

**CITY OF ONTARIO  
CITY COUNCIL AND HOUSING AUTHORITY  
AGENDA  
MAY 15, 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: 1049-382-01 and 1049-382-02; 1108 East California Street and 1120 East California Street; City/Authority Negotiator: Scott Ochoa or his designee; Negotiating parties: Phelan Development Company, LLC; Under negotiation: Price and terms of payment.

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

***PLEDGE OF ALLEGIANCE***

Council Member Valencia

***INVOCATION***

Rabbi Zari Sussman, Temple Sholom Ontario

***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 April 17, 2018, approving same as on file in the Records Management Department.

**2. BILLS/PAYROLL**

**Bills** March 25, 2018 through April 7, 2018 and **Payroll** March 25, 2018 through April 7, 2018, when audited by the Finance Committee.

**3. AN EXCLUSIVE NEGOTIATION AGREEMENT BETWEEN THE CITY OF ONTARIO AND BRAND PACIFIC CONSTRUCTION INCORPORATED (200 NORTH EUCLID AVENUE – FORMER BANK OF ITALY/BUMSTEAD BICYCLES BUILDINGS)**

That the City Council approve an Exclusive Negotiation Agreement between the City of Ontario and Brand Pacific Construction Incorporated of Glendale, California (on file with the Records Management Department), and authorize the City Manager to execute the Agreement and all other documents required for implementation of the Agreement.

**4. A CONSTRUCTION CONTRACT FOR THE FRANCIS/TURNER STREET IMPROVEMENT PROJECT/LEE & STIRES, INCORPORATED**

That the City Council approve the plans and specifications and award a construction contract (on file with the Records Management Department) to Lee & Stires, Incorporated of Ontario, California for the Francis/Turner Street Improvement Project (ST1309) in the bid amount of \$944,432 plus a 20% contingency of \$188,886, for a total authorized amount of \$1,133,318; and authorize the City Manager to execute said contract and related documents and file a Notice of Completion at the conclusion of the construction activities.

**5. CONSTRUCTION CONTRACT FOR TRAFFIC SIGNAL MODIFICATIONS AT ARCHIBALD AVENUE AND MISSION BOULEVARD/INTERNATIONAL LINE BUILDERS, INC.**

That the City Council approve the plans and specifications, and award a construction contract (on file in the Records Management Department) to International Line Builders, Inc. of Riverside, California, for the traffic signal modifications at Archibald Avenue and Mission Boulevard in the bid amount of \$228,046 plus a nine percent (9%) contingency of \$20,524 for a total authorized expenditure of \$248,570; and authorize the City Manager to execute said contract and related documents, and file a notice of completion at the conclusion of all construction activities.

**6. A RESOLUTION APPROVING AN IMPROVEMENT AGREEMENT, IMPROVEMENT SECURITY AND FINAL TRACT MAP NO. 18068 LOCATED AT THE NORTHEAST CORNER OF PARKVIEW STREET AND CELEBRATION AVENUE**

That the City Council adopt a resolution approving an improvement agreement, improvement security and Final Tract Map No. 18068 located at the northeast corner of Parkview Street and Celebration Avenue within the Subarea 29 Specific Plan area.

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

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF ONTARIO, CALIFORNIA, APPROVING AN IMPROVEMENT AGREEMENT, IMPROVEMENT SECURITY AND FINAL TRACT MAP NO. 18068, LOCATED AT THE NORTHEAST CORNER OF PARKVIEW STREET AND CELEBRATION AVENUE.

**7. AUTHORIZE THE PURCHASE OF A FLEET VEHICLE – FIRE WATER TENDER/KME**

That the City Council authorize the sole source purchase and delivery of one KME Tandem Axle Water Tender in the amount of \$571,650 from KME of Jurupa Valley, CA.

**8. FISCAL YEAR 2017-18 THIRD QUARTER BUDGET UPDATE**

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

**9. A RESOLUTION OF INDUCEMENT TO ISSUE TAX-EXEMPT BONDS FOR ONTARIO TOWNHOUSES, LOCATED AT 1360 EAST D STREET**

That City Council approve a Resolution of Inducement to issue tax-exempt bonds for Ontario Townhouses, located at 1360 East D Street, Ontario.

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

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF ONTARIO, CALIFORNIA, DECLARING ITS OFFICIAL INTENTION TO ISSUE TAX-EXEMPT REVENUE BONDS FOR THE PURPOSE OF FINANCING AN AFFORDABLE RENTAL HOUSING FACILITY IN THE CITY, AND TO REIMBURSE CERTAIN EXPENDITURES RELATING TO THE DEVELOPMENT OF SUCH FACILITY FROM PROCEEDS OF SAID BONDS; AND AUTHORIZING AN APPLICATION TO THE CALIFORNIA DEBT LIMIT ALLOCATION COMMITTEE TO PERMIT THE ISSUANCE OF SAID BONDS.

**10. A RESOLUTION OF INDUCEMENT TO ISSUE TAX-EXEMPT BONDS FOR VIRGINIA/HOLT MULTIFAMILY AFFORDABLE HOUSING DEVELOPMENT, LOCATED ON 4.18 ACRES OF LAND BORDERED BY HOLT BOULEVARD ON THE SOUTH, RESIDENTIALLY DEVELOPED PROPERTIES ON THE EAST, NOCTA STREET ON THE NORTH, AND VIRGINIA AVENUE ON THE WEST**

That City Council approve a Resolution of Inducement to issue tax-exempt bonds for Virginia/Holt Multifamily Affordable Housing Development, located on 4.18 acres of land bordered by Holt Boulevard on the south, residentially developed properties on the east, Nocta Street on the north, and Virginia Avenue on the west.

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

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF ONTARIO, CALIFORNIA, DECLARING ITS OFFICIAL INTENTION TO ISSUE TAX-EXEMPT REVENUE BONDS FOR THE PURPOSE OF FINANCING AN AFFORDABLE RENTAL HOUSING FACILITY IN THE CITY, AND TO REIMBURSE CERTAIN EXPENDITURES RELATING TO THE DEVELOPMENT OF SUCH FACILITY FROM PROCEEDS OF SAID BONDS; AND AUTHORIZING AN APPLICATION TO THE CALIFORNIA DEBT LIMIT ALLOCATION COMMITTEE TO PERMIT THE ISSUANCE OF SAID BONDS.

**II. A ONE-YEAR ACTION PLAN FOR THE COMMUNITY DEVELOPMENT BLOCK GRANT (“CDBG”), HOME INVESTMENT PARTNERSHIPS (“HOME”), AND EMERGENCY SOLUTIONS GRANT (“ESG”) PROGRAMS FOR FISCAL YEAR 2018-19**

That the City Council:

- (A) Approve the One-Year Action Plan for Fiscal Year 2018-19 for the Community Development Block Grant (“CDBG”), HOME Investment Partnerships (“HOME”), and Emergency Solutions Grant (“ESG”) Programs (on file in the Records Management Department);
- (B) Direct staff to prepare and transmit the final documents to U.S. Department of Housing and Urban Development (“HUD”); and
- (C) Authorize the City Manager, or his designee, to take all actions necessary or desirable to implement the One-Year Action Plan for Fiscal Year 2018-19 and Subrecipient Agreements.
- (D) Approve the One-Year Action Plan for Fiscal Year 2018-19 for the Community Development Block Grant (“CDBG”), HOME Investment Partnerships (“HOME”), and Emergency Solutions Grant (“ESG”) Programs (on file in the Records Management Department);
- (E) Direct staff to prepare and transmit the final documents to U.S. Department of Housing and Urban Development (“HUD”); and
- (F) Authorize the City Manager, or his designee, to take all actions necessary or desirable to implement the One-Year Action Plan for Fiscal Year 2018-19 and Subrecipient Agreements.

**12. ACCEPT WRITTEN PETITIONS TO CREATE A COMMUNITY FACILITIES DISTRICT; ADOPT A RESOLUTION OF INTENTION TO ESTABLISH CITY OF ONTARIO COMMUNITY FACILITIES DISTRICT NO. 45 (NORTHPARK AND COUNTRYSIDE); AND TO AUTHORIZE THE ASSOCIATED LEVY OF SPECIAL TAXES AND ADOPT A RESOLUTION TO INCUR BONDED INDEBTEDNESS**

That the City Council:

- (A) Accept written petitions (on file with the Records Management Department) from KB Home California LLC and KB HOME Coastal Inc., located in Wildomar, California, to create a Community Facilities District, and to waive certain procedural matters, under the Mello-Roos Community Facilities Act of 1982;
- (B) Adopt a Resolution of Intention to establish City of Ontario Community Facilities District No. 45 (Northpark and Countryside) (the “CFD”), authorize the associated levy of special taxes therein; and set a public hearing for the formation of the CFD as part of the regularly scheduled City Council meeting on Tuesday, June 19, 2018; and
- (C) Adopt a Resolution to Incur Bonded Indebtedness of proposed Community Facilities District No. 45 (Northpark and Countryside).

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

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF ONTARIO, CALIFORNIA, OF INTENTION TO ESTABLISH A COMMUNITY FACILITIES DISTRICT, PROPOSED TO BE NAMED CITY OF ONTARIO COMMUNITY FACILITIES DISTRICT NO. 45 (NORTHPARK AND COUNTRYSIDE), AND TO AUTHORIZE THE LEVY OF SPECIAL TAXES.

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

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF ONTARIO, CALIFORNIA, TO INCUR BONDED INDEBTEDNESS OF THE PROPOSED CITY OF ONTARIO COMMUNITY FACILITIES DISTRICT NO. 45 (NORTHPARK AND COUNTRYSIDE).

**13. ACCEPT A WRITTEN PETITION TO CREATE A COMMUNITY FACILITIES DISTRICT; ADOPT A RESOLUTION OF INTENTION TO ESTABLISH CITY OF ONTARIO COMMUNITY FACILITIES DISTRICT NO. 47 (COLONY COMMERCE CENTER WEST I SERVICES); AND TO AUTHORIZE THE ASSOCIATED LEVY OF SPECIAL TAXES**

That the City Council:

- (A) Accept a written petition (on file with the Records Management Department) from CLDFI Remington, LLC (the “Landowner”), to create a community facilities district (“CFD”), and to waive certain procedural matters, under the Mello-Roos Community Facilities Act of 1982; and
- (B) Adopt a Resolution of Intention to establish City of Ontario Community Facilities District No. 47 (Colony Commerce Center West I Services), authorize the associated levy of special taxes therein; and set a public hearing for the formation of the CFD as part of the regularly scheduled City Council meeting on Tuesday, June 19, 2018.

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

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF ONTARIO, CALIFORNIA, OF INTENTION TO ESTABLISH A COMMUNITY FACILITIES DISTRICT PROPOSED TO BE NAMED CITY OF ONTARIO COMMUNITY FACILITIES DISTRICT NO. 47 (COLONY COMMERCE CENTER WEST I SERVICES) AND TO AUTHORIZE THE LEVY OF SPECIAL TAXES.

**14. FINAL WRITTEN REPORT ISSUED TEN DAYS PRIOR TO THE EXPIRATION OF INTERIM URGENCY ORDINANCE NO. 3056, A MORATORIUM ON THE ISSUANCE OF NEW BUSINESS LICENSES OR NEW ENTITLEMENTS FOR COMPOSTING (GREEN WASTE AND MANURE) FACILITIES, DESCRIBING THE MEASURES TAKEN TO ALLEVIATE THE CONDITIONS WHICH LED TO THE ADOPTION OF THE MORATORIUM IN COMPLIANCE WITH GOVERNMENT CODE SECTION 65858 (d)**

That the City Council receive and file the attached Final 10-Day Report for Interim Urgency Ordinance No. 3056.

**15. COST SHARING AGREEMENT WITH CHAFFEY JOINT UNION HIGH SCHOOL DISTRICT FOR SCHOOL RESOURCE OFFICERS**

That the City Council approve and authorize the City Manager to execute a two-year cost sharing agreement (on file in the Records Management Department) with the Chaffey Joint Union High School District for three school resource officers in the amount of \$450,000.

**16. AMENDMENT TO THE CITY OF ONTARIO LOCAL GUIDELINES FOR IMPLEMENTING THE CALIFORNIA ENVIRONMENTAL QUALITY ACT (“CEQA”)**

That the City Council adopt a resolution approving the 2018 amendment to the “City of Ontario Local Guidelines for Implementing the California Environmental Quality Act” (on file in the Records Management Department).

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

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF ONTARIO, CALIFORNIA, AMENDING AND ADOPTING LOCAL GUIDELINES FOR IMPLEMENTING THE CALIFORNIA ENVIRONMENTAL QUALITY ACT (PUBLIC RESOURCES CODE §§ 21000 ET SEQ.)

**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.

**17. AN APPEAL OF THE PLANNING COMMISSION’S DECISION TO APPROVE A DEVELOPMENT PLAN (FILE NO. PDEV17-046) TO CONSTRUCT A 4,500 SQUARE-FOOT SELF-SERVICE CARWASH (FAST 5 XPRESS) IN CONJUNCTION WITH A CONDITIONAL USE PERMIT (FILE NO. PCUP17-021) TO ESTABLISH AND OPERATE THE DRIVE-THRU CARWASH, ON 0.93 ACRES OF LAND, WITHIN THE COMMERCIAL LAND USE DESIGNATION OF THE GROVE AVENUE SPECIFIC PLAN, LOCATED AT 2345 S. GROVE AVENUE. (APN: 0216-081-25)**



That the City Council uphold the Planning Commission's approval of File Nos. PDEV17-046 and PCUP17-021, a Development Plan to construct a 4,500 square-foot self-service carwash in conjunction with a Conditional Use Permit to establish and operate the drive-thru carwash, within the Commercial land use designation of the Grove Avenue Specific Plan, located at 2345 S. Grove Avenue; and take further actions necessary and consistent with the City Council's final determination and decision on the matter.

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

Written communication.

Oral presentation.

Public hearing closed.

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

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF ONTARIO, CALIFORNIA, DENYING AN APPEAL AND UPHOLDING THE PLANNING COMMISSION DECISION TO APPROVE FILE NO. PCUP17-021, CONDITIONAL USE PERMIT TO ESTABLISH AND OPERATE A DRIVE-THRU CARWASH, ON 0.93 ACRES OF LAND, WITHIN THE COMMERCIAL LAND USE DESIGNATION OF THE GROVE AVENUE SPECIFIC PLAN, LOCATED AT 2345 S. GROVE AVENUE, AND MAKING FINDINGS IN SUPPORT THEREOF-APN: 0216-081-25.

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

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF ONTARIO, CALIFORNIA, DENYING AN APPEAL AND UPHOLDING THE PLANNING COMMISSION DECISION TO APPROVE FILE NO. PDEV17-046, A DEVELOPMENT PLAN (FILE NO. PDEV17-046) TO CONSTRUCT A 4,500 SQUARE-FOOT SELF-SERVICE CARWASH (FAST 5 XPRESS), ON 0.93 ACRES OF LAND, WITHIN THE COMMERCIAL LAND USE DESIGNATION OF THE GROVE AVENUE SPECIFIC PLAN, LOCATED AT 2345 S. GROVE AVENUE, AND MAKING FINDINGS IN SUPPORT THEREOF-APN: 0216-081-25.

## **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)  
**May 15, 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: 1049-382-01 and 1049-382-02; 1108 East California Street and 1120 East California Street; City/Authority Negotiator: Scott Ochoa or his designee; Negotiating parties: Phelan Development Company, LLC; Under negotiation: Price and terms of payment.

No Reportable Action	Continue	Approved
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Disposition: \_\_\_\_\_

Reported by:

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

# CITY OF ONTARIO

Agenda Report  
May 15, 2018

SECTION:  
CONSENT CALENDAR

**SUBJECT: AN EXCLUSIVE NEGOTIATION AGREEMENT BETWEEN THE CITY OF ONTARIO AND BRAND PACIFIC CONSTRUCTION INCORPORATED (200 NORTH EUCLID AVENUE – FORMER BANK OF ITALY/BUMSTEAD BICYCLES BUILDINGS)**

**RECOMMENDATION:** That the City Council approve an Exclusive Negotiation Agreement between the City of Ontario and Brand Pacific Construction Incorporated of Glendale, California (on file with the Records Management Department), and authorize the City Manager to execute the Agreement and all other documents required for implementation of the Agreement.

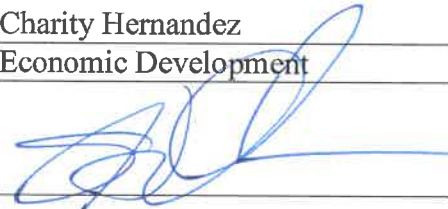
**COUNCIL GOALS:** Invest in the Growth and Evolution of the City's Economy  
Focus Resources in Ontario's Commercial and Residential Neighborhoods

**FISCAL IMPACT:** None.

**BACKGROUND:** In June of 2003, the Ontario Housing Authority acquired the former Bank of Italy and Bumstead Bicycles buildings as part of the Downtown Civic Center Redevelopment Project. Given that both buildings are believed to be historically significant and provide a visual history of early twentieth century commercial development in downtown, the desire was to convey the buildings to a private investor that would undertake the adaptive reuse of the buildings. As a result of the economic downturn, historic preservation of the site was never realized.

In 2009, a Conditions Assessment Report was prepared by Thirtieth Street Architects. The report recommended repairs to mitigate potential hazards and improvements to prevent ongoing deterioration of the buildings. Interim repairs were made to the building in 2010 in conjunction with City Council designating the Tier I Bank of Italy Building as Local Landmark No. 86 and the Bumstead Bicycles Building as Local Landmark No. 87 with a Tier II determination.

**STAFF MEMBER PRESENTING:** John P. Andrews, Economic Development Director

Prepared by: Charity Hernandez  
Department: Economic Development  
City Manager Approval: 

Submitted to Council/O.H.A. 05/15/2018  
Approved: \_\_\_\_\_  
Continued to: \_\_\_\_\_  
Denied: \_\_\_\_\_

3

The property has been party to an Exclusive Negotiation Agreement with Kendrew Development who is focused on a downtown strategy. City staff has worked with Kendrew Development to carry out this specific site from the larger Exclusive Negotiation Agreement in the interest of pursuing an adaptive reuse of the site with Brand Pacific Construction Incorporated.

Brand Pacific Construction Incorporated has been in discussions with City staff and expressed a serious interest in the possibility of adaptively reusing the former Bank of Italy and Bumstead Bicycles buildings.

The purpose of the proposed Exclusive Negotiation Agreement (90-day term with two optional 90-day extensions) is to provide for appropriate feasibility studies and good faith negotiations between the City and Brand Pacific Construction Incorporated that would ultimately lead to mutually agreeable terms under a Disposition and Development Agreement for the planning, design, and reuse of the buildings.

Due to the historical significance of the buildings, the adaptive reuse of the site would serve as a catalyst for additional development opportunities in downtown and complement event activity at the adjacent Town Square and surrounding uses. As a result, staff recommends approval of the proposed Exclusive Negotiation Agreement.

# CITY OF ONTARIO

Agenda Report

May 15, 2018

SECTION:  
CONSENT CALENDAR

**SUBJECT: A CONSTRUCTION CONTRACT FOR THE FRANCIS/TURNER STREET IMPROVEMENT PROJECT**

**RECOMMENDATION:** That the City Council approve the plans and specifications and award a construction contract (on file with the Records Management Department) to Lee & Stires, Incorporated of Ontario, California for the Francis/Turner Street Improvement Project (ST1309) in the bid amount of \$944,432 plus a 20% contingency of \$188,886, for a total authorized amount of \$1,133,318; and authorize the City Manager to execute said contract and related documents and file a Notice of Completion at the conclusion of the construction activities.

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

**FISCAL IMPACT:** The Adopted FY 2017-18 Budget includes appropriations \$1,200,000 in the Capital Projects, Gas Tax, and Old Model Colony Development Impact Fee Funds for the construction of the Francis/Turner Street Improvement Project.

**BACKGROUND:** The Francis/Turner Street Improvement Project is a capital improvement project that completes an essential segment of public right-of-way just north of the Ontario Metrolink Station and south of the newly expanded Ground Service Freight Handling Division of United Parcel Service. The Francis/Turner Street Improvements will provided logistics companies located in the area with an additional passageway allowing for increased efficiency, thus supporting the continuing growth and success of the Ontario Airport Metro Area.

The project site consists of approximately 1,000 linear feet running along Francis Street between Turner Avenue and Excise Avenue. The proposed public improvement project will include: construction of full width street improvements, asphalt pavement and asphalt overlay, curb, gutter, sidewalk, driveways, installation of street lights, water improvements upgrades, and placement of traffic signage, striping and markings.

**STAFF MEMBER PRESENTING:** John P. Andrews, Economic Development Director

Prepared by: Charity Hernandez  
Department: Economic Development

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



Submitted to Council/O.H.A. 05/15/2018

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

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

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

4

The City solicited bids for this project in April 2018, and seven bids were received as summarized below:

<u>Bidder</u>	<u>Location</u>	<u>Amount</u>
<b>Lee &amp; Stires, Inc.</b>	<b>Ontario, CA</b>	<b>\$944,432</b>
GMC Engineering Inc.	Tustin, CA	\$980,980
Los Angeles Engineering, Inc.	Covina, CA	\$1,038,812
Gentry Brothers, Inc.	Irwindale, CA	\$1,076,177
DDH Apple Valley Construction, Inc.	Apple Valley, CA	\$1,084,061
All American Asphalt	Corona, CA	\$1,077,988
R.J. Noble Company	Orange, CA	\$1,089,649

Lee & Stires, Incorporated submitted the lowest responsive bid and has successfully completed numerous public works projects similar in scope and size.

