Budget Update**

Agency	Position	Action	Salary Range
Housing & Neighborhood Preservation	Community Improvement Coordinator to (13) Community Improvement Officer (13)	Title Change	-
Housing & Neighborhood Preservation	Senior Community Improvement Coordinator (5) to Senior Community Improvement Officer (5)	Title Change	-
Fire Department	Firefighter - 53 Hr (Airport) (3)	Deletion	\$ 5,900 - \$ 7,280
Fire Department	Fire Engineer - 53 Hr (Airport) (3)	Addition	\$ 7,133 - \$ 8,672
<u>Impact by Fund</u>		<u>Current</u>	<u>Annual</u>
Fund 001	General Fund	\$ 49,315 *	\$ 84,540 *
Total		\$ 49,315	\$ 84,540
*Offset with Ontario International Airport Authority Revenue			

**2018-2019  
ADOPTED FIVE-YEAR  
CAPITAL IMPROVEMENT PROGRAM**

**Complete text and all supporting documents are  
available for public review during  
normal business hours at the  
City Clerk's office**

# CITY OF ONTARIO

Agenda Report  
November 20, 2018

SECTION:  
CONSENT CALENDAR

**SUBJECT: RESOLUTIONS UPDATING AUTHORIZED DEPUTY CITY TREASURERS**

**RECOMMENDATION:** That the City Council adopt resolutions amending the list of Deputy City Treasurers authorized to invest City funds in the Local Agency Investment Fund (LAIF) and in other eligible investment securities.

**COUNCIL GOALS:** Operate in a Business Manner

**FISCAL IMPACT:** None.

**BACKGROUND:** *The recent reorganization in the Financial Services Agency has resulted in the need to update the resolutions identifying those individuals authorized to invest City funds and to transact with the State of California LAIF. The recommended actions updates the staff member list, reflects title changes approved by the City Council through the budget adoption process, and all other resolution provisions remain unchanged to ensure continuity in the City Treasury Management operations. The authorized individuals shall be as follows: City Treasurer, Chief Investment/Bond Officer and Assistant City Manager.*

**STAFF MEMBER PRESENTING:** Mark Alvarado, Interim Director, Financial Services

Prepared by: Guy A. Boccasile  
Department: Financial Services

City Manager Approval: 

Submitted to Council/O.H.A. 11/20/2018  
Approved: \_\_\_\_\_  
Continued to: \_\_\_\_\_  
Denied: \_\_\_\_\_



RESOLUTION NO. \_\_\_\_\_

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF ONTARIO, CALIFORNIA, PROVIDING FOR THE INVESTMENT OF INACTIVE FUNDS IN THE LOCAL AGENCY INVESTMENT FUND OF THE CALIFORNIA STATE TREASURY AND HEREBY RESCINDING RESOLUTION NO. 2004-011.

NOW, THEREFORE, THE CITY COUNCIL OF THE CITY OF ONTARIO DOES HEREBY RESOLVE AND FIND AS FOLLOWS:

SECTION 1. The California State Legislature has, pursuant to Chapter 730 of the Statutes of 1976, Sections 16429.1 et seq., added to the Government Code and created the Local Agency Investment Fund as a special fund in the California State Treasury. The pooling of funds by many California local agencies will create a fund allowing for high rates of return due to the use of large denomination instruments.

SECTION 2. The City of Ontario has money in its treasury not required for immediate needs and it is in the best interest of the city to place said money in approved investments yielding maximum returns.

SECTION 3. The City of Ontario, 303 East "B" Street, Civic Center, Ontario, California 91764-4196, will participate in the Local Agency Investment Fund of the California State Treasury.

SECTION 4. The City of Ontario agrees to deposit or withdraw money in the Local Agency Investment Fund in the California State Treasury in accordance with the provisions of Section 16429.1 of the Government Code for the purpose of investment as stated therein.

SECTION 5. The following persons are authorized to order the deposit or withdrawal of money in the Local Agency Investment Fund or their successors.

James R. Milhiser, City Treasurer  
Guy A. Boccasile, Deputy City Treasurer  
Al C. Boling, Deputy City Treasurer

SECTION 6. Resolution No. 2004-011 is hereby rescinded.

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

PASSED, APPROVED, AND ADOPTED this 20<sup>th</sup> day of November 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 November 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 November 20, 2018.

\_\_\_\_\_  
SHEILA MAUTZ, CITY CLERK

(SEAL)

RESOLUTION NO. \_\_\_\_\_

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF ONTARIO, CALIFORNIA, AUTHORIZING THE INVESTMENT OF CITY FUNDS AND HEREBY RESCINDING RESOLUTION NO. 2004-012.

NOW, THEREFORE, THE CITY COUNCIL OF THE CITY OF ONTARIO DOES HEREBY RESOLVE AND FIND AS FOLLOWS:

SECTION 1. That the City Treasurer and/or any duly-appointed Deputy City Treasurers whose names appear in this resolution are hereby authorized to open investment accounts for the City of Ontario with any bank, savings and loan association, broker dealer or other financial institution, hereinafter referred to as "broker", to purchase, sell and or deal in such notes, bonds, bills, certificates of indebtedness, warrants or registered warrants and/or other investments as are authorized for general law cities in the State of California by Chapter 4 of Part 1 Division 2 of Title 5 of the Government Code (commencing with section 53600) (hereinafter "authorized investments"), and as limited by the current investment policy of the City Council of the City of Ontario, a copy of which is attached to and made a part of this resolution, and/or such other investment policy which may be adopted by said City Council, and that all orders and instructions, written or oral, which may be given by either the City Treasurer or a duly-appointed Deputy City Treasurer; and each of whom is hereby authorized and directed to purchase, sell and/or deal in authorized investment instruments through said broker on behalf of the City of Ontario, which they may deem necessary or advisable for the City of Ontario for cash and also to make payment and to sign checks or drafts drawn upon the funds of the City of Ontario and also, to withdraw from said broker from time to time, to deliver or accept delivery of, and/or to endorse, and/or to direct the transfer of record title of, all authorized investments, and/or assets or funds that may be carried by said broker for the account of the City of Ontario, and

SECTION 2. That each of the aforesaid officers of the City of Ontario be and hereby authorized and directed to execute and deliver on behalf of the City of Ontario any customer's agreement required by broker and to enter into, execute, and deliver, any and all other agreements, documents, releases, and writings that may be required by said broker for the opening and/or continuing of said account in connection with any transaction relating to said account or to any securities or moneys of the City of Ontario whether or not in said account, provided, however, that no customer's agreement shall authorize investment in other than authorized investments, and

SECTION 3. That until broker shall receive duly written notices of change or rescission of these resolutions, said broker may rely upon the authority contained in this resolution as continuing fully effective, and the said broker may rely upon any certified copy of resolutions, specimen signatures or other writings, signed on behalf of the City of Ontario by any officer thereof; the acceptance of any other form of notice shall not constitute a waiver, of this provision, nor shall the fact that any person hereby empowered ceases to be an officer or becomes an officer under some other title, in any way affect the powers hereby conferred, until broker shall receive due written notice of change or rescission, as aforesaid, and

SECTION 4. That in the event of any change in the office or powers of persons hereby empowered, the City Council shall certify those changes to broker in writing, in the manner herein above specified, which notification, when received, shall be adequate both to terminate the powers of the person theretofore authorized, and to empower the persons thereby substituted, and

SECTION 5. That any and all orders and instructions heretofore given to said broker on behalf of the City of Ontario by any officer of the City of Ontario, are hereby in all respects ratified, confirmed and approved, and

SECTION 6. That the foregoing resolutions and the certificates actually furnished to broker by any officer of the City of Ontario, be and they hereby are made irrevocable, and shall be fully effective as to any transaction for the account of the City of Ontario notwithstanding that the account may have been temporarily closed or inactive, until written notice of the revocation thereof shall have been received by broker.

SECTION 7. That Resolution No. 2004-012 is hereby rescinded.

I DO FURTHER CERTIFY that the following are the signatures and titles of the persons authorized and empowered to act on behalf of the City of Ontario, pursuant to the foregoing resolutions, and this resolution is in accordance with and does not conflict with the existing ordinances and/or resolutions.

---

James R. Milhiser,  
City Treasurer

---

Al C. Boling,  
Deputy City Treasurer

---

Guy A. Boccasile,  
Deputy City Treasurer

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

PASSED, APPROVED, AND ADOPTED this 20<sup>th</sup> day of November 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 November 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 November 20, 2018.

\_\_\_\_\_  
SHEILA MAUTZ, CITY CLERK

(SEAL)

# CITY OF ONTARIO

Agenda Report  
November 20, 2018

SECTION:  
CONSENT CALENDAR

**SUBJECT: UPDATED INVESTMENT POLICY**

**RECOMMENDATION:** That the City Council consider and approve an update to the City of Ontario's Investment Policy.

**COUNCIL GOALS:** Operate in a Businesslike Manner

**FISCAL IMPACT:** The recommended change will result in improved financial flexibility, increased safety and is expected to create marginally increased portfolio returns.


**BACKGROUND:** Section 53646(a) (2) of the California Government Code states that the treasurer or chief fiscal officer of a local agency may annually render to the legislative body of that local agency a statement of investment policy, which the legislative body of the local agency shall consider at a public meeting. Any change in the policy shall also be considered by the legislative body of the local agency at a public meeting.

There is only one change to the City's Investment Policy recommended at this time.

The proposed update brings the Investment Policy into alignment with changes in state law which go into effect January 1, 2019. Legislative changes to Section 53601 (o) of the California Government Code were recently passed into law for the purpose of simplifying that section and removing contradictions. Section 53601 of the Code describes allowable investments, and subsection (o) pertains to asset-backed securities. The change removed language referring to the "issuer" which never should have applied to asset-backed securities as they are intentionally structured to be a separate trust and remote from the "issuer." The effective date of the updated Investment Policy is January 1, 2019 to coincide with the new state law.

This change gives the City the ability to diversify its portfolio into additional very high-quality instruments as well as adding marginally to investment yields.

**STAFF MEMBER PRESENTING:** Mark Alvarado, Interim Director, Financial Services

Prepared by: Guy A. Boccasile  
Department: Financial Services  
City Manager Approval: 

Submitted to Council/O.H.A. 11/20/2018  
Approved: \_\_\_\_\_  
Continued to: \_\_\_\_\_  
Denied: \_\_\_\_\_

7



Additionally, the recommended update is more restrictive than the new language in State Code in that purchases of securities under this subdivision would be limited for Ontario to bonds rated AAA vs the AA allowed in the Code.

City Treasurer Jim Milhiser concurs with this recommendation.

# *Investment Policy*

*November 20, 2018*



City of Ontario  
303 E. B Street  
Ontario, Ca 91764  
Phone: 909-395-2000  
Web: [www.ontarioca.gov](http://www.ontarioca.gov)



CITY OF ONTARIO  
STATEMENT OF INVESTMENT POLICY

**I. PURPOSE**

This statement is intended to: (a) describe the policies and procedures utilized in the City's investment management system; (b) put in place guidelines for the prudent investment of the City's funds, and (c) list and describe suitable investments.

The goals of the City's investment policy and investment management function are enhancement of the economic status of the City and protection of the City's funds.

The investment policies and practices of the City of Ontario are based upon federal and state law and prudent money management principles. The primary goals of these policies are:

- A. To assure compliance with all laws governing the investments under the control of the City Treasurer.
- B. To protect the principal monies entrusted to this office.
- C. To generate the maximum amount of investment income consistent with the parameters established in this Statement of Investment Policy.

**II. SCOPE**

This investment policy applies to all monies belonging to the City of Ontario, and proceeds from bonds or notes issued by the City of Ontario and any authorized special districts. Bond proceeds and any funds associated with bond issues and other monies arising from bond indebtedness are further restricted by the pertinent bond indenture. Funds described above are accounted for in the City's Comprehensive Annual Financial Report.

The City will comply with all applicable sections of the Internal Revenue Code of 1986, Arbitrage Rebate Regulations and bond covenants with regard to the investment of bond proceeds.

All monies entrusted to the City Treasurer will be pooled in an actively managed portfolio and will be referred to as the "fund" or the "portfolio" throughout the remainder of this document.

In accordance with State law and under the authority granted by the City Council in its resolution dated February 17, 2004, the City Treasurer and Deputy City Treasurer(s) are authorized to invest the unexpended cash in the City treasury. The responsibility for the day-to-day investment of the City's funds is delegated to the Investment Officer. In the absence of the Investment Officer, the Deputy City Treasurers will be responsible for the investment function.

### III. PRUDENCE

Investments shall be made with judgment and care, under circumstances then prevailing, which persons of prudence, discretion, and intelligence exercise in the management of their own affairs; not for speculation, but for investment, considering the probable safety of their capital as well as the probable income to be derived. The standard of prudence to be used by investment officials shall be the "prudent investor" standard (California Government Code Section 53600.3) and shall be applied in the context of managing an overall portfolio. Investment officers, acting in accordance with written procedures and the investment policy and exercising due diligence, shall be relieved of personal responsibility for an individual security's credit risk or market price changes, provided deviations from expectations are reported in a timely fashion and appropriate action is taken to control adverse developments.

### IV. OBJECTIVES

#### A. Safety of Principal

Safety of principal is the foremost objective of the investment policies and practices of the City of Ontario. Investment decisions shall seek to minimize net capital losses on a portfolio basis. This policy recognizes that market conditions may warrant the sale of individual securities incurring losses in order to protect against further and more substantial capital losses. The intent of this policy is to ensure that capital losses are minimized on a portfolio level rather than on each transaction. The City shall seek to preserve principal by mitigating credit risk and market risk.

- 1) Credit Risk – Defined as the risk of loss due to failure or insolvency of an issuer; shall be mitigated by diversifying the fund so that the failure of any one issuer would not unduly harm the City's cash flow. No more than 3% of the portfolio may be invested (at time of purchase) in the securities of any one single issuer except the U.S. Government, its agencies, or the State of California Local Agency Investment Fund.
- 2) Market Risk – Defined as the risk of market value fluctuations due to changes in the general level of interest rates. Because longer maturity fixed-income securities have greater market risk than shorter maturity securities, market risk will be mitigated by limiting the weighted average maturity of the fund to 2 ½ years. It is explicitly recognized that in an active portfolio occasional losses are inevitable and must be considered within the context of the overall investment return.

#### B. Liquidity

The City's fund will be structured to ensure that the projected expenditure requirements of the City for the next six months can be met with a combination of anticipated revenues, maturing securities, principal and interest payments and liquid instruments as required by California Government Code Section 53646.

**C. Performance Measurement**

The performance of the City's investment portfolio will be measured on a total return basis. The portfolio's performance will be measured against a benchmark of the Merrill-Lynch 1-3 year Treasury Index. The index's returns are reported monthly on the City's current portfolio report.

**V. SAFEKEEPING OF SECURITIES**

With the exception of insured Certificates of Deposit and the Local Agency Investment Fund of the State of California, all securities owned by the City, including collateral for repurchase agreements, shall be held in safekeeping by the City's custodial bank or a third party bank trust department acting as agent for the city under terms of a custody or trustee agreement executed by the bank and the City. All securities will be received and delivered using standard delivery versus payment (DVP) procedures and in accordance with State Code.

**VI. REPORTING**

The City Treasurer is required to submit an investment report on a quarterly basis to the City Manager, the Internal Auditor, and the City Council, in accordance with California Government Code Section 53646. The report is required to be submitted within 30 days of the end of the quarter. The City Treasurer has elected to provide this report monthly. This report will include the following information:

- Type of investment instrument (i.e. Treasury Bill, CD)
- Issuer name (i.e. US Treasury Note)
- Purchase date (trade and settlement date)
- Maturity date
- Par value
- Purchase price
- Current market value and source of valuation
- Overall portfolio yield based on cost
- Statement of compliance of the portfolio to the investment policy or an explanation of the manner in which the portfolio is not in compliance
- Description of any of the City's funds that are under the management of contracted parties.
- Statement denoting the ability of the City to meet its expenditure requirements for the next six months, or an explanation as to why sufficient money may not be available.

**VII. QUALIFIED DEALERS**

The Investment Officer shall maintain a list of financial institutions qualified to do business with the City. Banks and broker/dealers will be selected on the basis of creditworthiness, experience, and capitalization. Prior to approval, they must read and sign the City's Broker/Dealer Questionnaire and Certification. In accordance with California Government Code Section 53601, a bank or broker/dealer must be qualified as a dealer regularly reporting to the New York Federal Reserve Bank (a "primary dealer") to conduct repurchase agreements with the City.

**VIII. COMPETITIVE BIDDING**

It will be the policy of the City to transact all U. S. Treasury securities purchases and sales through a formal and competitive process requiring the solicitation and evaluation of at least three bids/offers. The City will accept the offer, which provides (a) the highest rate of return; and (b)

optimizes the investment objectives of the overall portfolio. The purchase of securities other than U.S. Treasuries (corporate notes, Agencies, mortgage-backed securities, etc.) will be executed differently. This is due to the lack of homogeneity among these products and their availability (or unavailability) in dealer inventories. Because of the individualized nature of these securities, it is usually not possible to get more than one offer on the same instrument. Therefore, when purchasing non-Treasury securities, the Investment Officer shall make a subjective evaluation regarding the relative attractiveness of various offers, taking into account maturity, credit ratings, structure and other factors which influence pricing. When selling a security, the City will select the bid, which generates the highest sale price. It will be the responsibility of the personnel involved in each transaction to produce and retain written records, including the name of the financial institutions solicited, price/rate quoted, description of the security, bid/offer selected, and any special considerations that had an impact on the decision.

#### **IX. PURCHASE AND SALE OF SECURITIES**

Purchases and sales of securities will be executed only by the Investment Officer and in his absence the Deputy City Treasurer. All transactions will be reviewed and approved by the City Treasurer.

#### **X. POLICY REVIEW**

The City Treasurer shall annually render to the City Council a statement of investment policy, which shall be considered at a public meeting. Any changes in the policy shall also be considered by the City Council at a public meeting.

#### **XI. AUTHORIZED INVESTMENTS**

A. The City's Investment Portfolio is governed by California Government Code, Section 53600 et seq. Within the context of these limitations, the following investments are authorized, as further limited herein:

- 1) United States Treasury Bills, Notes, and Bonds, or those securities for which the full faith and credit of the United States are pledged for payment of principal and interest. There is no limitation as to the percentage of the fund, which can be invested in this category.
- 2) Obligations issued by various agencies of the Federal Government including, but not limited to, the Federal Farm Credit Bank System, the Federal Home Loan Bank System, the Federal Home Loan Bank, the Federal National Mortgage Association, the Federal Home Loan Mortgage Corporation, the Student Loan Marketing Association as well as such agencies or enterprises which may be created. There is no percentage limitation on the dollar amount which can be invested in Agency issues in total, no more than 20% of the cost value of the portfolio may be invested in the securities of any one issuer.
- 3) Bills of exchange or time drafts drawn on and accepted by a commercial bank, commonly known as banker's acceptances. Banker's acceptances may not exceed 180 days to maturity. To be eligible for purchase, banker's acceptances must be rated B/C or higher by Thomson Bankwatch. No more than 40% of the cost value of the portfolio may be invested in banker's acceptances and no more than 5% of the cost value of the portfolio may be invested in banker's acceptances of any single bank.

- 4) Commercial paper rated “A1” by Standard and Poor’s and “P1” by Moody’s Investor Services, and issued by a domestic corporation having assets in excess of \$500 million and having an “A” or better rating on its long-term debentures as provided by Moody’s or Standard and Poor’s. Purchases of eligible commercial paper may not exceed 270 days maturity nor represent more than 10% of the outstanding paper on an issuing corporation. Purchases of commercial paper may not exceed 15% of the portfolio, which may be invested pursuant to this section. An additional 15% or a total of 30% of the agency’s money may be invested pursuant to this subdivision. The additional 15% may be so invested only if the dollar weighted average maturity of the entire amount does not exceed 31 days.
- 5) Negotiable certificates of deposit issued by a nationally or State chartered bank or a State or Federal savings institution, or a State licensed branch of a foreign bank (“Yankee”). Purchases of negotiable certificates of deposit may not exceed 30% of the cost value of the portfolio. To be eligible for purchase by the City, the certificate of deposit must be rated A-1 by Standard and Poor’s and P-1 by Moody’s.
- 6) Repurchase Agreements – The City may invest in repurchase agreements with primary dealers of the Federal Reserve Bank of New York with which the City has entered into a master repurchase agreement. The Public Securities Association master repurchase agreement is the “master repurchase agreement”. The maturity of repurchase agreements shall not exceed one year. The market value of securities used as collateral for repurchase agreements shall be valued at no less than 102% of the value of the repurchase agreement. Collateral pricing will be monitored no less than monthly by the investment staff and not be allowed to fall below 102% of the value of the repurchase agreement. In order to conform to provisions of the Federal Bankruptcy Code which provide for the liquidation of securities held as collateral for repurchase agreements, the only securities acceptable to the city as collateral shall be securities that are direct obligations of, or that are fully guaranteed as to principal and interest, by the United States or any agency thereof. Investments in repurchase agreements may not exceed 20% of the cost value of the fund.
- 7) Local Agency Investment Fund - The City may invest in the Local Agency Investment Fund (“LAIF”) established by the State Treasurer for the benefit of local agencies up to the maximum permitted under Section 16429.1 of the Government Code.
- 8) Time Deposits – The City may invest in non-negotiable time deposits collateralized in accordance with the California Government Code, which meet the requirements for investment in negotiable certificates of deposit. The City may invest in insured certificates of deposit with individual depository institutions up to the insured limit. No more than 25% of the fund may be invested in this category.
- 9) Medium-term notes of a maximum of five years maturity issued by corporations organized and operating within the United States or by depository institutions licensed by the United States or any State, and operating within the United States. The issuing corporation must have a minimum rating of “A” by both Standard and Poor’s and Moody’s and have in

excess of \$500 million in shareholder equity. Purchase of medium-term notes may not exceed 30% of the cost value of the fund with no more than 15% of the cost value of the fund rated below "AA" by both Standard and Poor's and Moody's. No more than 3% of the fund (at time of purchase) may be invested in any one corporate name, including the parent corporation or subsidiaries.

- 10) Any U. S. Government Agency's Mortgage pass-through security, collateralized mortgage obligations, mortgage-backed or other pay-through bond, equipment lease-backed certificate, or consumer receivable-backed bond Securities eligible for investment under this section shall be rated in a rating category of "AAA" by a nationally recognized statistical rating organization and have a maximum remaining maturity of 5 years or fewer. The securities must be rated "AAA" by Moody's or Standard and Poor's. Purchase of securities authorized by this subdivision may not exceed 20% of the cost value of the fund.
- 11) Bonds, notes, warrants or other evidences of indebtedness of any local agency of this state, including bonds payable solely out of the revenues from a revenue producing property owned, controlled, or operated by the local agency, or by a department, board, agency, or authority of the local agency.
- 12) Registered state warrants or treasury notes or bonds of this state, including bonds payable solely out of the revenues from a revenue-producing property owned, controlled or operated by the state or by a department, board, agency or authority of the state
- 13) Bonds, notes, warrants, or other evidence of indebtedness of a local agency within this state, including bonds payable solely out of the revenues from a revenue-producing property owned, controlled, or operated by the local agency, or by a department, board, agency, or authority of the local agency.
- 14) United States dollar denominated senior unsecured unsubordinated obligations issued or unconditionally guaranteed by the International Bank for Reconstruction and Development, International Finance Corporation, or Inter-American Development Bank, with a maximum remaining maturity of five years or less, and eligible for purchase and sale within the United States. Investments under this subdivision shall be rated "AA" or better by an NRSRO and shall not exceed 9 percent of the agency's moneys that may be invested pursuant to this section. Investment in these issues is further limited to a 5 percent allocation in any one name.

B. In the event of a rating downgrade of security in the City's portfolio by any of the applicable rating agencies (Standard and Poor's or Moody's) to a rating category below the minimum required for purchase, the Investment Officer will document such downgrade in writing. The Investment Officer will also communicate to the City Treasurer a recommended course of action for said security.



The maximum allowable maturity for all securities purchased shall be no greater than 5 years from the settlement date if the maturity has not been further limited in subsections (1) through (12).D. The 5-year maturity limitation may be exceeded only when investing in securities referred to in section 11 above and only with prior City Council approval. Ineligible investments – investments not described herein-, are prohibited for purchase in the City's portfolio. Specifically prohibited as of January 1, 1996 are: Inverse floaters, range notes, interest-only strips derived from a pool of mortgages, or any security that could result in zero interest accrual if held to maturity.

# CITY OF ONTARIO

Agenda Report  
November 20, 2018

SECTION:  
CONSENT CALENDAR

**SUBJECT: AN ORDINANCE LEVYING SPECIAL TAXES WITHIN CERTAIN TERRITORY ANNEXED TO CITY OF ONTARIO COMMUNITY FACILITIES DISTRICT NO. 27 (NEW HAVEN SERVICES)**

**RECOMMENDATION:** That the City Council consider and adopt an ordinance levying special taxes within certain territory annexed to City of Ontario Community Facilities District No. 27 (New Haven Services).

**COUNCIL GOALS:** Operate in a Businesslike Manner

Focus Resources in Ontario's Commercial and Residential Neighborhoods

Ensure the Development of a Well Planned, Balanced, and Self-Sustaining Community in Ontario Ranch

**FISCAL IMPACT:** The use of Mello-Roos financing for City services is critical in achieving the City Council's goal of "Ensure the Development of a Well Planned, Balanced, and Self-Sustaining Community in Ontario Ranch." The use of Mello-Roos financing for the proposed annexation of the tracts in the New Haven and West Haven developments will not generate funds for facilities, and bonds will not be issued as part of this annexation. Projected annual revenue to fund City services as a result of the proposed annexation is expected to be approximately \$2.1 million at build out.

**BACKGROUND:** At the public hearing conducted by the City Council on November 6, 2018, the City Council adopted the resolutions annexing Additional Territory to Community Facilities District No. 27 (New Haven Services), (the "District"), and introduced and waived further reading of an ordinance levying special taxes within certain territory annexed to the District. Adoption of the ordinance will authorize the levy of special taxes in the Additional Territory and conclude the process of annexing the Additional Territory into the District.

The Mello-Roos Community Facilities Act of 1982 provides local government, with the approval of the qualified electors, the authority to annex Additional Territory to the District for the purpose of levying special taxes to fund governmental services. On October 2, 2018, the City Council approved Resolution

**STAFF MEMBER PRESENTING:** Mark Alvarado, Interim Director, Financial Services

Prepared by: Bob Chandler  
Department: Management Services

City Manager Approval:  \_\_\_\_\_

Submitted to Council/O.H.A. 11/20/2018

Approved: \_\_\_\_\_

Continued to: \_\_\_\_\_

Denied: \_\_\_\_\_

8

No. 2018-132, a Resolution of Intention to annex the Additional Territory and authorize the levy of special taxes therein; and setting the public hearing date for the regularly scheduled City Council meeting on November 6, 2018, to consider the annexation of Additional Territory to the District. At the Public Hearing conducted on November 6, 2018, the City Council adopted a resolution calling a special election and an associated resolution declaring the results of the special election on the annexation of the Additional Territory to the District and the levy of special taxes therein.

Included, as part of the Notice of Annexation is the Rate and Method of Apportionment of Special Tax for the District. No changes have been made to the Rate and Method since the formation of the District in 2014. The term and structure of the rate and method of apportionment of special tax are consistent with the City Council's adopted Mello-Roos Local Goals and Policies and with the terms and structures of the previously adopted rates and methods of apportionment for Ontario Ranch community facilities districts. This ensures that the special tax rates levied on all residential property owners in community facilities districts in Ontario Ranch are developed in a consistent and equivalent manner.

ORDINANCE NO. \_\_\_\_\_

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. 27 (NEW HAVEN SERVICES).

WHEREAS, on June 17, 2014, the City Council (the "City Council") of the City of Ontario (the "City"), pursuant to the Mello-Roos Community Facilities Act of 1982 (the "Act"), adopted resolutions, entitled "A Resolution of the City Council of the City of Ontario, California, of Formation of the City of Ontario Community Facilities District No. 27 (New Haven Services), Authorizing the Levy of a Special Tax within the Community Facilities District and Establishing an Appropriations Limit for the Community Facilities District" (the "Resolution of Formation") and "A Resolution of the City Council of the City of Ontario, California, Calling Special Election for City of Ontario Community Facilities District No. 27 (New Haven Services)," which resolutions, among other things, established City of Ontario Community Facilities District No. 27 (New Haven Services) (the "Community Facilities District") and called an election within the Community Facilities District on the proposition of levying special taxes (the "Special Taxes") within the Community Facilities District to pay for certain public services (the "Services") and establishing an appropriations limit for the Community Facilities District; and

WHEREAS, on June 17, 2014, an election was held in which the qualified electors of the Community Facilities District, by more than the two-thirds vote required by the Act, approved said proposition; and

WHEREAS, on July 1, 2014, the City Council, pursuant to the Act, adopted Ordinance No. 2988, entitled "An Ordinance of the City Council of the City of Ontario, California, Levying Special Taxes Within the City of Ontario Community Facilities District No. 27 (New Haven Services)," which, among other things, authorized and levied the Special Taxes within the Community Facilities District; and

WHEREAS, on October 2, 2018, the City Council, pursuant to the Act, adopted a resolution entitled "A Resolution of the City Council of the City of Ontario, California, of Intention to Annex Territory to City of Ontario Community Facilities District No. 27 (New Haven Services) and to Authorize the Levy of Special Taxes Therein" (the "Resolution of Intention") stating its intention to annex certain territory (the "Additional Territory") to the Community Facilities District, and to authorize the levy of the Special Taxes within the Additional Territory to provide the Services, and setting November 6, 2018 as the date for a public hearing to be held on the proposed annexation of the Additional Territory to the Community Facilities District; and

WHEREAS, on November 6, 2018, the City Council opened, conducted and closed said public hearing; and

WHEREAS, on November 6, 2018, the City Council adopted a resolution entitled “A Resolution of the City Council of the City of Ontario, California, Calling a Special Election to Levy a Special Tax Within Territory Proposed to be Annexed to City of Ontario Community Facilities District No. 27 (New Haven Services),” calling for a special election to submit to the qualified electors of the Additional Territory the proposition to levy the Special Taxes within the Additional Territory to pay for the Services; and

WHEREAS, on November 6, 2018, an election was held in which the qualified electors of the Additional Territory approved said proposition by more than the two-thirds vote required by the Act; and

WHEREAS, on November 6, 2018, the City Council adopted a resolution entitled “A Resolution of the City Council of the City of Ontario, California, Declaring Results of Special Election, Determining That Certain Territory is Added to and Part of City of Ontario Community Facilities District No. 27 (New Haven Services) and Directing Recording of a Notice of Annexation,” declaring the results of said special election and determining that the Additional Territory is added to and part of the Community Facilities District; and

WHEREAS, Section 53339.8(a) of the Act provides that, if two-thirds of the votes cast on the proposition are in favor of levying the special tax, after the canvass of the returns of the election, the legislative body may levy any special tax within the annexed territory, as specified in the resolution of intention adopted pursuant to Section 53339.2 of the Act, and as specified in the ordinance adopted pursuant to Section 53340 of the Act; and

WHEREAS, Section 53340 of the Act provides that, after a community facilities district has been created and authorized to levy specified special taxes pursuant to Article 3.5 of the Act (commencing with Section 53339 of the Act), relating to the annexation of territory, the legislative body may, by ordinance, levy the taxes at the rate and apportion them in the manner specified in the resolution adopted pursuant to Article 3.5 of the Act (commencing with Section 53339 of the Act), such resolution being the resolution of intention to annex territory to a community facilities district; and

WHEREAS, the Community Facilities District has been authorized to levy the Special Taxes within the Additional Territory pursuant to Article 3.5 of the Act (commencing with Section 53339 of the Act); and

WHEREAS, the Resolution of Intention provides that the Special Taxes are to be levied within the Additional Territory in accordance with the rate and method of apportionment specified in the Resolution of Formation (the “Rate and Method”).

THE CITY COUNCIL OF THE CITY OF ONTARIO DOES ORDAIN AS FOLLOWS:

SECTION 1. The foregoing recitals are true and correct.

SECTION 2. The City Council hereby authorizes and levies the Special Taxes within the Additional Territory pursuant to Sections 53339(a) and 53340 of the Act, at the rate and in accordance with the Rate and Method. The Special Taxes are hereby so levied commencing in fiscal year 2019-20 and in each fiscal year thereafter until the last fiscal year in which such Special Taxes are authorized to be levied pursuant to the Rate and Method. The City Council may, in accordance with subdivision (b) of Section 53340 of the Act, provide, by resolution, for the levy of the Special Taxes in future tax years at the same rate or at a lower rate than the rate provided by this Ordinance. In no event shall the Special Taxes be levied on any parcel within the Additional Territory in excess of the maximum tax specified therefor in the Rate and Method. The Special Taxes shall be levied on all of the parcels in the Additional Territory, unless exempted by law or by the Rate and Method.

SECTION 3. The proceeds of the Special Taxes shall only be used to pay, in whole or in part, the cost of providing the Services and incidental expenses pursuant to the Act.

SECTION 4. The Special Taxes shall be collected in the same manner as ordinary *ad valorem* property taxes are collected and shall be subject to the same penalties and the same procedure, sale and lien priority in the case of delinquency as is provided for *ad valorem* taxes, unless another procedure is adopted by the City Council.

SECTION 5. If for any reason any portion of this Ordinance is found to be invalid, or if any Special Tax is found inapplicable to any particular parcel within the Additional Territory, as applicable, by a court of competent jurisdiction, the balance of this Ordinance and the application of such Special Tax to the remaining parcels within the Additional Territory shall not be affected.

SECTION 6. 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 fifteen (15) days of 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 20<sup>th</sup> day of November 2018.

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PAUL S. LEON, MAYOR

ATTEST:

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SHEILA MAUTZ, CITY CLERK

APPROVED AS TO FORM:

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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. 3119 was duly introduced at a regular meeting of the City Council of the City of Ontario held November 6, 2018 and adopted at the regular meeting held November 20, 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. 3119 duly passed and adopted by the Ontario City Council at their regular meeting held November 20, 2018 and that Summaries of the Ordinance were published on November 13, 2018 and November 27, 2018, in the Inland Valley Daily Bulletin newspaper.

\_\_\_\_\_  
SHEILA MAUTZ, CITY CLERK

(SEAL)



# CITY OF ONTARIO

*Agenda Report*  
November 20, 2018

SECTION:  
CONSENT CALENDAR

**SUBJECT: AN ORDINANCE AMENDING CHAPTER 6, TITLE 2, OF THE ONTARIO MUNICIPAL CODE CONCERNING THE PROCUREMENT OF PUBLIC PROJECTS**

**RECOMMENDATION:** That the City Council consider and adopt an ordinance amending Chapter 6 of Title 2 of the Ontario Municipal Code to amend the formal and informal bidding thresholds.


**COUNCIL GOALS:** Operate in a Businesslike Manner

**FISCAL IMPACT:** None.

**BACKGROUND:** On July 19, 2016 the City Council adopted Ordinance No. 3054 to adopt and implement the Uniform Public Construction Cost Accounting Act, Public Contract Code section 22000 et seq. (the "Act"), for City purchases. On August 20, 2018, Assembly Bill No. 2249 ("AB 2249") was enacted by the State Legislature to amend the Act, including sections 22020, 22032 and 22034 of the Public Contract Code, with respect to bid thresholds, effective January 1, 2019. AB 2249 authorizes public projects of \$60,000 or less to be performed by the employees of a public agency by force account, by negotiated contract, or by purchase order; authorizes public projects of \$200,000 or less to be let by contract through the informal procedures set forth in the Act; and requires public projects of more than \$200,000 to be let by contract through the formal procedures set forth in the Act. The ordinance, as proposed, authorizes the City to amend Chapter 6 of Title 2 of the Ontario Municipal Code to amend the informal and formal bid thresholds from \$45,000 and \$175,000 to \$60,000 and \$200,000, respectively, in compliance with the Act.

On November 6, 2018, the City Council introduced and waived further reading of the ordinance. Adoption of the ordinance will conclude the process of amending Chapter 6, Title 2 of the Ontario Municipal Code, and implement the changes to the City's formal and informal bidding thresholds.

**STAFF MEMBER PRESENTING:** Mark Alvarado, Interim Director, Financial Services

Prepared by: Bob Chandler  
Department: Management Services  
City Manager Approval: 

Submitted to Council/O.H.A. 11/20/2018  
Approved: \_\_\_\_\_  
Continued to: \_\_\_\_\_  
Denied: \_\_\_\_\_

ORDINANCE NO. \_\_\_\_\_

AN ORDINANCE OF THE CITY COUNCIL OF THE CITY OF ONTARIO, CALIFORNIA, TO AMEND CHAPTER 6 OF TITLE 2 OF THE ONTARIO MUNICIPAL CODE CONCERNING THE PROCUREMENT OF PUBLIC PROJECTS.

WHEREAS, Article XI, Section 7, of the California Constitution authorizes the City to make and enforce within its limits all local, police, sanitary, and other ordinances and regulations not in conflict with general laws; and

WHEREAS, the City has previously elected to become subject to the Uniform Public Construction Cost Accounting Act (Pub. Cont. Code §§ 22000 et seq.) (the "Act") regarding the procurement of public works projects as set forth in Chapter 6 of Title 2 of the Ontario Municipal Code; and

WHEREAS, Assembly Bill 2249 was recently enacted, increasing of the informal and formal bid limits under the Act, effective January 1, 2019; and

WHEREAS, the City Council desires to make certain changes to its Municipal Code to implement the updated bidding procedures in accordance with the Act; and

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

THE CITY COUNCIL OF THE CITY OF ONTARIO, CALIFORNIA, DOES ORDAIN AS FOLLOWS:

SECTION 1. SECTION 2-6.13 of Chapter 6 of Title 2 of the Ontario Municipal Code is hereby amended to read as follows:

Section 2-6.13. Public Projects.

(a) Small. Public projects of sixty thousand dollars (\$60,000) or less may be performed by the employees of the City by force account, by negotiated contract, a contract obtained by way of an alternative procedure, or by purchase order. In addition, the City may, but shall not be legally required to unless if the project is subject to federal funding requirements, use one of the procurement methods set forth in subdivisions (b) or (c) hereof.

(b) Medium. Public projects of two hundred thousand dollars (\$200,000) or less shall be let to contract by informal procedures as set forth in this Chapter. In addition, the City may, but shall not be legally required to, use the procurement method set forth in subdivision (c) hereof.

(c) Large. Public projects of more than two hundred thousand dollars (\$200,000) shall, except as otherwise provided in this Chapter, be let to contract by formal bidding procedure.

(d) If, as, and when the amounts set forth above are amended by the State, this ordinance shall be deemed to have been amended to reflect such changes, without the need for further action on the part of the City. Such changes by the State shall be deemed to be incorporated by reference herein.

SECTION 2. SECTION 2-6.17 of Chapter 6 of Title 2 of the Ontario Municipal Code is hereby amended to read as follows:

Section 2-6.17. Formal Bid Procedure.

The formal bid procedure shall be as set forth herein, or as otherwise required by state or federal law or supplemented by City Council or administrative rules or regulations.

(a) Adoption of Plans. The City Council or its designated representative shall adopt plans, specifications, and working details for all Public Projects exceeding two hundred thousand dollars (\$200,000).

(b) Notices Inviting Bids. Notices Inviting Bids shall state the time and place for the receiving and opening of sealed bids and distinctly describe the project. The notice shall be published at least 14 calendar days before the date of opening the bids in a newspaper of general circulation, printed and published in the jurisdiction of the City. The notice shall be sent electronically, if available, by either facsimile or electronic mail and mailed at least 15 calendar days before the date of opening the bids to all construction trade journals specified in Cal. Pub. Contract Code § 22036. Notices Inviting Bids shall include a general description of the items to be purchased and shall state where bid forms may be obtained and the date, time and place of bid opening. In addition to the notice required by this section, the City may give such other notice as it deems proper.

(c) Bidders List. The notice inviting bids shall be mailed to all responsible, prospective vendors known to City staff and others requesting, in writing, to participate in the bid process.

(d) Award of contracts. If awarded, the bid will be awarded to the responsible bidder who submits the lowest responsive bid. Unless provided otherwise by law, the City shall have the right to waive any defect or informality in the bidding or in the procedures set forth in this section. Unless provided otherwise by law, no defect of informality shall void any contract entered into.

SECTION 3. SECTION 2-6.18 of Chapter 6 of Title 2 of the Ontario Municipal Code is hereby amended to read as follows:

Section 2-6.18. Informal Bid Procedure.

The City may let and award bids for small or medium public projects, as defined in § 2-6.13, subdivisions (a) and (b), respectively, pursuant to the procedures set forth in this section.

(a) The City shall maintain a list of qualified contractors, identified according to categories of work. Minimum criteria for development and maintenance of the contractors list shall be determined by the Commission.

(b) All contractors on the list for the category of work being bid or all construction trade journals pursuant to in Cal. Pub. Contract Code § 22036, or both all contractors on the list for the category of work being bid and all construction trade journals pursuant to in Cal. Pub. Contract Code § 22036, shall be mailed, faxed or emailed, a notice inviting informal bids unless the product or service is proprietary.

(c) All delivery of notices to contractors and construction trade journals pursuant to subdivision (b) shall be completed not less than 10 calendar days before bids are due.

(d) The notice inviting informal bids shall describe the project in general terms and how to obtain more detailed information about the project, and state the time and place for the submission of bids.

(e) If all bids received are in excess of two hundred thousand dollars (\$200,000), the City Council may, by adoption of a resolution by a four-fifths vote, award the contract, at two hundred twelve thousand five hundred dollars (\$212,500) or less, to the lowest responsible bidder, if it determines the cost estimate of the City was reasonable.

(f) Informally bid contracts shall, whenever possible, be based on at least three (3) responsive bids.

(g) Sealed bids may, at the City's election, be received by the City via the electronic bid management system.

(h) Informal Bids shall be awarded to the lowest responsible bidder, consistent with the quality and delivery requirements. The City Manager, or his/her designee, shall be authorized to award contracts for Public Projects of up to one hundred thousand dollars (\$100,000). The City Council shall be authorized to award bids for Public Projects of more than one hundred thousand dollars (\$100,000).

SECTION 4. SEVERABILITY. If any provision, clause, sentence, or paragraph of this Ordinance or the application thereof to any person or circumstances shall be held invalid, such invalidity shall not affect the other provisions of this Ordinance, which can be given effect without the invalid provision or application and, to this end, the provisions of this Ordinance are hereby declared to be severable. This Ordinance amends, adds to, and deletes (as applicable) sections of the City of Ontario Municipal Code.

SECTION 5. EFFECTIVE DATE. This Ordinance shall take effect and be in force the later of January 1, 2019 or thirty (30) days after passage.

SECTION 6. 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 fifteen (15) days of 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 20<sup>th</sup> day of November 2018.

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PAUL S. LEON, MAYOR

ATTEST:

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SHEILA MAUTZ, CITY CLERK

APPROVED AS TO FORM:

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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. 3120 was duly introduced at a regular meeting of the City Council of the City of Ontario held November 6, 2018 and adopted at the regular meeting held November 20, 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. 3120 duly passed and adopted by the Ontario City Council at their regular meeting held November 20, 2018 and that Summaries of the Ordinance were published on November 13, 2018 and November 27, 2018, in the Inland Valley Daily Bulletin newspaper.

\_\_\_\_\_  
SHEILA MAUTZ, CITY CLERK

(SEAL)

# CITY OF ONTARIO

Agenda Report  
November 20, 2018

SECTION:  
CONSENT CALENDAR

**SUBJECT: A DEVELOPMENT IMPACT FEE CREDIT AGREEMENT WITH LENNAR HOMES OF CALIFORNIA**

**RECOMMENDATION:** That the City Council authorize the City Manager to execute a Development Impact Fee Credit Agreement (on file with the Records Management Department) with Lennar Homes of California for the construction of public infrastructure in the Esperanza East and Esperanza West Projects.

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

Focus Resources in Ontario's Commercial and Residential Neighborhoods

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:** Approval of the proposed agreement will result in no fiscal impact to the City's General Fund. The project's Development Agreement and related conditions require the Developer to construct, or fund, Development Impact Fee (DIF) Program infrastructure with estimated costs of approximately \$10,932,047. The proposed DIF Credit Agreement defines the amount of DIF credit that the developer may be eligible to receive for construction of these DIF improvements. The DIF credit that the Developer will receive upon completion of the improvements may be exchanged for a refund of DIF that was paid by the Developer (up to the Developer's maximum DIF obligation) in the respective DIF category.