# CITY OF ONTARIO

Agenda Report  
May 15, 2018

SECTION:  
CONSENT CALENDAR

**SUBJECT: CONSTRUCTION CONTRACT FOR TRAFFIC SIGNAL MODIFICATIONS AT ARCHIBALD AVENUE AND MISSION BOULEVARD**

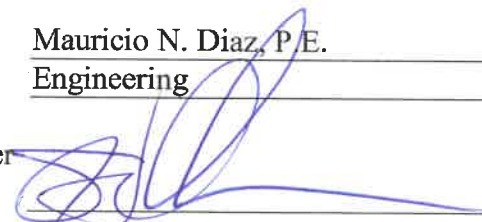
**RECOMMENDATION:** That the City Council approve the plans and specifications, and award a construction contract (on file in the Records Management Department) to International Line Builders, Inc. of Riverside, California, for the traffic signal modifications at Archibald Avenue and Mission Boulevard in the bid amount of \$228,046 plus a nine percent (9%) contingency of \$20,524 for a total authorized expenditure of \$248,570; and authorize the City Manager to execute said contract and related documents, and file a notice of completion at the conclusion of all construction activities.

**COUNCIL GOALS:** Maintain the Current High Level of Public Safety  
Invest in the City's Infrastructure (Water, Streets, Sewers, Parks, Storm Drains and Public Facilities)

**FISCAL IMPACT:** The Fiscal Year 2017-18 Adopted Capital Improvement Project Budget includes appropriations of \$250,000 for this project. The recommended contract authorization is \$228,046 plus a nine percent contingency of \$20,524 for a total amount of \$248,570.

**BACKGROUND:** Modifications of the traffic signal at the intersection of Archibald Avenue and Mission Boulevard include new poles and mast arms with additional phasing and guard rail. The project will enhance railroad crossing safety, improve vehicular circulation, and provide a higher level of traffic control.

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

Prepared by: Mauricio N. Diaz, P.E.  
Department: Engineering  
City Manager Approval: 

Submitted to Council/O.H.A. 05/15/2018  
Approved: \_\_\_\_\_  
Continued to: \_\_\_\_\_  
Denied: \_\_\_\_\_

5



In April 2018, the City solicited bids for this project with eight bids received. The following is a summary of the bid results:

<u>COMPANY</u>	<u>LOCATION</u>	<u>AMOUNT</u>
<b>International Line Builders, Inc.</b>	<b>Riverside, CA</b>	<b>\$228,046</b>
Elecnor Belco Electric, Inc.	Chino, CA	\$235,100
Dynalectric, Inc.	Los Alamitos, CA	\$237,060
Aldridge Electric, Inc	Azusa, CA	\$257,510
PTM General Engineering Service	Riverside, CA	\$259,959
DBX, Inc.	Temecula, CA	\$274,588
Alfaro Communications	Compton, CA	\$281,300
Calpromax Engineering	Placentia, CA	\$295,900

International Line Builders, Inc. of Riverside, California submitted the lowest responsive bid and has completed numerous similar public works projects in the City and other neighboring agencies, and is recommended for award of the construction contract.

**ENVIRONMENTAL REVIEW:** The environmental impacts of this project were reviewed and staff determined that the project is categorically exempt from the requirements of the California Environmental Quality Act, pursuant to Section 15301 (Class 1, Existing Facilities) of the California Environmental Quality Act, whereas the project consists of the operation, repair, maintenance, permitting, leasing, licensing, or minor alteration of existing public or private structures, facilities, mechanical equipment, or topographical features, involving negligible or no expansion of use beyond that existing at the time of lead agency's determination; Section 15302(c) (Class 2, Replacement or Reconstruction) of the California Environmental Quality Act, whereas the project consists of replacement or reconstruction of existing utility systems and/or facilities involving negligible or no expansion of capacity; and, Section 15303 (Class 3, New Construction or Conversion of Small Structures) of the California Environmental Quality Act, whereas the project consists of construction and location of limited numbers of new, small facilities or structures; and installation of small new equipment and facilities in small structures.

# CITY OF ONTARIO

Agenda Report  
May 15, 2018

SECTION:  
CONSENT CALENDAR

**SUBJECT: A RESOLUTION APPROVING AN IMPROVEMENT AGREEMENT, IMPROVEMENT SECURITY AND FINAL TRACT MAP NO. 18068 LOCATED AT THE NORTHEAST CORNER OF PARKVIEW STREET AND CELEBRATION AVENUE**

**RECOMMENDATION:** That the City Council adopt a resolution approving an improvement agreement, improvement security and Final Tract Map No. 18068 located at the northeast corner of Parkview Street and Celebration Avenue within the Subarea 29 Specific Plan area.

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

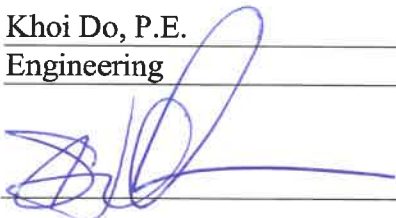
**FISCAL IMPACT:** None. All public infrastructure improvements required for this subdivision will be constructed by the developer at its sole cost.

**BACKGROUND:** Final Tract Map No. 18068, consisting of eighty-two (82) residential lots and ten (10) lettered lots on 11.95 acres as shown on Exhibit A, has been submitted by the developer, Tri Pointe Homes, Inc. of Irvine California (Mr. Thomas J. Mitchell , President and CEO).

Tentative Tract Map No. 18068 was approved by the Planning Commission (6 to 0 with 1 absent) on January 23, 2007 and is consistent with the adopted Subarea 29 Specific Plan.

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

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

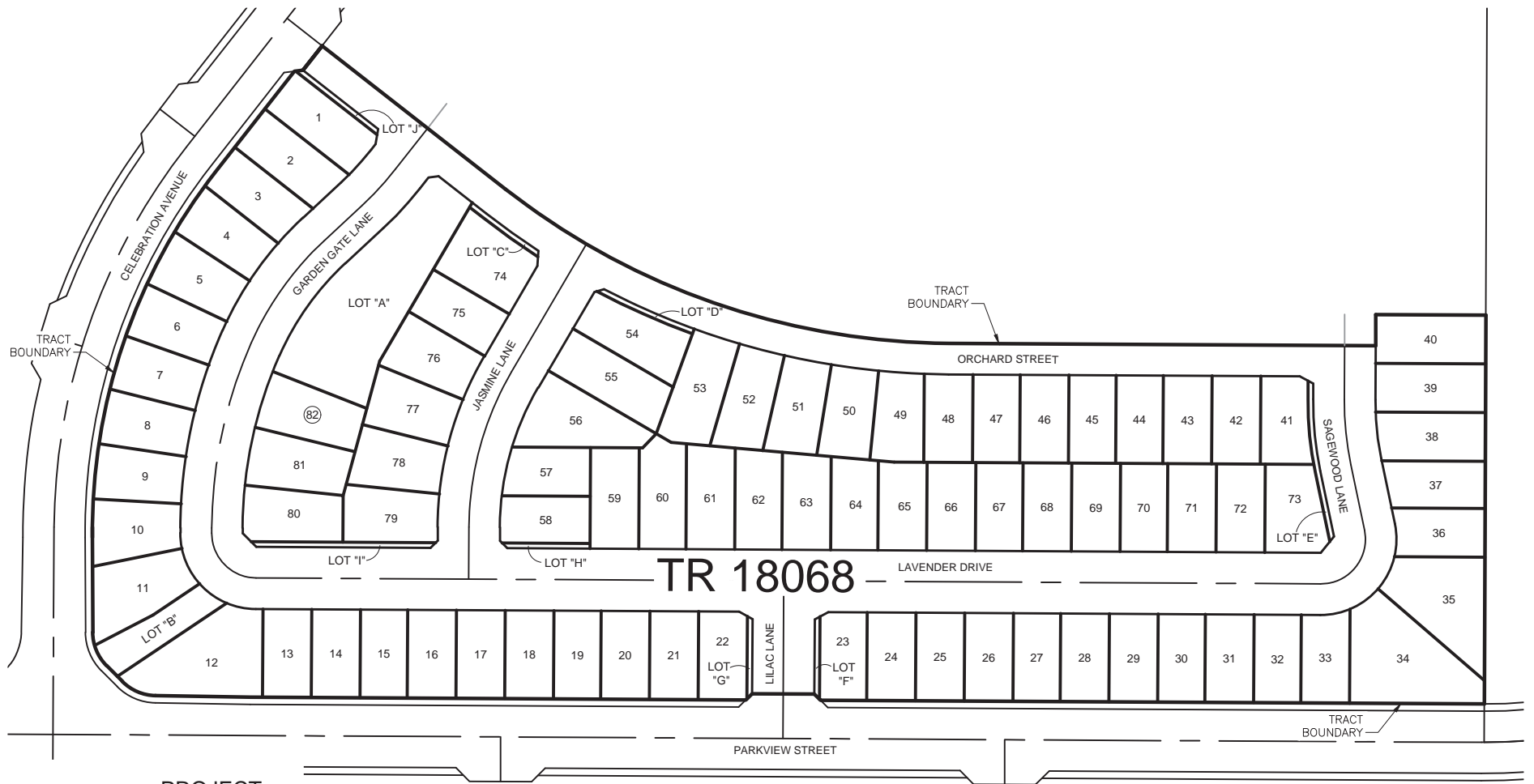
Prepared by: Khoi Do, P.E.  
Department: Engineering  
City Manager Approval: 

Submitted to Council/O.H.A. 05/15/2018  
Approved: \_\_\_\_\_  
Continued to: \_\_\_\_\_  
Denied: \_\_\_\_\_

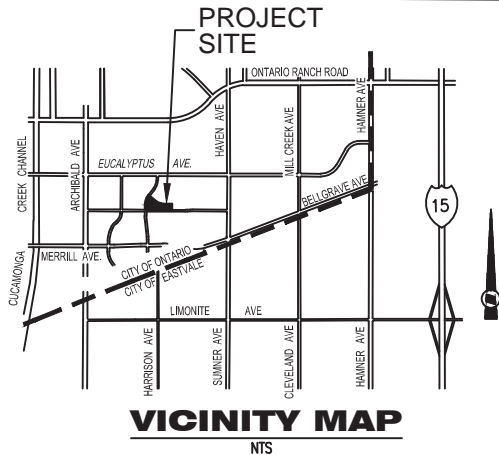
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The developer has entered into an improvement agreement with the City for Final Tract Map No. 18068 and has posted adequate security to ensure construction of the required public improvements.

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



TR 18068



VICINITY MAP

NTS

<p>CITY OF ONTARIO ENGINEERING DEPARTMENT</p>	<p>APPLICANT: TRI POINTE HOMES INC. PROJECT: (TR 18068) 82 SFR LOTS, 10 LETTERED LOTS</p>
<p>FILE NO. TR. 18068</p>	



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

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF ONTARIO, CALIFORNIA, APPROVING AN IMPROVEMENT AGREEMENT, IMPROVEMENT SECURITY AND FINAL TRACT MAP NO. 18068, LOCATED AT THE NORTHEAST CORNER OF PARKVIEW STREET AND CELEBRATION AVENUE.

WHEREAS, Tentative Tract Map No. 18068, submitted for approval by the developer, Tri Pointe Homes, Inc. of Irvine California (Mr. Thomas J. Mitchell , President and CEO) was approved by the Planning Commission of the City of Ontario on January 23, 2007; and

WHEREAS, Tentative Tract Map No. 18068 consists of eighty-two (82) residential lots and ten (10) lettered lots, being a subdivision of lot 2 of Tract 18913-5, as per map recorded in book 349, pages 59 through 61, inclusive, of maps, in the Office of the Recorder of San Bernardino County; and

WHEREAS, to meet the requirements established as prerequisite to final approval of Final Tract Map No. 18068, said developer has offered an improvement agreement, together with good and sufficient security, in conformance with the City Attorney's approved format, for approval and execution by the City; and

WHEREAS, the subdivider of the underlying Tract No. 18913-5, has previously prepared and recorded Covenants, Conditions and Restrictions (CC&Rs), and they have been reviewed and approved by the City Attorney's office, to ensure the right to mutual ingress and egress and continued maintenance of common facilities by the commonly affected property owners.

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

1. That said Improvement Agreement be, and the same is, approved and the City Manager is authorized to execute same on behalf of said City, and the City Clerk is authorized to attest thereto; and
2. That said Improvement Security is accepted as good and sufficient, subject to approval as to form and content thereof by the City Attorney; and
3. That Final Tract Map No. 18068 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 15<sup>th</sup> day of May 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 May 15, 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 May 15, 2018.

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

(SEAL)

# CITY OF ONTARIO

Agenda Report  
May 15, 2018

SECTION:  
CONSENT CALENDAR

**SUBJECT: AUTHORIZE THE PURCHASE OF A FLEET VEHICLE – FIRE WATER TENDER**

**RECOMMENDATION:** That the City Council authorize the sole source purchase and delivery of one KME Tandem Axle Water Tender in the amount of \$571,650 from KME of Jurupa Valley, CA.

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

**FISCAL IMPACT:** The Fiscal Year 2017-18 Adopted Budget includes appropriations from the Equipment Services Fund in the amount of \$600,000 for the purchase of this replacement vehicle. The total cost of the vehicle is \$571,650.

**BACKGROUND:** The vehicle recommended for replacement in this action is 17 years old, has outlived its useful life, and is no longer cost effective to maintain. It is scheduled for replacement pursuant to ongoing efforts to reduce expenses, maximize useful life expectancy and extend replacement cycles of fleet equipment while ensuring safe and reliable operation.

On April 19, 2016 the City Council approved Kovatch Mobile Equipment (KME) as the sole source provider of fire apparatus; therefore, staff recommends the sole source purchase of one KME Tandem Axle Water Tender from KME of Jurupa Valley, CA in the amount of \$571,650.

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

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

Submitted to Council/O.H.A. 05/15/2018  
Approved: \_\_\_\_\_  
Continued to: \_\_\_\_\_  
Denied: \_\_\_\_\_



# CITY OF ONTARIO

Agenda Report  
May 15, 2018

SECTION:  
CONSENT CALENDAR

**SUBJECT: FISCAL YEAR 2017-18 THIRD QUARTER BUDGET UPDATE**

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

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

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

**BACKGROUND:** The Third Quarter Budget Update Report for Fiscal Year 2017-18 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 budget trends and the economic outlook that may impact the City's resources.


The primary purposes of this report are to:

- Recognize budgetary carryforward amounts for prior year approved Capital Improvement Projects and Grant appropriations, which are ongoing;
- Revise the City's budget to reflect the City Council's actions taken since the beginning of the current fiscal year;
- Recommend 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.

### Third Quarter Budget Update Recommendations

Third Quarter Budget Update recommendations are routine in nature and comprised predominately by City Council actions taken since the beginning of the fiscal year, adjustments in the revenue budget to

**STAFF MEMBER PRESENTING:** Doreen M. Nunes, Fiscal Services Director

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

Submitted to Council/O.H.A. 05/15/2018  
Approved: \_\_\_\_\_  
Continued to: \_\_\_\_\_  
Denied: \_\_\_\_\_

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reflect estimates based on current trends, and additional appropriations for new or ongoing programs/projects. For the General Fund, these actions will bring the General Fund estimated available ending fund balance to \$47,395,020; this amount achieves the 18 percent goal set by City Council.

Major items proposed for the Third Quarter Budget Update in the General Fund are: additional \$2.0 million for gains in development revenue (costs associated with the higher development revenue will occur in the following year due to timing differences between receiving the developer fees and the incurrence of the expense); \$1.55 million for additional fire overtime (offset by reimbursement from the California Office of Emergency Services/Cal-OES); increase of \$1.4 million for sales tax revenue (offset by an additional \$500,000 of sales tax rebates as a result of various City agreements); \$1.1 million for the one-time receipt of rebate revenue from Southern California Edison for the installation of solar panels at two City facilities; additional \$1.0 million appropriations for professional services for Human Resources; and an addition of \$668,417 for public safety labor agreement changes previously approved by City Council (total safety contract changes amount to approximately \$2.3 million).

Noteworthy budget adjustments in Other Funds include: additional \$952,000 for Citizens Business Bank Arena capital equipment replacements (funded by a transfer from the Arena Capital Reserve); increase of \$600,000 for sewer treatment services as a result of increased Inland Empire Utilities Agency (IEUA) fees (offset by a corresponding increase to sewer utility revenues); revenue of \$268,800 for the Signal Synchronization Partnership grant reimbursement for the City's Traffic Signal Management System upgrade; appropriation of \$266,654 for front-line law enforcement (funding provided by the 2018 Citizen's Option for Public Safety/Enhancing Law Enforcement Activities grant – COPS/ELEAS); and revenue of \$250,000 for the California Resources Recycling and Recovery Rubberized Pavement grant.

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

At this time, preliminary General Fund results for Fiscal Year 2017-18 indicate a favorable outcome of approximately \$3 million as a result of revenue growth in development and sales tax revenue, and anticipated expenditure savings, as well as the receipt of a one-time solar rebate revenue from Edison. 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 \$3.5 million annually. For Fiscal Year 2017-18, the absorption amount is estimated at \$5.0 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.

### **Economic Outlook**

The local economy is continuing to show signs of growth, with consumer confidence at high levels, combined with healthy gains in employment and home sales. Consumers continue to be optimistic for the future, as reflected in the strong Consumer Confidence Index of 128.7 for April 2018 after a decline in March. Gross Domestic Product (GDP), the broadest measure of economic output, increased significantly at 2.3 percent for the first quarter of 2018. In addition, the national labor market continues to create enough jobs to keep up with the population and labor force growth; these job gains are reflected in a steady unemployment rate experienced in the State of California and locally in the Inland Empire region.

Home values have moderately declined at 5.2 percent compared to the prior year in the median sale price of single-family homes in the Inland Empire for March 2018. This decrease is off-set by a very strong

gain of 41 percent in home sales for March 2018 compared to the previous month. This is primarily due to the growth of the housing inventory from the increased construction activity of new homes.

Sales tax revenue for the fourth quarter 2017 was relatively flat 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. The overall decrease in sales tax revenue for calendar year 2018 was 5.3 percent. The weakening of sales tax revenue appears to be leveling off; however, this trend of reduced or flat growth of sales tax revenue may continue through 2018.

### **CalPERS**

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

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

### **Conclusion**

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

The Adopted Operating Budget for Fiscal Year 2017-18, as modified through this Third 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 2017-2018  
THIRD QUARTER BUDGET UPDATE  
May 15, 2018



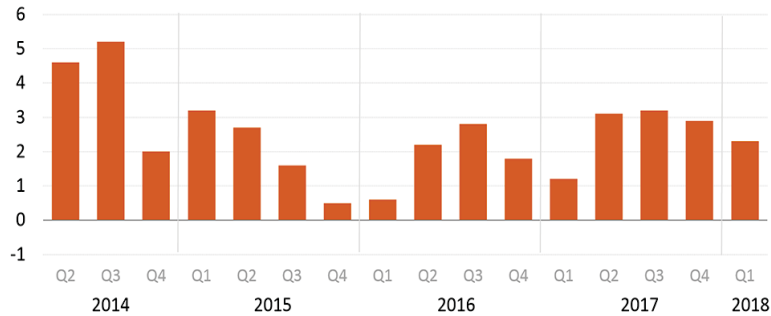
### ECONOMIC INDICATORS

GDP (Annual Rate Change, 1 <sup>st</sup> Qtr 2018)	2.3	▲
U.S. Unemployment Rate (Mar 18)	4.1	↔
CA Unemployment Rate (Mar 18)	4.3	↔
Consumer Confidence Index (Apr 18)	128.7	▲
Manufacturing PMI (Mar 18)	59.3	▼
I.E. Manufacturing PMI (Mar 18)	62.8	▲

March-18	Median Sold Price of Existing Condos and Townhomes					Sales	
State/Region/County	Mar-18	Feb-18	Mar-17	MTM% Chg	YTY% Chg	MTM% Chg	YTY% Chg
CA Condo/Townhomes	\$460,500	\$454,500	\$425,000	1.3%	8.4%	40.4%	-6.4%
Los Angeles Metropolitan Area	\$472,080	\$498,000	\$515,000	-5.2%	-3.3%	45.5%	-35.9%
Inland Empire	\$335,000	\$350,000	\$351,450	-4.3%	-0.4%	41.0%	-31.2%
S.F. Bay Area	\$640,000	\$699,000	\$720,000	-8.4%	-2.9%	45.7%	-36.0%

Source: California Association of Realtors

Real GDP: Percent change from preceding quarter



U.S. Bureau of Economic Analysis

Seasonally adjusted at annual rates

*In March the Federal Reserve raised interest rates and affirmed that they expected two more increases this year. The Fed's outlook on the economy did not change much however, they announced that it had raised its annual growth estimate from 2.5 percent to 2.7 percent for 2018.*



- Tariff Threats
- Recent Stock Market Declines (Large Technology Companies)
- Moderate Growth in Emerging Markets

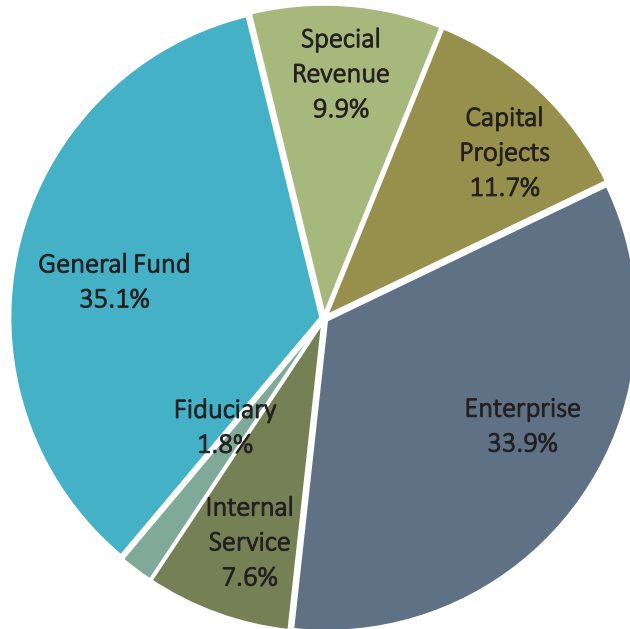
# FY 2017-18 General Fund

## Third Quarter Budget Update

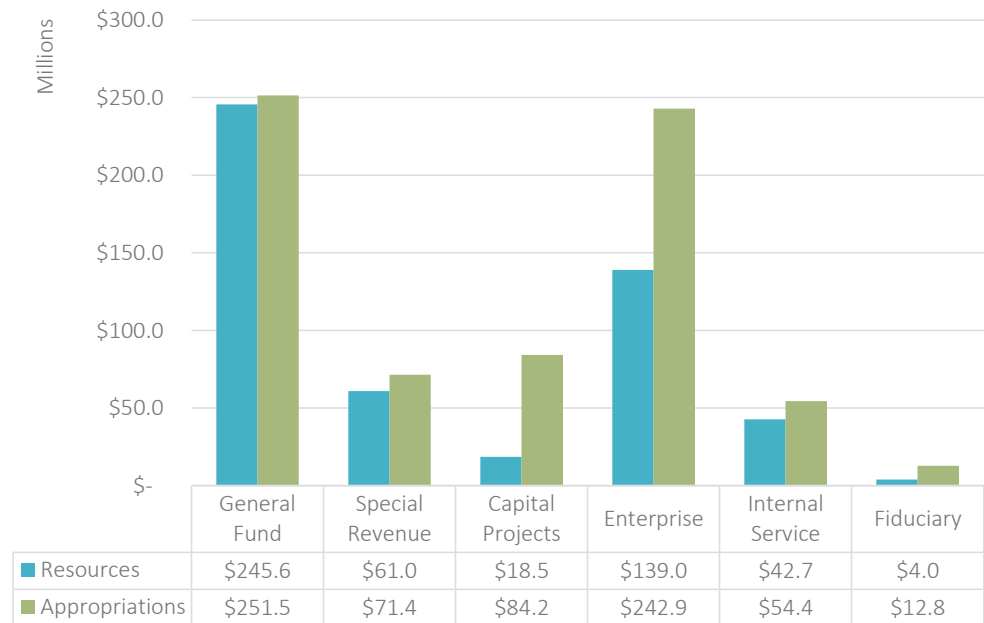
<b>Total Revenue Current Budget</b>	<b>\$239,219,804</b>
<u>Revenue Adjustments</u>	
Sales Tax	\$ 1,400,000
Development Related	2,000,000
Reimbursable	2,650,000
Transfers-In	<u>311,100</u>
<b>Revised Revenue Budget</b>	<b><u>\$245,580,904</u></b>
<b>Total Expenditure Current Budget</b>	<b>\$247,476,405</b>
<u>Expenditure Adjustments</u>	
Public Safety	\$ 2,218,417
City Administration Support Services	1,000,000
Economic Development	500,000
Revenue Services	300,000
Community Services/Parks & Maintenance	<u>11,100</u>
<b>Revised Expenditure Budget</b>	<b><u>\$251,505,922</u></b>

# FY 2017-18 Citywide Budget By Fund Type

Total Citywide Appropriations  
\$717.2 Million



Total Citywide Resources & Appropriations



*Includes Transfers-In & Out*



**SCHEDULE I**

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

<b>Revenue Source</b>	<b>Adopted Budget</b>	<b>Current Budget</b>	<b>Recommended Third Qtr Budget Update Adjustments</b>	<b>Current Budget After Adjustments</b>	<b>Actuals As of 04/25/2018</b>	<b>Percent of Budget Received</b>
Sales Tax	\$ 76,250,000	\$ 80,750,000	\$ 1,400,000	\$ 82,150,000	\$ 57,073,510	69.5%
Business License Tax	6,800,000	6,800,000	-	6,800,000	7,259,141	106.8%
Occupancy Tax	12,875,000	12,875,000	-	12,875,000	9,635,812	74.8%
Parking Tax	2,900,000	2,900,000	-	2,900,000	2,137,808	73.7%
Franchises	3,150,000	3,150,000	-	3,150,000	2,652,035	84.2%
Property Tax	52,000,000	52,000,000		52,000,000	45,195,220	86.9%
Development Related	7,695,000	7,695,000	2,000,000	9,695,000	9,667,750	99.7%
Recreation Programs	938,000	938,000	-	938,000	687,229	73.3%
Interest & Rentals	2,325,000	2,325,000	-	2,325,000	1,099,877	47.3%
Miscellaneous Revenues	19,907,525	20,907,525	-	20,907,525	10,650,259	50.9%
<b>Total Recurring Revenues</b>	<b>\$ 184,840,525</b>	<b>\$ 190,340,525</b>	<b>\$ 3,400,000</b>	<b>\$ 193,740,525</b>	<b>\$ 146,058,641</b>	<b>75.4%</b>
Reimbursables	<u>4,608,275</u>	<u>4,752,861</u>	<u>2,650,000</u>	<u>7,402,861</u>	<u>8,297,404</u>	112.1%
<b>Total General Fund Revenues</b>	<b><u>\$ 189,448,800</u></b>	<b><u>\$ 195,093,386</u></b>	<b><u>\$ 6,050,000</u></b>	<b><u>\$ 201,143,386</u></b>	<b><u>\$ 154,356,045</u></b>	<b>76.7%</b>

**SCHEDULE II**

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

	<b>Expenditures</b>
Adopted Budget	\$ 220,358,706
Current Budget	\$ 238,437,063
Recommended Adjustments:	
Overtime - Fire (offset by Cal-OES and Emergency Services reimbursements)	\$ 1,550,000
Professional Services for Human Resources	1,000,000
Additional Public Safety MOU Agreement changes ( <i>CC Apprvd 2/20/2018 and 4/3/2018</i> )	668,417
Additional Sales tax abatement disclosure requirement (GASB 77)	500,000
Utilities payment services	300,000
Whispering Lakes Golf Course grounds vehicle	11,100
Total Recommended Adjustments	<u>\$ 4,029,517</u>
Recommended Budget	<u><u>\$ 242,466,580</u></u>

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

	Operating Transfers-In	Operating Transfers-Out
Adopted Budget	<u>\$ 39,228,418</u>	<u>\$ 8,318,512</u>
Current Budget	\$ 44,126,418	\$ 9,039,342
Recommended Adjustments:		
Whispering Lakes Golf Course grounds vehicle (Transfer-in from Fund 098)	\$ 11,100	\$ -
Utilities payment services (Transfer-in from Funds 024/026/029)	300,000	-
Total Recommended Adjustments	<u>\$ 311,100</u>	<u>\$ -</u>
Recommended Budget	<u>\$ 44,437,518</u>	<u>\$ 9,039,342</u>

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

General Fund	Actual 2016-17 Unaudited	Adopted 2017-18 Budget	Prior Budget Update Approved Adjustments	Current 2017-18 Budget	Third Qtr Budget Update Recommended Adjustments	Recommended Budget 2017-18
Total Revenues	\$ 192,664,498	\$ 189,448,800	\$ 5,644,586	\$ 195,093,386	\$ 6,050,000	\$ 201,143,386
Total Expenditures	(204,041,041)	(220,358,706)	(18,078,357)	(238,437,063)	(4,029,517)	(242,466,580)
Excess (Deficiency) of Revenues Over (Under) Expenditures	\$ (11,376,543)	\$ (30,909,906)	\$ (12,433,771)	\$ (43,343,677)	\$ 2,020,483	\$ (41,323,194)
Other Sources (Uses):						
Operating Transfer In	\$ 31,925,325	\$ 39,228,418	\$ 4,898,000	\$ 44,126,418	\$ 311,100	\$ 44,437,518
Operating Transfer Out	(31,778,262)	(8,318,512)	(720,830)	(9,039,342)	-	(9,039,342)
Total Other Sources (Uses)	\$ 147,063	\$ 30,909,906	\$ 4,177,170	\$ 35,087,076	\$ 311,100	\$ 35,398,176
Excess (Deficiency) of Revenues and Other Financing Sources Over (Under) Expenditures and Other Financing Uses	\$ (11,229,480)	\$ -	\$ (8,256,601)	\$ (8,256,601)	\$ 2,331,583	\$ (5,925,018)
Fund Balance, Beginning of Year	98,446,379	87,216,899	-	87,216,899	-	87,216,899
Fund Balance, End of Year	\$ 87,216,899	\$ 87,216,899	\$ (8,256,601)	\$ 78,960,298	\$ 2,331,583	\$ 81,291,881
<b>FUND BALANCE</b>						
Non-Spendable:						
Inventory	\$ 144,481	\$ 144,481	\$ -	\$ 144,481	\$ -	\$ 144,481
Advanced to Other Funds (RDA Loan Repayment)	3,500,000	3,500,000	-	3,500,000	-	3,500,000
Advanced to Other Funds (OIAA Advance)	30,000,000	30,000,000	-	30,000,000	-	30,000,000
Long-Term Receivable	38,000	38,000	-	38,000	-	38,000
Prepays	214,380	214,380	-	214,380	-	214,380
Total Non-Spendable	\$ 33,896,861	\$ 33,896,861	\$ -	\$ 33,896,861	\$ -	\$ 33,896,861
Assigned:						
Continuing Appropriations	3,250,438	3,250,438	(3,250,438)	-	-	-
18% Stabilization Plan	50,069,600	50,069,600	(5,006,163)	45,063,437	2,331,583	47,395,020
Total Assigned	\$ 53,320,038	\$ 53,320,038	\$ (8,256,601)	\$ 45,063,437	\$ 2,331,583	\$ 47,395,020
Total Fund Balance (Non-Spendable, Assigned)	87,216,899	87,216,899	(8,256,601)	78,960,298	2,331,583	81,291,881
<b>Total Available for Contingencies and Emergencies</b>	<b>\$ 53,320,038</b>	<b>\$ 53,320,038</b>	<b>\$ (8,256,601)</b>	<b>\$ 45,063,437</b>	<b>\$ 2,331,583</b>	<b>\$ 47,395,020</b>

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

Funds/Sources	Total Unreserved Fund Balance July 1, 2017	Current Budget Control					Estimated Total Unreserved Fund Balance June 30, 2018	Recommended Third Qtr Budget Update Adjustments Increase(Decrease) to Fund Balance Net Adjustments	Adjusted Unreserved Fund Balance June 30, 2018
		Revenues	Operating Transfers-In	Operating Transfers-Out	Total Available	Expenditures			
<b>General Fund (incl. encumbrances)</b>									
001 General Fund	\$ 53,320,038	\$ 195,093,386	\$ 44,126,418	\$ 9,039,342	\$ 283,500,500	\$ 238,437,063	\$ 45,063,437	\$ 2,331,583	\$ 47,395,020
Total General Fund	<u>\$ 53,320,038</u>	<u>\$ 195,093,386</u>	<u>\$ 44,126,418</u>	<u>\$ 9,039,342</u>	<u>\$ 283,500,500</u>	<u>\$ 238,437,063</u>	<u>\$ 45,063,437</u>	<u>\$ 2,331,583</u>	<u>\$ 47,395,020</u>
<b>Special Revenue Funds</b>									
002 Quiet Home Program	\$ -	\$ 1,067,000	\$ -	\$ -	\$ 1,067,000	\$ 1,067,000	\$ -	\$ -	\$ -
003 Gas Tax	2,991,746	5,516,977	900,000	2,782,930	6,625,793	6,382,339	243,454	331,127	574,581
004 Measure I	5,606,106	3,007,146	-	-	8,613,252	6,932,507	1,680,745	-	1,680,745
005 Measure I-Valley Major Projects	(16,889,688)	29,045,654	-	-	12,155,966	29,045,654	(16,889,688)	-	(16,889,688)
007 Park Impact/Quimby	(5,281,737)	-	-	-	(5,281,737)	-	(5,281,737)	-	(5,281,737)
008 C.D.B.G.	-	3,156,530	-	-	3,156,530	3,156,530	-	-	-
009 HOME Grants	-	2,286,605	-	-	2,286,605	2,286,605	-	-	-
010 Asset Seizure	3,513,510	-	-	-	3,513,510	1,911,178	1,602,332	-	1,602,332
011 Neighborhood Stabilization	-	-	-	-	-	-	-	-	-
013 A.D. Administration	1,017,609	22,721	-	-	1,040,330	286,837	753,493	-	753,493
014 Mobile Source Air	1,056,948	212,088	-	25,643	1,243,393	594,730	648,663	-	648,663
015 General Fund Grants	-	8,083,374	-	-	8,083,374	8,083,374	-	-	-
018 Building Safety	-	910,000	-	53,580	856,420	1,169,569	(313,149)	-	(313,149)
019 Parkway Maintenance	927,701	608,682	368,512	246,715	1,658,180	853,600	804,580	-	804,580
021 Storm Drain Fee District	69,142	775	-	-	69,917	-	69,917	-	69,917
060 OMC CFD #21-Parkside Services	66,599	52,081	-	24,000	94,680	27,500	67,180	-	67,180
061 NMC CFD #31-Lennar Services	173,910	251,634	-	243,400	182,144	7,400	174,744	-	174,744
062 NMC CFD #23-Park Place Services	53,986	650,000	-	645,000	58,986	5,000	53,986	-	53,986
064 NMC CFD #27-New Haven Services	73,361	399,305	-	393,000	79,666	5,000	74,666	-	74,666
069 NMC CFD #20-Walmart Services	35,114	26,400	-	5,000	56,514	21,000	35,514	-	35,514
048 Ontario Housing Authority	2,809,169	337,956	-	-	3,147,125	863,342	2,283,783	-	2,283,783
070 Street Light Maintenance	2,243,619	499,700	-	113,675	2,629,644	370,975	2,258,669	-	2,258,669
071 CFD #10-Airport Tower Services	-	11,000	-	11,000	-	-	-	-	-
072 NMC CFD #9-Edenglen Services	(39,583)	545,000	-	532,600	(27,183)	12,400	(39,583)	-	(39,583)
076 Facilities Maintenance	45,391	-	1,000,000	-	1,045,391	1,021,513	23,878	-	23,878
077 Storm Drain Maintenance	605,147	1,240,656	-	-	1,845,803	1,735,524	110,279	-	110,279
114 Historic Preservation	219,489	2,456	-	-	221,945	-	221,945	-	221,945
119 NMC Public Services	5,377,108	56,582	-	-	5,433,690	-	5,433,690	-	5,433,690
Total Special Revenue Funds	<u>\$ 4,674,647</u>	<u>\$ 57,990,322</u>	<u>\$ 2,268,512</u>	<u>\$ 5,076,543</u>	<u>\$ 59,856,938</u>	<u>\$ 65,839,577</u>	<u>\$ (5,982,639)</u>	<u>\$ 331,127</u>	<u>\$ (5,651,512)</u>
<b>Capital Project Funds</b>									
016 Ground Access	\$ 9,878,981	\$ 2,939,674	\$ -	\$ -	\$ 12,818,655	\$ 2,843,294	\$ 9,975,361	-	\$ 9,975,361
017 Capital Projects	27,695,731	3,193,130	9,806,648	-	40,695,509	29,081,791	11,613,718	-	11,613,718
101 Law Enforcement Impact	(1,030,154)	15,595	-	-	(1,014,559)	-	(1,014,559)	-	(1,014,559)

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

Funds/Sources	Total Unreserved Fund Balance July 1, 2017	Current Budget Control					Estimated Total Unreserved Fund Balance June 30, 2018	Recommended Third Qtr Budget Update Adjustments Increase(Decrease) to Fund Balance Net Adjustments	Adjusted Unreserved Fund Balance June 30, 2018
		Revenues	Operating Transfers-In	Operating Transfers-Out	Total Available	Expenditures			
106 Solid Waste Impact	2,946,274	29,846	-	-	2,976,120	100,000	2,876,120	-	2,876,120
107 General Facility Impact	2,684,435	27,846	-	-	2,712,281	-	2,712,281	-	2,712,281
108 Library Impact	2,748,729	21,534	-	-	2,770,263	-	2,770,263	-	2,770,263
109 Public Meeting Impact	3,744,103	32,185	-	-	3,776,288	-	3,776,288	-	3,776,288
110 Aquatics Impact	317,060	2,891	-	-	319,951	-	319,951	-	319,951
112 Species Habitat Impact	2,123,344	21,637	-	-	2,144,981	-	2,144,981	-	2,144,981
120 Affordability In-Lieu	9,111,153	89,866	-	-	9,201,019	-	9,201,019	-	9,201,019
170 OMC - Regional Streets	8,480,212	72,559	-	-	8,552,771	7,534,175	1,018,596	-	1,018,596
171 OMC - Local Adjacent Streets	10,555,502	128,752	-	-	10,684,254	15,736,290	(5,052,036)	-	(5,052,036)
172 OMC - Regional Storm Drains	1,351,796	14,710	-	-	1,366,506	-	1,366,506	-	1,366,506
173 OMC - Local Adjacent Storm Drain	16,359,053	230,527	-	-	16,589,580	9,545,951	7,043,629	-	7,043,629
174 OMC - Regional Water	13,417,299	188,083	-	-	13,605,382	-	13,605,382	-	13,605,382
175 OMC - Local Adjacent Water	1,688,293	28,378	-	-	1,716,671	592,747	1,123,924	-	1,123,924
176 OMC - Regional Sewer	2,425,934	24,067	-	-	2,450,001	-	2,450,001	-	2,450,001
177 OMC - Local Adjacent Sewer	4,033,600	40,965	-	-	4,074,565	3,670,683	403,882	-	403,882
178 OMC - Fire Impact	-	-	-	-	-	2,214,050	(2,214,050)	-	(2,214,050)
180 OMC - Regional Streets	1,408,679	16,339	-	-	1,425,018	2,136,732	(711,714)	-	(711,714)
181 NMC - Local Adjacent Streets	2,181,864	20,707	-	-	2,202,571	-	2,202,571	-	2,202,571
182 NMC - Regional Storm Drains	845,894	10,877	-	-	856,771	-	856,771	-	856,771
183 NMC - Local Adjacent Storm Drain	3,260,365	51,230	-	-	3,311,595	-	3,311,595	-	3,311,595
184 NMC - Regional Water	-	-	-	-	-	-	-	-	-
185 NMC - Local Adjacent Water	2,168,608	158,919	-	-	2,327,527	1,000,000	1,327,527	-	1,327,527
186 NMC - Regional Sewer	274,828	4,227	-	-	279,055	-	279,055	-	279,055
187 NMC - Local Adjacent Sewer	248,513	3,869	-	-	252,382	-	252,382	-	252,382
188 NMC - Local Regional Fiber	-	-	-	-	-	-	-	-	-
189 NMC - Local Adjacent Fiber	384,985	321,597	-	-	706,582	-	706,582	-	706,582
190 NMC - Fire Impact	7,974,821	91,433	-	-	8,066,254	8,749,056	(682,802)	(77,771)	(760,573)
501 NMC CFD - Developer Deposits	481,878	-	-	-	481,878	-	481,878	-	481,878
502 OMC CFD - Developer Deposits	74,996	-	-	-	74,996	-	74,996	-	74,996
Total Capital Project Funds	<u>\$ 137,836,776</u>	<u>\$ 7,781,443</u>	<u>\$ 9,806,648</u>	<u>\$ -</u>	<u>\$ 155,424,867</u>	<u>\$ 83,204,769</u>	<u>\$ 72,220,098</u>	<u>\$ (77,771)</u>	<u>\$ 72,142,327</u>
<b>Enterprise Funds</b>									
024 Water Operating	61,524,365	* \$ 55,635,983	\$ -	\$ 31,137,953	86,022,395	\$ 46,100,030	\$ 39,922,365	\$ (100,000)	\$ 39,822,365
025 Water Capital	65,867,434	* 860,979	18,000,000	3,918,150	80,810,263	63,050,771	17,759,492	-	17,759,492
026 Sewer Operating	27,450,984	* 25,035,440	-	10,290,913	42,195,511	19,677,085	22,518,426	(100,000)	22,418,426
027 Sewer Capital	20,838,792	* 237,848	4,000,000	1,039,688	24,036,952	6,168,283	17,868,669	-	17,868,669
029 Solid Waste	33,366,619	* 34,218,235	-	9,015,171	58,569,683	36,546,619	22,023,064	(100,000)	21,923,064
031 Solid Waste Facilities	649,815	* 7,364	-	-	657,179	63,838.00	593,341	-	593,341
035 I.T. Fiber Optics	6,732,860	431,000	-	-	7,163,860	14,965,516	(7,801,656)	-	(7,801,656)
Total Enterprise Funds	<u>\$ 216,430,869</u>	<u>\$ 116,426,849</u>	<u>\$ 22,000,000</u>	<u>\$ 55,401,875</u>	<u>\$ 299,455,843</u>	<u>\$ 186,572,142</u>	<u>\$ 112,883,701</u>	<u>\$ (300,000)</u>	<u>\$ 112,583,701</u>

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

Funds/Sources	Total Unreserved Fund Balance July 1, 2017	Current Budget Control					Estimated Total Unreserved Fund Balance June 30, 2018	Recommended Third Qtr Budget Update Adjustments Increase(Decrease) to Fund Balance Net Adjustments	Adjusted Unreserved Fund Balance June 30, 2018
		Revenues	Operating Transfers-In	Operating Transfers-Out	Total Available	Expenditures			
<b>Internal Service Funds</b>									
032 Equipment Services	37,240,078	\$ 11,362,722	\$ -	\$ -	\$ 48,602,800	\$ 23,313,181	\$ 25,289,619	\$ -	\$ 25,289,619
033 Self Insurance	14,045,477	10,996,849	-	-	25,042,326	8,207,479	16,834,847	-	16,834,847
034 Information Technology	18,822,009	8,917,663	90,000	840,000	26,989,672	17,530,302	9,459,370	-	9,459,370
099 Other Post Employment Benefits (OPEB)	178,766,241	11,322,827	-	-	190,089,068	4,500,000	185,589,068	-	185,589,068
Total Internal Service Funds	<u>\$ 248,873,805</u>	<u>\$ 42,600,061</u>	<u>\$ 90,000</u>	<u>\$ 840,000</u>	<u>\$ 290,723,866</u>	<u>\$ 53,550,962</u>	<u>\$ 237,172,904</u>	<u>\$ -</u>	<u>\$ 237,172,904</u>
<b>Fiduciary Funds</b>									
098 General Fund Trust	31,256,343	\$ -	\$ 3,950,000	\$ 11,883,818	\$ 23,322,525	-	\$ 23,322,525	(963,100)	\$ 22,359,425
Total Trust Funds	<u>\$ 31,256,343</u>	<u>\$ -</u>	<u>\$ 3,950,000</u>	<u>\$ 11,883,818</u>	<u>\$ 23,322,525</u>	<u>\$ -</u>	<u>\$ 23,322,525</u>	<u>\$ (963,100)</u>	<u>\$ 22,359,425</u>
	<u>\$ 692,392,478</u>	<u>\$ 419,892,061</u>	<u>\$ 82,241,578</u>	<u>\$ 82,241,578</u>	<u>\$ 1,112,284,539</u>	<u>\$ 627,604,513</u>	<u>\$ 484,680,026</u>	<u>\$ 1,321,839</u>	<u>\$ 486,001,865</u>