**BACKGROUND:** Lennar Homes of California has acquired both the Esperanza East and Esperanza West Projects and the City has accepted the assignment of the amended Development Agreements for the Esperanza East and West projects to Lennar Homes. Lennar Homes has combined the construction of the infrastructure for the two projects and has initiated construction of the DIF Program infrastructure for both projects. The two combined projects are expected to include approximately 660 residential units. The Development Agreements were originally approved in 2007 with two different developer

**STAFF MEMBER PRESENTING:** Mark Alvarado, Interim Director, Financial Services

Prepared by: Bob Chandler  
Department: Management Services  
City Manager Approval: 

Submitted to Council/O.H.A. 11/20/2018  
Approved: \_\_\_\_\_  
Continued to: \_\_\_\_\_  
Denied: \_\_\_\_\_

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entities, and both included separate and overlapping requirements for the construction of the public facilities to serve the projects and the surrounding area. The two Development Agreements have been amended twice. The First Amendments updated the Development Agreement provisions and the Second Amendments extended the length of the terms of the two Development Agreements beyond their original 10 year terms.

As noted, the amended Development Agreements require Lennar Homes, as the accepted assignee, to construct public infrastructure that is contained within the City's Development Impact Fee Program. This infrastructure is within the Ontario Ranch (OR) Water, Sewer, Storm Drain, Streets and Bridges and Fiber Optic Communications System DIF Program categories. As both Esperanza East and Esperanza West are NMC Builders member projects, and pursuant to recent agreements reached between NMC Builders and the City, only DIF Credit (no reimbursement) will be issued for the completed improvements in the Water, Sewer, Storm Drain, Streets and Bridges and Fiber Optic System categories. If the DIF credit exceeds the Developer's DIF obligation in any given category, the Developer may assign any excess DIF credit to other NMC Builders members. However, the Developer is only eligible to receive DIF credit under the proposed agreement, and therefore is not eligible to receive any reimbursements from DIF collected from other developments. The amended Development Agreements which have been assigned to Lennar Homes provide that the City and Lennar Homes would enter into a DIF Credit Agreement to provide DIF credit to the Developer for the construction of the DIF Program improvements.

The proposed agreement is in compliance with the City's DIF Policies and in conformance with the Esperanza East and Esperanza West Development Agreements, as amended, and assigned to Lennar Homes. Under the provisions of the City's DIF Program, the City Manager is authorized to execute such agreements upon approval of the City Council.



# CITY OF ONTARIO

Agenda Report  
November 20, 2018

SECTION:  
CONSENT CALENDAR

**SUBJECT: AUTHORIZE THE PURCHASE AND INSTALLATION OF FURNITURE FOR THE PUBLIC WORKS ADMINISTRATION RELOCATION PROJECT**

**RECOMMENDATION:** That the City Council take the following actions:

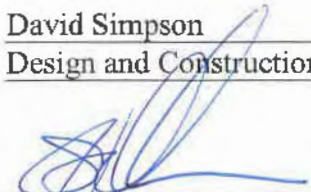
- (A) Authorize a cooperative purchase agreement D&C18-005-PW Admin Move – Furniture Purchase and Installation in the amount of \$179,964 for the relocation, acquisition and installation services of furniture and workstations for Public Works Administration from Kirksey & Co., Inc. of Irvine, California, consistent with the terms and conditions of the National IPA 2017 Contract R142208;
- (B) Authorize the City Manager to execute all documents required for the completion of the project including, but not limited to, contracts, agreements, reduction of retention accounts, and filing of a notice of completion at the conclusion of all construction related activities; and
- (C) Authorize the City Manager to execute the agreement (on file in the Records Management Department), and the addition of future acquisitions or services that are consistent with the City Council approved budgets.

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

**FISCAL IMPACT:** The Fiscal Year 2018-19 Adopted Operating Budget includes appropriations from the Capital Projects Fund in the amount of \$517,350 for the Public Works Administration Relocation. The total cost for the acquisition and installation of furniture recommended for purchase is \$179,964.

**BACKGROUND:** In conjunction with the Fiscal Year 2018-19 Adopted Operating Budget implementation, the City Council approved the reorganization of certain agencies and addition of staff which now requires the need for additional office space and relocation of workstations at various City

**STAFF MEMBER PRESENTING:** Mark Chase, Executive Director, Public Works

Prepared by: David Simpson  
Department: Design and Construction  
City Manager Approval: 

Submitted to Council/O.H.A. 11/20/2018  
Approved: \_\_\_\_\_  
Continued to: \_\_\_\_\_  
Denied: \_\_\_\_\_

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facilities. To accomplish the reorganization, additional office space will be created in City Hall and City Hall Annex and Public Works administration will relocate to 1333 S. Bon View Avenue.

In June 2009, a renovation of City Hall and City Hall Annex included Knoll product furniture being purchased and installed from Systems Source, Inc. Since then, System Source has remained the single point of contact for City Hall and City Hall Annex furniture purchases to maintain continuity, while guaranteeing the lowest available price. Therefore, under the City Manager's authority, on September 13, 2018, the City entered into a \$27,724 agreement with Systems Source, Inc. to purchase additional Knoll furniture for the creation of new second floor offices in City Hall and moving workstations for staff being relocated to City Hall Annex.

The relocation of Public Works Administration to 1333 S. Bon View Avenue is the major component of the project requiring a larger acquisition of furniture and installation services. To ensure consistency with the Ontario Municipal Utilities Company (OMUC) portion of this project, the purchase of HON products is recommended. The City Council took action on November 6, 2018 to authorize the procurement of the OMUC furniture.

In general conformance with the provisions of Government Code Section 54201 through 54204, 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 recommends the cooperative purchase of HON products and installation services for the furniture, workstations and accessories in the amount of \$179,964 from staff Kirksey & Co. of Irvine, California, consistent with the terms and conditions of the National IPA 2017 Cooperative Contract R142208.

# CITY OF ONTARIO

Agenda Report  
November 20, 2018

SECTION:  
CONSENT CALENDAR

**SUBJECT: A PROFESSIONAL SERVICES AGREEMENT FOR UT1018 - NORTH VINEYARD SANITARY SEWER MAIN PROJECT FEASIBILITY STUDY**

**RECOMMENDATION:** That the City Council approve and authorize the City Manager to execute a Professional Services Agreement (on file with Records Management Department) with Stantec Consulting Services, Inc. of Irvine, California, for UT1018 - North Vineyard Sanitary Sewer Main Project Feasibility Study in the amount of \$148,500, plus a 15% contingency of \$22,275, for a total authorized amount of \$170,775.

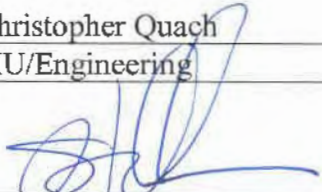
**COUNCIL GOALS:** Invest in the Growth and Evolution of the City's Economy  
Operate in a Businesslike Manner  
Invest in the City's Infrastructure (Water, Streets, Sewers, Parks, Storm Drains and Public Facilities)

**FISCAL IMPACT:** The Fiscal Year 2018-19 Capital Improvement Program includes appropriations from the Sewer Enterprise Fund for this project. The recommended contract award to Stantec Consulting Services, Inc. is \$148,500 plus a 15% contingency of \$22,275 for a total authorized amount of \$170,775. There is no impact to the General Fund.

**BACKGROUND:** The City's sewer system includes approximately 407 miles of pipeline. The Sewer Master Plan (SMP) and related asset management programming identify various capital needs which are prioritized based on considerations such as pipeline capacity, land use changes, condition assessments and the current level of maintenance activities required to provide reliable service. The Feasibility Study will focus on capacity deficiencies in an existing 15-inch to 18-inch sewer south of Holt Boulevard and continuing through the northwest quadrant of the Ontario International Airport, adjacent to the existing taxiways. This sewer main provides service for approximately 3,000 acres along Vineyard Avenue, including the western portions of the airport.

There are a number of considerations in the project area including ongoing airport operations and future land development activity. The scope of services includes review and verification of current and future

**STAFF MEMBER PRESENTING:** Scott Burton, P.E., Utilities General Manager

Prepared by: Christopher Quach  
Department: MU/Engineering  
City Manager Approval: 

Submitted to Council/O.H.A. 11/20/2018  
Approved: \_\_\_\_\_  
Continued to: \_\_\_\_\_  
Denied: \_\_\_\_\_

sewer demands, sewer system hydraulic analysis, constructability review and development of multiple project alternatives.

On May 8, 2018, the City received the following two qualified proposals in response to the Request for Proposals (RFP) for UT1018 - North Vineyard Sanitary Sewer Main Project:

**Bidder**

**Location**

Stantec Consulting Services, Inc.	Irvine, CA
AKM Consulting Engineers, Inc.	Irvine, CA

A review team consisting of staff from the Ontario Municipal Utilities Company reviewed the proposals and made their recommendation based upon qualifications, understanding of the City's needs, history of completing similar projects, and the criteria specified in the RFP. After careful evaluation, Stantec Consulting Services, Inc. was selected as best overall respondent.



FIGURE 1

# CITY OF ONTARIO

Agenda Report  
November 20, 2018

SECTION:  
CONSENT CALENDAR

**SUBJECT: CONSTRUCTION CONTRACT FOR WATER MAIN IMPROVEMENTS IN EUCLID AVENUE AND HOLT BLVD**

**RECOMMENDATION:** That the City Council approve the plans and specifications and award Contract No. UT 1617-08 (on file with the Records Management Department) to C.P. Construction Co., Inc. of Ontario, CA, for Water Main Improvements in Euclid Avenue and Holt Blvd., OMUC Contract No. UT 1617-08, in the amount of \$4,495,662 plus a 15% contingency of \$674,350, for a total amount of \$5,170,012; and authorize the City Manager to execute said contract and file a Notice of Completion at the conclusion of all construction activities related to the project.

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

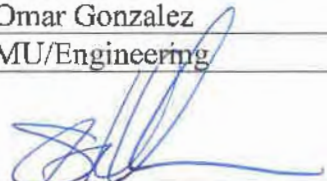
**FISCAL IMPACT:** The Fiscal Year 2018-19 Capital Improvement Program includes appropriations from the Water Capital Fund for this project. The recommended contract award to C.P. Construction Co., Inc. is \$4,495,662 plus a 15% contingency of \$674,350 for a total amount of \$5,170,012. There is no impact to the General Fund.

**BACKGROUND:** The City's potable water system includes approximately 573 miles of pipeline. The City's Water Master Plan and related asset management programming are used to identify and replace undersized and aging pipelines to maintain the reliability of water service to the community and to improve service pressure and fire flow availability in the Downtown area. Improvements are prioritized based on capacity deficiencies, condition assessments, and current level of maintenance activities required to provide adequate and reliable water service.

The Water Main Replacement Project consists of the installation of approximately 10,600 LF of 8"-16" potable water mains and related appurtenances. A location map is provided for reference.

On September 4, 2018, eight (8) bids were received for Bid No. 992, Water Main Improvements in Euclid Avenue and Holt Blvd. The bids ranged from \$4,495,662 to \$6,789,000. The bids are summarized below.

**STAFF MEMBER PRESENTING:** Scott Burton, Utilities General Manager

Prepared by: Omar Gonzalez  
Department: MU/Engineering  
City Manager Approval: 

Submitted to Council/O.H.A. 11/20/2018  
Approved: \_\_\_\_\_  
Continued to: \_\_\_\_\_  
Denied: \_\_\_\_\_

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<u>Bidder</u>	<u>Location</u>	<u>Bid Amount</u>
<b>C.P. Construction Co., Inc.</b>	<b>Ontario, CA</b>	<b>\$4,495,662</b>
GRFCO, Inc.	Brea, CA	\$4,944,533
Downing Construction, Inc.	Redlands, CA	\$5,468,675
Norstar Plumbing & Engineering	Alta Loma, CA	\$5,567,884
DDH Apple Valley Construction	Apple Valley, CA	\$5,682,321
Gwinco Const. & Engineering	Ontario, CA	\$5,945,537
TK Construction	San Bernardino, CA	\$6,378,062
Sully-Miller Contracting Co.	Brea, CA	\$6,789,000

Staff recommends award to C.P. Construction Co., Inc., located in Ontario, CA, based on their expertise and their ability to perform the work in a timely manner and the successful completion of this type of work in the past.

**ENVIRONMENTAL REVIEW:** The project is a component of the 2012 Infrastructure Master Plans approved by the City Council on December 4, 2012. A Mitigated Negative Declaration was prepared and approved for the 2012 Infrastructure Master Plans pursuant to the provisions of CEQA. An analysis of the project has determined that there is no significant deviation from the description of this component of the overall 2012 Infrastructure Master Plans. Thus, no further CEQA analysis is required.

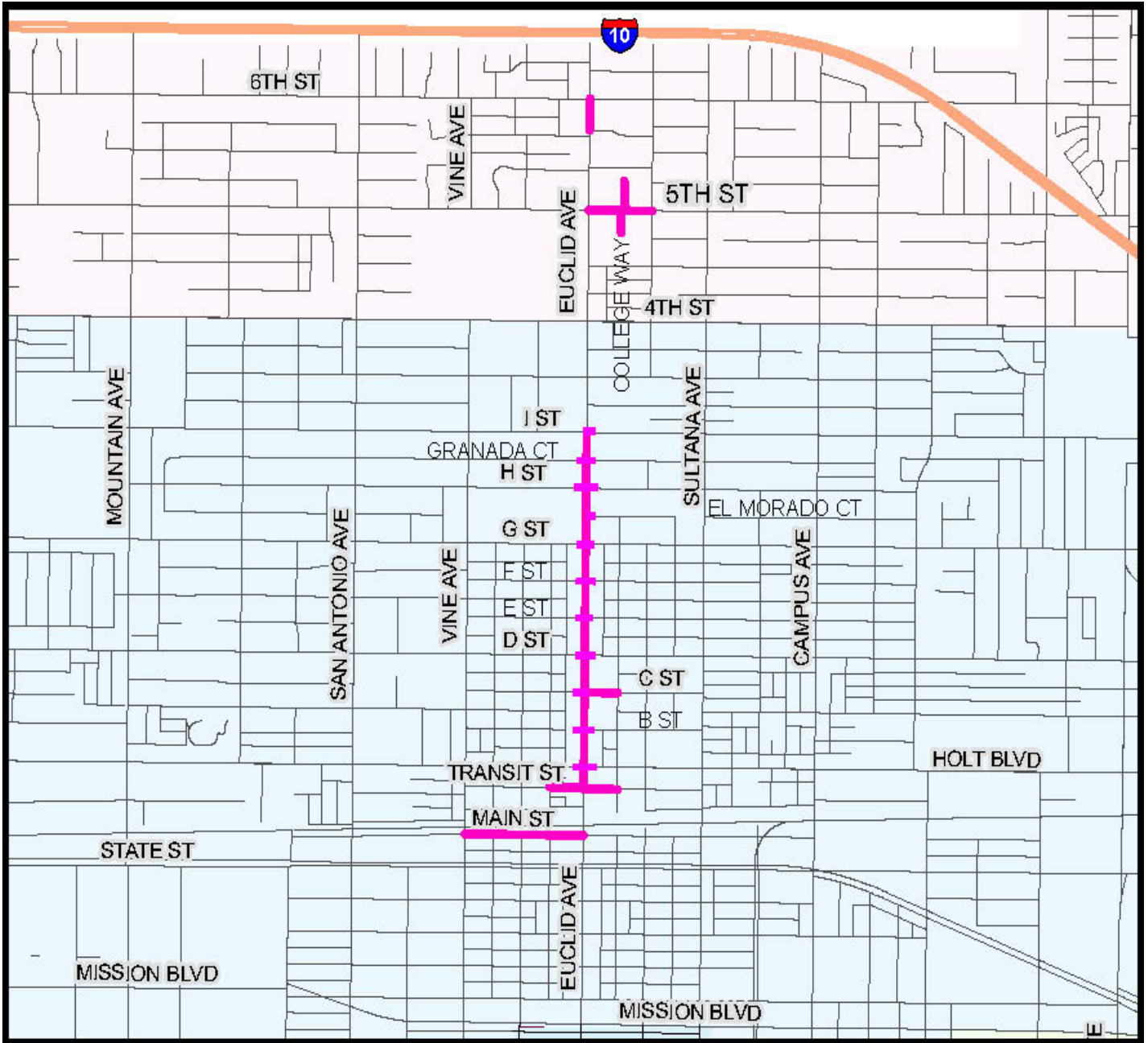


FIGURE 1



# CITY OF ONTARIO

Agenda Report  
November 20, 2018

SECTION:  
CONSENT CALENDAR

**SUBJECT: A RESOLUTION APPROVING THE SUBMITTAL OF AN APPLICATION TO PARTICIPATE IN THE BEVERAGE CONTAINER RECYCLING CITY/COUNTY PAYMENT PROGRAM FOR FISCAL YEAR 2018-19 FROM THE STATE OF CALIFORNIA DEPARTMENT OF RESOURCES RECYCLING AND RECOVER (CALRECYCLE)**

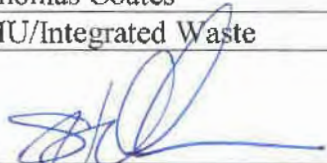
**RECOMMENDATION:** That the City Council adopt a resolution approving the submittal of an application for approximately \$44,000 through the Beverage Container Recycling City/County Payment Program for Fiscal Year 2018-19, and authorize the City Manager or his designee to execute all necessary documents to participate in the program.

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

**FISCAL IMPACT:** The City is eligible to receive approximately \$44,000 through the Beverage Container Recycling City/County Payment Program for Fiscal Year 2018-19 for implementation of beverage container recycling and litter cleanup activities. There are no additional costs or matching fund requirements for the City to participate in this program. There is no impact to the General Fund.

**BACKGROUND:** Through the California Beverage Container Recycling and Litter Reduction Act, CalRecycle distributes annual payments to local governments for the implementation of Beverage Container Recycling and Litter cleanup activities. The eligible funding costs covered by this program include public education promoting beverage container recycling, curbside recycling programs, litter reduction, and cleanup where the waste stream includes beverage containers that will be recycled. The program works to assist the state in maintaining the goals to reduce the amount of waste sent to landfills by 50%, and an 80% recycling rate for all California Refund Value beverage containers.

**STAFF MEMBER PRESENTING:** Scott Burton, Utilities General Manager

Prepared by: Thomas Coates  
Department: MU/Integrated Waste  
City Manager Approval: 

Submitted to Council/O.H.A. 11/20/2018  
Approved: \_\_\_\_\_  
Continued to: \_\_\_\_\_  
Denied: \_\_\_\_\_

RESOLUTION NO. \_\_\_\_\_

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF ONTARIO, CALIFORNIA, APPROVING THE SUBMITTAL OF AN APPLICATION TO PARTICIPATE IN THE BEVERAGE CONTAINER RECYCLING CITY/COUNTY PAYMENT PROGRAM FOR FISCAL YEAR 2018-19 FROM THE STATE OF CALIFORNIA DEPARTMENT OF RESOURCES RECYCLING AND RECOVERY (CALRECYCLE).

WHEREAS, pursuant to Public Resources Code §14581 the Department of Resources Recycling and Recovery (CalRecycle) has established the Beverage Container Recycling City/County Payment Program to make payments to qualifying jurisdictions for implementation of their beverage container recycling and litter cleanup activities; and

WHEREAS, in furtherance of this authority, CalRecycle is required to establish procedures governing the administration of the Beverage Container Recycling City/County Payment Programs; and

WHEREAS, CalRecycle's procedures for administering the Beverage Container Recycling City/County Payment Program require, among other things, an applicant's governing body to declare by resolution certain authorizations related to the administration of the Beverage Container Recycling City/County Payment

NOW, THEREFORE, BE IT RESOLVED that the City of Ontario is authorized to submit an application to CalRecycle for the Beverage Container City/County Payment Program; and

BE IT FURTHER RESOLVED that the City Manager or his designee is hereby authorized and empowered to execute in the name of the City of Ontario all documents, including but not limited to applications, agreements, annual reports including expenditure reports and amendments necessary to secure said payments to support our Beverage Container Recycling Program

BE IT FURTHER RESOLVED that this authorization is effective until rescinded by the signature authority or this Governing Body.

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

PASSED, APPROVED AND ADOPTED this 20<sup>th</sup> day of November, 2018.

---

PAUL S. LEON, MAYOR

ATTEST:

---

SHEILA MAUTZ, CITY CLERK

APPROVED AS TO FORM:

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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 November 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 November 20, 2018.

\_\_\_\_\_  
SHEILA MAUTZ, CITY CLERK

(SEAL)

# CITY OF ONTARIO

Agenda Report  
November 20, 2018

SECTION:  
CONSENT CALENDAR

**SUBJECT: PURCHASE OF ROLL-OFF CONTAINERS**

**RECOMMENDATION:** That the City Council award Bid No. 1009 for the purchase of roll-off containers in an amount not to exceed \$200,000 from Consolidated Fabricators, Corp. of Van Nuys, California.

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

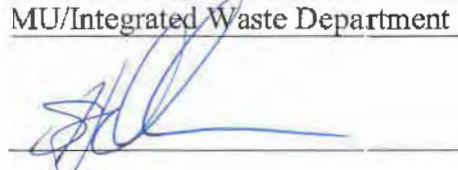
**FISCAL IMPACT:** The Fiscal Year 2018-19 Adopted Operating Budget includes appropriations in the amount of \$200,000 for the purchase of new and replacement roll-off containers in the Integrated Waste Operating Fund. The actual expenditures for the current fiscal year will be based on the fixed unit pricing and the actual quantity of containers purchased in order to meet operational needs. The Integrated Waste rates include funding for the routine replacement of worn out containers and the purchase of additional containers to meet customer demands. There is no impact to the General Fund.

**BACKGROUND:** The Integrated Waste Department currently has about 350 roll-off containers of various sizes in service for high volume customers for refuse, recycling, and construction and demolition (C&D) materials. The Department routinely repairs roll-off containers in order to prolong their useful life, and purchases new containers as needed in order to maintain adequate inventory to meet customer needs.

In order to obtain containers that best meet the needs of the City at competitive pricing, the Integrated Waste Department solicited bids from 162 vendors, and the following vendors responded:

**STAFF MEMBER PRESENTING:** Scott Burton, Utilities General Manager

Prepared by: Benjamin Mayorga  
Department: MU/Integrated Waste Department

City Manager  
Approval: 

Submitted to Council/O.H.A. 11/20/2018

Approved: \_\_\_\_\_

Continued to: \_\_\_\_\_

Denied: \_\_\_\_\_

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<u>Company</u>	<u>Location</u>	<u>Bid Price/Unit</u>
Consolidated Fabricators, Corp.	Van Nuys, CA	\$6,514
Sierra Metal	Fontana, CA	\$6,542
McLaughlin Waste Equipment	Galt, CA	\$7,325
Wastequip MFG, Inc.	Statesville, NC	\$7,465

Staff recommends that this purchase be awarded to Consolidated Fabricators with the lowest priced bid. Consolidated Fabricators has been a past supplier of roll-off containers to the City of Ontario. The design, quality and workmanship, has been proven over years of use of this product.

# CITY OF ONTARIO

Agenda Report  
November 20, 2018

SECTION:  
PUBLIC HEARINGS

**SUBJECT: A RESOLUTION OF NECESSITY FOR THE ACQUISITION BY EMINENT DOMAIN OF A FEE INTEREST IN A WELL SITE SITUATED ON REAL PROPERTY LOCATED ON THE NORTH SIDE OF CHINO AVENUE WEST OF ARCHIBALD AVENUE**

**RECOMMENDATION:** That the City Council adopt a Resolution of Necessity for a fee interest in a well site situated on real property located on the north side of Chino Avenue, west of Archibald Avenue for public health and safety reasons and the removal of blight.

**COUNCIL GOALS: Ensure the Development of a Well Planned, Balanced, and Self-Sustaining Community in Ontario Ranch**

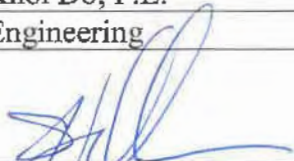
**FISCAL IMPACT:** KB Homes will be constructing the project surrounding the well site and is responsible for all costs associated with the acquisition of the Property.

**BACKGROUND:** The City Council is being asked to consider the adoption of a Resolution of Necessity for the interests in Assessor Parcel No. 0218-111-53 (Exhibit 1). These interests are required for KB Homes to properly destroy the inactive well located within the boundary of their Tract Map 18810 project in accordance with the California Health and Safety Code as required by the City.

The existence of the abandoned well site is a health and safety concern and is incompatible with the KB Homes development. The acquisition of this well site causes minimal private injury because the well site is abandoned, is landlocked, and inoperable. Also, the property is owned by multiple parties, a number of whom cannot be located and/or are deceased. Furthermore, the project planned by KB Homes is in the public interest, as it increases the City's housing stock.

The City obtained an appraisal of the affected property from Michael S. Murphy of J. William Murphy and Associates, Consulting Appraisers, and made an offer of just compensation to the property owners

**STAFF MEMBER PRESENTING:** Scott Murphy, AICP, Executive Director, Development Agency

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

Submitted to Council/O.H.A. 11/20/18  
Approved: \_\_\_\_\_  
Continued to: \_\_\_\_\_  
Denied: \_\_\_\_\_

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pursuant to California Government Code section 7267.2. The City did not retain a consulting firm to assist with acquisitions or relocations, because no residences or businesses will be relocated or otherwise affected. Preliminary title reports were ordered to determine the identities of the record owners. Following standard public records and due diligence searches for ownership information, a notice of this public hearing was mailed to the property owners.

**DESCRIPTION OF PROPERTY TO BE ACQUIRED:** The property affected by the proposed acquisition is located on the north side of Chino Avenue, west of Archibald Avenue, and more particularly described as Assessor Parcel No. 0218-111-53. The property is owned by Marila Ribeiro, Robert D. Perry, and multiple other owners. The proposed acquisition is of an abandoned well site. The acquisition in fee is for public health and safety reasons and the removal of blight.

**HEARINGS AND REQUIRED FINDINGS:** The recommended actions of the City Council pertain to the acquisition of a fee interest in an abandoned well site from the property owners listed below:

Assessor Parcel No. 0218-111-53:

Marila Ribeiro;  
Kwak & Lim Corporation;  
M. S. Rosetti;  
JLC Markets, Inc.;  
Robert D. Petty;  
Carol Petty;  
Judith Fay Collins;  
Sharon Ruth Schacht;  
David Verton Chez;  
Russell Ward Chez;  
Jeffrey Alan Chez;  
Sara Ann Chez;  
Brian Michael Collins;  
Gregg Allen Collins; and  
The Heirs and devisees of Verton A. Chez, Deceased

California eminent domain law provides that a public entity may not commence an eminent domain proceeding until its governing body has adopted a Resolution of Necessity, which resolution may only be adopted after the governing body has given each party with an interest in the affected property or their representatives a reasonable opportunity to appear and be heard on the following matters:

1. The public interest and necessity require the proposed project.
2. The project is planned or located in the manner that will be most compatible with the greatest public good and the least private injury.
3. The real property to be acquired is necessary for the project.
4. The offer of just compensation has been made to the property owner.

All notices of public hearing were mailed on or before November 5, 2018, by first class mail to the property owners in accordance with Section 1245.235 of the California Code of Civil Procedure. The above four required findings are addressed as follows:



**1. The Public Interest and Necessity Require the Proposed Project**

As a condition of approval for Tract Map 18810, the City required KB Homes to properly destroy the existing abandoned well site located within the project boundaries. Per California Health and Safety Code 115700, permanently inactive wells are required to be properly destroyed in order to protect the quality of groundwater and to remove potentially dangerous abandoned excavations.

**2. The Project is Planned or Located in a Manner that will be Most Compatible with the Greatest Public Good and the Least Private Injury**

The acquisition, destruction and removal of the abandoned well is necessary for public health and safety reasons. The acquisition involves minimal private injury because it is abandoned, landlocked and inoperable. The acquisition of the well site is necessary for the KB Homes development, which increases the City's housing stock.

**3. The Real Property to be Acquired is Necessary for the Proposed Project**

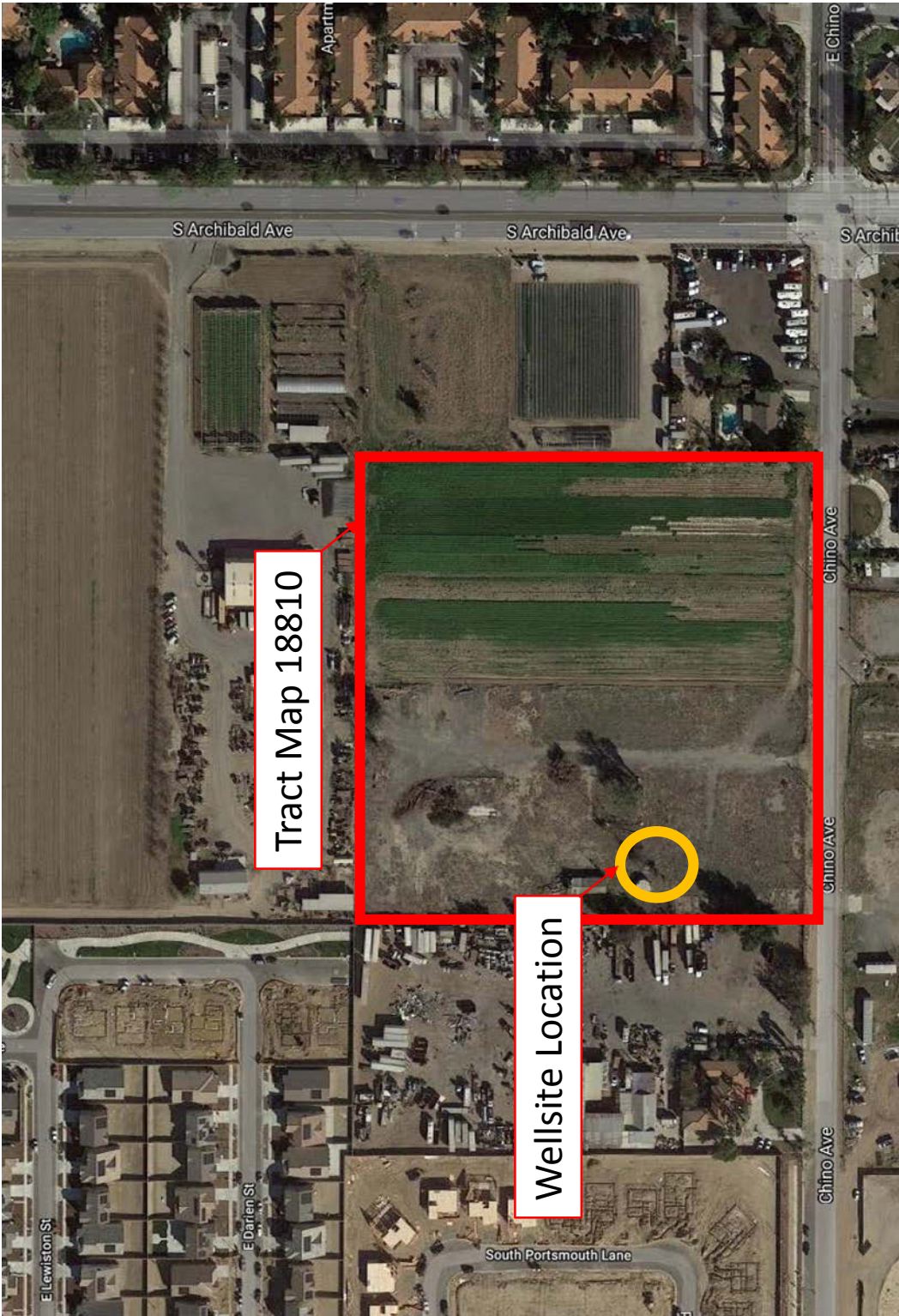
The property described in the exhibits attached to the Resolutions of Necessity, Assessor Parcel No. 0218-111-53, is located in San Bernardino County and is necessary for the project. The acquisition is necessary to allow for the destruction of the existing abandoned well site per California Health and Safety Code section 115700.

**4. The Offer of Just Compensation Has Been Made**

An appraisal was prepared by J. William Murphy and Associates, Consulting Appraisers, to establish the fair market value of the real property the City is seeking to acquire. An offer of just compensation was made to the property owners to purchase a fee interest as established by the approved appraisal and as required by Section 7267.2 of the California Government Code. Although a negotiated settlement may still be possible for the real properties cited above, it would be appropriate to commence the procedures to acquire the property through eminent domain, to ensure that the City has possession of the real property, which is necessary in order for the City to begin destruction and removal of the abandoned well.

***ENVIRONMENTAL ANALYSIS:*** Compliance with the California Environmental Quality Act (CEQA) has been satisfied by the Environmental Impact Report (State Clearinghouse No. 2004071001) prepared for the Countryside Specific Plan (PSP04-001), which was certified by the by the Ontario City Council on April 18, 2006.

# EXHIBIT 1



RESOLUTION NO. \_\_\_\_\_

A RESOLUTION OF NECESSITY OF THE CITY COUNCIL OF THE CITY OF ONTARIO, CALIFORNIA, FOR THE ACQUISITION OF A FEE INTEREST IN CERTAIN REAL PROPERTY LOCATED ON THE NORTH SIDE OF CHINO AVENUE, WEST OF ARCHIBALD AVENUE.

WHEREAS, the City of Ontario (the "City") proposes to acquire, by eminent domain, a fee interest in real property located on the north side of Chino Avenue, west of Archibald Avenue, and more particularly described as Assessor Parcel No. 0218-111-53, for public health and safety reasons and the removal of blight, pursuant to the authority granted to it by Section 37350.5 of the California Government Code; and

WHEREAS, pursuant to section 1245.235 of the California Code of Civil Procedure, the City scheduled a public hearing for Tuesday, November 20, 2018, at 6:30 p.m. at the Ontario City Hall, Council Chambers, 303 East "B" Street, Ontario, California, and gave to each person whose property is to be acquired and whose name and address appeared on the last equalized county assessment roll, notice and a reasonable opportunity to appear at said hearing and be heard on the matters referred to in section 1240.030 of the California Code of Civil Procedure; and

WHEREAS, said hearing has been held by the City and each person whose property is to be acquired by eminent domain was afforded an opportunity to be heard on said matters; and

WHEREAS, the City may now adopt a Resolution of Necessity pursuant to section 1240.040 of the California Code of Civil Procedure.

NOW, THEREFORE, THE CITY DOES HEREBY RESOLVE AND DECLARE AS FOLLOWS:

SECTION 1. Compliance with California Code of Civil Procedure and California Environmental Quality Act. There has been compliance by the City with the requirements of Section 1245.235 of the California Code of Civil Procedure and the California Environmental Quality Act.

SECTION 2. Public Use. The public use for which the real property interest is being acquired is for health and safety purposes and the removal of blight; specifically, the demolition and removal of an abandoned well site. Section 37350.5 of the California Government Code authorizes the City to acquire by eminent domain real property necessary for such purposes.

SECTION 3. Description of Property. Attached and marked as Exhibit "A" is the legal description and depiction of the real property to be acquired by the City, which describes the general location and extent of the property to be acquired with sufficient detail for reasonable identification.

SECTION 4. Findings. The City hereby finds and determines each of the following:

- (a) The public interest and necessity require the proposed project;
- (b) The proposed project is planned or located in the manner that will be most compatible with the greatest public good and least private injury;
- (c) The real property described in Exhibit "A" is necessary for the proposed project;
- (d) The offer required by section 7267.2 of the California Government Code was made.

SECTION 5. Further Activities. Counsel for the City is hereby authorized to file legal proceedings necessary to acquire the hereinabove described real property in the name of and on behalf of the City by eminent domain, and counsel is authorized to institute and prosecute such legal proceedings as may be required in connection therewith. Legal counsel is further authorized to take such steps as may be authorized and required by law, and to make such security deposits as may be required by order of court, to permit the City to take possession of and use said real property at the earliest possible time. Counsel is further authorized to correct any errors or to make or agree to non-material changes in the legal description of the real property that are deemed necessary for the conduct of the condemnation action or other proceedings or transaction required to acquire the subject real property. Counsel is further authorized to reduce or modify the extent of the interests or property to be acquired so as to reduce the compensation payable in the action where such change would not substantially impair the construction and operation for the project for which the real property is being acquired.

SECTION 6. Effective Date. This Resolution shall take effect upon adoption.

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

PASSED, APPROVED, AND ADOPTED this 20<sup>th</sup> day of November 2018.

---

PAUL S. LEON, MAYOR

ATTEST:

---

SHEILA MAUTZ, CITY CLERK

APPROVED AS TO FORM:

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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 November 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 November 20, 2018.

---

SHEILA MAUTZ, CITY CLERK

(SEAL)

**EXHIBIT A**

**LEGAL DESCRIPTION**

THE LAND REFERRED TO HEREIN BELOW IS SITUATED IN THE COUNTY OF SAN BERNARDINO, STATE OF CALIFORNIA, AND IS DESCRIBED AS FOLLOWS:

A WELL SITE OF UNDERMINED SIZE THE CENTER POINT IS SHOWN AS BEING 45 EAST OF THE WEST LINE AND 223 FEET NORTH OF THE SOUTH LINE OF PARCEL 2 OF PARCEL MAP 5923, IN THE CITY OF ONTARIO, COUNTY OF SAN BERNARDINO, STATE OF CALIFORNIA, AS SHOWN ON A MAP FILED IN BOOK 61, PAGES 71 AND 72 OF PARCEL MAPS, IN THE OFFICE OF THE COUNTY RECORDER OF SAID COUNTY.

APN: 0218-111-53

THIS MAP IS FOR THE PURPOSE OF AD VALOREM TAXATION ONLY.



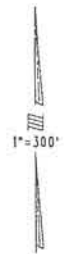
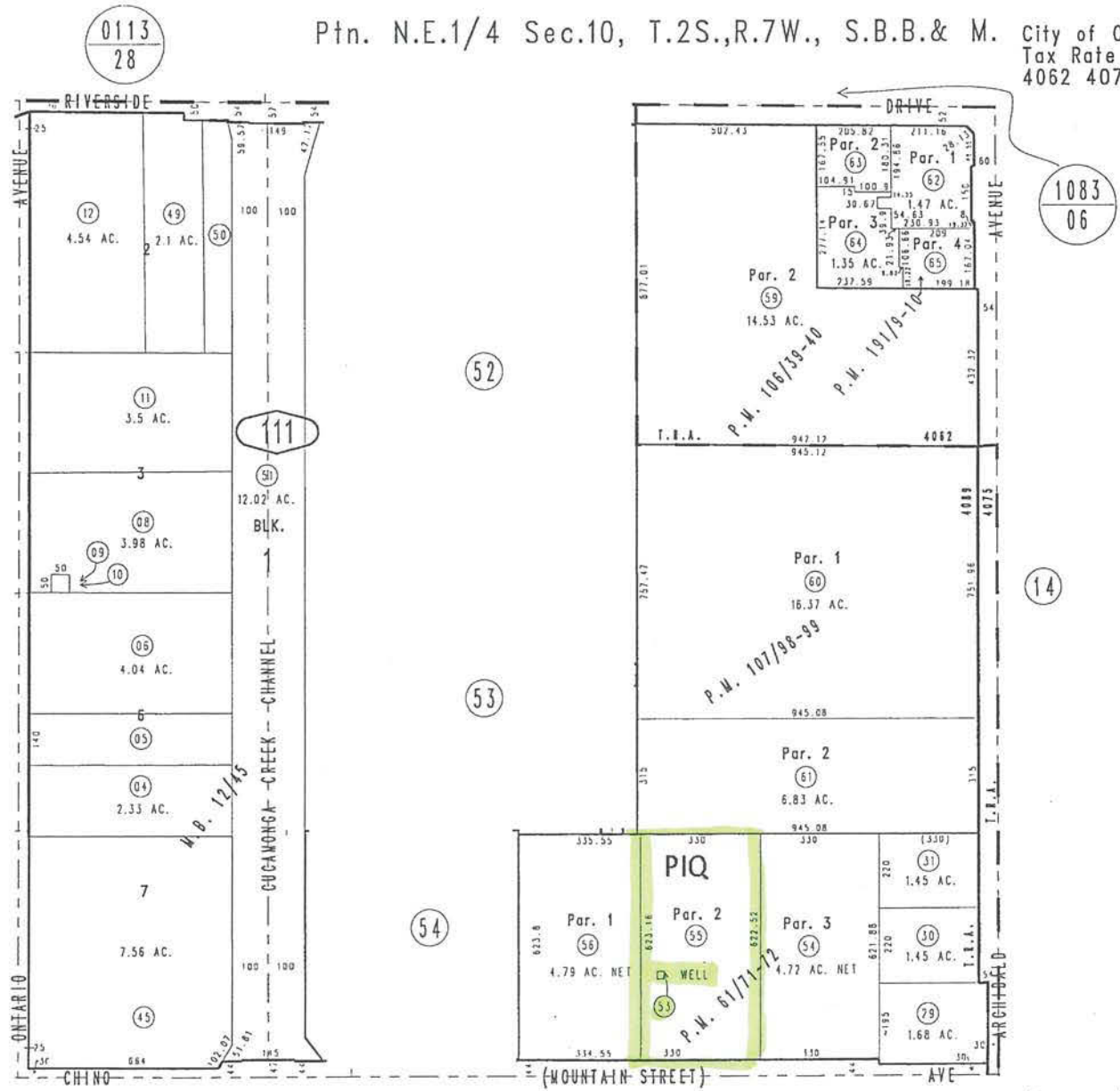
Ptn. N.E.1/4 Sec.10, T.2S.,R.7W., S.B.B.& M.

City of Ontario  
Tax Rate Area  
4062 4075 4089

0218 - 11

This map/plat is being furnished as an aid in locating the herein described Land in relation to adjoining streets, natural boundaries and other land, and is not a survey of the land depicted. Except to the extent a policy of title insurance is expressly modified by endorsement, if any, the Company does not insure dimensions, distances, location of easements, acreage or other matters shown thereon.

EXHIBIT A, PAGE 2 OF 2



Pin. Parcel Map No. 9241, P.M. 106/39-40  
 Parcel Map No. 5923, P.M. 61/71-72  
 Pin. Maisei Bell Tract, M.B. 12/45  
 Parcel Map No. 15149, P.M. 191/9-10  
 Parcel Map No. 5486, P.M. 107/98-99

Assessor's Map  
 Book 0218 Page 11  
 San Bernardino County

REVISED  
 03/19/15 CW  
 11/13/15 CW  
 04/14/16 RU  
 05/19/16 RW-WC  
 09/22/16 RU



# CITY OF ONTARIO

Agenda Report  
November 20, 2018

SECTION:  
PUBLIC HEARINGS

**SUBJECT: A PUBLIC HEARING TO CONSIDER FILE NO. PHP18-027, A HISTORIC PROPERTY PRESERVATION AGREEMENT FOR A DESIGNATED HISTORIC PROPERTY, LOCATED AT 122 EAST EL MORADO COURT**

**RECOMMENDATION:** That the City Council consider and adopt a resolution approving and authorizing the City Manager to enter into a Historic Preservation Agreement (Mills Act contract) for File No. PHP18-027, 122 East El Morado Court (APN: 1048-242-02).

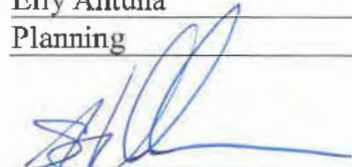
**COUNCIL GOALS:** Focus Resources in Ontario's Commercial and Residential Neighborhoods

**FISCAL IMPACT:** The projected net impact of the proposed contract to the City is \$257 in the first year and approximately \$2,568 over the first ten years of the contract from a reduction in property tax revenue. In exchange for a property tax reduction, \$55,800 in private property investments will be made over a ten year period.

**BACKGROUND:** One Mills Act contract is being proposed for this year, which represents a reinvestment of \$55,800 in private property owner funds into the City's neighborhoods in the next ten years. The contract includes improvements to exterior finishes (window restoration, roof and stucco siding repairs, and repainting of exterior), landscaping, and interior finishes (refinishing hardwood floors, original built-ins, wood paneling and trim), electrical upgrades, and installation of insulation.

A Mills Act contract is a contract between the City and a property owner whereby the property owner agrees to certain improvements that preserve the historic integrity and character of the building, and keep the property in good repair. In exchange for the investments, State law requires the county tax assessor to reassess the property's value based on an alternative formula. The new assessed value may result in a significant reduction in the owner's property taxes. The Mills Act does not require investment in the property to be equal to the amount of the tax savings. The purpose is to provide a financial incentive to the owners of historic properties.