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

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

SCHEDULE VI

Description	Appropriation Adjustments	Revenue Adjustments	Operating Transfer-In	Operating Transfer-Out	Fund Balance Impact
<b>Fund 001 - General Fund</b>					
<i>Current Year Adjustments to Fund Balance</i>					
Overtime - Fire (offset by Cal-OES and Emergency Services reimbursements)	1,550,000	1,550,000			-
Professional Services for Human Resources	1,000,000				(1,000,000)
Additional Public Safety MOU Agreement changes (CC Apprvd 2/20/2018 and 4/3/2018)	668,417				(668,417)
Additional Sales tax abatement disclosure requirement (GASB 77)	500,000				(500,000)
Utilities payment services (Transfer-in from Funds 024/026/029)	300,000		300,000		-
Whispering Lakes Golf Course grounds vehicle (Transfer-in from Fund 098)	11,100		11,100		-
Revise budget estimate: Development Related Revenue		2,000,000			2,000,000
Revise budget estimate: Sales Tax		1,400,000			1,400,000
Revise budget estimate: Reimbursables (SCE solar installation rebates)		1,100,000			1,100,000
Total General Fund Adjustments	4,029,517	6,050,000	311,100	-	2,331,583
<b>Fund 003 - Gas Tax</b>					
Signal Synchronization Partnership Grant Program reimbursement		268,800			268,800
California Resources Recycling and Recovery Rubberized Pavement Grant Program (CC Apprvd 11/1/2016)		250,000			250,000
Revise budget/QVC Way Public Improvements (CC Apprvd 4/3/2018)	187,673				(187,673)
	187,673	518,800	-	-	331,127
<b>Fund 015 - General Fund Grants</b>					
FY 2018 COPS/ELEAS Grant (CC Apprvd 12/5/2017)	266,654	266,654			-
	266,654	266,654	-	-	-
<b>Fund 017 - Capital Projects</b>					
Citizens Business Bank Arena equipment replacements (Transfer-in from Fund 098)	952,000		952,000		-
	952,000	-	952,000	-	-
<b>Fund 024 - Water Operating</b>					
Transfer-out (to Fund 001) Utilities payment services				100,000	(100,000)
	-	-	-	100,000	(100,000)
<b>Fund 026 - Sewer Operating</b>					
Sewage treatment services	600,000	600,000			-
Transfer-out (to Fund 001) Utilities payment services				100,000	(100,000)
	600,000	600,000	-	100,000	(100,000)
<b>Fund 029 - Solid Waste</b>					
Transfer-out (to Fund 001) Utilities payment services				100,000	(100,000)
	-	-	-	100,000	(100,000)



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

SCHEDULE VI

Description	Appropriation Adjustments	Revenue Adjustments	Operating Transfer-In	Operating Transfer-Out	Fund Balance Impact
<b>Fund 098 - General Fund Trust</b>					
Transfer-out (to fund 017) Citizens Business Bank Arena equipment replacements				952,000	(952,000)
Transfer-out (to Fund 001) Whispering Lakes Golf Course grounds vehicle				11,100	(11,100)
	-	-	-	963,100	(963,100)
<b>Fund 190 - NMC Fire Impact</b>					
Revise budget/Fire Station No. 9 <i>(CC Apprvd 4/17/2018)</i>	77,771				(77,771)
	77,771	-	-	-	(77,771)
<b>Total Other Fund Adjustments</b>	<b>2,084,098</b>	<b>1,385,454</b>	<b>952,000</b>	<b>1,263,100</b>	<b>(1,009,744)</b>

# CITY OF ONTARIO

Agenda Report  
May 15, 2018

SECTION:  
CONSENT CALENDAR

**SUBJECT: A RESOLUTION OF INDUCEMENT TO ISSUE TAX-EXEMPT BONDS FOR ONTARIO TOWNHOUSES, LOCATED AT 1360 EAST D STREET**

**RECOMMENDATION:** That City Council approve a Resolution of Inducement to issue tax-exempt bonds for Ontario Townhouses, located at 1360 East D Street, Ontario.

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

**FISCAL IMPACT:** None. All costs and expenses related to the financing will be paid by Ontario TH Renewal L.P. (the "Owner/Borrower"). The City will have no liability for payment of the bonds as the bonds are payable solely by the Owner/Borrower from the revenues of the property. The City will receive an issuance fee equal to 0.125% of the maximum principal amount of the bonds, payable upon issuance of the bonds. Additionally, the City will receive an annual monitoring fee in the amount of 0.125% of the initial maximum principal amount of the bonds fixed on each annual due date (with a minimum annual monitoring fee of \$2,500), payable in advance on the issuance date and on each subsequent anniversary date.

**BACKGROUND:** The Ontario Townhouses (the "Property") is located at 1360 East D Street, Ontario. The Property is shown on Exhibit A.

The Property is an affordable housing community that provides rental housing for very low- and low-income households. The Property was originally built in 1972 and consists of 87 rental units spread across 16 townhouse style buildings and one single-story community building. The Property has 48 two-bedroom units and 39 three-bedroom units, including one on-site property manager's unit. The Property receives assistance through a project-based Section 8 Housing Assistance Payment ("HAP") contract covering 100% of the units. Through this HAP assistance, residents pay approximately 30% of their household income as rent. The existing HAP contract will expire on September 30, 2018.

National Foundation for Affordable Housing Solutions, Inc. ("NFAHS") originally approached Ontario Housing staff regarding their goal to acquire, rehabilitate, and preserve the affordability of the Property.

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

Prepared by: Julie Bjork  
Department: Housing and Municipal Services

City Manager  
Approval: 

Submitted to Council/O.H.A. 05/15/2018

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

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

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

9

NFAHS is a 501(c)(3) nonprofit organization committed to preserving existing rental housing stock nationally. NFAHS was formed in 1990 and is based in North Bethesda, Maryland. Over the last five years, NFAHS has assisted its various nonprofit supporting organizations to acquire and preserve more than 45 properties with 4,857 rental units. NFAHS and its supporting nonprofit organizations currently own two developments within California consisting of 252 rental units. The President and COO of NFAHS is Todd Travis.

NFAHS assisted with the formation of the Owner/Borrower for the purpose of acquiring, rehabilitating, and preserving the Property. The Owner/Borrower is a newly formed single asset entity, with Renewal Housing, Inc., a Maryland 501(c)(3) tax-exempt nonprofit organization, in control. The Director of Renewal Housing, Inc. is Jason Goldblatt. The Owner/Borrower acquired the Property in late April 2018.

While the Property has been well-maintained throughout the years, it has never undergone a major renovation and many of the Property's major building systems are beyond their estimated useful life. The Property will undergo a substantial renovation with an estimated budget of \$4.2 million, beginning in late fall/early winter with completion scheduled for December 2019. The proposed rehabilitation scope of work includes new energy efficient heating and cooling systems, energy efficient water heaters, updated kitchens and bathrooms, electrical upgrades, new drought-resistant landscaping, new roofing, and parking lot resurfacing.

The Property provides 26 units for very low-income households (50% of Area Median Income (AMI)) and 60 units for low-income households (60% of AMI) for 55 years. The Owner/Borrower will also renew the existing Section 8 HAP contract and extend it for an additional 20 years, the maximum permitted by HUD. The unit mix and breakdown is shown on Exhibit B.

The estimated total project cost is \$37,802,292. The following is the Owner's estimated funding breakdown for the project: Tax Exempt Bond Security ("MTEBS") (\$20,929,000), Interim Income (\$1,705,204), Tax Credit Equity – Low Income Housing Tax Credits (LIHTC) (\$11,458,099), Deferred Developer Fee (\$3,609,989), and CDLAC Performance Deposit (\$100,000).

While the terms are still being negotiated, the goal of all parties is to continue to proceed with activities to secure the additional funding required for the completion of this project. The deadline to submit a joint application to the California Debt Allocation Committee (CDLAC) and the California Tax Credit Committee (CTCAC) is May 18, 2018, for the item to be considered by them on July 18, 2018. As part of the CDLAC and CTCAC process, applicants must provide an Inducement Resolution. An Inducement Resolution is not a commitment to issue bonds. Instead, it is a conditional statement of intent by the City of Ontario to do so.

As part of the issuance of the tax exempt bonds by the City, a public hearing will be held at a later date. At this future public hearing, all of the final terms will have been reviewed by City staff and its team of financial advisors and legal counsel and submitted to City Council for its consideration and any public input. If terms cannot be negotiated to the satisfaction of the City, the public hearing will not be scheduled.

**EXHIBIT A  
PROJECT SITE**



Not to Scale



**EXHIBIT B  
UNIT DISTRIBUTION**

<b>Ontario Townhouses Multifamily Affordability Restrictions and Net Rents</b>			
	<b>2BR</b>	<b>3BR</b>	<b>Total Number of Units</b>
<b>50% of AMI Units</b>			
<b># of Units</b>	13	13	<b>26</b>
<b>Est. Net LIHTC Rent</b>	\$695	\$803	
<b>60% of AMI Units</b>			
<b># of Units</b>	35	25	<b>60</b>
<b>Est. Net LIHTC Rent</b>	\$723	\$832	
<b>Property Manager Unit</b>		1	<b>1</b>
<b>TOTAL UNITS</b>	<b>48</b>	<b>39</b>	<b>87</b>

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

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF ONTARIO, CALIFORNIA, DECLARING ITS OFFICIAL INTENTION TO ISSUE TAX-EXEMPT REVENUE BONDS FOR THE PURPOSE OF FINANCING AN AFFORDABLE RENTAL HOUSING FACILITY IN THE CITY, AND TO REIMBURSE CERTAIN EXPENDITURES RELATING TO THE DEVELOPMENT OF SUCH FACILITY FROM PROCEEDS OF SAID BONDS; AND AUTHORIZING AN APPLICATION TO THE CALIFORNIA DEBT LIMIT ALLOCATION COMMITTEE TO PERMIT THE ISSUANCE OF SAID BONDS.

WHEREAS, National Foundation for Affordable Housing Solutions, Inc., a nonprofit public benefit corporation (the "Sponsor") has requested the assistance of the City of Ontario (the "City") in connection with the financing of the acquisition, rehabilitation and equipping of an 87-unit (including one manager's unit) affordable rental housing facility to be occupied in whole or in part by low- and very low-income families, known as Ontario Townhouses and located in the City at 1360 East D Street (the "Project"); and

WHEREAS, in order to provide financing assistance for the Project, the Sponsor has requested that the City issue its multifamily housing revenue bonds or other tax-exempt obligations in an aggregate principal amount not to exceed \$25,200,000 (the "Bonds"), and loan the proceeds thereof to Ontario TH Renewal L.P., a California limited partnership (the "Borrower"); and

WHEREAS, the Borrower expects to pay certain expenditures (the "Reimbursement Expenditures") in connection with the Project prior to the issuance of the Bonds for the purpose of financing costs associated with the Project on a long term basis; and

WHEREAS, Section 1.103-8(a)(5) and Section 1.150-2 of the Treasury Regulations require the City to declare its reasonable official intent to reimburse prior expenditures for the Project with proceeds of a subsequent borrowing; and

WHEREAS, it is in the public interest and for the public benefit that the City declare its official intent to reimburse the expenditures referenced herein; and

WHEREAS, Chapter 11.8 of Division 1 of Title 2 of the Government Code of the State of California governs the allocation in the State of California of the State Ceiling established by Section 146 of the Code among governmental units in the State having the authority to issue private activity bonds; and

WHEREAS, Section 8869.85 of the Government Code requires a local agency to file an application for a portion of the state ceiling with or upon the direction of the California Debt Limit Allocation Committee ("CDLAC") prior to the issuance of private activity bonds.

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

SECTION 1. The City declares its official intent to issue the Bonds in an aggregate principal amount not to exceed \$25,200,000 for the purpose of paying the costs of financing the acquisition, rehabilitation and equipping of the Project.

SECTION 2. The City hereby declares that it reasonably expects that a portion of the proceeds of the Bonds will be used for reimbursement of expenditures for the acquisition, rehabilitation, development and equipping of the Project that are paid before the date of initial execution and delivery of the Bonds. It is intended that this Resolution shall constitute “some other similar official action” towards the issuance of bonds within the meaning of Section 1.103-8(a)(5) of the Treasury Regulations and “official intent” within the meaning of Section 1.150-2 of the Treasury Regulations, each as applicable under Section 103 of the Internal Revenue Code of 1986, as amended.

SECTION 3. The Borrower shall be responsible for the payment of all present and future costs in connection with the issuance of the Bonds, including, but not limited to, any fees and expenses incurred by the City in anticipation of the issuance of the Bonds, the City's financing fee with respect to the issuance of the Bonds, the City's annual administration fee with respect to administering the provisions of a regulatory agreement with respect to the Project, the cost of printing any official statement, rating agency costs, bond counsel fees and expenses, underwriting discount and costs, trustee fees and expense, and the costs of printing the Bonds. The payment of the principal, redemption premium, if any, and purchase price of and interest on the Bonds shall be solely the responsibility of the Borrower. The Bonds shall not constitute a debt or obligation of the City.

SECTION 4. This City Council hereby further determines that it is appropriate for the City to issue the Bonds to finance the acquisition, rehabilitation, development and equipping of the Project, subject to the following conditions: (a) the City and the Borrower shall have first agreed to mutually acceptable terms for the Bonds and of the sale and delivery thereof, and mutually acceptable terms and conditions of the bond indenture, trust agreement, loan agreement, regulatory agreement and/or other related documents for the financing of the Project; (b) all requisite governmental approvals shall have first been obtained; (c) a resolution approving the issuance of the Bonds and the execution and delivery of the financing documents to which the City will be a party shall have been adopted by the City Council; and (d) an allocation of tax-exempt bond authority with respect to the Bonds shall have been received from CDLAC.

SECTION 5. The officers and agents of the City are hereby authorized to submit an application to CDLAC for an allocation of a portion of the State Ceiling (as that term is used in the California Government Code) in an amount not to exceed \$25,200,000 for application towards the issuance of the Bonds by the City to finance the Project. The officers and agents of, and financial advisors to, the City are hereby authorized, on behalf of the City, to submit to CDLAC all such other documents as may be required pursuant to the California Government Code in furtherance of the application. A cash deposit equal to one-half of one percent of the amount of allocation requested (not to exceed the maximum deposit pursuant to CDLAC guidelines), to be provided by or on behalf of the

Borrower, is hereby authorized to be placed into an escrow account, and the officers of the City are hereby authorized to execute a deposit agreement with the Borrower as may be required with respect to such deposit, and to certify to CDLAC that such funds are available.

SECTION 6. The firm of CSG Advisors is hereby appointed as financial advisor to the City in connection with the issuance of the Bonds. The law firm of Jones Hall, A Professional Law Corporation, is hereby appointed as bond counsel to the City in connection with the issuance of the Bonds. The fees and expenses of the financial advisor and of bond counsel are to be paid solely from the proceeds of the Bonds or directly by the Borrower.

SECTION 7. The appropriate officers and staff of the City are hereby authorized, for and in the name of and on behalf of the City, to make an application to CDLAC for an allocation of private activity bonds for the financing of the Project.

SECTION 8. The adoption of this Resolution is solely for the purpose of meeting the requirements of the Code and the Treasury Regulations and shall not be construed in any other manner. Neither the City nor its staff have fully reviewed or considered the financial feasibility of the Project or the expected operation of the Project with regards to any State of California statutory requirements. Such adoption shall not obligate without further formal action to be taken by this City Council, including, but not limited to, the approval of the financing documents by the City Council by resolution, (i) the City to provide financing to the Borrower for the acquisition, rehabilitation, development and equipping of the Project or to issue the Bonds for purposes of such financing; or (ii) the City, or any department of the City, to approve any application or request for, or take any other action in connection with, any environmental, General Plan, zoning or any other permit or other action necessary for the acquisition, rehabilitation, development or equipping of the Project.

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

PASSED, APPROVED, AND ADOPTED this 15<sup>th</sup> day of May 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 May 15, 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 May 15, 2018.

---

SHEILA MAUTZ, CITY CLERK

(SEAL)

# CITY OF ONTARIO

Agenda Report  
May 15, 2018

SECTION:  
CONSENT CALENDAR

**SUBJECT: A RESOLUTION OF INDUCEMENT TO ISSUE TAX-EXEMPT BONDS FOR VIRGINIA/HOLT MULTIFAMILY AFFORDABLE HOUSING DEVELOPMENT, LOCATED ON 4.18 ACRES OF LAND BORDERED BY HOLT BOULEVARD ON THE SOUTH, RESIDENTIALLY DEVELOPED PROPERTIES ON THE EAST, NOCTA STREET ON THE NORTH, AND VIRGINIA AVENUE ON THE WEST**

**RECOMMENDATION:** That City Council approve a Resolution of Inducement to issue tax-exempt bonds for Virginia/Holt Multifamily Affordable Housing Development, located on 4.18 acres of land bordered by Holt Boulevard on the south, residentially developed properties on the east, Nocta Street on the north, and Virginia Avenue on the west.

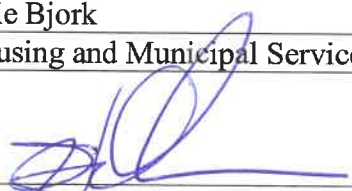
**COUNCIL GOALS:** Focus Resources in Ontario's Commercial and Residential Neighborhoods

**FISCAL IMPACT:** None. All costs and expenses related to the financing will be paid by National Community Renaissance of California (the "Developer/Borrower"). The City will have no liability for payment of the bonds as the bonds are payable solely by the Developer/Borrower from the revenues of the property. The City will receive an issuance fee equal to 0.125% of the maximum principal amount of the bonds, payable upon issuance of the bonds. Additionally, the City will receive an annual monitoring fee in the amount of 0.125% of the initial maximum principal amount of the bonds fixed on each annual due date (with a minimum annual monitoring fee of \$2,500), payable in advance on the issuance date and on each subsequent anniversary date.

**BACKGROUND:** The Virginia/Holt Multifamily Development ("Development") is located on approximately 4.18 acres of land, bordered by Holt Boulevard on the south, Nocta Street on the north, Virginia Avenue on the west, and residentially developed properties to the east. The area is shown on Exhibit A.

The Development will result in the construction of a 101 rental housing units for extremely low-income, very low-income, and low-income families. All of the units in the proposed Development will remain affordable for a 55-year period. A breakdown of the current fiscal year rents and unit mix is attached as

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

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

Submitted to Council/O.H.A. 05/15/2018  
Approved: \_\_\_\_\_  
Continued to: \_\_\_\_\_  
Denied: \_\_\_\_\_

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Exhibit B. Rent increases are allowed to be adjusted annually by the percentage increase in incomes established by the U.S. Department of Housing and Urban Development (“HUD”) for the San Bernardino Metropolitan Statistical Area.

The developer is National Community Renaissance of California, located in Rancho Cucamonga, California. National Community Renaissance of California (“Developer”) is one of the nation’s largest non-profit affordable housing developers with a 20-year history of building affordable housing units combined with comprehensive social services to promote self-sufficiency of residents. The company has developed over 6,000 housing units within California with a history of long-term ownership. The President and CEO of National Community Renaissance of California is Steve PonTell.

This project is a key component of Ontario’s \$35 million application for the Transformative Climate Communities (TCC) Program that was awarded to the City of Ontario during January 2018. The TCC Program is a competitive statewide grant program funded through the State’s Cap-and-Trade Program, also known as the California Climate Investments (CCI).

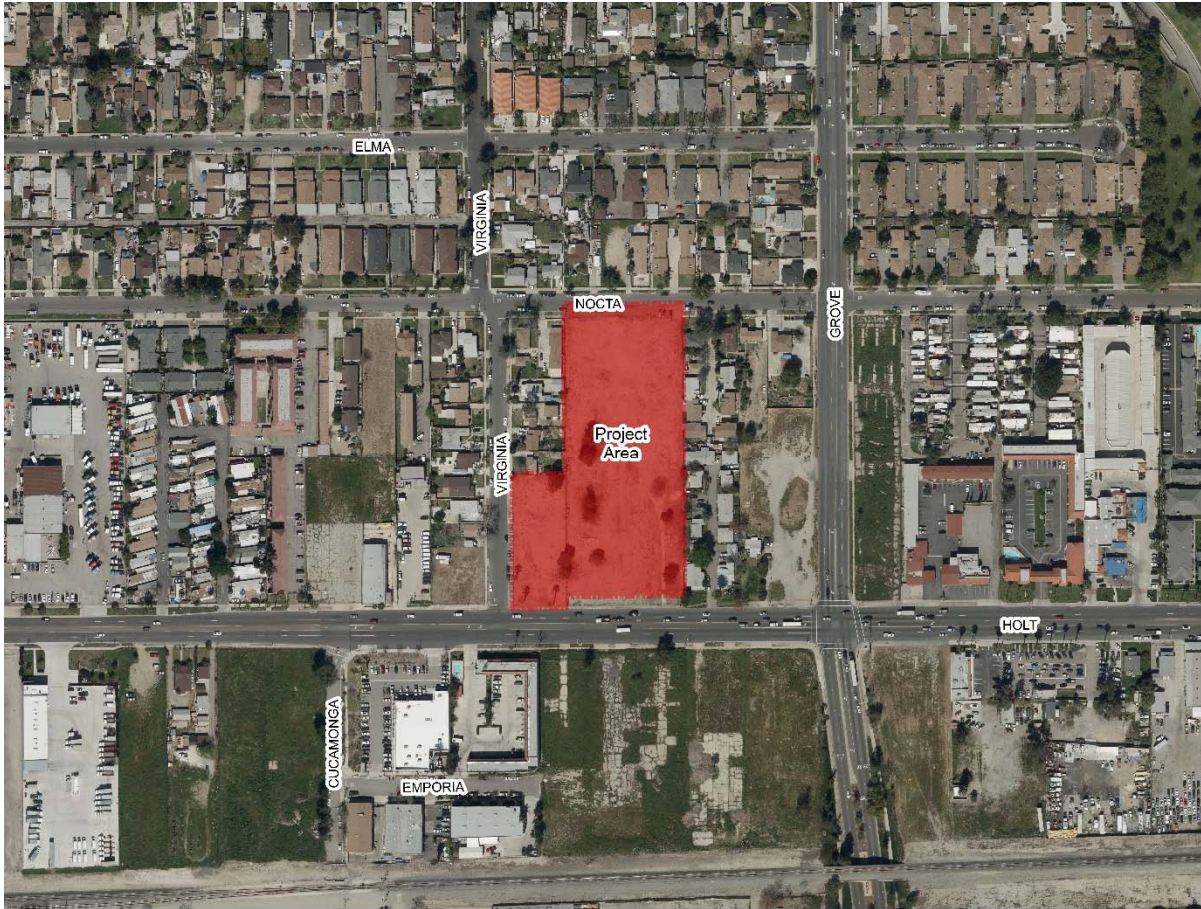
This Development was specifically designed to provide Ontario with a competitive advantage for TCC funding. This Development meets density requirements, affordability levels, and is strategically located on the future West Valley Connector Bus Rapid Transit route. This site is currently located adjacent to OmniTrans Route 61 bus line, which has the highest ridership of any OmniTrans route. All residents of this Development will receive monthly transit passes at no cost to the household for the first three years and real-time bus route arrival information will be displayed in the on-site community center. Omnitrans will also provide a training program for the residents to encourage public transit ridership. In addition, the residents will be provided with a robust level of social services including after school programs for children and financial literacy programs for adults on-site.

The estimated total Development construction cost is \$36,628,610. The following is the Developer’s estimated breakdown of the permanent funding sources for the Project: TCC (\$14,729,325), Tax Credit Equity – Low Income Housing Tax Credits (LIHTC) (\$13,507,190), Authority Land Loan (\$1,864,095), Authority Project Loan (\$2,000,000) Private Financing (\$2,238,000), Federal Home Loan Banks Affordable Housing Program (AHP) (\$990,000), Developer Equity Contribution (\$1,000,000) and Deferred Developer Fee (\$300,000).

While the terms of the TCC grant agreements and the increases to the total development costs are still being reviewed, the goal of all parties is to continue to proceed with activities to secure the additional funding required to construct this Development. The deadline to submit a joint application to the California Debt Allocation Committee (CDLAC) and the California Tax Credit Committee (CTCAC) is May 18, 2018, for the item to be considered by them on July 18, 2018. As part of the CDLAC and CTCAC process, applicants must provide an Inducement Resolution. An Inducement Resolution is not a commitment to issue bonds. Instead, it is a conditional statement of intent by the City of Ontario to do so.

As part of the issuance of the tax exempt bonds by the City, a public hearing will be held at a later date. At this future public hearing, all of the final terms will have been reviewed by City staff and its team of financial advisors and legal counsel and submitted to City Council for its consideration and any public input. If terms cannot be negotiated to the satisfaction of the City, the public hearing will not be scheduled.

**EXHIBIT A  
PROJECT SITE**



Not to Scale



**EXHIBIT B  
UNIT DISTRIBUTION**

<b>Virginia/Holt Multifamily Affordability Restrictions and Net Rents</b>			
	<b>2BR</b>	<b>3BR</b>	<b>Total Number of Units</b>
<b>30% of AMI Units</b>			
<b># of Units</b>	15	6	<b>21</b>
<b>Est. Net Rent</b>	\$420	\$481	
<b>50% of AMI Units</b>			
<b># of Units</b>	22	15	<b>37</b>
<b>Est. Net Rent</b>	\$723	\$832	
<b>60% of AMI</b>			
<b># of Units</b>	32	10	<b>42</b>
<b>Est. Net Rent</b>	\$875	\$1,007	
<b>Property Manager Unit</b>		1	<b>1</b>
<b>TOTAL UNITS</b>	<b>69</b>	<b>32</b>	<b>101</b>

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

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF ONTARIO, CALIFORNIA, DECLARING ITS OFFICIAL INTENTION TO ISSUE TAX-EXEMPT REVENUE BONDS FOR THE PURPOSE OF FINANCING AN AFFORDABLE RENTAL HOUSING FACILITY IN THE CITY, AND TO REIMBURSE CERTAIN EXPENDITURES RELATING TO THE DEVELOPMENT OF SUCH FACILITY FROM PROCEEDS OF SAID BONDS; AND AUTHORIZING AN APPLICATION TO THE CALIFORNIA DEBT LIMIT ALLOCATION COMMITTEE TO PERMIT THE ISSUANCE OF SAID BONDS.

WHEREAS, National Community Renaissance of California, a California nonprofit public benefit corporation (the "Sponsor") has requested the assistance of the City of Ontario (the "City") in connection with the financing of the acquisition, construction and equipping of a 101-unit (including one manager's unit) affordable rental housing facility to be occupied in whole or in part by low- and very low-income families, to be located in the City on land bordered by Holt Boulevard to the south, Virginia Avenue to the west, Nocta Street to the north and residentially developed properties to the east (the "Project"); and

WHEREAS, in order to provide financing assistance for the Project, the Sponsor has requested that the City issue its multifamily housing revenue bonds or other tax-exempt obligations in an aggregate principal amount not to exceed \$26,000,000 (the "Bonds"), and loan the proceeds thereof to a limited partnership (the "Borrower") created by the Sponsor or an affiliate of the Sponsor; and

WHEREAS, the Borrower expects to pay certain expenditures (the "Reimbursement Expenditures") in connection with the Project prior to the issuance of the Bonds for the purpose of financing costs associated with the Project on a long term basis; and

WHEREAS, Section 1.103-8(a)(5) and Section 1.150-2 of the Treasury Regulations require the City to declare its reasonable official intent to reimburse prior expenditures for the Project with proceeds of a subsequent borrowing; and

WHEREAS, it is in the public interest and for the public benefit that the City declare its official intent to reimburse the expenditures referenced herein; and

WHEREAS, Chapter 11.8 of Division 1 of Title 2 of the Government Code of the State of California governs the allocation in the State of California of the State Ceiling established by Section 146 of the Code among governmental units in the State having the authority to issue private activity bonds; and

WHEREAS, Section 8869.85 of the Government Code requires a local agency to file an application for a portion of the state ceiling with or upon the direction of the California Debt Limit Allocation Committee ("CDLAC") prior to the issuance of private activity bonds.

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

SECTION 1. The City declares its official intent to issue the Bonds in an aggregate principal amount not to exceed \$26,000,000 for the purpose of paying the costs of financing the acquisition, construction and equipping of the Project.

SECTION 2. The City hereby declares that it reasonably expects that a portion of the proceeds of the Bonds will be used for reimbursement of expenditures for the acquisition, construction, development and equipping of the Project that are paid before the date of initial execution and delivery of the Bonds. It is intended that this Resolution shall constitute "some other similar official action" towards the issuance of bonds within the meaning of Section 1.103-8(a)(5) of the Treasury Regulations and "official intent" within the meaning of Section 1.150-2 of the Treasury Regulations, each as applicable under Section 103 of the Internal Revenue Code of 1986, as amended.

SECTION 3. The Borrower shall be responsible for the payment of all present and future costs in connection with the issuance of the Bonds, including, but not limited to, any fees and expenses incurred by the City in anticipation of the issuance of the Bonds, the City's financing fee with respect to the issuance of the Bonds, the City's annual administration fee with respect to administering the provisions of a regulatory agreement with respect to the Project, the cost of printing any official statement, rating agency costs, bond counsel fees and expenses, underwriting discount and costs, trustee fees and expense, and the costs of printing the Bonds. The payment of the principal, redemption premium, if any, and purchase price of and interest on the Bonds shall be solely the responsibility of the Borrower. The Bonds shall not constitute a debt or obligation of the City.

SECTION 4. This City Council hereby further determines that it is appropriate for the City to issue the Bonds to finance the acquisition, construction, development and equipping of the Project, subject to the following conditions: (a) the City and the Borrower shall have first agreed to mutually acceptable terms for the Bonds and of the sale and delivery thereof, and mutually acceptable terms and conditions of the bond indenture, trust agreement, loan agreement, regulatory agreement and/or other related documents for the financing of the Project; (b) all requisite governmental approvals shall have first been obtained; (c) a resolution approving the issuance of the Bonds and the execution and delivery of the financing documents to which the City will be a party shall have been adopted by the City Council; and (d) an allocation of tax-exempt bond authority with respect to the Bonds shall have been received from CDLAC.

SECTION 5. The officers and agents of the City are hereby authorized to submit an application to CDLAC for an allocation of a portion of the State Ceiling (as that term is used in the California Government Code) in an amount not to exceed \$26,000,000 for application towards the issuance of the Bonds by the City to finance the Project. The officers and agents of, and financial advisors to, the City are hereby authorized, on behalf of the City, to submit to CDLAC all such other documents as may be required pursuant to the California Government Code in furtherance of the application. A cash deposit equal to one-half of one percent of the amount of allocation requested (not to exceed the



maximum deposit pursuant to CDLAC guidelines), to be provided by or on behalf of the Borrower, is hereby authorized to be placed into an escrow account, and the officers of the City are hereby authorized to execute a deposit agreement with the Borrower as may be required with respect to such deposit, and to certify to CDLAC that such funds are available.

SECTION 6. The firm of CSG Advisors is hereby appointed as financial advisor to the City in connection with the issuance of the Bonds. The law firm of Jones Hall, A Professional Law Corporation, is hereby appointed as bond counsel to the City in connection with the issuance of the Bonds. The fees and expense of the financial advisor and of bond counsel are to be paid solely from the proceeds of the Bonds or directly by the Borrower.

SECTION 7. The appropriate officers and staff of the City are hereby authorized, for and in the name of and on behalf of the City, to make an application to CDLAC for an allocation of private activity bonds for the financing of the Project.

SECTION 8. The adoption of this Resolution is solely for the purpose of meeting the requirements of the Code and the Treasury Regulations and shall not be construed in any other manner. Neither the City nor its staff have fully reviewed or considered the financial feasibility of the Project or the expected operation of the Project with regards to any State of California statutory requirements. Such adoption shall not obligate without further formal action to be taken by this City Council, including, but not limited to, the approval of the financing documents by the City Council by resolution, (i) the City to provide financing to the Borrower for the acquisition, construction, development and equipping of the Project or to issue the Bonds for purposes of such financing; or (ii) the City, of or any department of the City, to approve any application or request for, or take any other action in connection with, any environmental, General Plan, zoning or any other permit or other action necessary for the acquisition, construction, development or equipping of the Project.

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

PASSED, APPROVED, AND ADOPTED this 15<sup>th</sup> day of May 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 May 15, 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 May 15, 2018.

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SHEILA MAUTZ, CITY CLERK

(SEAL)

# CITY OF ONTARIO

Agenda Report  
May 15, 2018

SECTION:  
CONSENT CALENDAR

**SUBJECT: A ONE-YEAR ACTION PLAN FOR THE COMMUNITY DEVELOPMENT BLOCK GRANT (“CDBG”), HOME INVESTMENT PARTNERSHIPS (“HOME”), AND EMERGENCY SOLUTIONS GRANT (“ESG”) PROGRAMS FOR FISCAL YEAR 2018-19**

**RECOMMENDATION:** That the City Council:

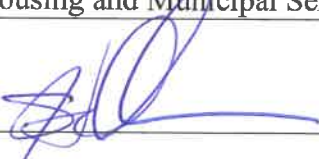
- (A) Approve the One-Year Action Plan for Fiscal Year 2018-19 for the Community Development Block Grant (“CDBG”), HOME Investment Partnerships (“HOME”), and Emergency Solutions Grant (“ESG”) Programs (on file in the Records Management Department);
- (B) Direct staff to prepare and transmit the final documents to U.S. Department of Housing and Urban Development (“HUD”); and
- (C) Authorize the City Manager, or his designee, to take all actions necessary or desirable to implement the One-Year Action Plan for Fiscal Year 2018-19 and Subrecipient Agreements.

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

**FISCAL IMPACT:** In the next fiscal year, the City will receive \$1,849,306 in CDBG funds and \$790,550 in prior year unallocated CDBG funds, \$709,939 in HOME funds, and \$156,098 in ESG funds from HUD.

**BACKGROUND:** HUD requires that cities prepare and adopt an annual Action Plan for each year of the Five-Year Consolidated Plan which provides for the expenditure of CDBG, HOME, and ESG funds. The Fiscal Year 2018-19 One-Year Action Plan is the fourth plan prepared as part of the 2015-19 Five-Year Consolidated Plan.

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

Prepared by: Katryna Gonzalez  
Department: Housing and Municipal Services  
City Manager Approval: 

Submitted to Council/O.H.A. 05/15/2018  
Approved: \_\_\_\_\_  
Continued to: \_\_\_\_\_  
Denied: \_\_\_\_\_

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A community forum/public meeting was held on March 29, 2018, to solicit public participation in the development of the One-Year Action Plan. On March 30, 2018, the City advertised the availability of the draft Action Plan for public review. The draft One-Year Action Plan was available for public review from March 30, 2018 through April 30, 2018.

The City’s CDBG, HOME, and ESG allocations from HUD for Fiscal Year 2018-19, as compared to last year’s allocations are illustrated below:

	<b>Fiscal Year 2017-18 Actual</b>	<b>Fiscal Year 2018-19 Actual</b>	<b>Difference</b>
CDBG	\$1,733,990	\$1,849,306	\$115,316
Available CDBG Contingency (Roll over from Prior Years)	\$557,350	\$790,550	\$233,200
HOME	\$477,845	\$709,939	\$232,094
ESG	\$157,628	\$156,098	(\$1,530)
<b>TOTAL</b>	<b>\$2,926,813</b>	<b>\$3,505,893</b>	<b>\$579,080</b>

The One-Year Action Plan allocates funds to programs designed to support strategies identified in the Consolidated Plan. The detailed Fiscal Year 2018-19 proposed funding allocations are provided in Exhibit A. The City solicits for applications from outside entities every two years. Fiscal Year 2018-19 is a renewal year and applications were not solicited from external agencies.

Subsequent to City Council approval and the release of the actual allocations from HUD, the Fiscal Year 2018-19 One-Year Action Plan will be submitted to the U.S. Department of Housing and Urban Development prior to the required deadline.

**EXHIBIT A**

**FISCAL YEAR 2018-19 FUNDING ALLOCATION SUMMARY**

**RECOMMENDED CDBG FUNDING**

<u>Proposed Programs</u>	<u>Implementing Agency</u>	<u>Amount</u>
Administration	City of Ontario Housing & Municipal Services	\$ 337,660
Fair Housing	Inland Fair Housing and Mediation Board	\$ 22,000
Housing Mediation	Inland Fair Housing and Mediation Board	\$ 10,200
Senior Services	Inland Fair Housing and Mediation Board	\$ 10,000
Mercy House Continuum of Care	Mercy House	\$ 57,083
Community Improvement Team (CIT)	City of Ontario Code Enforcement	\$ 100,000
TCC Ontario Shines Improvement Loan Program	City of Ontario Housing & Municipal Services	\$ 500,000
LED Street Light Conversion Project	City of Ontario Engineering	\$ 100,000
Pervious Concrete Gutter Project	City of Ontario Engineering	\$ 55,000
Alley Pavement Rehabilitation	City of Ontario Engineering	\$ 180,000
Rubber-Polymer Modified Slurry Seal (RPMSS) Project	City of Ontario Engineering	\$ 300,000
Wheelchair Ramp Installation	City of Ontario Community & Public Services	\$ 175,000
Park Improvements Project	City of Ontario Community & Public Services	\$ 582,600
COPS Program	Ontario Police Department	\$ 188,312
Child Care Subsidies	Ontario-Montclair YMCA	\$ 22,000
	<b>TOTAL</b>	<b>\$ 2,639,855</b>

**RECOMMENDED HOME FUNDING**

<u>Proposed Programs</u>	<u>Implementing Agency</u>	<u>Amount</u>
Tenant Based Rental Assistance Program	City of Ontario Housing & Municipal Services	\$ 266,227
Single-Family/Multi-Family Housing Rehabilitation and New Construction	City of Ontario Housing & Municipal Services	\$ 266,228
Community Housing Development Organizations (CHDOs) Housing Program	CHDOs	\$ 106,491
Administration	City of Ontario Housing & Municipal Services	\$ 70,993
	<b>TOTAL</b>	<b>\$ 709,939</b>

**RECOMMENDED ESG FUNDING**

<u>Proposed Programs</u>	<u>Implementing Agency</u>	<u>Amount</u>
Administration	City of Ontario Housing & Municipal Services	\$ 5,443
Administration	Mercy House	\$ 6,264
Stepping Stones Program	Foothill Family Shelter	\$ 6,122
Family Stabilization at SOVA Program Center	Inland Valley Hope Partners	\$ 18,410
Services for Battered Women and Children	House of Ruth	\$ 12,600
Mercy House Continuum of Care	Mercy House	\$ 107,259
	<b>TOTAL</b>	<b>\$ 156,098</b>

# CITY OF ONTARIO

Agenda Report  
May 15, 2018

SECTION:  
CONSENT CALENDAR


**SUBJECT: ACCEPT WRITTEN PETITIONS TO CREATE A COMMUNITY FACILITIES DISTRICT; ADOPT A RESOLUTION OF INTENTION TO ESTABLISH CITY OF ONTARIO COMMUNITY FACILITIES DISTRICT NO. 45 (NORTH PARK AND COUNTRYSIDE); AND TO AUTHORIZE THE ASSOCIATED LEVY OF SPECIAL TAXES AND ADOPT A RESOLUTION TO INCUR BONDED INDEBTEDNESS**

**RECOMMENDATION:** That the City Council:

- (A) Accept written petitions (on file with the Records Management Department) from KB Home California LLC and KB HOME Coastal Inc., located in Wildomar, California, to create a Community Facilities District, and to waive certain procedural matters, under the Mello-Roos Community Facilities Act of 1982;
- (B) Adopt a Resolution of Intention to establish City of Ontario Community Facilities District No. 45 (Northpark and Countryside) (the "CFD"), authorize the associated levy of special taxes therein; and set a public hearing for the formation of the CFD as part of the regularly scheduled City Council meeting on Tuesday, June 19, 2018; and
- (C) Adopt a Resolution to Incur Bonded Indebtedness of proposed Community Facilities District No. 45 (Northpark and Countryside).

**COUNCIL GOALS:** 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

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

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

Submitted to Council/O.H.A. 05/15/2018  
Approved: \_\_\_\_\_  
Continued to: \_\_\_\_\_  
Denied: \_\_\_\_\_

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**FISCAL IMPACT:** The use of Mello-Roos financing in the residential development of the proposed CFD for the Northpark and Countryside projects is estimated to generate approximately \$8 million, which will be used to help fund a portion of the public infrastructure improvements that will serve the project, and approximately \$390,000 per year, at build out, to fund City services. As proposed, the services maximum annual tax rate on each of the detached residential units is \$1,622. Since Mello-Roos bonds are not a direct obligation of the City, and are paid from special taxes levied on each taxable parcel in the district, there is no General Fund impact from the issuance of Mello-Roos bonds.

**BACKGROUND:** The Mello-Roos Community Facilities Act of 1982 provides local government, with the consent from a majority of the property owners, the authority to establish community facilities districts for the purpose of levying special taxes to fund governmental services and to finance various kinds of public infrastructure facilities. Under the Mello-Roos Act, the initial steps for a City to form a community facilities district to finance City services and public improvements are adopting resolutions declaring the City's intention to establish a community facilities district and levy special taxes, and to issue bonds. On January 19, 2016, the City Council adopted Resolution of Formation No. 2016-003, and associated resolutions, establishing Community Facilities District No. 36 (Eucalyptus 190) for the Northpark project. Subsequently, the developer requested the dissolution of Community Facilities District No. 36 in order to combine the units currently in that CFD with an additional 51 detached units from the Countryside project to form a single CFD for both projects. The process of combining the units from the two projects consists of forming a new district and dissolving the existing district. Accordingly, the existing Community Facilities District No. 36 will be dissolved upon the successful formation of Community Facilities District No. 45 (Northpark and Countryside).

In the First Amended and Restated Agreement for the Financing and Construction of Limited Infrastructure Improvements to Serve an Easterly Portion of the New Model Colony ("First Amended and Restated Construction Agreement") between the City and NMC Builders, LLC, the City agreed to cooperate with the members of NMC Builders, LLC in the formation of community facilities districts to assist in the financing of the public improvements included in the agreement. KB Home California LLC and KB HOME Coastal Inc., NMC Builders members, have provided written petitions to the City requesting formation of a community facilities district for the Northpark and Countryside projects in the Ontario Ranch. The Northpark project addresses the development of approximately 36 gross acres located generally west of Park Place Avenue, east of Archibald Avenue, south of Eucalyptus Avenue and north of Parkview Street. The Countryside project addresses the development of approximately 9 gross acres located west of Archibald Avenue, east of Cucamonga Creek Channel, south of Riverside Drive and north of Chino Avenue. At build out, the projects are projected to include 241 detached residential units.