**STAFF MEMBER PRESENTING:** Scott Murphy, AICP, Executive Director, Development Agency

Prepared by: Elly Antuna  
Department: Planning  
City Manager Approval: 

Submitted to Council/O.H.A. 11/20/2018  
Approved: \_\_\_\_\_  
Continued to: \_\_\_\_\_  
Denied: \_\_\_\_\_

17

Upon City Council approval, the City Clerk informs the San Bernardino County Assessor that the property has entered into a Mills Act contract. The contract is a perpetual 10-year contract that automatically renews annually. A contract can be non-renewed by either party upon written notice. If a property with a recorded Mills Act contract is sold, the County of San Bernardino continues to assess the property using the alternate formula and the new owner is required to fulfill the contractual preservation agreement. If a contract is cancelled as a result of non-compliance with the conditions of the contract, a cancellation fee of 12.5 percent of the market value (as of the time of cancellation) is assessed.

The City has 72 approved Mills Act contracts and one proposed, for a total of 73 Mills Act contracts. Of the 73 properties, 6 are commercial, one is multi-family residential, and 66 are single-family residential. Property tax impacts are summarized below.

	<u>Existing</u>	<u>Proposed</u>	<u>Total</u>
Number of Contracts	72	1	73
Estimated Average Annual Tax Savings to Owners	\$1,745	\$1,529	\$1,742
Estimated Annual Cost to City (first year)	\$21,108	\$257	\$21,365
Estimated Cost to City (over ten years)	\$211,082	\$2,568	\$213,650

As indicated above, the estimated cost of the 73 Mills Act contracts over a ten-year period would be \$213,650. In exchange for this decrease in property tax revenues, approximately \$2,832,530 will be reinvested into historic buildings in Ontario neighborhoods over a ten-year period – a ratio of \$13.26 in private funds spent for every dollar the City foregoes in property tax revenue.

The Mills Act contract is in compliance with the provision of Article 12 (commencing with Section 50280), Chapter 1, Part 1, Division 1, Title 5 of the Government Code of the State of California which establishes the Mills Act program. The property is a contributor to the El Morado Court historic district and is an owner occupied, single-family residences.

On October 23, 2018, the Planning Commission voted unanimously (6-0) to recommend City Council approval of the proposed Mills Act contract.

**ENVIRONMENTAL REVIEW:** The applications were reviewed pursuant to the California Environmental Quality Act (Public Resources Code Section 21000 et seq.) ("CEQA"). Per Section 21065 of the CEQA Guidelines, the Historic Preservation Agreement (Mills Act contract) is not considered a project. Therefore, no further environmental review is required.

# HISTORIC PRESERVATION COMMISSION STAFF REPORT



**DATE:** October 23, 2018  
**FILE NO.:** PHP18-027  
**SUBJECT:** Request for a Mills Act Contract  
**LOCATION:** 122 East El Morado Court (APN: 1048-242-02)  
**PROPERTY OWNER:** Tara Marie Jessup

## I. RECOMMENDATION:

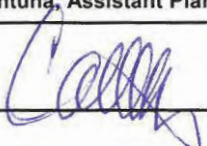
That the Historic Preservation Commission adopt the attached resolution recommending that the City Council approve File No. PHP18-027. The Historic Preservation Subcommittee reviewed this application on October 11, 2018 and is recommending approval.

## II. BACKGROUND:

Effective March 7, 1973, Chapter 1442 of the Statutes of 1972 (also known as the Mills Act) added sections 50280 through 50289 to the Government Code to allow an owner of a qualified historical property to enter into a preservation contract with a local government. The City of Ontario established the Mills Act program in 1997 to provide an economic incentive for the preservation of designated historic landmarks and/or contributing structures within a designated historic district. Since inception of the City's program, 72 Mills Act Contracts have been approved and recorded. There is one contract proposed at this time, a single-family residence designated as a Contributor to the El Morado Court Historic District.

In order for the historic property to be eligible for the program, it must meet the requirements outlined in the guidelines and standards set by the State of California, Board of Equalization and the City's Development Code (Sec. 4.02.065). The historic property must be either a local, state, or nationally designated property or a contributor within a locally designated historic district whereby the property owner agrees to certain improvements to restore, rehabilitate or preserve a qualified historic building. In exchange, the San Bernardino County Tax Assessor reassesses the property's value based on an alternative formula that may result in a significant reduction in the owner's property taxes.

Pursuant to State law, a Mills Act Contract is recorded on the property and is a perpetual 10-year contract that automatically renews annually. The Mills Act Contract and all benefits and

Case Planner:	Elly Antuna, Assistant Planner	Hearing Body	Date	Decision	Action
Planning Director Approval:		HPSC:	10/11/2018	Approve	Recommend
Submittal Date:		PC / HPC:	10/23/2018	Approval	Recommend
		CC:	11/20/2018		

responsibilities remain with the land, even after a change of ownership. If a contract is cancelled as a result of non-compliance with the conditions of the contract, a cancellation fee of 12.5 percent of the market value (as of the time of cancellation) is assessed.

### III. PROJECT ANALYSIS:

Staff provides estimates of potential tax savings for the property owner, but ultimately, only the San Bernardino County Assessor can determine the actual Mills Act adjusted value. The Mills Act assessment involves many variables that are typically determined by market forces such as interest rates, capitalization rates, and fair market rental rates. The average property tax savings for the proposed Mills Act Contracts range between 30 and 55 percent in the initial year, with a tax savings decrease each passing year. According to the City budget, Ontario receives 16.8 percent of the property taxes collected. Using that percentage, staff has also calculated the estimated reduction in property tax revenue, the “City cost,” and has included that in the analysis.

Upon City Council approval, the City Clerk informs the San Bernardino County Assessor that the property has entered into a Mills Act Contract. The Assessor values the historic property with the Mills Act assessment the following tax year, which may differ from the Planning Department estimates.

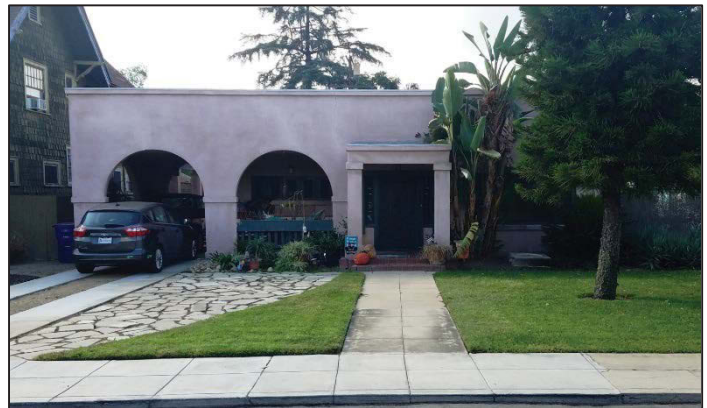
**A. FILE NO.:** PHP18-027

**PROPERTY OWNER:** Tara Marie Jessup

**LOCATION:** 122 East El Morado Court

**HISTORIC NAME:** Glenn D. Smith House

**DESIGNATION DATE:** July 16, 2002  
(El Morado Court Historic District)



[1] Work Program — The applicant, Tara Marie Jessup, is proposing both exterior and interior work as part of the contract that qualifies under the guidelines and standards set by the State of California. Interior work includes installation of attic insulation, an energy audit, electrical repairs, and refinishing hardwood floors and built-ins. Exterior work includes driveway restoration, roof repairs, repairs to cracks in stucco, exterior paint and window repairs. The front yard has been inappropriately altered without permits or approvals. A condition of approval has been added stating that grass/natural turf is planted between the pieces of concrete and in the mow strip of the driveway between the two concrete wheel strips. This improvement shall be completed in year one of the contract as part of the driveway restoration. The total improvements are valued at an estimated \$55,800.

[2] Property Owner Savings — The following Mills Act savings to the property owner are based on estimates calculated by the Planning Department.

Current Annual Taxes Paid:	\$4,384
Mills Act Annual Taxes Estimated:	\$2,855
Potential Total Annual Tax Savings:	\$1,529
Estimated Savings over 10 years:	\$15,288
Estimated Savings Percentage:	34.9%

[3] City Cost — According to the City budget, Ontario receives approximately 16.8 percent of the property taxes collected. The following shows the cost to the City for this contract and is based on estimates calculated by the Planning Department.

Current Annual City Tax Revenue:	\$736
Mills Act Annual City Tax Revenue Estimated:	\$480
Estimated Total Annual Cost to the City:	\$257
Estimated Cost to the City over 10 years:	\$2,568

This contract provides for \$21.73 in improvements for every \$1 in estimated property tax cost to the City.

**IV. CUMULATIVE IMPACTS:**

The City currently has 72 approved Mills Act Contracts and one proposed contract. The cumulative impacts are based on the initial projected assessment of each contract for the proposed year.

	<b>Existing</b>	<b>Proposed</b>
Number of contracts:	72	73
Average Estimated Annual Tax Saving to Property Owners:	\$1,745	\$1,742
Estimated Annual Cost to the City:	\$21,108	\$21,365
Estimated Cost to the City over 10 Years:	\$211,081	\$213,650
Estimated Total Value of Mills Act Improvements over 10 Years:	\$2,776,730	\$2,832,530
Estimated Loss of Revenue to Improvement Ratio:	\$1/13.15	\$1/13.26

## **V. COMPLIANCE WITH THE ONTARIO PLAN:**

The Mills Act Contract Program is consistent with the principles, goals and policies contained within the Vision, Governance, Policy Plan (General Plan), and City Council Priorities components of The Ontario Plan (TOP). More specifically, the goals and policies of TOP that are furthered by the proposed project are as follows:

### [1] City Council Goals.

- Invest in the Growth and Evolution of the City's Economy
- Operate in a Businesslike Manner
- Focus Resources in Ontario's Commercial and Residential Neighborhoods
- Encourage, Provide or Support Enhanced Recreational, Educational, Cultural and Healthy City Programs, Policies and Activities

### [2] Policy Plan (General Plan)

#### **Community Design Element – Historic Preservation**

- Goal CD4: Historic buildings, streets, landscapes and neighborhoods, as well as the story of Ontario's people, businesses, and social and community organizations, that have been preserved and serve as a focal point for civic pride and identity.
  - CD4-2 Collaboration with Property Owners and Developers. We educate and collaborate with property owners and developers to implement strategies and best practices that preserve the character of our historic buildings, streetscapes and unique neighborhoods.
  - CD4-4 Incentives. We use the Mills Act and other federal, state, regional and local programs to assist property owners with the preservation of select properties and structures.
  - CD4-6 Promotion of Public Involvement in Preservation. We engage in programs to publicize and promote the City's and the public's involvement in preservation efforts.

#### **Community Design Element – Protection of Investment**

- Goal CD5: A sustained level of maintenance and improvement of properties, buildings and infrastructure that protects the property values and encourages additional public and private investments.
  - CD5-1 Maintenance of Buildings and Property. We require all public and privately owned buildings and property (including trails and easements) to be properly and consistently maintained.
  - CD5-3 Improvements to Property & Infrastructure. We provide programs to improve property and infrastructure.

- CD5-4 Neighborhood Involvement. We encourage active community involvement to implement programs aimed at the beautification and improvement of neighborhoods.

RESOLUTION NO. PC18-092

A RESOLUTION OF THE HISTORIC PRESERVATION COMMISSION OF THE CITY OF ONTARIO, CALIFORNIA, APPROVING FILE NO. PHP18-027, RECOMMENDING THAT THE CITY COUNCIL APPROVE THE MILLS ACT CONTRACT FOR THE GLENN D. SMITH HOUSE, LOCATED AT 122 EAST EL MORADO COURT (APN 1048-242-02).

WHEREAS, TARA MARIE JESSUP ("Applicant") has filed an Application for the approval of a Mills Act Contract, File No. PHP18-027, as described in the title of this Resolution (hereinafter referred to as "Application" or "Project"); and

WHEREAS, the City's character and history are reflected in its cultural, historical, and architectural heritage with an emphasis on the "Model Colony" as declared by an act of the Congress of the United States and presented at the St. Louis World's Fair in 1904; and

WHEREAS, the City's historical foundations should be preserved as living parts of community life and development in order to foster an understanding of the City's past so that future generations may have a genuine opportunity to appreciate, enjoy, and understand Ontario's rich heritage; and

WHEREAS, the Community Design Element of the Ontario General Plan sets forth Goals and Policies to conserve Ontario's historic buildings and districts; and

WHEREAS, the Glenn D. Smith House, a single-family residence located at 122 East El Morado Court (APN: 1048-242-02) is worthy of preservation and was designated as a Contributor to the El Morado Court Historic District on July 16, 2002; 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 Historic Preservation Commission the responsibility and authority to review and make recommendation to the City Council on the subject Application; 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 October 11, 2018, the Historic Preservation Subcommittee of the City of Ontario conducted a hearing to consider the Project, and concluded said hearing on that date, voting to issue Decision No. HPSC18-021, recommending the Historic Preservation Commission recommend to the City Council approval of the Application; and

WHEREAS, on October 23, 2018, the Historic Preservation Commission of the City of Ontario conducted a hearing to consider the Project, and concluded said hearing on that date; and

WHEREAS, the Historic Preservation Commission has reviewed this application and determined it to be to the mutual benefit to the City and property owner to enter into a Historic Property Preservation Agreement.

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

NOW, THEREFORE, IT IS HEREBY FOUND, DETERMINED, AND RESOLVED, the Historic Preservation Commission of City of Ontario, as follows:

**SECTION 1. Environmental Determination and Findings.** As the recommending body for the Project, the Historic Preservation Commission 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 Historic Preservation Commission, the Historic Preservation Commission finds as follows:

(1) The Mills Act Contract is not considered a project pursuant to Section 21065 of the CEQA Guidelines. The Mills Act Contract will not result in a direct physical change in the environment, or a reasonably foreseeable indirect physical change in the environment.

(2) The determination of CEQA exemption reflects the independent judgement of the Historic Preservation Commission.

**SECTION 2. Concluding Facts and Reasons.** Based upon the substantial evidence presented to the Historic Preservation Commission during the above-referenced hearing and upon the specific findings set forth in Section 1 above, the Historic Preservation Commission hereby concludes as follows:

(1) California Government Code Section 50280, et seq., authorizes cities to enter into contracts with the owners of a qualified historical property to provide for the

use, maintenance and restoration of such historical property so as to retain its characteristics as a property of historical significance; and

(2) The Glenn D. Smith House, located at 122 East El Morado Court, was designated as a Contributor to the El Morado Court Historic District on July 16, 2002; and

(3) The Applicant has set forth a work program for this specific property to ensure the preservation of this historic resource that qualifies under the guidelines and standards set by the State of California.

**SECTION 3. Historic Preservation Commission Action.** Based upon the findings and conclusions set forth in Sections 1 and 2 above, the Historic Preservation Commission hereby RECOMMENDS THE CITY COUNCIL APPROVE THE REQUEST FOR A MILLS ACT CONTRACT subject to each and every condition 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 E. 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 Secretary shall certify to the adoption of the Resolution.

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Historic Preservation Commission Resolution  
File No. PHP18-027  
October 23, 2018  
Page 4

The Secretary Pro Tempore for the Planning Commission of the City of Ontario shall certify as to the adoption of this Resolution.

I hereby certify that the foregoing Resolution was duly and regularly introduced, passed and adopted by the Historic Preservation Commission of the City of Ontario at a regular meeting thereof held on the 23<sup>rd</sup> day of October 2018, and the foregoing is a full, true and correct copy of said Resolution, and has not been amended or repealed.

  
\_\_\_\_\_  
Richard D. Delman  
Planning Commission Chairman

ATTEST:

  
\_\_\_\_\_  
Cathy Wahlstrom  
Planning Director  
Secretary of Planning Commission

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

I, Gwen Berendsen, Secretary Pro Tempore of the Planning Commission of the City of Ontario, DO HEREBY CERTIFY that foregoing Resolution No. PC18-092 was duly passed and adopted by the Planning Commission of the City of Ontario at their regular meeting held on October 23, 2018 by the following roll call vote, to wit:

AYES:            DeDiemar, Delman, Downs, Gregorek, Reyes, Willoughby

NOES:           None

ABSENT:        Gage

ABSTAIN:       None

  
\_\_\_\_\_  
Gwen Berendsen  
Secretary Pro Tempore

**ATTACHMENT A:**

**File No. PHP18-027  
Conditions of Approval**

*(Conditions of approval to follow this page)*



# MILLS ACT CONTRACT

## CONDITIONS OF APPROVAL

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<b>Date:</b>	October 23, 2018
<b>File No.:</b>	PHP18-027
<b>Location:</b>	122 East El Morado Court (APN: 1048-242-02)
<b>Prepared By:</b>	Elly Antuna, Assistant Planner
<b>Description:</b>	A Mills Act Contract for a 1,618 square foot Prairie style residential building, a Contributor within the El Morado Court Historic District, located at 122 East El Morado Court within the LDR5 (Low Density Residential-2.1 to 5.0 DU/Acre) Zoning District.

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### CONDITIONS OF APPROVAL

The above-described Project shall comply with the following Conditions of Approval:

1. Landscaping and Driveway.

- 1.1. To ensure maximum compatibility and avoid adverse impacts to the historic resource, issuance of a Certificate of Appropriateness by the Historic Preservation Commission or an administrative issued Waiver is required prior to commencement of any alterations, restoration, rehabilitation, preservation, and/or landscaping.
- 1.2. The segments of concrete located within the front yard landscape have been installed without review and approval. Because the segmented concrete pieces are not an integrated design a Waiver approving the alteration cannot be issued. However, a Waiver can be issued for the segmented concrete if: 1) Grass/natural turf is planted between the pieces of concrete and in the mow strip of the driveway between the two concrete wheel strips, and 2) the overall hardscape does not exceed 45% of the total front yard. The front yard landscape shall be brought into compliance prior to December 2019 as listed in Year One of the Mills Act Contract.

RESOLUTION NO. \_\_\_\_\_

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF ONTARIO, CALIFORNIA, APPROVING FILE NO. PHP18-027, AND AUTHORIZING THE CITY OF ONTARIO TO ENTER INTO A HISTORIC PROPERTY PRESERVATION AGREEMENT WITH TARA MARIE JESSUP, FOR THE PROPERTY LOCATED AT 122 EAST EL MORADO COURT (APN: 1048-242-02).

WHEREAS, California Government Code Section 50280, et seq., authorizes cities to enter into contracts with the owners of a qualified historical property to provide for the use, maintenance and restoration of such historical property so as to retain its characteristics as a property of historical significance: and

WHEREAS, Tara Marie Jessup possesses fee title in and to that certain real property, together with associated structures and improvements thereon, generally located at the street address commonly known as 122 East El Morado Court, Ontario, California (hereinafter referred to as the "Property"); and

WHEREAS, on July 16, 2002, the City Council of the City of Ontario designated the Property as a Contributor to the El Morado Court Historic District pursuant to the terms and provisions of Chapter 4, of the Ontario Development Code; and

WHEREAS, the City and Tara Marie Jessup, for their mutual benefit, now desire to enter into a Historic Property Preservation Agreement, a copy of which is attached hereto as Exhibit "B" and incorporated herein by reference (hereinafter referred to as the "Preservation Agreement").

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, 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;

WHEREAS, on October 11, 2018, the Historic Preservation Subcommittee conducted a hearing and issued Decision No. HPSC18-020, recommending the Historic Preservation Commission recommend the City Council approve the Application; and

WHEREAS, on October 23, 2018, the Historic Preservation Commission conducted a hearing and issued Resolution No. PC18-092, recommending the City Council approve the Application; and

WHEREAS, on November 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. 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 Mills Act contract is not considered a project pursuant to Section 21065 of the CEQA Guidelines. The Mills Act contract will not result in a direct physical change in the environment, or a reasonably foreseeable indirect physical change in the environment.

(2) The determination of CEQA exemption reflects the independent judgement of the City Council.

**SECTION 2. 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 above, the City Council hereby concludes as follows:

(1) California Government Code Section 50280, et seq., authorizes cities to enter into contracts with the owners of a qualified historical property to provide for the use, maintenance and restoration of such historical property so as to retain its characteristics as a property of historical significance; and

(2) Pursuant to California Government Code Section 50280, et seq., qualified historical properties are designated historic landmarks, contributing structures within designated historic districts, and properties listed on the National Register of Historic Places or the California Register of Historic Resources; and

(3) The Glenn D. Smith House, a 1,618 square foot single-family residence located at 122 East El Morado Court, was designated as a Contributor to the El Morado Court Historic District; and



(4) The Applicant has set forth a work program for this specific property to ensure the preservation of this historic resource that qualifies under the guidelines and standards set by the State of California.

**SECTION 3. City Council Action.** Based upon the findings and conclusions set forth in Sections 1 and 2 above, THE CITY COUNCIL APPROVES AND RATIFIES the historic property preservation agreement and authorizes the City Manager to execute the agreement, which is subject to the provisions of the City's Development Code (Sec. 4.02.065) and to each and every condition set forth in the Department reports, attached hereto as Exhibit "A" and incorporated herein by this reference; and

**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. Recordation of Agreement.** That the City Clerk of the City of Ontario, California, shall cause the Historic Preservation Agreement to be recorded in the office of the County Recorder of San Bernardino County.

**SECTION 6. Notification of Assessor.** That the City Clerk of the City of Ontario, California, shall notify the San Bernardino County Assessor in writing that the property has entered into a Preservation Agreement within 30 days of the recordation of the contract.

**SECTION 7. Certification to Adoption.** The City Clerk of the City of Ontario shall certify as to the adoption of this Resolution.

PASSED, APPROVED, AND ADOPTED this 20<sup>th</sup> day of November 2018.

---

PAUL S. LEON, MAYOR

ATTEST:

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SHEILA MAUTZ, CITY CLERK

APPROVED AS TO LEGAL FORM:

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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. 2018-1 was duly passed and adopted by the City Council of the City of Ontario at their regular meeting held November 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. 2018-1 duly passed and adopted by the Ontario City Council at their regular meeting held November 20, 2018.