Included, as part of the resolution of intention for the proposed district, is the proposed Rate and Method of Apportionment of Special Tax for City of Ontario Community Facilities District No. 45 (Northpark and Countryside). Under the proposed Rate and Method of Apportionment, **the portion of the maximum annual special tax rates which will be used to fund debt service payments on the bonds is fixed and will not increase over time.** The amount of bonds authorized (\$30 million) under the resolution is set intentionally higher than the current proposed bond amount (approximately \$8 million) in order to allow future City Councils the option, without increasing the amount of the annual special taxes, to issue additional bonds to replace and/or construct new public infrastructure improvements in the future, or to fund City services. The term and structure of the Rate and Method of Apportionment of Special Tax for the Northpark and Countryside projects comply with the City Council's adopted Mello-Roos Local Goals and Policies in all respects, and are consistent with those of the previously adopted Rates and Methods of Apportionment for Ontario Ranch community facilities districts. This will ensure that the special tax rates levied on all residential property owners in



community facilities districts in Ontario Ranch are developed in a consistent and equivalent manner. In addition, under the provisions of the Mello-Roos Act, to ensure that home buyers are making an informed decision, all residential builders in Ontario Ranch community facilities districts will be required to disclose the maximum annual special tax amounts to each homeowner before entering into a sales contract.

City staff members have discussed the proposed Rate and Method of Apportionment of Special Tax with the landowner. As proposed, the resolution of intention to establish the district and to levy special taxes will set the public hearing date on the formation of the community facilities district for the regularly scheduled City Council meeting on Tuesday, June 19, 2018 to consider the matter.

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

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF ONTARIO, CALIFORNIA, OF INTENTION TO ESTABLISH A COMMUNITY FACILITIES DISTRICT, PROPOSED TO BE NAMED CITY OF ONTARIO COMMUNITY FACILITIES DISTRICT NO. 45 (NORTHPARK AND COUNTRYSIDE), AND TO AUTHORIZE THE LEVY OF SPECIAL TAXES.

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

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

WHEREAS, the City Council (the "City Council") of the City of Ontario (the "City") has received written petitions (the "Petitions") from each of KB Home California LLC, a Delaware limited liability company, and KB HOME Coastal Inc., a California corporation (collectively, the "Landowners") requesting the institution of proceedings for the establishment of a community facilities district (the "Community Facilities District"), describing the boundaries of the territory that is proposed for inclusion in the Community Facilities District and specifying the types of facilities and services to be financed by the Community Facilities District; and

WHEREAS, the Landowners have represented and warranted to the City Council that the Landowners are the owners of 100% of the area of land proposed to be included within the Community Facilities District and not proposed to be exempt from the special tax; and

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

WHEREAS, Section 53314.9 of the Act further provides that the legislative body may enter into an agreement, by resolution, with the person or entity advancing the funds, to repay all or a portion of the funds advanced, as determined by the legislative body, with or without interest, under all the following conditions: (a) the proposal to repay the funds is included in both the resolution of intention to establish a community facilities district adopted pursuant to Section 53321 of the Act and in the resolution of formation to establish a community facilities district pursuant to Section 53325.1 of the Act, (b) any proposed special tax is approved by the qualified electors of the community facilities district pursuant to the Act, and (c) any agreement shall specify that if the qualified electors of the community facilities district do not approve the proposed special tax, the local agency shall return any funds which have not been committed for any authorized purpose by the time of the election to the person or entity advancing the funds; and

WHEREAS, the City and KB Home California LLC (“KB Home California”) have entered into a Deposit and Reimbursement Agreement, dated as of May 1, 2018 (the “Deposit Agreement”), relating to the Community Facilities District, that provides for the advancement of funds by KB Home California to be used to pay costs incurred in connection with the establishment of the Community Facilities District and the issuance of special tax bonds thereby, and provides for the reimbursement to KB Home California of such funds advanced, without interest, from the proceeds of any such bonds issued by the Community Facilities District; and

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

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

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

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

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

SECTION 4. The name proposed for the Community Facilities District is “City of Ontario Community Facilities District No. 45 (Northpark and Countryside).”

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

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

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

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

SECTION 9. Pursuant to Section 53344.1 of the Act, the City Council hereby reserves to itself the right and authority to allow any interested owner of property within the Community Facilities District, subject to the provisions of said Section 53344.1 and

to those conditions as it may impose, and any applicable prepayment penalties as prescribed in the bond indenture or comparable instrument or document, to tender to the Community Facilities District treasurer in full payment or part payment of any installment of the special taxes or the interest or penalties thereon which may be due or delinquent, but for which a bill has been received, any bond or other obligation secured thereby, the bond or other obligation to be taken at par and credit to be given for the accrued interest shown thereby computed to the date of tender.

SECTION 10. The City Council hereby fixes Tuesday, June 19, 2018, at 6:30 p.m., or as soon thereafter as the City Council may reach the matter, at 303 East B Street, Ontario, California, as the time and place when and where the City Council will conduct a public hearing on the establishment of the Community Facilities District.

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

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

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

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

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

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

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

PASSED, APPROVED, AND ADOPTED this 15<sup>th</sup> day of May 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 May 15, 2018 by the following roll call vote, to wit:

AYES: COUNCIL MEMBERS:

NOES: COUNCIL MEMBERS:

ABSENT: COUNCIL MEMBERS:

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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 May 15, 2018.

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SHEILA MAUTZ, CITY CLERK

(SEAL)

## EXHIBIT A

### FACILITIES AND INCIDENTAL EXPENSES

#### Facilities

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

#### Facilities to be Purchased

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

#### Services

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

#### Incidental Expenses

The incidental expenses proposed to be incurred include the following:

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



EXHIBIT B

PROPOSED RATE AND METHOD OF APPORTIONMENT OF SPECIAL TAX

## EXHIBIT B

### CITY OF ONTARIO COMMUNITY FACILITIES DISTRICT No. 45 (NORTH PARK AND COUNTRYSIDE)

#### RATE AND METHOD OF APPORTIONMENT OF SPECIAL TAX

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Special Taxes shall be levied on all Assessor's Parcels in the City of Ontario Community Facilities District No. 45 (Northpark and Countryside) ("CFD No. 45") and collected each Fiscal Year, commencing in Fiscal Year 2018-19, in an amount determined by the City Council of the City of Ontario through the application of the Rate and Method of Apportionment, as described below. All of the real property in CFD No. 45, unless exempted by law or by the provisions hereof, shall be taxed for the purposes, to the extent, and in the manner herein provided.

#### A. DEFINITIONS

The terms hereinafter set forth have the following meanings:

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

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

**"Administrative Expenses"** means the following actual or reasonably estimated costs directly related to the administration of CFD No. 45: the costs of computing the Special Taxes and preparing the annual Special Tax collection schedules (whether by the City or CFD No. 45 or both); the costs of collecting the Special Taxes (whether by the County or otherwise); the costs of remitting the Special Taxes to the Trustee; the costs of the Trustee (including its legal counsel) in the discharge of the duties required of it under the Indenture; the costs to the City or CFD No. 45 of complying with arbitrage rebate requirements; the costs to the City or CFD No. 45 of complying with City, CFD No. 45, or obligated persons disclosure requirements associated with applicable federal and state securities laws and of the Act; the costs associated with preparing Special Tax disclosure statements and responding to public inquiries regarding the Special Taxes; the costs of the City or CFD No. 45 related to the analysis and reduction, if any, of the Special Tax A on Single Family Property in accordance with Section C.1 herein; the costs of the City or CFD No. 45 related to an appeal of the Special Tax; the costs associated with the release of funds from any escrow account; the City's administration fees and third party expenses; the costs of City staff time and reasonable overhead relating to CFD No. 45; and amounts estimated or advanced by the City or CFD No. 45 for any other

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

“**Assessor’s Parcel**” means a lot or parcel shown in an Assessor’s Parcel Map with an assigned Assessor’s Parcel Number.

“**Assessor’s Parcel Map**” means an official map of the Assessor of the County designating parcels by Assessor’s Parcel Number.

“**Assessor’s Parcel Number**” means, with respect to an Assessor’s Parcel, that number assigned to such Assessor’s Parcel by the County for purposes of identification.

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

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

“**Bonds**” means any bonds or other debt (as defined in Section 53317(d) of the Act) issued by CFD No. 45 under the Act and payable from Special Tax A.

“**Buildable Lot**” means an individual lot, within a Final Subdivision Map or an area expected by CFD No. 45 to become Final Mapped Property, such as the area within a Tentative Tract Map, for which a building permit may be issued without further subdivision of such lot.

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

“**CFD No. 45**” means City of Ontario Community Facilities District No. 45 (Northpark and Countryside).

“**City**” means the City of Ontario, California.

“**City Council**” means the City Council of the City, acting as the legislative body of CFD No. 45.

“**County**” means the County of San Bernardino.

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

“**Developed Property**” means for each Fiscal Year, all Taxable Property, exclusive of Final Mapped Property, Taxable Property Owner Association Property, and Taxable Public Property, for which a building permit or other applicable permit for new construction was issued after January 1, 2017, and before May 1 of the prior Fiscal Year.

**“Expected Residential Lot Count”** means 241 Buildable Lots of Single Family Property or, as determined by the CFD Administrator, the number of Buildable Lots of Single Family Property based on the most recent Tentative Tract Map(s) or most recently recorded Final Subdivision Map(s) or modified Final Subdivision Map(s).

**“Facilities”** means the public facilities authorized to be financed, in whole or in part, by CFD No. 45.

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

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

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

**“Gated Apartment Community Property”** means, with respect to Special Tax B, Multiple Family Property within a gated community that, within such community, is primarily served by private interior streets.

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

**“Land Use Class”** means any of the classes listed in Table 1 and Table 2 below.

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

**“Maximum Special Tax B”** means, with respect to an Assessor’s Parcel of Taxable Property, the Maximum Special Tax B determined in accordance with Section C.2 below that can be levied in any Fiscal Year on such Assessor’s Parcel of Taxable Property.

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

**“Multiple Family Property”** means, with respect to Special Tax B, all Assessor’s Parcels of Developed Property for which a building permit was issued by the City for any residential building containing two or more Units, including attached condominiums, townhomes, duplexes, triplexes, and apartments, but excluding Gated Apartment Community Property.

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

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

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

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

**“Price Point Consultant”** means any consultant or firm of such consultants selected by CFD No. 45 that (a) has substantial experience in performing price point studies for residential units within community facilities districts established under the Act or otherwise estimating or confirming pricing for residential units in such community facilities districts, (b) has recognized expertise in analyzing economic and real estate data that relates to the pricing of residential units in such community facilities districts, (c) is in fact independent and not under the control of CFD No. 45 or the City, (d) does not have any substantial interest, direct or indirect, with or in (i) CFD No. 45, (ii) the City, (iii) any owner of real property in CFD No. 45, or (iv) any real property in CFD No. 45, and (e) is not connected with CFD No. 45 or the City as an officer or employee thereof, but who may be regularly retained to make reports to CFD No. 45 or the City.

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

**“Property Owner Association Property”** means, for each Fiscal Year, any property within the boundaries of CFD No. 45 that was owned by a property owner association, including any master or sub-association, as of January 1 of the prior Fiscal Year.

**“Proportionately”** means (a) for Developed Property in the first step of Section D.1 below, that the ratio of the actual Special Tax A levy to the Maximum Special Tax A is equal for all Assessor’s Parcels of Developed Property; however, for Developed Property in the fourth step of Section D.1 below, Proportionately means that the amount of the increase above the Assigned Special Tax A, if necessary, is equal for all Assessor’s Parcels of Developed Property, except that if the Backup Special Tax A limits the

increase on any Assessor's Parcel(s), then the amount of the increase shall be equal for the remaining Assessor's Parcels; (b) with respect to Special Tax B, that the ratio of the actual Special Tax B levy to the Maximum Special Tax B is equal for all Assessor's Parcels of Developed Property; (c) for Final Mapped Property, that the ratio of the actual Special Tax A levy to the Maximum Special Tax A is equal for all Assessor's Parcels of Final Mapped Property; (d) for Undeveloped Property, that the ratio of the actual Special Tax A levy to the Maximum Special Tax A is equal for all Assessor's Parcels of Undeveloped Property; (e) for Taxable Property Owner Association Property, that the ratio of the actual Special Tax A levy to the Maximum Special Tax A is equal for all Assessor's Parcels of Taxable Property Owner Association Property; and (f) for Taxable Public Property, that the ratio of the actual Special Tax A levy to the Maximum Special Tax A is equal for all Assessor's Parcels of Taxable Public Property.

**“Public Property”** means, for each Fiscal Year, property within the boundaries of CFD No. 45 that is (a) owned by, irrevocably offered to, or dedicated to the federal government, the State, the County, the City, or any local government or other public agency or (b) encumbered by an easement for purposes of public right-of-way that makes impractical its use for any purpose other than that set forth in such easement; provided that any property leased by a public agency to a private entity and subject to taxation under Section 53340.1 of the Act shall be taxed and classified according to its use.

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

**“Residential Floor Area”** means all of the Square Footage of living area within the perimeter of a Unit, not including any carport, walkway, garage, overhang, patio, enclosed patio, or similar area. The determination of Residential Floor Area shall be as set forth in the building permit(s) issued for such Assessor's Parcel, or as set forth in other official records maintained by the City's Building Department or other appropriate means selected by CFD No. 45. The actual Square Footage shall be rounded up to the next whole square foot. Once such determination has been made for an Assessor's Parcel, it shall remain fixed in all future Fiscal Years unless an appeal pursuant to Section F below is approved that results in a change in the actual Square Footage.

**“Residential Property”** means, for each Fiscal Year, an Assessor's Parcel for which a building permit for new construction of one or more Units was issued after January 1, 2017, and before May 1 of the prior Fiscal Year.

**“Services”** means the services authorized to be financed, in whole or in part, by CFD No. 45.

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

structures that meet the statutory definition of a condominium contained in Civil Code Section 1351.

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

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

**“Special Taxes”** means, collectively, Special Tax A and Special Tax B.

**“Special Tax A”** means the special tax authorized by the qualified electors of CFD No. 45 to be levied within the boundaries of CFD No. 45 to pay for Facilities and Services.

**“Special Tax A Requirement”** means for any Fiscal Year that amount required, after taking into account available amounts held in the funds and accounts established under the Indenture, for CFD No. 45 to: (i) pay debt service on all Outstanding Bonds which is due in the calendar year that commences in such Fiscal Year; (ii) pay periodic costs on the Bonds, including, but not limited to, credit enhancement and rebate payments on the Bonds; (iii) pay a pro rata share of Administrative Expenses; (iv) provide any amounts required to establish or replenish any reserve fund for the Bonds; (v) pay directly for acquisition or construction of Facilities, or the cost of Services, to the extent that the inclusion of such amounts does not increase the Special Tax A levy on Final Mapped Property or Undeveloped Property; and (vi) provide an amount equal to Special Tax A delinquencies based on the historical delinquency rate for Special Tax A as determined by the CFD Administrator.

**“Special Tax B”** means the special tax authorized by the qualified electors of CFD No. 45 to be levied within the boundaries of CFD No. 45 to pay for Services.

**“Special Tax B Requirement”** means for any Fiscal Year that amount required, after taking into account available amounts in any funds and accounts established to pay for Services, to pay the cost of Services, a pro rata share of Administrative Expenses, and an amount equal to Special Tax B delinquencies based on the historical delinquency rate for Special Tax B as determined by the CFD Administrator.

**“Square Footage”** or **“Sq. Ft.”** means the floor area square footage reflected on the original construction building permit, or as set forth in other official records maintained by the City’s Building Department or other appropriate means selected by CFD No. 45, issued for construction of Residential Property or Non-Residential Property, plus any square footage subsequently added to a building of Non-Residential Property after issuance of a building permit for expansion or renovation of such building.

**“State”** means the State of California.

**“Taxable Property”** means, for each Fiscal Year, all of the Assessor’s Parcels within the boundaries of CFD No. 45 that are not exempt from the Special Taxes pursuant to law or Section E below.

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

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

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

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

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

**“TTM 18400”** means Tentative Tract Map No. 18400, the area of which is located within CFD No. 45.

**“TTM 18810”** means Tentative Tract Map No. 18810, the area of which is located within CFD No. 45.

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

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

**B. ASSIGNMENT TO LAND USE CATEGORIES**

Each Fiscal Year, beginning with Fiscal Year 2018-19, all Taxable Property within CFD No. 45 shall be classified as Developed Property, Final Mapped Property, Taxable Public Property, Taxable Property Owner Association Property, or Undeveloped Property and shall be subject to Special Taxes in accordance with the Rate and Method of Apportionment as determined pursuant to Sections C and D below. Assessor’s Parcels of Developed Property shall be further classified as Single Family Property, Other



Residential Property (for Special Tax A), Multiple Family Property or Gated Apartment Community Property (for Special Tax B), or Non-Residential Property. For Special Tax A, Assessor's Parcels of Single Family Property shall be assigned to Land Use Classes 1 through 9, as listed in Table 1 below based on the Residential Floor Area of the Units on such Assessor's Parcels.

**C. MAXIMUM SPECIAL TAX**

**1. Special Tax A**

At least 30 days prior to the issuance of Bonds, the Assigned Special Tax A on Developed Property (set forth in Table 1 below) shall be analyzed in accordance with and subject to the conditions set forth in this Section C. At such time, CFD No. 45 shall select and engage a Price Point Consultant and the CFD Administrator shall request the Price Point Consultant to prepare a Price Point Study setting forth the Minimum Sale Price of Units within each Land Use Class. If based upon such Price Point Study the CFD Administrator calculates that the Total Tax Burden applicable to Units within one or more Land Use Classes of Single Family Property to be constructed within CFD No. 45 exceeds 1.95% of the Minimum Sale Price of such Units, the Assigned Special Tax A shall be reduced to the extent necessary to cause the Total Tax Burden that shall apply to Units within such Land Use Class(es) not to exceed 1.95% of the Minimum Sale Price of such Units.

Each Assigned Special Tax A reduction for a Land Use Class shall be calculated by the CFD Administrator separately, and it shall not be required that such reduction be proportionate among Land Use Classes. In connection with any reduction in the Assigned Special Tax A, the Backup Special Tax A shall also be reduced by the CFD Administrator based on the percentage reduction in Maximum Special Tax A revenues within the Tentative Tract Map area(s) where the Assigned Special Tax A reductions occurred. Upon determining the reductions, if any, in the Assigned Special Tax A and Backup Special Tax A required pursuant to this Section C, the CFD Administrator shall complete the Certificate of Modification of Special Tax substantially in the form attached hereto as Exhibit A (the "Certificate of Modification"), shall execute such completed Certificate of Modification, and shall deliver such executed Certificate of Modification to CFD No. 45. Upon receipt thereof, if in satisfactory form, CFD No. 45 shall execute such Certificate of Modification. The reduced Assigned Special Tax A and Backup Special Tax A specified in such Certificate of Modification shall become effective upon the execution of such Certificate of Modification by CFD No. 45.

The Special Tax A reductions required pursuant to this section shall be reflected in an amended notice of Special Tax lien, which CFD No. 45 shall cause to be recorded with the County Recorder as soon as practicable after execution of the Certificate of Modification by CFD No. 45. The reductions in this section apply to Single Family Property, but not to Other Residential Property or Non-Residential Property.

**a. Developed Property**

1) *Maximum Special Tax A*

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

2) *Assigned Special Tax A*

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

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

<b>Land Use Class</b>	<b>Description</b>	<b>Residential Floor Area (Square Footage)</b>	<b>Assigned Special Tax A</b>
1	Single Family Property	< 1,701	\$2,063 per Unit
2	Single Family Property	1,701 – 1,900	\$2,216 per Unit
3	Single Family Property	1,901 – 2,100	\$2,334 per Unit
4	Single Family Property	2,101 – 2,300	\$2,513 per Unit
5	Single Family Property	2,301 – 2,500	\$2,754 per Unit
6	Single Family Property	2,501 – 2,700	\$2,879 per Unit
7	Single Family Property	2,701 – 2,900	\$2,904 per Unit
8	Single Family Property	2,901 – 3,100	\$3,234 per Unit
9	Single Family Property	> 3,100	\$3,415 per Unit
10	Other Residential Property		\$25,989 per Acre
11	Non-Residential Property		\$25,989 per Acre

3) *Backup Special Tax A*

The Backup Special Tax A shall be \$2,680 per Unit for Single Family Property. However, if the Expected Residential Lot Count does not equal 241 for Single Family Property, and the City has not issued Bonds, then the Backup Special Tax A for Designated Buildable Lots of Single Family Property shall be calculated according to the following formula:

$$\text{Backup Special Tax A} = \$645,807 \div \text{Expected Residential Lot Count for Single Family Property}$$

If any portion of a Final Subdivision Map, or any area expected by CFD No. 45 to become Final Mapped Property, such as the area within TTM 18400, TTM 18810, or any other Tentative Tract Map, changes any time after the City has issued Bonds, causing an adjustment to the number of Designated Buildable Lots, then the Backup Special Tax A for all Designated Buildable Lots of Single Family Property subject to the change shall be calculated according to the following steps:

**Step 1:** Determine the total Backup Special Tax A that could have been collected from Designated Buildable Lots of Single Family Property prior to the Final Subdivision Map or expected Final Mapped Property change.

**Step 2:** Divide the amount determined in Step 1 by the number of Designated Buildable Lots of Single Family Property that exists after the Final Subdivision Map or expected Final Mapped Property change.

**Step 3:** Apply the amount determined in Step 2 as the Backup Special Tax A per Unit for Single Family Property.

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

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

The Maximum Special Tax A for Final Mapped Property, Taxable Public Property, Taxable Property Owner Association Property, and Undeveloped Property shall be \$25,989 per Acre, and shall not be subject to increase or reduction and, therefore, shall remain the same in every Fiscal Year.