\_\_\_\_\_  
SHEILA MAUTZ, CITY CLERK

(SEAL)

# Exhibit "A"

## Conditions of Approval

(Document follows this page)



## MILLS ACT CONTRACT CONDITIONS OF APPROVAL

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<b>Date:</b>	November 20, 2018
<b>File No.:</b>	PHP18-027
<b>Location:</b>	122 East El Morado Court (APN: 1048-242-02)
<b>Prepared By:</b>	Elly Antuna, Assistant Planner
<b>Description:</b>	A Mills Act Contract for a 1,618 square foot Prairie style residential building, a Contributor within the El Morado Court Historic District, located at 122 East El Morado Court within the LDR5 (Low Density Residential-2.1 to 5.0 DU/Acre) Zoning District.

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### CONDITIONS OF APPROVAL

The above-described Project shall comply with the following Conditions of Approval:

1. Landscaping and Driveway.

- 1.1. To ensure maximum compatibility and avoid adverse impacts to the historic resource, issuance of a Certificate of Appropriateness by the Historic Preservation Commission or an administrative issued Waiver is required prior to commencement of any alterations, restoration, rehabilitation, preservation, and/or landscaping.
- 1.2. The segments of concrete located within the front yard landscape have been installed without review and approval. Because the segmented concrete pieces are not an integrated design a Waiver approving the alteration cannot be issued. However, a Waiver can be issued for the segmented concrete if: 1) Grass/natural turf is planted between the pieces of concrete and in the mow strip of the driveway between the two concrete wheel strips, and 2) the overall hardscape does not exceed 45% of the total front yard. The front yard landscape shall be brought into compliance prior to December 2019 as listed in Year One of the Mills Act Contract.

## Exhibit "B"

# Preservation Agreement

(Document follows this page)

Exhibit B

RECORDING REQUESTED BY  
And When  
RECORDED MAIL TO:

City Clerk, City of Ontario  
303 East "B" Street  
Ontario, CA 91764

Exempt Recording Fees Pursuant to Government  
Code Section 6103 & 27383

**HISTORIC PROPERTY PRESERVATION AGREEMENT**

THIS AGREEMENT is made and entered into this 20<sup>th</sup> day of November 2018, by and between the City of Ontario, a municipal corporation (hereinafter referred to as the "City") and Tara Marie Jessup (hereinafter referred to as the "Owner").

**WITNESSETH:**

**A. Recitals.**

(i) California Government Code Section 50280, et seq., authorizes cities to enter into contracts with the owners of qualified historical property to provide for the use, maintenance and restoration of such historical property so as to retain its characteristics as property of historical significance;

(ii) Owner possesses fee title in and to that certain real property, together with associated structures and improvements thereon, commonly known as the Glenn D. Smith House, generally located at the street address 122 East El Morado Court, Ontario, CA 91764 (hereinafter such property shall be referred to as the "Historic Property"). A legal description of the Historic Property is attached hereto, marked as Exhibit "A" and is incorporated herein by this reference;

(iii) On July 16, 2002, the City Council of the City of Ontario designated the Historic Property as a Contributor within the El Morado Court Historic District pursuant to the terms and provisions of Title 9, Chapter 1, Chapter 4 of the Ontario Municipal Code; and,

(iv) The City and Owner, for their mutual benefit, now desire to enter into this agreement both to protect and preserve the characteristics of historical significance of the Historic Property and to qualify the Historic Property for an assessment of valuation pursuant to the Provisions of Chapter 3, of Part 2, of Division 1 of the California Revenue and Taxation Code.

**B. Agreement**

**NOW, THEREFORE,** City and Owner, in consideration of the mutual covenants and conditions set forth herein, do hereby agree as follows:

1. Effective Date and Term of Agreement. This Agreement shall be effective and commence on November 20, 2018, and shall remain in effect for a term of ten (10) years thereafter. Each year upon the anniversary of the effective date, such initial term will automatically be extended as provided in paragraph 2, below.

2. Renewal. Each year on the anniversary of the effective date of this Agreement (hereinafter referred to as the “renewal date”), a year shall automatically be added to the initial term of this Agreement unless notice of non-renewal is mailed as provided herein. If either Owner or City desires in any year not to renew the Agreement, Owner or City shall serve written notice of non-renewal of the Agreement on the other party in advance of the annual renewal date of the Agreement. Unless such notice is served by Owner to City at least ninety (90) days prior to the annual renewal date, or served by City to Owner at least sixty (60) days prior to the annual renewal date, one (1) year shall automatically be added to the term of the Agreement provided herein. Owner may make a written protest of the notice. Upon receipts by the Owner of a notice from the City of non-renewal, the City may, at any time prior to the annual renewal date of the Agreement, withdraw its



notice to Owner of non-renewal. If either City or Owner serves notice to the other of non-renewal in any year, the Agreement shall remain in effect for the balance of the term then remaining, either from its original execution or from the last renewal of the Agreement, whichever may apply.

3. Fees. Prior to recordation the applicant shall pay the applicable fee in effect at the time recordation is requested.

4. Standards for Historical Property. During the term of this Agreement, the Historic Property shall be subject to the following conditions, requirements and restrictions:

A. Owner shall preserve and maintain the characteristics of historical significance of the Historic Property. Attached hereto, marked as Exhibits "B", and incorporated herein by this reference, is a list of those minimum standards and conditions for maintenance, use and preservation of the Historic Property, which shall apply to such property throughout the term of this Agreement.

B. Owner shall, where necessary, restore and rehabilitate the property according to the rules and regulations of the Office of Historic Preservation of the Department of Parks and Recreation, the United States Secretary of the Interior's Rehabilitation Standards, the State Historical Building Code, and the Ontario Development Code and in accordance with the attached schedule of potential improvements, drafted by the applicant and approved by the City Council, attached hereto as Exhibit "C".

C. Pursuant to Section 4.02.050 of the Ontario Development Code, Owner shall obtain a Certificate of Appropriateness for any alteration, addition, restoration, rehabilitation, repainting, resurfacing, and for each and every item listed in Exhibit "C", prior to commencement of work. Failure to obtain all necessary permits, including building permits, and approvals may result in cancellation of this Agreement as set forth on Paragraph 6, Cancellation herein.

D. Owner shall allow reasonable periodic examinations, by prior appointment, of the interior and exterior of the Historic Property by representatives of the County Assessor, State Department of Parks and Recreation, State Board of Equalization, and the City, as may be necessary to determine Owner's compliance with the terms and provisions of this Agreement.

5. Provision of Information of Corporation. Owner hereby agrees to furnish City with any and all information requested by the City, which may be necessary or advisable to determine compliance with the terms and provision of this Agreement.

6. Cancellation. City, following a duly noticed public hearing as set forth in California Government Code Sections 50280, et seq., may cancel this Agreement if it determines that Owner breached any of the conditions of this Agreement or has allowed the property to deteriorate to the point that it no longer meets the standards for a qualified historic property. City may also cancel this Agreement if it determines that the Owner has failed to restore or rehabilitate the property in the manner specified in subparagraph 4(B) of this Agreement. In the event of cancellation, Owner may be subject to payment of those cancellation fees set forth in California Government Code Sections 50280, et seq.

7. Enforcement of Agreement. In lieu of and/or in addition to any provision to cancel the Agreement as referenced herein, City may specifically enforce, or enjoin the breach of, the terms of this Agreement. In the event of a default, under the provisions of this Agreement by Owner, City shall give written notice to Owner by registered or certified mail addressed to the address stated in this Agreement, and if such a violation is not corrected to the reasonable satisfaction of the City within thirty (30) days thereafter, or if not corrected within such reasonable time as may be required to cure the breach or default if said breach or default cannot be cured within thirty (30) days (provided that acts to cure the breach of default may be commenced within thirty (30) days and must be pursued to completion by Owner), then City may, without further notice, declare a default under the terms of this Agreement and may bring any action necessary to specifically enforce the obligations of Owner growing out of the terms of this Agreement, apply to any

court, state or federal, for injunctive relief against any violation by Owner or apply for such other relief against any violation by Owner or apply for such other relief as may be appropriate.

City does not waive any claim of default by Owner if City does not enforce or cancel this Agreement. All other remedies at law or in equity which are not otherwise provided for in this Agreement or in City's regulations governing historic properties are available to the City to pursue in the event that there is a breach of this Agreement. No waiver by City of any breach or default under this agreement shall be deemed to be a waiver of any other subsequent breach thereof or default herein under.

8. Binding Effect of Agreement. The Owner hereby subjects the Historic Property described in Exhibit "A" hereto to the covenants, reservations and restriction as set forth in this Agreement. City and Owner hereby declare their specific intent that the covenants, reservations and restrictions as set forth herein shall be deemed covenants running with the land and shall pass to and be binding upon the Owner's successors and assigns in title or interest to the Historic Property. Each and every contract, deed or other instrument hereinafter executed, covering or conveying the Historic Property, or any portion thereof, shall conclusively be held to have been executed, delivered and accepted subject to the covenants, reservations and restrictions expressed in this Agreement regardless of whether such covenants, reservations and restrictions are set forth in such contract, deed or other instrument.

City and Owner hereby declare their understanding and intent that the burden of the covenants, reservations and restrictions set forth herein touch and concern the land in that Owner's legal interest in the Historic Property is rendered less valuable thereby. City and Owner hereby further declare their understanding and intent that the benefit of such covenants, reservations and restrictions touch and concern the land by enhancing and maintaining the historic characteristics and significance of the Historic Property for the benefit of the public and the Owner.

9. Notice. Any notice required to be given by the terms of this Agreement shall be

provided at the address of the respective parties as specified below or at any other address as may be later specified by the parties hereto.

To City: City of Ontario  
303 East "B" Street  
Ontario, CA 91764

Attention: Planning Director

To Owner: Tara Marie Jessup  
122 East El Morado Court  
Ontario, CA 91764

10. General Provisions.

A. None of the terms, provisions or conditions of this Agreement shall be deemed to create a partnership between the parties hereto and any of their heirs, successors or assigns, nor shall such terms, provisions or conditions cause them to be considered joint ventures or members of any joint enterprise.

B. Owner agrees to and shall hold City and its elected officials, officers, agents, and employees harmless from liability for damage or claims for damage for personal injuries, including death, and claims for property damage which may arise from the direct or indirect use or operations of Owner or those of his contractor, subcontractor, agent, employee or other person acting on his behalf which relates to the use, operation and maintenance of the Historic Property. Owner hereby agrees to and shall defend the City and its elected officials, officers, agents, and employees with respect to any and all actions for damages caused by, or alleged to have been caused by, reason of Owner's activities in connection with the Historic Property. This hold harmless provision applies to all damages and claims for damages suffered, or alleged to have been suffered, by reason of the operations referred to in this Agreement regardless of whether or not the City prepared, supplied or approved the plans, specifications or other documents for the Historic Property.

C. All of the agreements, rights, covenants, reservations and restrictions

contained in this Agreement shall be binding upon and shall inure to the benefit of the parties herein, their heirs, successors, legal representatives, assigns and all persons acquiring any part or portion of the Historic Property, whether by operation of law or in any manner whatsoever.

D. In the event legal proceedings are brought by any party or parties to enforce or restrain a violation of any of the covenants, reservations or restrictions contained herein, or to determine the rights and duties of any party hereunder, the prevailing party in such proceeding may recover all reasonable attorney's fees to be fixed by the court, in addition to court costs and other relief ordered by the court.

E. In the event that any of the provisions of this Agreement are held to be unenforceable or invalid by any court of competent jurisdiction, or by subsequent preemptive legislation, the validity and enforceability of the remaining provisions, or portions thereof, shall not be affected thereby.

F. This Agreement shall be construed and governed in accordance with the laws of the State of California.

11. Recordation. No later than twenty (20) days after the parties execute and enter into this Agreement, the City shall cause this Agreement to be recorded in the office of the County Recorder of the County of San Bernardino.

12. Amendments. This Agreement may be amended, in whole or in part, only by a written recorded instrument executed by the parties hereto.

**IN WITNESS WHEREOF**, City and Owner have executed this Agreement on the day and year first written above.

CITY OF ONTARIO

Dated: \_\_\_\_\_

By: \_\_\_\_\_  
City Manager

Attest

\_\_\_\_\_  
City Clerk

Approved as to Form

\_\_\_\_\_  
City Attorney

Dated: \_\_\_\_\_

By: \_\_\_\_\_  
Tara Marie Jessup, Owner

## Exhibit A: Legal Description

<p>State of California Cultural Resource Database Mills Act Contract</p> <p><b>EXHIBIT A HISTORIC PROPERTY PRESERVATION AGREEMENT</b> Legal Description</p>	<p>City of Ontario Planning Department 303 East B Street Ontario, CA 91764 Phone: 9093952036 Fax: 9093952420 <a href="http://www.ontarioca.gov">http://www.ontarioca.gov</a></p>
---	--

File No: PHP18-027

The property located at: 122 E El Morado Ct  
Ontario, CA 91764

is legally described as: EL MORADO TRACT LOT 2 BLK 3 AND E 1/2 LOT 3 BLK 3

APN: 104824202



## Exhibit B: Property Maintenance

State of California Cultural Resource Database

Mills Act Contract

**EXHIBIT B HISTORIC PROPERTY PRESERVATION AGREEMENT**

**Property Maintenance**

City of Ontario

Planning Department

303 East B Street

Ontario, CA 91764

Phone: 9093952036

Fax: 9093952420

<http://www.ontarioca.gov>

Address: 122 E El Morado Court  
Ontario, CA

APN: 104824202

File No: PHP18-027

All buildings, structures, yards and other improvements shall be maintained in a manner which does not detract from the appearance of the immediate neighborhood. The following conditions are prohibited:

1. Dilapidated, deteriorating, or unrepaired structures, such as fences, roofs, doors, walls, and windows;
2. Scrap lumber, junk, trash or debris;
3. Abandoned, discarded or unused objects or equipment, such as automobiles, automobile parts, furniture, stoves, refrigerators, cans, containers, or similar items;
4. Stagnant water or excavations, including unmaintained pools or spas;
5. Any device, decoration, design, structure or vegetation which is unsightly by reason of its height, condition, or its inappropriate location.

The property owner shall also comply with the provisions of the Duty to Keep in Good Repair Section of the Historic Preservation Ordinance (Sec. 9-1.7.01.045 of the Ontario Development Code) and all other applicable provisions of the City's Property Appearance - Nuisance Ordinance (Chapter 22 of Title 5 of the Ontario Municipal Code, Commencing at Sec. 5-22.02).

## Exhibit C: Proposed Improvements

State of California Cultural Resource Database Mills Act Contract	City of Ontario Planning Department 303 East B Street Ontario, CA 91764 Phone: 9093952036 Fax: 9093952420 <a href="http://www.ontarioca.gov">http://www.ontarioca.gov</a>
<b>EXHIBIT C HISTORIC PROPERTY PRESERVATION AGREEMENT</b> Proposed Improvements	

Address: 122 E El Morado Court  
Ontario, CA

APN: 104824202

File No: PHP18-027

### Improvements Information:

Description:	Completed?
Year 2019: Energy Audit. Driveway restoration.	<input type="checkbox"/>
Year 2020: Electrical upgrades and repairs. Install new subpanel and rewire entire house.	<input type="checkbox"/>
Year 2021: Patch cracks in stucco on exterior walls. Paint exterior.	<input type="checkbox"/>
Year 2022: Reroof (hot tar) flat portion of house	<input type="checkbox"/>
Year 2023: Replace insulation in attic	<input type="checkbox"/>
Year 2024: Refinish hardwood floors in 3 bedrooms	<input type="checkbox"/>
Year 2025: Refinish original wood built-ins	<input type="checkbox"/>
Year 2026: Refinish interior wood on walls and interior door trim	<input type="checkbox"/>
Year 2027: Repair windows at south and west elevations	<input type="checkbox"/>
Year 2028: Refinish hardwood floors in living room, dining room and library	<input type="checkbox"/>

# CITY OF ONTARIO

Agenda Report  
November 20, 2018

SECTION:  
PUBLIC HEARINGS

**SUBJECT: A PUBLIC HEARING TO CONSIDER A CITY INITIATED GENERAL PLAN AMENDMENT (FILE NO. PGPA18-006) TO ADD TEXT TO THE ONTARIO PLAN (TOP) EXHIBIT LU-01 - LAND USE PLAN, REGARDING PARKLAND IN THE ONTARIO RANCH AREA**

**RECOMMENDATION:** That the City Council adopt a resolution approving a General Plan Amendment (File No. PGPA18-006, on file with the Records Management Department), proposing the addition of a note to Exhibit LU-01- Land Use Plan of The Ontario Plan clarifying that the locations of park facilities in Ontario Ranch are conceptual and referring to Figure PR-1 Park Facilities Map for the locations of existing and proposed parks.

**COUNCIL GOALS:** Operate in a Businesslike Manner

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

Encourage, Provide or Support Enhanced Recreational, Educational, Cultural and Healthy City Programs, Policies and Activities

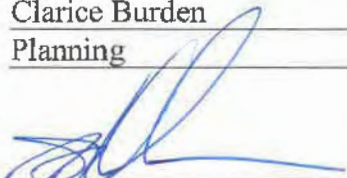
Ensure the Development of a Well Planned, Balanced, and Self-Sustaining Community in Ontario Ranch

**FISCAL IMPACT:** None.

**BACKGROUND:** In 2010, the Ontario Plan (TOP) Policy Plan (General Plan) component set forth the land use pattern for the City to achieve its Vision. At that time conceptual locations of parks in the Ontario Ranch area were included in both the Land Use Element Land Use Plan - Exhibit LU-1 and the Parks and Recreation Element Park Facilities Map - Figure PR-1 (see Exhibit A: Land Use Plan Map and Park Facilities Map).

In order to streamline updates to park locations in Ontario Ranch, as they are developed, the proposed General Plan Amendment (File No. PGPA18-006) would add a note to Exhibit LU-01 in the Land Use Element to clarify that park locations shown in Ontario Ranch are conceptual and refer to the Parks and Recreation Element Park Facilities Map (Figure PR-1) for locations of existing and proposed

**STAFF MEMBER PRESENTING:** Scott Murphy, AICP, Executive Director, Development Agency

Prepared by: Clarice Burden  
Department: Planning  
City Manager Approval: 

Submitted to Council/O.H.A. 11/20/2018  
Approved: \_\_\_\_\_  
Continued to: \_\_\_\_\_  
Denied: \_\_\_\_\_

18

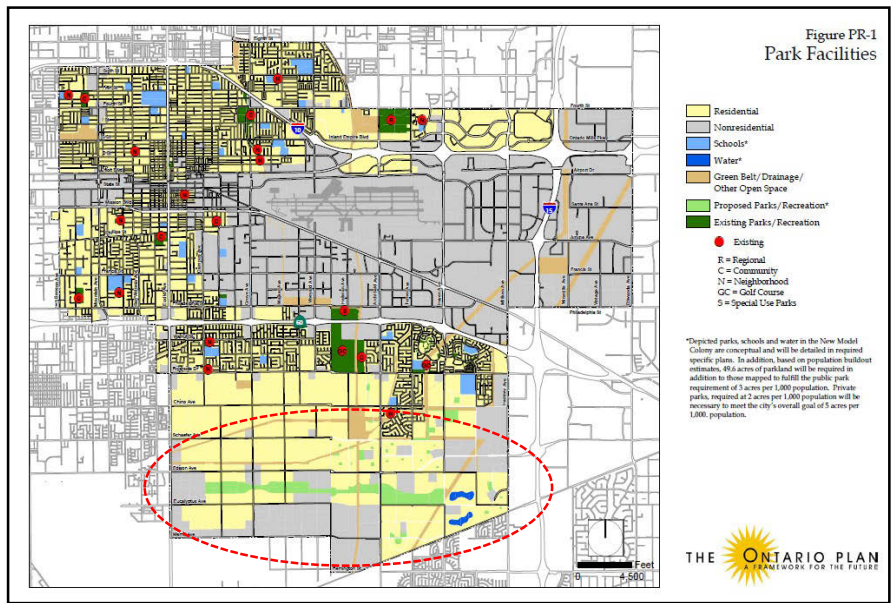
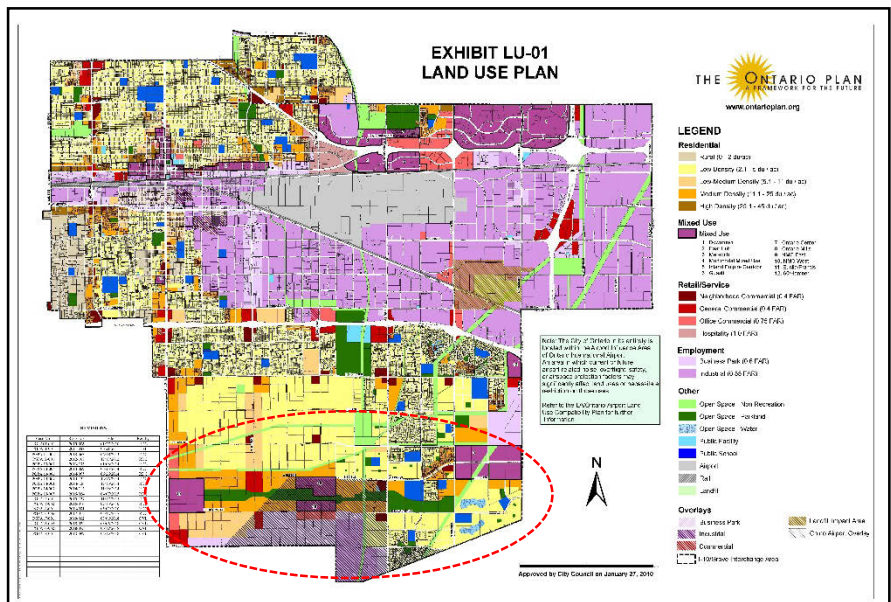
park facilities. Future GPA(s) will be processed to update the Land Use Plan (Exhibit LU-1) to remove the conceptual park locations, with the exception of the Great Park and the Lakes, and document final constructed park locations.

On October 23, 2018, the Planning Commission conducted a public hearing to consider the proposed General Plan Amendment, and voted unanimously (6-0) to recommend that the City Council approve the General Plan Amendment.

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

**ENVIRONMENTAL REVIEW:** The environmental impacts of this project were previously reviewed in conjunction with an Environmental Impact Report (SCH# 2008101140) certified by City Council on January 27, 2010 in conjunction with File No. PGPA06-001. This Application 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: Land Use Plan (Exhibit LU-01) Map and Park Facilities Map (Figure PR-1)





# PLANNING COMMISSION STAFF REPORT

October 23, 2018

**SUBJECT:** A General Plan Amendment (**File No. PGPA18-006**) to add text to Exhibit LU-01 - Land Use Plan regarding parkland in the Ontario Ranch area. **City Initiated. City Council action is required**

**PROPERTY OWNER:** N/A

**RECOMMENDED ACTION:** That the Planning Commission recommends City Council approval of File No. PGPA18-006, pursuant to the facts and reasons contained in the staff report and attached resolution.

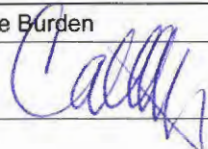
## PROJECT ANALYSIS:

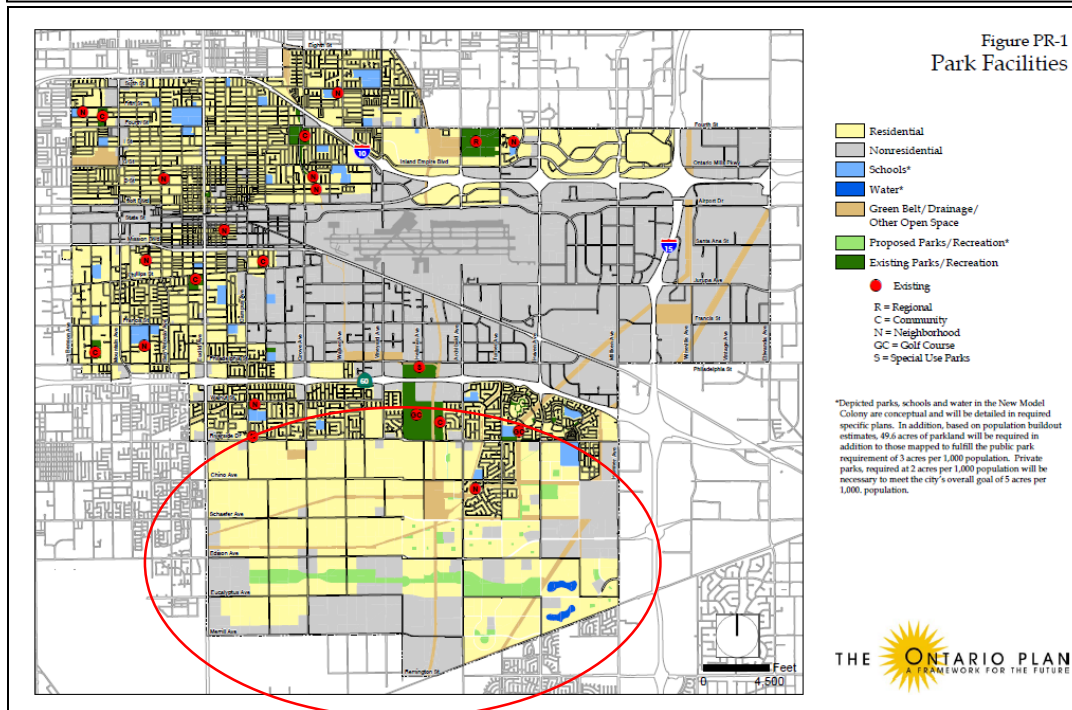
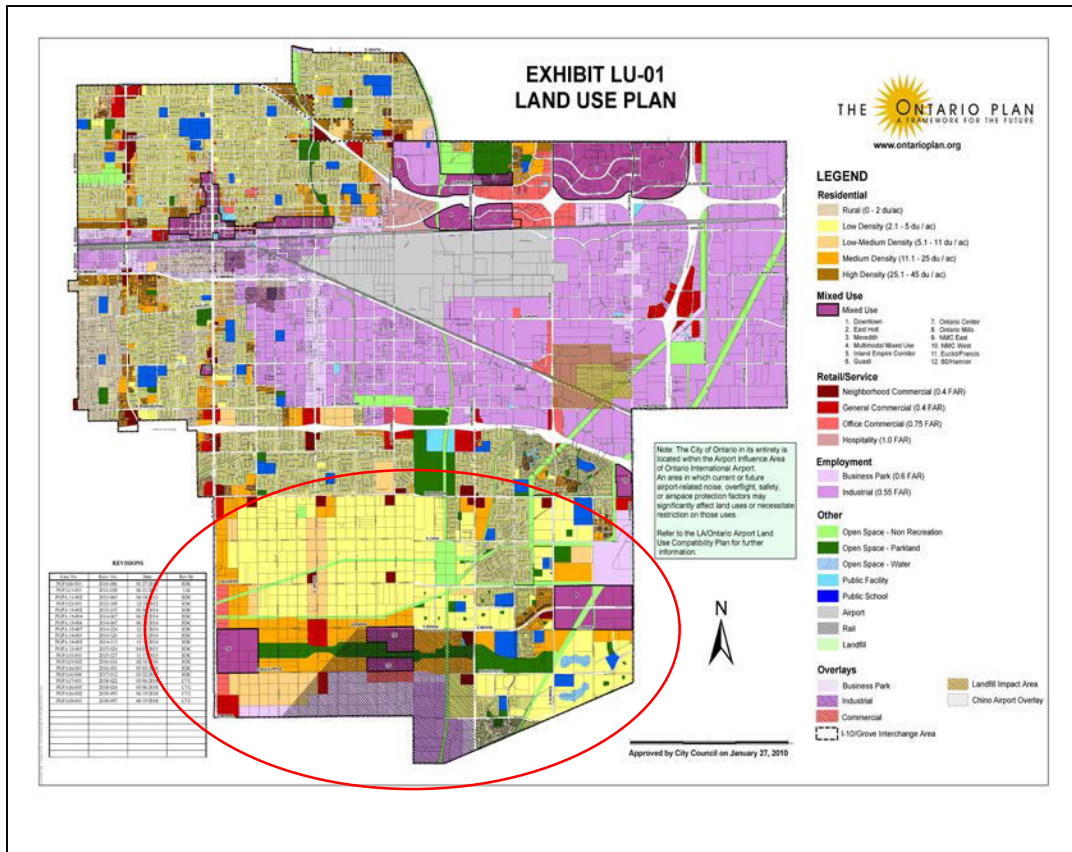
[1] Background — In 2010, The Ontario Plan (TOP) Policy Plan (General Plan) component set forth the land use pattern for the City to achieve its Vision. At the time of adoption, the final locations of proposed parks within Ontario Ranch (area south of Riverside Drive) were not, and are still not, completely known as the area is still in the process of developing. Two elements of the Policy Plan contain maps that depict park land: the Land Use Element Land Use Plan (Exhibit LU-1) and the Parks and Recreation Element Park Facilities Map (Figure PR-1). Currently, both maps would need to be amended to change a park's status from conceptual to existing and document the location of the park when it is developed.

[2] Proposed Change - To clarify and streamline updates to park locations in the Policy Plan, staff is proposing to add a note to Exhibit LU-1 that:

- a) Clarifies that the park locations depicted in Exhibit LU-01 within Ontario Ranch are conceptual; and
- b) Refers to the Parks and Recreation Element Figure PR-1 for the locations of existing and proposed park facilities in Ontario Ranch.

The proposed GPA is the first step in a two-step process. At a later date, staff intends to bring another GPA forward to remove conceptual parks in Ontario Ranch from Exhibit LU-01, with the exception of the Great Park and the Lakes, minimizing the need to update Exhibit LU-01 as parks are developed. The Land Use Plan (Exhibit LU-01), Park Facilities Map (Figure PR-1), and the Note proposed to be added to Exhibit LU-01 are shown below.

Case Planner:	Clarice Burden	Hearing Body	Date	Decision	Action
Planning Director Approval:		DAB			
Submittal Date:	N/A	PC	10/23/18	Approval	Recommend
		CC			



Note: The locations of parks depicted in Exhibit LU-01 in Ontario Ranch (area south of Riverside Drive) are conceptual, including the 400-plus acre Great Park (designated as Open Space – Parkland) and the approximate 60-acre Lakes (designated as Open Space – Water).

Refer to Figure PR-1 – Park Facilities for further detail on existing and conceptual park locations in Ontario Ranch.

**COMPLIANCE WITH THE ONTARIO PLAN:** The proposed project is consistent with the principles, goals and policies contained within the Vision, Governance, Policy Plan (General Plan), and City Council Priorities components of The Ontario Plan (TOP). More specifically, the goals and policies of TOP that are furthered by the proposed project are as follows:

[1] City Council Goals.

- Operate in a Businesslike Manner
- Invest in the City’s Infrastructure (Water, Streets, Sewers, Parks, Storm Drains and Public Facilities)
- Encourage, Provide or Support Enhanced Recreational, Educational, Cultural and Healthy City Programs, Policies and Activities
- Ensure the Development of a Well Planned, Balanced, and Self-Sustaining Community in the Ontario Ranch

[2] Policy Plan (General Plan)

**Land Use Element:**

➤ LU1-6 Complete Community: We incorporate a variety of land uses and building types in our land use planning efforts that result in a complete community where residents at all stages of life, employers, workers and visitors have a wide spectrum of choices of where they can live, work, shop and recreate within Ontario.

**Parks & Recreation Element:**

- Goal PR1: A system of safe and accessible parks that meets the needs of the community.



- PR1-1 Access to Parks. We strive to provide a park and/or recreational facility within walking distance (¼ mile) of every residence.
- PR1-5 Acreage Standard. We strive to provide 5 acres of parkland (public and private) per 1,000 residents.
- PR1-6 Private Parks. We expect development to provide a minimum of 2 acres of developed private park space per 1,000 residents.
- PR1-9 Phased Development. We require parks be built in new communities before a significant proportion of residents move in.

**HOUSING ELEMENT COMPLIANCE:** 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.

**AIRPORT LAND USE COMPATIBILITY PLAN (ALUCP) COMPLIANCE:** The project site is located within the Airport Influence Area of the Ontario International Airport, and has been found to be consistent with the policies and criteria set forth within the Ontario International Airport Land Use Compatibility Plan. The project site is also located within the Airport Influence area of Chino Airport and is consistent with policies and criteria set forth within the 2011 California Airport Land Use Planning Handbook published by the California Department of Transportation, Division of Aeronautics.

**ENVIRONMENTAL REVIEW:** The environmental impacts of this project were previously reviewed in conjunction with an Environmental Impact Report (SCH# 2008101140) adopted by City Council on January 27, 2010 in conjunction with File No. PGPA06-001. This Application introduces no new significant environmental impacts. All previously adopted mitigation measures are be a condition of project approval and are incorporated herein by reference.

RESOLUTION NO. PC18-096

A RESOLUTION OF THE PLANNING COMMISSION OF THE CITY OF ONTARIO, CALIFORNIA, RECOMMENDING THE CITY COUNCIL APPROVE FILE NO. PGPA18-006, A GENERAL PLAN AMENDMENT TO ADD TEXT TO THE ONTARIO PLAN (TOP) EXHIBIT LU-01 - LAND USE PLAN REGARDING PARKLAND IN THE ONTARIO RANCH AREA, AND MAKING FINDINGS IN SUPPORT THEREOF—APN: N/A. (LAND USE ELEMENT CYCLE 3 FOR THE 2018 CALENDAR YEAR).

WHEREAS, the City of Ontario ("Applicant") has initiated an Application for the approval of a General Plan Amendment, File No. PGPA18-006, as described in the title of this Resolution (hereinafter referred to as "Application" or "Project"); and

WHEREAS, the Application applies to references to parkland within the Ontario Ranch Area of the City; and

WHEREAS, the Application proposed to add the following text to The Ontario Plan (TOP) Exhibit LU-01 – Land Use Plan; and

Note: The locations of parks depicted in Exhibit LU-01 in Ontario Ranch (area south of Riverside Drive) are conceptual, including the 400-plus acre Great Park (designated as Open Space – Parkland) and the approximate 60-acre Lakes (designated as Open Space – Water).

Refer to Figure PR-1 – Park Facilities for further detail on existing and conceptual park locations in Ontario Ranch.

WHEREAS, Figure PR-1 – Park Facilities is an existing Figure in The Ontario Plan (TOP); 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 environmental impacts of this project were previously reviewed in conjunction with an Environmental Impact Report (SCH# 2008101140) adopted by City Council on January 27, 2010 in conjunction with File No. PGPA06-001, and this Application introduces no new significant environmental impacts; 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 CEQA (Public Resources Code Section 21000 et seq.), 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 Planning Commission the responsibility and authority to review and make recommendation to City Council on the subject Application; and

WHEREAS, the Project has been reviewed for consistency with the Housing Element of the Policy Plan component of The Ontario Plan, as State Housing Element law (as prescribed in Government Code Sections 65580 through 65589.8) requires that development projects must be consistent with the Housing Element, if upon consideration of all its aspects, it is found to further the purposes, principals, goals, and policies of the Housing Element; 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 October 23, 2018, the Planning Commission 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 Planning Commission of the City of Ontario, as follows:

**SECTION 1: *Environmental Determination and Findings.*** As the recommending body for the Project, the Planning Commission 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 Planning Commission finds as follows:

(1) The environmental impacts of this project were reviewed in conjunction with The Ontario Plan Environmental Impact Report - SCH# 2008101140, certified by the City of Ontario City Council on January 27, 2010, in conjunction with File No. PGPA06-001.

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

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

(4) The previous Certified EIR reflects the independent judgment of the Planning Commission; and

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

**SECTION 2: *Subsequent or Supplemental Environmental Review Not Required.*** Based on the information presented to the Planning Commission, and the specific findings set forth in Section 1, above, the Planning Commission 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, 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 recommending body for the Project, the Planning Commission recommends the City Council find 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 a property in the Available Land Inventory contained in Table A-3 (Available Land by Planning Area) of the Housing Element Technical Report Appendix (as amended).

**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 recommending body for the Project, the Planning Commission 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 Planning Commission, 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. The project site is also located within the Airport Influence area of Chino Airport and is consistent with policies and criteria set forth within the 2011 California Airport Land Use Planning Handbook published by the California Department of Transportation, Division of Aeronautics.

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

(1) The proposed change does not involve a change in, or conflict with:

a) The Ontario Plan Vision. The addition of a note to Exhibit LU-01 – Land Use Plan with directions to see Figure PR-1 – Park Facilities for details on parks within the Ontario Ranch area does not involve a change in, or conflict with the Vision of The Ontario Plan;

b) Any principle of the Policy Plan (General Plan) component of The Ontario Plan. The addition of a note to Exhibit LU-01 – Land Use Plan with directions to see Figure PR-1 – Park Facilities for details on parks within the Ontario Ranch area does not involve a change in, or conflict with the principles, goals, or policies of The Ontario Plan. The proposed General Plan amendment is consistent with the goals and policies of The Ontario Plan as follows:

**Land Use Element:**

➤ LU1-6 Complete Community: We incorporate a variety of land uses and building types in our land use planning efforts that result in a complete community where residents at all stages of life, employers, workers and visitors have a wide spectrum of choices of where they can live, work, shop and recreate within Ontario.

**Parks & Recreation Element:**

▪ Goal PR1: A system of safe and accessible parks that meets the needs of the community.

➤ PR1-1 Access to Parks. We strive to provide a park and/or recreational facility within walking distance (¼ mile) of every residence.

➤ PR1-5 Acreage Standard. We strive to provide 5 acres of parkland (public and private) per 1,000 residents.

- PR1-6 Private Parks. We expect development to provide a minimum of 2 acres of developed private park space per 1,000 residents.
- PR1-9 Phased Development. We require parks be built in new communities before a significant proportion of residents move in.

c) Any basic/foundational component of The Ontario Plan. The addition of a note to Exhibit LU-01 – Land Use Plan with directions to see Figure PR-1 – Park Facilities for details on parks within the Ontario Ranch area does not involve a change in, or conflict with any basic or foundational component of The Ontario Plan.

d) The Land Use Element is a mandatory element of the Policy Plan (General Plan) component of The Ontario Plan, which, pursuant to GC Section 65358, may be amended up to four times per calendar year, and the proposed General Plan Amendment is the third cycle amendment to the Land Use Element within the 2018 calendar year.

(2) The proposed amendment would contribute to the achievement of the purposes of the Policy Plan (General Plan) component of The Ontario Plan, or, at a minimum, would not be detrimental to them. The proposed addition of a note to Exhibit LU-01 – Land Use Plan with directions to see Figure PR-1 – Park Facilities for details on parks within the Ontario Ranch area will assist in simplifying the documenting of updates to park facilities as recreational open space amenities are completed in the Ontario Ranch area.

**SECTION 6: Planning Commission Action.** Based upon the findings and conclusions set forth in Sections 1 through 4, above, the Planning Commission hereby RECOMMENDS THE CITY COUNCIL APPROVE the herein described Application.

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

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

**SECTION 9: Certification to Adoption.** The Secretary shall certify to the adoption of the Resolution.

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The Secretary Pro Tempore for the Planning Commission of the City of Ontario shall certify as to the adoption of this Resolution.

I hereby certify that the foregoing Resolution was duly and regularly introduced, passed and adopted by the Planning Commission of the City of Ontario at a regular meeting thereof held on the 23rd day of October, 2018, and the foregoing is a full, true and correct copy of said Resolution, and has not been amended or repealed.



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Richard D. Delman  
Planning Commission Chairman

ATTEST:



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Cathy Wahlstrom  
Planning Director  
Secretary of Planning Commission



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

I, Gwen Berendsen, Secretary Pro Tempore of the Planning Commission of the City of Ontario, DO HEREBY CERTIFY that foregoing Resolution No. PC18-096 was duly passed and adopted by the Planning Commission of the City of Ontario at their regular meeting held on October 23, 2018, by the following roll call vote, to wit:

AYES:           DeDiemar, Delman, Downs, Gregorek, Reyes, Willoughby

NOES:           None

ABSENT:        Gage

ABSTAIN:       None

  
\_\_\_\_\_  
Gwen Berendsen  
Secretary Pro Tempore

RESOLUTION NO. \_\_\_\_\_

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF ONTARIO, CALIFORNIA, APPROVING FILE NO. PGPA18-006, A GENERAL PLAN AMENDMENT TO ADD TEXT TO THE ONTARIO PLAN (TOP) EXHIBIT LU-01 - LAND USE PLAN REGARDING PARKLAND IN THE ONTARIO RANCH AREA, AND MAKING FINDINGS IN SUPPORT THEREOF—APN: N/A. (LAND USE ELEMENT CYCLE 3 FOR THE 2018 CALENDAR YEAR).

WHEREAS, the City of Ontario ("Applicant") has initiated an Application for the approval of a General Plan Amendment, File No. PGPA18-006, as described in the title of this Resolution (hereinafter referred to as "Application" or "Project"); and

WHEREAS, the Application applies to references to parkland within the Ontario Ranch Area of the City; and

WHEREAS, the Application proposes to add the following text to The Ontario Plan (TOP) Exhibit LU-01 – Land Use Plan: Note: The locations of parks depicted in Exhibit LU-01 in Ontario Ranch (area south of Riverside Drive) are conceptual, including the 400-plus acre Great Park (designated as Open Space – Parkland) and the approximate 60-acre Lakes (designated as Open Space – Water). Refer to Figure PR-1 – Park Facilities for further detail on existing and conceptual park locations in Ontario Ranch; and

WHEREAS, Figure PR-1 – Park Facilities Map is an existing Figure in The Ontario Plan (TOP); 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 environmental impacts of this project were previously reviewed in conjunction with an Environmental Impact Report (SCH# 2008101140) adopted by City Council on January 27, 2010, in conjunction with File No. PGPA06-001, and this Application introduces no new significant environmental impacts; 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, 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 has been reviewed for consistency with the Housing Element of the Policy Plan component of The Ontario Plan, as State Housing Element law (as prescribed in Government Code Sections 65580 through 65589.8) requires that

development projects must be consistent with the Housing Element, if upon consideration of all its aspects, it is found to further the purposes, principals, goals, and policies of the Housing Element; 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, on October 23, 2018, the Planning Commission of the City of Ontario unanimously voted (6-0) to issue Resolution No. PC18-096 recommending City Council approval of the Project as presented; and

WHEREAS, on November 20, 2018, the City Council of the City of Ontario conducted a public 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.** ***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 The Ontario Plan Environmental Impact Report - SCH# 2008101140, certified by the City of Ontario City Council on January 27, 2010, in conjunction with File No. PGPA06-001.

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

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

(4) The previous Certified EIR 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 Certified EIR, and all mitigation measures previously adopted with the Certified EIR, 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 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, 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 a property in the Available Land Inventory contained in Table A-3 (Available Land by Planning Area) of the Housing Element Technical Report Appendix (as amended).

**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. The project site is also located within the Airport Influence area of Chino Airport and is consistent with policies and criteria set forth within the 2011 California Airport Land Use Planning Handbook published by the California Department of Transportation, Division of Aeronautics.

**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 change does not involve a change in, or conflict with:

a) The Ontario Plan Vision. The addition of a note to Exhibit LU-01 -Land Use Plan with directions to see Figure PR-1 – Park Facilities for details on parks within the Ontario Ranch area does not involve a change in, or conflict with the Vision of The Ontario Plan;

b) Any principle of the Policy Plan (General Plan) component of The Ontario Plan. The addition of a note to Exhibit LU-01 – Land Use Plan with directions to see Figure PR-1 – Park Facilities for details on parks within the Ontario Ranch area does not involve a change in, or conflict with the principles, goals, or policies of The Ontario Plan. The proposed General Plan amendment is consistent with the goals and policies of The Ontario Plan as follows:

**Land Use Element:**

➤ LU1-6 Complete Community: We incorporate a variety of land uses and building types in our land use planning efforts that result in a complete community where residents at all stages of life, employers, workers and visitors have a wide spectrum of choices of where they can live, work, shop and recreate within Ontario.

## **Parks & Recreation Element:**

- Goal PR1: A system of safe and accessible parks that meets the needs of the community.
  - PR1-1 Access to Parks. We strive to provide a park and/or recreational facility within walking distance (¼ mile) of every residence.
  - PR1-5 Acreage Standard. We strive to provide 5 acres of parkland (public and private) per 1,000 residents.
  - PR1-6 Private Parks. We expect development to provide a minimum of 2 acres of developed private park space per 1,000 residents.
  - PR1-9 Phased Development. We require parks be built in new communities before a significant proportion of residents move in.

c) Any basic/foundational component of The Ontario Plan. The addition of a note to Exhibit LU-01 – Land Use Plan with directions to see Figure PR-1 – Park Facilities for details on parks within the Ontario Ranch area does not involve a change in, or conflict with any basic or foundational component of The Ontario Plan.

d) The Land Use Element is a mandatory element of the Policy Plan (General Plan) component of The Ontario Plan, which, pursuant to GC Section 65358, may be amended up to four times per calendar year, and the proposed General Plan Amendment is part of the third cycle amendment to the Land Use Element within the 2018 calendar year.