**2. Special Tax B**

The Maximum Special Tax B for each Assessor's Parcel classified as Developed Property shall be determined by reference to Table 2 below.

**TABLE 2**  
**MAXIMUM SPECIAL TAX B – DEVELOPED PROPERTY**

Land Use Class	Maximum Special Tax B Fiscal Year 2018-19
<b>Residential Property</b>	
Single Family Property	\$1,622 per Unit
Multiple Family Property	\$1,406 per Unit
Gated Apartment Community Property	\$1,179 per Unit
<b>Non-Residential Property</b>	\$0.30 per Sq. Ft.

On January 1 of each Fiscal Year, commencing January 1, 2019, the Maximum Special Tax B to be applied in the next Fiscal Year shall be subject to an automatic increase at a rate equal to 4.0% of the amount in effect for the prior Fiscal Year.

**3. Multiple Land Use Classes on an Assessor’s Parcel**

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

**D. METHOD OF APPORTIONMENT OF THE SPECIAL TAX**

**1. Special Tax A**

Each Fiscal Year, beginning with Fiscal Year 2018-19, the CFD Administrator shall determine the Special Tax A Requirement for such Fiscal Year. The Special Tax A shall then be levied as follows:

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

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

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

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

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

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

Notwithstanding the above, under no circumstances shall Special Tax A levied in any Fiscal Year on any Assessor's Parcel of Single Family Property or Other Residential Property for which an occupancy permit for private residential use has been issued be increased as a result of delinquency or default by the owner or owners of any other Assessor's Parcel or Assessor's Parcels within CFD No. 45 by more than ten percent above the amount that would have been levied in that Fiscal Year had there never been any such delinquencies or defaults.

## **2. Special Tax B**

Each Fiscal Year, beginning with Fiscal Year 2018-19, the CFD Administrator shall determine the Special Tax B Requirement. The Special Tax B shall then be levied Proportionately on each Assessor's Parcel of Developed Property up to 100% of the applicable Maximum Special Tax B for such Assessor's Parcel, until the Special Tax B Requirement is satisfied.

## **E. EXEMPTIONS**

No Special Tax shall be levied on up to 15.53 Acres of Public Property and up to 2.44 Acres of Property Owner Association Property. Tax-exempt status will be assigned by

the CFD Administrator in the chronological order in which property becomes Public Property or Property Owner Association Property.

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

**F. APPEALS**

Any property owner may file a written appeal of the Special Tax with CFD No. 45 claiming that the amount or application of the Special Tax is not correct. The appeal must be filed not later than one calendar year after having paid the Special Tax that is disputed, and the appellant must be current in all payments of Special Taxes. In addition, during the term of the appeal process, all Special Taxes levied must be paid on or before the payment date established when the levy was made.

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

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

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

**G. MANNER OF COLLECTION**

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

**H. PREPAYMENT OF SPECIAL TAX A**

The following definitions apply to this Section H:

**“CFD Public Facilities”** means \$8,296,000 for each Prepayment Period, or such lower number as determined by the City Council to be sufficient to fund the Facilities and Services to be provided by CFD No. 45.

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

**“Future Facilities Costs”** means the CFD Public Facilities minus (i) Facilities and Services costs previously paid from the Expenditures Fund during the Prepayment Period in which the prepayment is being made, (ii) moneys currently on deposit in the Expenditures Fund from deposits made during the Prepayment Period in which the prepayment is being made, and (iii) moneys currently on deposit in an escrow fund that are expected to be available to finance Facilities costs. In no event shall the amount of Future Facilities Costs be less than zero.

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

**“Prepayment Period 1”** means July 1, 2018, through June 30, 2052.

**“Prepayment Period 2”** means July 1, 2052, through June 30, 2085.

**“Prepayment Period 3”** means July 1, 2085, through June 30, 2119.

*Only Special Tax A may be prepaid; Special Tax B shall continue to be levied on an annual basis on all Developed Property in CFD No. 45.*

## **1. Prepayment in Full**

The obligation of an Assessor's Parcel to pay the Special Tax A may be prepaid as described herein, provided that a prepayment may be made only for Assessor's Parcels for which a building permit for new construction was issued after January 1, 2017, and only if there are no delinquent Special Taxes with respect to such Assessor's Parcel at the time of prepayment. An owner of an Assessor's Parcel intending to prepay the Special Tax A obligation shall provide the CFD Administrator with written notice of intent to prepay. Within 30 days of receipt of such written notice, the CFD Administrator shall notify such owner of the prepayment amount for such Assessor's Parcel. The CFD Administrator may charge a fee for providing this service. Prepayment in any six month period must be made not less than 45 days prior to the next occurring date that notice of redemption of Bonds from the proceeds of such prepayment may be given to the Trustee pursuant to the Indenture.

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

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

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

**Paragraph No.**

1. Confirm that no Special Tax delinquencies apply to such Assessor’s Parcel, and determine the Prepayment Period for the proposed prepayment.
2. Compute the Assigned Special Tax A and Backup Special Tax A for the Assessor’s Parcel to be prepaid based on the Developed Property Special Tax A which is, or could be, charged in the current Fiscal Year. For Assessor’s Parcels of Final Mapped Property (for which a building permit has been issued but which is not yet classified as Developed Property) to be prepaid, compute the Assigned Special Tax A and Backup Special Tax A for that Assessor’s Parcel as though it was already designated as Developed Property, based upon the building permit which has already been issued for that Assessor’s Parcel.
3. (a) Divide the Assigned Special Tax A computed pursuant to Paragraph 2 by the total estimated Assigned Special Tax A for CFD No. 45 based on the Developed Property Special Tax A which could be charged in the current Fiscal Year on all expected development through buildout of CFD No. 45, excluding any Assessor’s Parcels which have been prepaid, and  
  
(b) Divide the Backup Special Tax A computed pursuant to Paragraph 2 by the estimated total Backup Special Tax A at buildout of CFD No. 45, excluding any Assessor’s Parcels which have been prepaid.
4. Multiply the larger quotient computed pursuant to Paragraph 3(a) or 3(b) by the Outstanding Bonds to compute the amount of Outstanding Bonds to be retired and prepaid (the “Bond Redemption Amount”).
5. Multiply the Bond Redemption Amount computed pursuant to Paragraph 4 by the applicable redemption premium (e.g., the redemption price minus 100%), if any, on the Outstanding Bonds to be redeemed (the “Redemption Premium”).
6. Compute the Future Facilities Costs for the applicable Prepayment Period.
7. Multiply the larger quotient computed pursuant to Paragraph 3(a) or 3(b) by the amount determined pursuant to Paragraph 6 to compute the amount of Future Facilities Costs to be prepaid (the “Future Facilities Amount”).



8. Compute the amount needed to pay interest on the Bond Redemption Amount from the first bond interest and/or principal payment date following the current Fiscal Year until the earliest redemption date for the Outstanding Bonds.
9. Determine the Special Tax A levied on the Assessor's Parcel in the current Fiscal Year which has not yet been paid.
10. Add the amounts computed pursuant to Paragraphs 8 and 9 to determine the "Defeasance Amount".
11. Verify the administrative fees and expenses of CFD No. 45, including the costs to compute the prepayment, the costs to invest the prepayment proceeds, the costs to redeem Bonds, and the costs to record any notices to evidence the prepayment and the redemption (the "Administrative Fees and Expenses").
12. If reserve funds for the Outstanding Bonds, if any, are at or above 100% of the reserve requirement (as defined in the Indenture) on the prepayment date, a reserve fund credit shall be calculated as a reduction in the applicable reserve fund for the Outstanding Bonds to be redeemed pursuant to the prepayment (the "Reserve Fund Credit"). No Reserve Fund Credit shall be granted if reserve funds are below 100% of the reserve requirement on the prepayment date or the redemption date.
13. The Special Tax A prepayment is equal to the sum of the amounts computed pursuant to Paragraphs 4, 5, 7, 10, and 11, less the amount computed pursuant to Paragraph 12 (the "Prepayment Amount").
14. From the Prepayment Amount, the amounts computed pursuant to Paragraphs 4, 5, 10, and 12 shall be deposited into the appropriate fund as established under the Indenture and be used to retire Outstanding Bonds or make debt service payments. The amount computed pursuant to Paragraph 7 shall be deposited into the Expenditures Fund. The amount computed pursuant to Paragraph 11 shall be retained by CFD No. 45.

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

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

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

Notwithstanding the foregoing, no Special Tax A prepayment shall be allowed unless the amount of Maximum Special Tax A that may be levied on Taxable Property within CFD No. 45 (after excluding 15.53 Acres of Public Property and 2.44 acres of Property Owner Association Property) both prior to and after the proposed prepayment is at least 1.1 times the maximum annual debt service on all Outstanding Bonds.

## **2. Prepayment in Part**

The Special Tax A on an Assessor's Parcel for which a building permit for new construction was issued after January 1, 2017, may be partially prepaid. The amount of the prepayment shall be calculated as in Section H.1, except that a partial prepayment shall be calculated by the CFD Administrator according to the following formula:

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

The terms above have the following meaning:

PP = the partial prepayment

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

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

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

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

The owner of any Assessor's Parcel who desires such prepayment shall notify the CFD Administrator of such owner's intent to partially prepay Special Tax A and the percentage by which Special Tax A shall be prepaid. The CFD Administrator shall provide the owner with a statement of the amount required for the partial prepayment of Special Tax A for an Assessor's Parcel within thirty (30) days of the request and may charge a fee for providing this service. With respect to any Assessor's Parcel that is partially prepaid, the CFD Administrator shall (i) distribute the remitted prepayment funds according to Section H.1, and (ii) indicate in the records of CFD No. 45 that there has been a partial prepayment of Special Tax A and that a portion of Special Tax A with

respect to such Assessor's Parcel, equal to the outstanding percentage (100% - "%", as defined above) of the Maximum Special Tax A, shall continue to be levied on such Assessor's Parcel pursuant to Section D during the Prepayment Period in which the partial prepayment is made.

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

**I. TERM OF SPECIAL TAX**

The Fiscal Year after which no further Special Tax A shall be levied or collected is Fiscal Year 2118-2119, except that Special Tax A that was lawfully levied in or before such Fiscal Year and that remains delinquent may be collected in subsequent years. Special Tax B shall continue to be levied indefinitely on an annual basis on all Developed Property in CFD No. 45.

## EXHIBIT A

### CERTIFICATE OF MODIFICATION OF SPECIAL TAX A (PAGE 1 OF 2)

#### CITY OF ONTARIO AND CFD No. 45 CERTIFICATE

1. Pursuant to Section C.1 of the Rate and Method of Apportionment of Special Tax (the “Rate and Method”) for City of Ontario Community Facilities District No. 45 (Northpark and Countryside) (“CFD No. 45”), the Assigned Special Tax A and the Backup Special Tax A for Developed Property within CFD No. 45 has been modified.
  - a. The information in Table 1 relating to Assigned Special Tax A for Developed Property within CFD No. 45, as stated in Section C.1.a.2 of the Rate and Method of Apportionment, has been modified as follows:

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

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

**EXHIBIT A**

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

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

The Backup Special Tax A shall be \$[\_\_\_\_\_] per Unit for Single Family Property. However, if the Expected Residential Lot Count does not equal 241 for Single Family Property, and the City has not issued Bonds, then the Backup Special Tax A for Designated Buildable Lots of Single Family Property shall be calculated according to the following formula:

$$\text{Backup Special Tax A} = \$[\text{_____}] \div \text{Expected Residential Lot Count for Single Family Property}$$

2. The Special Tax A for Developed Property may only be modified prior to the first issuance of CFD No. 45 Bonds.
3. Upon execution of this certificate by CFD No. 45, CFD No. 45 shall cause an amended notice of Special Tax lien for CFD No. 45 to be recorded reflecting the modifications set forth herein.

Capitalized undefined terms used herein have the meanings ascribed thereto in the Rate and Method. The modifications set forth in this Certificate have been calculated by the CFD Administrator in accordance with the Rate and Method.

GOODWIN CONSULTING GROUP, INC.  
CFD ADMINISTRATOR

By: \_\_\_\_\_ Date: \_\_\_\_\_

The undersigned acknowledges receipt of this Certificate and of the modification of the Assigned Special Tax A and the Backup Special Tax A for Developed Property as set forth in this Certificate.

CITY OF ONTARIO  
COMMUNITY FACILITIES DISTRICT NO. 45  
(NORTH PARK AND COUNTRYSIDE)

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

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF ONTARIO, CALIFORNIA, TO INCUR BONDED INDEBTEDNESS OF THE PROPOSED CITY OF ONTARIO COMMUNITY FACILITIES DISTRICT NO. 45 (NORTHPARK AND COUNTRYSIDE).

WHEREAS, the City Council (the "City Council") of the City of Ontario (the "City"), pursuant to the Mello-Roos Community Facilities Act of 1982 (the "Act"), has this date adopted its Resolution entitled "A Resolution of the City Council of the City of Ontario, California, of Intention to Establish a Community Facilities District, Proposed to be Named City of Ontario Community Facilities District No. 45 (Northpark and Countryside), and to Authorize the Levy of Special Taxes," stating its intention to establish City of Ontario Community Facilities District No. 45 (Northpark and Countryside) (the "Community Facilities District") for the purpose of financing certain public facilities (the "Facilities") and services, as further provided in said Resolution; and

WHEREAS, in order to finance the Facilities it is necessary to incur bonded indebtedness in the amount of up to \$30,000,000;

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

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

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

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

SECTION 4. The maximum amount of the proposed debt is \$30,000,000.

SECTION 5. The City Council hereby fixes Tuesday, June 19, 2018, at 6:30 p.m., or as soon thereafter as the City Council may reach the matter, at 303 East B Street, Ontario, California, as the time and place when and where the City Council will conduct a public hearing on the proposed debt authorization.

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

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

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

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

PASSED, APPROVED, AND ADOPTED this 15<sup>th</sup> day of May 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 May 15, 2018 by the following roll call vote, to wit:

AYES: COUNCIL MEMBERS:

NOES: COUNCIL MEMBERS:

ABSENT: COUNCIL MEMBERS:

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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 May 15, 2018.

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SHEILA MAUTZ, CITY CLERK

(SEAL)



# CITY OF ONTARIO

Agenda Report  
May 15, 2018

SECTION:  
CONSENT CALENDAR

**SUBJECT: ACCEPT A WRITTEN PETITION TO CREATE A COMMUNITY FACILITIES DISTRICT; ADOPT A RESOLUTION OF INTENTION TO ESTABLISH CITY OF ONTARIO COMMUNITY FACILITIES DISTRICT NO. 47 (COLONY COMMERCE CENTER WEST I SERVICES); AND TO AUTHORIZE THE ASSOCIATED LEVY OF SPECIAL TAXES**

**RECOMMENDATION:** That the City Council:

- (A) Accept a written petition (on file with the Records Management Department) from CLDFI Remington, LLC (the "Landowner"), to create a community facilities district ("CFD"), and to waive certain procedural matters, under the Mello-Roos Community Facilities Act of 1982; and
- (B) Adopt a Resolution of Intention to establish City of Ontario Community Facilities District No. 47 (Colony Commerce Center West I Services), authorize the associated levy of special taxes therein; and set a public hearing for the formation of the CFD as part of the regularly scheduled City Council meeting on Tuesday, June 19, 2018.

**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:** In accordance with the City Council's long standing direction that development of Ontario Ranch generate sufficient revenues to fund its required City services without reliance on the financial resources of the existing City. The use of Mello-Roos financing in the Colony Commerce Center West I project is projected to generate approximately \$385,000 per year, at build out, to fund City services. As proposed, the maximum annual special tax rate is \$.30 per square foot for the project's anticipated 1,289,292 square feet, at build out. The use of Mello-Roos financing is critical in achieving the City Council's goal of **"Ensure the Development of a Well Planned, Balanced, and**

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

Prepared by: Bob Chandler  
Department: Management Services Director

City Manager  
Approval: 

Submitted to Council/O.H.A. 05/15/2018  
Approved: \_\_\_\_\_  
Continued to: \_\_\_\_\_  
Denied: \_\_\_\_\_

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**Self-Sustaining Community in the Ontario Ranch.**” The use of Mello-Roos financing for the Colony Commerce Center West I development will not generate funds for facilities, and bonds will not be issued as part of this formation. The CFD is being formed pursuant to the provisions of the Landowner’s Development Agreement and the First Amended and Restated Construction Agreement between the City and NMC Builders.

**BACKGROUND:** The Mello-Roos Community Facilities Act of 1982 provides local government, with the consent from a majority of the property owners, the authority to establish community facilities districts for the purpose of levying special taxes to finance various kinds of public infrastructure facilities and government services. Government services that may be included in a community facilities district include police protection services, fire protection and suppression services, ambulance and paramedic services, maintenance and lighting of parks, parkways, streets, roads, open space and flood and storm drain protection services, and maintenance and operation of any real property or tangible property with an estimated useful life of five or more years that is owned by the governmental entity.

CLDFI Remington, LLC, a member of NMC Builders, has provided a written petition to the City requesting formation of a CFD, along with a deposit pursuant to a deposit agreement, dated May 1, 2018, to fund City services for the Colony Commerce Center West I project. Colony Commerce Center West I will be the first non-residential project in Ontario Ranch, and addresses the development of approximately 66 gross acres located north of Remington Avenue, generally south of Merrill Avenue, east of Carpenter Avenue and west of Cucamonga Channel.

Under the Mello-Roos Act, the initial steps in the formation of a CFD normally involve resolutions declaring the City’s intention to establish a community facilities district, levy special taxes, and issue bonds. As noted, the issuance of bonds is not being contemplated for this project at this time, so there is no resolution to issue bonds associated with this action. As proposed, the resolution of intention to establish the district and to levy special taxes will set the public hearing date on the formation of the CFD for the regularly scheduled City Council meeting on Tuesday, June 19, 2018 to consider formation matters.

Included, as part of the resolution of intention, is the proposed Rate and Method of Apportionment of Special Tax for City of Ontario Community Facilities District No. 47 (Colony Commerce Center West I Services). The terms of the Rate and Method of Apportionment of Special Tax are consistent with the City Council’s adopted Mello-Roos local goals and policies, and City staff have presented and discussed the proposed Rate and Method of Apportionment of Special Tax with the landowner.

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

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF ONTARIO, CALIFORNIA, OF INTENTION TO ESTABLISH A COMMUNITY FACILITIES DISTRICT PROPOSED TO BE NAMED CITY OF ONTARIO COMMUNITY FACILITIES DISTRICT NO. 47 (COLONY COMMERCE CENTER WEST I SERVICES) AND TO AUTHORIZE THE LEVY OF SPECIAL TAXES.

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

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

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

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

WHEREAS, the Landowner has previously submitted to the City the fee required by the City to be used to compensate the City Council and the City for all costs incurred in conducting proceedings to create the Community Facilities District, which the City Council has determined to be sufficient for such purpose.

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

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

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

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

SECTION 4. The name proposed for the Community Facilities District is "City of Ontario Community Facilities District No. 47 (Colony Commerce Center West I Services)."

SECTION 5. The services (the "Services") proposed to be financed by the Community Facilities District pursuant to the Act are described under the caption "Services" on Exhibit A hereto. The incidental expenses proposed to be incurred are identified under the caption "Incidental Expenses" on Exhibit A hereto. No facilities are proposed to be financed by the Community Facilities District.

SECTION 6. Except where funds are otherwise available, a special tax sufficient to pay for all Services, secured by recordation of a continuing lien against all nonexempt real property in the Community Facilities District, will be annually levied within the Community Facilities District. The rate and method of apportionment of the special tax (the "Rate and Method"), in sufficient detail to allow each landowner within the proposed Community Facilities District to estimate the maximum amount that he or she will have to pay, is described in Exhibit B attached hereto, which is by this reference incorporated herein. The obligation to pay the special tax may not be prepaid and permanently satisfied. The special tax will be collected in the same manner as ordinary *ad valorem* property taxes or in such other manner as the City Council shall determine, including direct billing of the affected property owners.

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

SECTION 7. The City Council hereby fixes Tuesday, June 19, 2018, at 6:30 p.m., or as soon thereafter as the City Council may reach the matter, at 303 East B Street, Ontario, California, as the time and place when and where the City Council will conduct a public hearing on the establishment of the Community Facilities District.

SECTION 8. The City Clerk is hereby directed to publish, or cause to be published, a notice of said public hearing one time in a newspaper of general circulation published in the area of the proposed Community Facilities District. The publication of said notice shall be completed at least seven days prior to the date herein fixed for said hearing. Said notice shall contain the information prescribed by Section 53322 of the Act.

SECTION 9. The levy of said proposed special tax shall be subject to the approval of the qualified electors of the Community Facilities District at a special election. The proposed voting procedure shall be by mailed or hand-delivered ballot among the landowners in the Community Facilities District, with each owner having one vote for each acre or portion of an acre such owner owns in the Community Facilities District.

SECTION 10. Each officer of the City who is or will be responsible for providing one or more of the proposed types of Services is hereby directed to study, or cause to be studied, the proposed Community Facilities District and, at or before said public hearing, file a report with the City Council containing a brief description of the Services by type which will in his or her opinion be required to adequately meet the needs of the Community Facilities District, and his or her estimate of the cost of providing the Services. Such officers are hereby also directed to estimate the fair and reasonable cost of the incidental expenses proposed to be paid. Such report shall be made a part of the record of said public hearing.

SECTION 11. The officers, employees and agents of the City are hereby authorized and directed to take all actions and do all things which they, or any of them, may deem necessary or desirable to accomplish the purposes of this Resolution and not inconsistent with the provisions hereof.

SECTION 12. This Resolution shall take effect immediately upon its adoption.

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

PASSED, APPROVED, AND ADOPTED this 15<sup>th</sup> day of May 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 May 15, 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 May 15, 2018.