(2) The proposed amendment would contribute to the achievement of the purposes of the Policy Plan (General Plan) component of The Ontario Plan, or, at a minimum, would not be detrimental to them. The proposed addition of a note to Exhibit LU-01 – Land Use Plan with directions to see Figure PR-1 – Park Facilities for details on parks within the Ontario Ranch area will assist in simplifying the documenting of updates to park facilities as recreational open space amenities are completed in the Ontario Ranch area.

**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 Application.

**SECTION 7. *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 8.     ***Certification to Adoption.*** The City Clerk shall certify to the adoption of the Resolution.

PASSED, APPROVED, AND ADOPTED this 20<sup>th</sup> day of November 2018.

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PAUL S. LEON, MAYOR

ATTEST:

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SHEILA MAUTZ, CITY CLERK

APPROVED AS TO FORM:

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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 November 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 November 20, 2018.

\_\_\_\_\_  
SHEILA MAUTZ, CITY CLERK

(SEAL)



# CITY OF ONTARIO

Agenda Report  
November 20, 2018

SECTION:  
PUBLIC HEARINGS

**SUBJECT: A PUBLIC HEARING TO CONSIDER A CITY INITIATED ORDINANCE APPROVING A DEVELOPMENT CODE AMENDMENT, FILE NO. PDCA18-004 TO INCREASE THE ALLOWABLE BUILDING/STRUCTURE HEIGHT FROM 55 FEET TO 80 FEET WITHIN THE IH (HEAVY INDUSTRIAL) ZONING DISTRICT**

**RECOMMENDATION:** That the City Council consider and:

- (A) Adopt a resolution approving an addendum to The Ontario Plan Environmental Impact Report certified, by City Council on January 27, 2010; and
- (B) Introduce and waive further reading of an ordinance approving File No. PDCA18-004.

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

**FISCAL IMPACT:** None.

**BACKGROUND:** On December 1, 2015, the City Council approved a comprehensive update to the Ontario Development Code (Ordinance No. 3028). Ordinance No. 3028 created five new industrial zoning districts that included the BP (Business Park), IP (Industrial Park), IL (Light Industrial), IG (General Industrial) and IH (Heavy Industrial) zoning districts. Each industrial zone is unique, creating a hierarchy of industrial uses from light to heavy and acting as transition/buffer zones between sensitive uses (such as residential, schools, parks, etc.) and heavier nuisance uses. The Development Code update established building development standards (buildings setbacks, lot/landscape coverage, floor area ratios and allowable building heights) for the five industrial zones. Staff periodically reviews the Development Code, to adjust or clarify provisions within the code that are deemed necessary.

**STAFF MEMBER PRESENTING:** Scott Murphy, AICP, Executive Director, Development Agency

Prepared by: Lorena Mejia  
Department: Planning  
City Manager Approval: 

Submitted to Council/O.H.A. 11/20/2018  
Approved: \_\_\_\_\_  
Continued to: \_\_\_\_\_  
Denied: \_\_\_\_\_

19

**DEVELOPMENT CODE AMENDMENT:** The proposed Amendment will increase the allowable building/structure height from 55 feet to 80 feet within the IH zoning district of the Development Code, specifically *Chapter 6.0 – Development and Subdivision Regulations, Table 6.01-10: Industrial Zoning District Development Standards* (see Exhibit A: Revised Table 6.01-10).

The Development Code established the IH zoning district to accommodate heavier manufacturing, assembly, storage, warehousing industrial uses. Land uses that are normally permitted within the IH zone typically incorporate taller facilities within their operations such as silos, smokestacks and tanks as part of their back of house operations. The 55 feet maximum building height for the IH zone was established in the 2015 comprehensive Development Code update. However, staff’s periodic reviews of the Development Code, examined building heights in various zones and found that the IH zone building/structure height did not reflect the existing built environment. Permitted structures currently exist within the IH zone that exceed the 55 feet maximum height. In addition, building heights within specific plans in the immediate area of the IH zone have allowable building heights that are greater than what is currently permitted within the IH zone. The table below lists the specific plans in the immediate area of the IH zone and their maximum allowable heights for reference.

Specific Plan	Maximum Building Height
Shea Business Center	100 FT
Pacific Gate-East Gate	70 FT
California Commerce Center	FAA (Federal Aviation Administrative ) Regulations
Entratter	75 FT

Furthermore, staff has seen an increased need for taller buildings within the IH Industrial zone since warehouse distribution facilities are requiring higher interior building clearances for higher racking/stacking of goods/inventory in addition to accommodating additional heights for equipment/forklift clearances. Therefore, the Amendment will allow for the flexibility of meeting current industry needs for taller buildings (see Exhibit A) and eliminating legal non-conforming structures within the IH zone that currently exceed the 55 feet height limit.

On October 23, 2018, the Planning Commission conducted a public hearing to consider the proposed Development Code Amendment, and voted unanimously (6-0) to recommend City Council approval of the Development Code Amendment.

**AIRPORT LAND USE COMPATIBILITY PLAN COMPLIANCE:** The project site is located within the Airport Influence Area of the Ontario International Airport, and has been found to be consistent with the policies and criteria set forth within the Ontario International Airport Land Use Compatibility Plan.

**ENVIRONMENTAL REVIEW:** The environmental impacts of the above-described applications were reviewed in conjunction with an addendum to The Ontario Plan Environmental Impact Report (State Clearinghouse No. 2008101140) adopted by City Council on January 27, 2010, in conjunction with File No. PGPA06-001. The addendum was prepared pursuant to CEQA, the State CEQA Guidelines and the City’s “Guidelines for the Implementation of the California Environmental Quality Act (CEQA)” which provides 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 that were not previously analyzed in the Environmental Impact Report. All

previously adopted mitigation measures are a condition of project approval and are incorporated herein by reference.

## Exhibit A: Revised Table 6.01-10

*Table 6.01-10: Industrial Zoning District Development Standards*

Requirements	Industrial Zoning Districts					Additional Regulations
	BP	IP	IL	IG	IH	
<b>A. SITE DEVELOPMENT STANDARDS</b>						
<b>1. Minimum Lot Area</b>	1.0 AC		10,000 SF			Note 1
<b>2. Maximum Floor Area Ratio (FAR)</b>	0.60		0.55			Note 7
<b>3. Minimum Lot Dimensions</b>						
<b>a. Lot Width</b>	100 FT					Note 1
<b>b. Lot Depth</b>	100 FT					Note 1
<b>4. Minimum Landscape Coverage</b>	Refer to Division 6.05 (Landscaping) and Paragraph 6.01.010.F.6 (Landscaping) for additional standards					
<b>a. Interior Lots</b>	15%	10%				Notes 2 and 3
<b>b. Corner Lots</b>	20%	15%				Notes 2 and 3
<b>c. Off-Street Parking Areas</b>	7%					See Section 6.05.030.D (Landscaping of Off-Street Parking Facilities)
<b>5. Minimum Parking Space and Drive Aisle Separations</b>						
<b>a. Parking Space or Drive Aisle to Street Property Line</b>	20 FT		10 FT			
<b>b. Parking Space or Drive Aisle to Interior Property Line</b>	5 FT					Notes 4 and 5
Exception: From property line common with residential district	10 FT (area shall be densely landscaped)			n/a		
<b>c. Parking Space to Buildings, Walls, and Fences</b>	<b>[1]</b> Areas adjacent to public entries and office areas: 10 FT; and <b>[2]</b> Areas adjacent to other building areas: 5 FT.					Note 5
Exception: Within screened loading and storage yard areas	0 FT					
<b>d. Drive Aisles to Buildings, Walls, and Fences</b>	10 FT					Note 5
Exception: Within screened loading and storage yard areas	0 FT					
<b>6. Minimum Screened Loading and Storage Yard Separations</b>						
<b>a. Enclosed Loading and Storage Yard to Street Property Line</b>						
<b>(1) Freeway</b>	20 FT					
<b>(2) Arterial Street</b>	20 FT					

Table 6.01-10: Industrial Zoning District Development Standards

Requirements	Industrial Zoning Districts					Additional Regulations
	BP	IP	IL	IG	IH	
(3) Collector/Local Street	10 FT					
b. Screened Loading and Storage Yard to Interior Property Line	0 FT					
Exception: From interior property line common with residential district	10 FT (area shall be densely landscaped)				n/a	
c. Screened Loading and Storage Yard to Buildings, Walls, and Fences	0 FT					
7. Walls, Fences and Obstructions	Refer to Section 6.02.020 (Design Standards for Residential Zoning Districts).					
8. Off Street Parking	Refer to Division 6.03 (Off-Street Parking and Loading).					
9. Property Appearance and Maintenance	Refer to Division 6.10 (Property Appearance and Maintenance).					
10. Historic Preservation	Certain portions of commercial zoning districts are identified as historic or potentially historic, and are listed on the City's Historic Resources Eligibility List. Development regulations set forth in Division 7.01 (Historic Preservation), and application processing and permitting regulations set forth in Division 4.02 (Discretionary Permits and Actions) and of this Development Code, shall apply in these instances.					
11. Signs	Refer to Division 8.1 (Sign Regulations).					
12. Security Standards	Refer to Ontario Municipal Code Title 4, Chapter 11 (Security Standards for Buildings).					
13. Noise	Buildings shall be designed and constructed to mitigate noise levels from exterior sources. Refer to OMC, Tile 5 (Public Welfare, Morals, and Conduct), Chapter 29 (Noise).					
14. Airport Safety Zones	Properties within the Airport Influence Area (AIA) established by the LA/Ontario International Airport Land Use Compatibility Plan (ALUCP) shall be subject to the requirements and standards of the ALUCP.					
<b>B. BUILDING DEVELOPMENT STANDARDS</b>						
1. Maximum Building Area	Single-Tenant: 45,000 S Multi-Tenant: 60,000 SF		n/a			Note 9
2. Minimum Street Setback						
a. From Freeway Property Line	20 FT					
b. From Arterial Street Property Line						
(1) Holt Boulevard	10 FT					
(2) All Other Arterial Streets	20 FT					
c. From Collector and Local Street Property Line	10 FT					
3. Minimum Interior Property Line Setback	0 FT					Note 6

**Table 6.01-10: Industrial Zoning District Development Standards**

Requirements	Industrial Zoning Districts					Additional Regulations
	BP	IP	IL	IG	IH	
<u>Exception</u> : Property line common with residential districts	30 FT					
<b>4. Maximum Height</b>	45 FT		55 FT		<b>80 FT</b>	Note 7
<b>5. Minimum Setback From Major Pipelines</b> (to habitable structures)	50 FT					Note 8

*Note 7: The maximum building height and FAR may be restricted pursuant to the Ontario International Airport Land Use Compatibility Plan (ALUCP). Refer to the ALUCP for properties affected by airport safety zones.*

RESOLUTION NO. \_\_\_\_\_

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF ONTARIO, CALIFORNIA, APPROVING AN ADDENDUM TO THE ONTARIO PLAN ENVIRONMENTAL IMPACT REPORT, ALL IN ACCORDANCE WITH THE CALIFORNIA ENVIRONMENTAL QUALITY ACT, AS AMENDED, FOR FILE NO. PDCA18-004.

WHEREAS, prior to the adoption of this Resolution, the Planning Director of the City of Ontario prepared and approved for attachment to the certified Environmental Impact Report, an addendum to The Ontario Plan Environmental Impact Report — State Clearinghouse No. 2008101140 — for File No. PGP06-001 (hereinafter referred to as “EIR 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. PDCA18-004 analyzed under the EIR Addendum, consists of a Development Code Amendment to increase the allowable building/structure height from 55 feet to 80 feet within the IH (Heavy Industrial) zoning district, in the City of Ontario, California (hereinafter referred to as the "Project"); and

WHEREAS, the EIR 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 — State Clearinghouse No. 2008101140 — was certified on January 27, 2010 (hereinafter referred to as “Certified EIR”), 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 decision-making authority for the requested approval to construct and otherwise undertake the Project; and

WHEREAS, the City Council has reviewed and considered the Initial EIR 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 EIR 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 authority 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. PGP06-001.

(2) The EIR 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 EIR 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 and 2, 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 EIR Addendum to the Certified EIR.

**SECTION 4. 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 5. Certification to Adoption.** The City Clerk shall certify to the adoption of the Resolution.

PASSED, APPROVED, AND ADOPTED this 20<sup>th</sup> day of November 2018.

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PAUL S. LEON, MAYOR

ATTEST:

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SHEILA MAUTZ, CITY CLERK

APPROVED AS TO FORM:

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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 November 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 November 20, 2018.

\_\_\_\_\_  
SHEILA MAUTZ, CITY CLERK

(SEAL)

ORDINANCE NO. \_\_\_\_\_

AN ORDINANCE OF THE CITY COUNCIL OF THE CITY OF ONTARIO, CALIFORNIA, APPROVING FILE NO. PDCA18-004, A DEVELOPMENT CODE AMENDMENT TO INCREASE THE ALLOWABLE BUILDING/STRUCTURE HEIGHT FROM 55 FEET TO 80 FEET WITHIN THE IH (HEAVY INDUSTRIAL) ZONING DISTRICT, AND MAKING FINDINGS IN SUPPORT THEREOF.

WHEREAS, The City of Ontario ("Applicant") has initiated an Application for the approval of a Development Code Amendment, File No. PDCA18-004, as described in the title of this Ordinance (hereinafter referred to as "Application" or "Project"); and

WHEREAS, the Development Code (Ontario Municipal Code Title 9) provides the legislative framework for the implementation of The Ontario Plan, which states long-term principles, goals, and policies for guiding the growth and development of the City in a manner that achieves Ontario's vision and promotes and protects the public health, safety, comfort, convenience, prosperity, and welfare of its; and

WHEREAS, on December 1, 2015, the City Council approved a comprehensive update to the Ontario Development Code (Ordinance No. 3028), which became effective on January 1, 2016; and

WHEREAS, the City of Ontario has initiated alterations to the Development Code for the purpose of increasing the allowable building/structure height from 55 feet to 80 feet within the IH (Heavy Industrial) zoning district listed in Chapter 6.0 – Development and Subdivision Regulations, Table 6.01-10: Industrial Zoning District Development Standards (Attachment A - Table 6.01-10: Industrial Zoning District Development Standards Revisions); and

WHEREAS, the IH zoning district is located within the eastern portion of the City generally located south of the I-10 Freeway and east of the I-15 Freeway and is bounded by the Southern Pacific Railroad Company on the north, Etiwanda Avenue to the East, Philadelphia Street to the south and Wineville Avenue to the west; and

WHEREAS, the Development Code established the IH zoning district to accommodate heavier manufacturing, assembly, storage and warehousing uses; and

WHEREAS, land uses normally permitted within the IH zone typically incorporate taller facilities within their operations such as silos, smokestacks and tanks as part of their operations; and

WHEREAS, the 55 foot building height established in the 2015 comprehensive Development Code update did not reflect the existing built environment of the IH zone, resulting in legal non-conforming structures that exceed the 55 foot height limit throughout the zone; and

WHEREAS, the specific plans that surround the IH Zone generally have allowable heights that range from 70 feet to over 100 Feet; and

WHEREAS, on October 23, 2018, the Planning Commission conducted a public hearing and approved Resolution No. 18-097 recommending the City Council approve a Resolution adopting an Addendum to The Ontario Plan Environmental Impact Report (State Clearinghouse No. 2008101140), certified by the City Council on January 27, 2010, in conjunction with File No. PGP06-001. The Addendum finds that the proposed project introduces no new significant environmental impacts. Furthermore, all mitigation measures previously adopted with the Certified Environmental Impact Report are incorporated into the Project by reference; 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 ("ONT"), which encompasses lands within parts of San Bernardino, Riverside, and Los Angeles Counties, and is subject to, and must be consistent with, the policies and criteria set forth in the 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 October 23, 2018, the Planning Commission of the City of Ontario conducted a public hearing to consider the Initial Study/Addendum and the Project, and concluded said hearing on that date, voting 6-0 to issue Resolution No. 18-098 recommending the City Council approve the Application; and

WHEREAS, on November 20, 2018, the City Council of the City of Ontario conducted a public 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 November 20, 2018, the City Council approved a resolution adopting an Initial Study/Addendum to a previous "Certified EIR" 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 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 "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 The Ontario Plan Environmental Impact Report, certified by the City of Ontario City Council on January 27, 2018, in conjunction with File No. PGPA16-001.

(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.

(4) The Addendum contains a complete and accurate reporting of the environmental impacts associated with the Project, and reflects the independent judgment of the DAB; 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. 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 is consistent with the policies and criteria set forth within the ALUCP.

**SECTION 4. *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 3, above, the City Council hereby concludes as follows:

(1) The proposed Development Code Amendment 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; and

(2) The proposed Development Code Amendment would not be detrimental to the public interest, health, safety, convenience, or general welfare of the City.

**SECTION 5. *City Council Action.*** Based upon the findings and conclusions set forth in Sections 1 through 4, above, the City Council hereby APPROVES the herein described Development Code amendment, attached hereto as "Attachment A," and incorporated herein by this reference.

**SECTION 6. *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 7. *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 8. *Effective Date.*** This Ordinance shall become effective 30 days following its adoption.

**SECTION 9. *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 20<sup>th</sup> day of November 2018.

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PAUL S. LEON, MAYOR

ATTEST:

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SHEILA MAUTZ, CITY CLERK

APPROVED AS TO FORM:

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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 November 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. PDCA18-004;  
Proposed Development Code Amendment  
Table 6.01-10: Industrial Zoning District Development  
Standards Revisions**

*(Document follows this page)*

Table 6.01-10: Industrial Zoning District Development Standards

Requirements	Industrial Zoning Districts					Additional Regulations
	BP	IP	IL	IG	IH	
<b>A. SITE DEVELOPMENT STANDARDS</b>						
<b>1. Minimum Lot Area</b>	1.0 AC		10,000 SF			Note 1
<b>2. Maximum Floor Area Ratio (FAR)</b>	0.60		0.55			Note 7
<b>3. Minimum Lot Dimensions</b>						
<b>a.</b> Lot Width	100 FT					Note 1
<b>b.</b> Lot Depth	100 FT					Note 1
<b>4. Minimum Landscape Coverage</b>	Refer to Division 6.05 (Landscaping) and Paragraph 6.01.010.F.6 (Landscaping) for additional standards					
<b>a.</b> Interior Lots	15%	10%				Notes 2 and 3
<b>b.</b> Corner Lots	20%	15%				Notes 2 and 3
<b>c.</b> Off-Street Parking Areas	7%					See Section 6.05.030.D (Landscaping of Off-Street Parking Facilities)
<b>5. Minimum Parking Space and Drive Aisle Separations</b>						
<b>a.</b> Parking Space or Drive Aisle to Street Property Line	20 FT		10 FT			
<b>b.</b> Parking Space or Drive Aisle to Interior Property Line	5 FT					Notes 4 and 5
<u>Exception:</u> From property line common with residential district	10 FT (area shall be densely landscaped)			n/a		
<b>c.</b> Parking Space to Buildings, Walls, and Fences	[1] Areas adjacent to public entries and office areas: 10 FT; and [2] Areas adjacent to other building areas: 5 FT.					Note 5
<u>Exception:</u> Within screened loading and storage yard areas	0 FT					
<b>d.</b> Drive Aisles to Buildings, Walls, and Fences	10 FT					Note 5
<u>Exception:</u> Within screened loading and storage yard areas	0 FT					
<b>6. Minimum Screened Loading and Storage Yard Separations</b>						
<b>a.</b> Enclosed Loading and Storage Yard to Street Property Line						
<b>(1)</b> Freeway	20 FT					

**Table 6.01-10: Industrial Zoning District Development Standards**

Requirements	Industrial Zoning Districts					Additional Regulations
	BP	IP	IL	IG	IH	
(2) Arterial Street	20 FT					
(3) Collector/Local Street	10 FT					
b. Screened Loading and Storage Yard to Interior Property Line	0 FT					
Exception: From interior property line common with residential district	10 FT (area shall be densely landscaped)				n/a	
c. Screened Loading and Storage Yard to Buildings, Walls, and Fences	0 FT					
7. Walls, Fences and Obstructions	Refer to Section 6.02.020 (Design Standards for Residential Zoning Districts).					
8. Off Street Parking	Refer to Division 6.03 (Off-Street Parking and Loading).					
9. Property Appearance and Maintenance	Refer to Division 6.10 (Property Appearance and Maintenance).					
10. Historic Preservation	Certain portions of commercial zoning districts are identified as historic or potentially historic, and are listed on the City's Historic Resources Eligibility List. Development regulations set forth in Division 7.01 (Historic Preservation), and application processing and permitting regulations set forth in Division 4.02 (Discretionary Permits and Actions) and of this Development Code, shall apply in these instances.					
11. Signs	Refer to Division 8.1 (Sign Regulations).					
12. Security Standards	Refer to Ontario Municipal Code Title 4, Chapter 11 (Security Standards for Buildings).					
13. Noise	Buildings shall be designed and constructed to mitigate noise levels from exterior sources. Refer to OMC, Tile 5 (Public Welfare, Morals, and Conduct), Chapter 29 (Noise).					
14. Airport Safety Zones	Properties within the Airport Influence Area (AIA) established by the LA/Ontario International Airport Land Use Compatibility Plan (ALUCP) shall be subject to the requirements and standards of the ALUCP.					
<b>B. BUILDING DEVELOPMENT STANDARDS</b>						
1. Maximum Building Area	Single-Tenant:	45,000 SF	n/a			Note 9
	Multi-Tenant:	60,000 SF				
2. Minimum Street Setback						
a. From Freeway Property Line	20 FT					
b. From Arterial Street Property Line						
(1) Holt Boulevard	10 FT					

**Table 6.01-10: Industrial Zoning District Development Standards**

Requirements	Industrial Zoning Districts					Additional Regulations
	BP	IP	IL	IG	IH	
(2) All Other Arterial Streets	20 FT					
c. From Collector and Local Street Property Line	10 FT					
<b>3. Minimum Interior Property Line Setback</b>	0 FT					Note 6
<u>Exception:</u> Property line common with residential districts	30 FT					
<b>4. Maximum Height</b>	45 FT		55 FT		<b>80 FT</b>	Note 7
<b>5. Minimum Setback From Major Pipelines (to habitable structures)</b>	50 FT					Note 8