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

(SEAL)

## EXHIBIT A

### SERVICES AND INCIDENTAL EXPENSES

#### Services

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

#### Incidental Expenses

The incidental expenses proposed to be incurred include the costs associated with the creation of the Community Facilities District, determination of the amount of taxes, collection of taxes, payment of taxes, or costs otherwise incurred in order to carry out the authorized purposes of the Community Facilities District.



EXHIBIT B

PROPOSED RATE AND METHOD OF APPORTIONMENT OF SPECIAL TAX

**CITY OF ONTARIO  
COMMUNITY FACILITIES DISTRICT No. 47  
(COLONY COMMERCE CENTER WEST I SERVICES)**

**RATE AND METHOD OF APPORTIONMENT OF SPECIAL TAX**

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A Special Tax shall be levied on all Assessor's Parcels in the City of Ontario Community Facilities District No. 47 (Colony Commerce Center West I Services) ("CFD No. 47") and collected each Fiscal Year commencing in Fiscal Year 2018-19, in an amount determined by the City Council of the City of Ontario through the application of the Rate and Method of Apportionment, as described below. All of the real property in CFD No. 47, unless exempted by law or by the provisions hereof, shall be taxed for the purposes, to the extent, and in the manner herein provided.

**A. DEFINITIONS**

The terms as may hereinafter be set forth have the following meanings:

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

**"Administrative Expenses"** means the following actual or reasonably estimated costs directly related to the administration of CFD No. 47: the costs of computing the Special Taxes and preparing the annual Special Tax collection schedules (whether by the City or CFD No. 47 or both); the costs of collecting the Special Taxes (whether by the County or otherwise); the costs associated with preparing Special Tax disclosure statements and responding to public inquiries regarding the Special Taxes; the costs of the City or CFD No. 47 related to an appeal of the Special Tax; the City's administration fees and third party expenses; the costs of City staff time and reasonable overhead related to CFD No. 47; and amounts estimated or advanced by the City or CFD No. 47 for any other administrative purposes of CFD No. 47, including attorney's fees and other costs related to commencing and pursuing to completion any foreclosure of delinquent Special Taxes.

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

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

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

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

“**CFD No. 47**” means City of Ontario Community Facilities District No. 47 (Colony Commerce Center West I Services).

“**City**” means the City of Ontario, California.

“**City Council**” means the City Council of the City, acting as the legislative body of CFD No. 47.

“**County**” means the County of San Bernardino.

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

“**Gated Apartment Community Dwelling Unit**” means a Multiple Family Dwelling Unit within a gated community that, within such community, is primarily served by private interior streets.

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

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

“**Multiple Family Dwelling Unit**” means a Unit within any residential building containing two or more dwelling units, including attached condominiums, townhomes, duplexes, triplexes, and apartments, but excluding Gated Apartment Community Dwelling Units.

“**Non-Residential**” means any buildings that are for commercial lodging use, commercial retail use, institutional use (e.g., churches, private schools), commercial restaurant use, office use, or industrial use.

“**Non-Residential Property**” means, for each Fiscal Year, an Assessor’s Parcel for which a building permit for new construction was issued after January 1, 2018, and before May 1 of the prior Fiscal Year, for a Non-Residential use.

“**Property Owner Association Property**” means, for each Fiscal Year, property within the boundaries of CFD No. 47 that was owned by a property owner association, including any master or sub-association, as of January 1 of the prior Fiscal Year.

“**Proportionately**” means that the ratio of the actual Special Tax levy to the Maximum Special Tax is equal for all Assessor's Parcels of Taxable Property.

“**Public Property**” means, for each Fiscal Year, property within the boundaries of CFD No. 47 that is (a) owned by, irrevocably offered to, or dedicated to the federal government, the State, the County, the City, or any local government or other public agency or (b) encumbered by an easement for purposes of public right-of-way that makes impractical its use for any purpose other than that set forth in such easement, provided that any property

leased by a public agency to a private entity and subject to taxation under Section 53340.1 of the Act shall be taxed and classified according to its use.

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

**“Residential Property”** means, for each Fiscal Year, an Assessor’s Parcel for which a building permit for new construction of one or more Units was issued after January 1, 2018, and before May 1 of the prior Fiscal Year.

**“Services”** means the services authorized to be financed, in whole or in part, by CFD No. 47, including: police protection services; fire protection and suppression services; ambulance and paramedic services; maintenance and lighting of parks, parkways, streets, roads, and open space; flood and storm protection services; and maintenance and operation of any real property or other tangible property with an estimated useful life of five or more years that is owned by the City.

**“Special Tax”** means the special tax authorized by the qualified electors of CFD No. 47 to be levied within the boundaries of CFD No. 47.

**“Special Tax Requirement”** means the amount necessary in any Fiscal Year to pay the cost of the Services, Administrative Expenses, and an amount equal to Special Tax delinquencies based on the historical delinquency rate for Special Taxes, as determined by the CFD Administrator.

**“Single Family Detached Dwelling Unit”** means any residential building containing only one Unit on one legal lot, including single family residences and single family detached residential condominium units.

**“Square Footage”** or **“Sq. Ft.”** means, with respect to a building of Non-Residential Property, the gross floor area square footage reflected on the original construction building permit, or as set forth in other official records maintained by the City’s Building Department or other appropriate means selected by CFD No. 47, for such building, plus any square footage subsequently added to a building of Non-Residential Property after issuance of a building permit for expansion or renovation of such building.

**“State”** means the State of California.

**“Taxable Property”** means, for each Fiscal Year, all Assessor’s Parcels of Residential Property and Non-Residential Property within the boundaries of CFD No. 47 which are not exempt from the Special Tax pursuant to law or Section E below.

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

**B. ASSIGNMENT TO LAND USE CATEGORIES**

Each Fiscal Year, beginning with Fiscal Year 2018-19, all Taxable Property within CFD No. 47 shall be classified as Residential Property (Single Family Detached Dwelling Unit, Multiple Family Dwelling Unit, or Gated Apartment Community Dwelling Unit) or Non-Residential Property and shall be subject to Special Taxes in accordance with the Rate and Method of Apportionment as determined pursuant to Sections C and D below.

**C. MAXIMUM SPECIAL TAX**

The Maximum Special Tax for each Assessor’s Parcel classified as Taxable Property shall be determined by reference to Table 1 below.

**TABLE 1  
MAXIMUM SPECIAL TAX**

<b>Land Use Class</b>	<b>Maximum Special Tax Fiscal Year 2018-19</b>
<b>Residential Property:</b>	
Single Family Detached Dwelling Unit	\$1,622 per Unit
Multiple Family Dwelling Unit	\$1,406 per Unit
Gated Apartment Community Dwelling Unit	\$1,179 per Unit
<b>Non-Residential Property</b>	\$0.30 per Sq. Ft.

On January 1 of each Fiscal Year, commencing January 1, 2019, the Maximum Special Tax to be applied in the next Fiscal Year shall be subject to an automatic increase at a rate equal to 4.0% of the amount in effect for the prior Fiscal Year.

In some instances an Assessor’s Parcel of Taxable Property may contain more than one Land Use Class. The Maximum Special Tax levied on such Assessor’s Parcel shall be the sum of the Maximum Special Tax for all Units of Residential Property and Square Footage of Non-Residential Property (based on the applicable building permits, final subdivision map, parcel map, condominium plan, or other recorded County map) located on that Assessor’s Parcel.

**D. METHOD OF APPORTIONMENT OF THE SPECIAL TAX**

Each Fiscal Year, beginning with Fiscal Year 2018-19, the CFD Administrator shall determine the Special Tax Requirement. The Special Tax shall then be levied Proportionately on each Assessor’s Parcel of Taxable Property up to 100% of the applicable Maximum Special Tax for such Assessor’s Parcel, until the Special Tax Requirement is satisfied. However, the Special Tax levied in any Fiscal Year shall not increase by more than 4.0% of the amount of the Special Tax levied in the prior Fiscal Year.

**E. EXEMPTIONS**

Notwithstanding anything in this Rate and Method of Apportionment to the contrary, no Special Tax shall be levied on Public Property or Property Owner Association Property.

**F. APPEALS**

Any property owner may file a written appeal of the Special Tax with CFD No. 47 claiming that the amount or application of the Special Tax is not correct. The appeal must be filed not later than one calendar year after having paid the Special Tax that is disputed, and the appellant must be current in all payments of Special Taxes. In addition, during the term of the appeal process, all Special Taxes levied must be paid on or before the payment date established when the levy was made.

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

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

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

**G. MANNER OF COLLECTION**

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

**H. TERM OF SPECIAL TAX**

The Special Tax shall continue to be levied indefinitely on an annual basis on all Taxable Property in CFD No. 47.

# CITY OF ONTARIO

Agenda Report  
May 15, 2018

SECTION:  
CONSENT CALENDAR

**SUBJECT: FINAL WRITTEN REPORT ISSUED TEN DAYS PRIOR TO THE EXPIRATION OF INTERIM URGENCY ORDINANCE NO. 3056, A MORATORIUM ON THE ISSUANCE OF NEW BUSINESS LICENSES OR NEW ENTITLEMENTS FOR COMPOSTING (GREEN WASTE AND MANURE) FACILITIES, DESCRIBING THE MEASURES TAKEN TO ALLEVIATE THE CONDITIONS WHICH LED TO THE ADOPTION OF THE MORATORIUM IN COMPLIANCE WITH GOVERNMENT CODE SECTION 65858 (d)**

**RECOMMENDATION:** That the City Council receive and file the attached Final 10-Day Report for Interim Urgency Ordinance No. 3056.

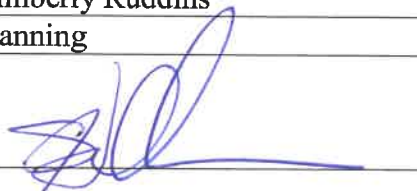
**COUNCIL GOALS:** Maintain the Current High Level of Public Safety  
Operate in a Businesslike Manner  
Ensure the Development of a Well Planned, Balanced, and Self-Sustaining Community in Ontario Ranch

**FISCAL IMPACT:** None.

**BACKGROUND:** In December 2015, the City Council adopted amendments to the City of Ontario Development Code incorporating composting entitlement regulatory and zoning standards, requiring approval of a Conditional Use Permit, as well as compliance with certain land use standards applicable to composting and anaerobic digestion facilities as a primary or ancillary use of property (Development Code Section 5.03.415), as follows:

- 1) A Manure Only Composting Facility shall not be located within 0.25 mile, as measured in a straight line from any point along the outer boundaries of the property or lease space containing the use, to any residentially zoned property or sensitive land use, including hospitals and other healthcare facilities; senior citizen care facilities; preschools; daycare facilities; public or private elementary, middle (junior high) or high schools; public parks; recreation centers; sports parks; or any similar facility where minors (persons under 18 years of age) regularly congregate.

**STAFF MEMBER PRESENTING:** Cathy Wahlstrom, Assistant Planning Director

Prepared by: Kimberly Ruddins  
Department: Planning  
City Manager Approval: 

Submitted to Council/O.H.A. 05/15/2018  
Approved: \_\_\_\_\_  
Continued to: \_\_\_\_\_  
Denied: \_\_\_\_\_

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- 2) A Green Waste or combination Green Waste and Manure Composting Facility shall not be located within 0.50 mile, as measured in a straight line from any point along the outer boundaries of the property or lease space containing the use, to any residentially zoned property or sensitive land use, including hospitals and other healthcare facilities; senior citizen care facilities; preschools; daycare facilities; public or private elementary, middle (junior high) or high schools; public parks; recreation centers; sports parks; or any similar facility where minors (persons under 18 years of age) regularly congregate.
- 3) A 100-foot setback shall be maintained between a project's perimeter property line and any material being composted or anaerobic digester on the project site.
- 4) A Conditional Use Permit application for a Composting or Anaerobic Digestion Facility shall be submitted with a traffic study, which analyzes the impacts of project generated truck traffic on traffic from residential development in the area and the surrounding roadway system, and recommends measures to mitigate identified impacts to a level of non-significance and appropriate routes to freeways.
- 5) The following shall be considered for inclusion as conditions of approval, as appropriate, for any Composting or Anaerobic Digestion Facility requiring Conditional Use Permit approval:
  - a) Maintain good air flow through the compost material;
  - b) Turn compost based on temperature, not a schedule;
  - c) Restrict material movement to times when the potential for winds are low and general population is least (i.e., when people are indoors or away from their homes, and not on weekends);
  - d) Minimize disturbance of dusty areas by equipment;
  - e) Minimize dust by adding moisture to material when moving or turning, and regularly water dirt roadways, dry material and unused areas;
  - f) Berms (defined as earthen mounds constructed along the perimeter of a composting site to minimize sight into the property and reduce debris from blowing off-site) shall be maximum 15 FT in height, and in no case higher than the allowed material rows;
  - g) Berms shall be set back minimum 10 feet behind a street property line and minimum 5 feet from all other property lines, or one-half the height of the berm, whichever is greater;
  - h) Berms shall be comprised primarily of soil, and shall have a slope not to exceed a 2:1 ratio (horizontal to vertical). Berms can be as steep as 1.5:1, if properly evaluated, with appropriate calculations, by the City Engineer; and
  - i) The surface of the outside portions of the slopes (facing a public street) should have properly installed and maintained landscaping or hydro seeding with jute matting to prevent erosion or sloughing.

Additionally, community gardens and urban farms are allowed to incorporate ancillary composting activities (Development Code Section 5.03.410.E.2.c), subject to the approval of an Administrative Use Permit, as a method for providing sustainable fertilization. The Development Code recognizes that compost generated solely from on-site refuse may not provide enough fertilizer to fulfill the needs of a community garden or urban farm. Therefore, community gardens and urban farms are allowed to accept green waste from outside sources, for composting. The collection of manure from off-site sources is expressly prohibited.



Subsequent to the approval of the Development Code Amendment, the City Council requested that additional analysis be performed to ensure, to a high level of certainty, the newly adopted regulations related to composting adequately addressed potential impacts. Pursuant to Government Code Section 65858, City Council adopted Ordinance No. 3053 on June 7, 2016, imposing a 45-day moratorium on the establishment of new composting facilities. The moratorium was set to expire on July 22, 2016 and on July 19, 2016, the City Council adopted Ordinance No. 3056, extending the urgency ordinance moratorium for a period of 22 months and 15 days to allow staff additional time to analyze the adequacy of the code.

City staff has analyzed the composting entitlement regulatory and zoning standards within Development Code Sections 5.03.410.E.2.c and 5.03.415. While these standards address some of the technical requirements of composting operations, there remains environmental concerns relative to potential noise impacts from grinding of green waste, potential impacts to ground water resulting from infiltration of water from composting operations, and potential air quality impacts associated with the composting of organic material and grinding of green waste. Staff is continuing to analyze the impacts and will report back to the City Council at a future date. The attached report describes this analysis and is required to be filed by the City Council 10 days prior to the expiration of the moratorium (Government Code Section 65858 (d)).

**FINAL 10-DAY REPORT ON THE CITY OF ONTARIO  
INTERIM URGENCY ORDINANCE PROHIBITING THE  
ESTABLISHMENT OF COMPOSTING FACILITIES (GREEN  
WASTE AND MANURE) AS REQUIRED BY GOVERNMENT  
CODE SECTION 65858 (d)**

BACKGROUND

On June 7, 2016, pursuant to Government Code Section 65858, the City of Ontario City Council adopted Ordinance No. 3053, an urgency moratorium imposing a 45-day moratorium ordinance. The moratorium was to provide City staff time to analyze potential effects of composting facilities and research, study, and consider revisions to the City' Development Code to reduce potential impacts occurring from compost facilities. Subsequently, the City Council adopted Ordinance No. 5956 on July 19, 2016, extending the moratorium for a period of 22 months and 15 days. Under *Government Code* Section 65858(d), at least 10 days prior to the expiration of an urgency ordinance, the City is required to issue a written report describing the measures taken to alleviate the conditions which led to the adoption of the moratorium.

MEASURES TAKEN TO ALLEVIATE THE CONDITIONS THAT LED TO THE ADOPTION OF THE URGENCY ORDINANCE

- A. In December 2015, the City Council adopted a comprehensive update to the City of Ontario Development Code, incorporating composting entitlement regulatory and zoning standards, requiring approval of a Conditional Use Permit, as well as compliance with certain land use standards applicable to composting and anaerobic digestion facilities as a primary or ancillary use of property (Development Code Section 5.03.415), as follows:
1. A Manure Only Composting Facility shall not be located within 0.25 mile, as measured in a straight line from any point along the outer boundaries of the property or lease space containing the use, to any residentially zoned property or sensitive land use, including hospitals and other healthcare facilities; senior citizen care facilities; preschools; daycare facilities; public or private elementary, middle (junior high) or high schools; public parks; recreation centers; sports parks; or any similar facility where minors (persons under 18 years of age) regularly congregate.
  2. A Green Waste or combination Green Waste and Manure Composting Facility shall not be located within 0.50 mile, as measured in a straight line from any point along the outer boundaries of the property or lease space containing the use, to any residentially zoned property or sensitive land use, including hospitals and other healthcare facilities; senior citizen care facilities; preschools; daycare facilities; public or private elementary, middle (junior high) or high schools; public parks; recreation centers; sports parks; or any similar facility where minors (persons under 18 years of age) regularly congregate.

3. A 100-foot setback shall be maintained between a project's perimeter property line and any material being composted or anaerobic digester on the project site.
4. A Conditional Use Permit application for a Composting or Anaerobic Digestion Facility shall be submitted with a traffic study, which analyzes the impacts of project generated truck traffic on traffic from residential development in the area and the surrounding roadway system, and recommends measures to mitigate identified impacts to a level of non-significance and appropriate routes to freeways.
5. The following shall be considered for inclusion as conditions of approval, as appropriate, for any Composting or Anaerobic Digestion Facility requiring Conditional Use Permit approval:
  - a. Maintain good air flow through the compost material;
  - b. Turn compost based on temperature, not a schedule;
  - c. Restrict material movement to times when the potential for winds are low and general population is least (i.e., when people are indoors or away from their homes, and not on weekends);
  - d. Minimize disturbance of dusty areas by equipment;
  - e. Minimize dust by adding moisture to material when moving or turning, and regularly water dirt roadways, dry material and unused areas;
  - f. Berms (defined as earthen mounds constructed along the perimeter of a composting site to minimize sight into the property and reduce debris from blowing off-site) shall be maximum 15 FT in height, and in no case higher than the allowed material rows;
  - g. Berms shall be set back minimum 10 feet behind a street property line and minimum 5 feet from all other property lines, or one-half the height of the berm, whichever is greater;
  - h. Berms shall be comprised primarily of soil, and shall have a slope not to exceed a 2:1 ratio (horizontal to vertical). Berms can be as steep as 1.5:1, if properly evaluated, with appropriate calculations, by the City Engineer; and
  - i. The surface of the outside portions of the slopes (facing a public street) should have properly installed and maintained landscaping or hydro seeding with jute matting to prevent erosion or sloughing.

Additionally, community gardens and urban farms are allowed to incorporate ancillary composting activities (Development Code Section 5.03.410.E.2.c), subject to the approval of an Administrative Use Permit, as a method for providing sustainable fertilization. The Development Code recognizes that compost generated solely from on-site refuse may not provide enough fertilizer to fulfill the needs of a community garden or urban farm. Therefore, community gardens and urban farms are allowed to accept green waste from outside sources, for composting. The collection of manure from off-site sources is expressly prohibited.

Subsequent to the adoption of the updated Development Code Sections 5.03.410.E.2.c and 5.03.415, additional study as to the appropriateness of the new Development Code regulations relative to composting, was requested by the City Council.

- B. City staff reviewed information on composting facilities operations and analyzed the Development Code's effectiveness in regards to appropriate distances to sensitive uses and safety of the operations. In addition to compliance with State Resources Control Board Order WQ 2015-0121-DWQ, General Waste Discharge Requirements for Compost Operations, South Coast Air Quality Management District's Rule 1133, and CalRecycle's requirements, all required at the time of City permit issuance.
- C. City staff has analyzed the composting entitlement regulatory and zoning standards within Development Code Section 5.03.410.E.2.c and F.2.c and Section 5.03.415 of the updated Ontario Development Code, December 2015, and found that these updated Code Sections adequately address potential impacts.
- D. The City, therefore needs no additional time, and has fully addressed the conditions that have led to the adoption of Ordinance No. 3053 and Ordinance No. 3056.

# CITY OF ONTARIO

Agenda Report  
May 15, 2018

SECTION:  
CONSENT CALENDAR

**SUBJECT: COST SHARING AGREEMENT WITH CHAFFEY JOINT UNION HIGH SCHOOL DISTRICT FOR SCHOOL RESOURCE OFFICERS**

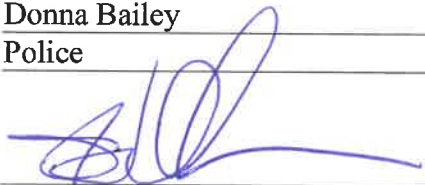
**RECOMMENDATION:** That the City Council approve and authorize the City Manager to execute a two-year cost sharing agreement (on file in the Records Management Department) with the Chaffey Joint Union High School District for three school resource officers in the amount of \$450,000.

**COUNCIL GOALS:** Maintain the Current High Level of Public Safety

**FISCAL IMPACT:** The City has assigned one School Resource Officer (SRO) at each of the following high schools: Chaffey High School, Colony High School and Ontario High School. Chaffey Joint Union High School District (CJUHSD) has agreed to reimburse the City \$225,000 per fiscal year, consistent with the current two year agreement. This amount covers approximately 42% of the annual cost of the three officers (\$476,889) covering the periods of August 8, 2018 through May 23, 2019 and August 7, 2019 through May 21, 2020.

**BACKGROUND:** In addition to providing a police presence at each high school, SROs serve as positive role models for students, foster student, faculty, staff and law enforcement interaction; and provide on-site crisis intervention. CJUHSD has agreed to enter into a two-year cost sharing agreement in the amount of \$225,000 per fiscal year, which is the same amount as the previous contract covering prior fiscal years. Under this agreement, the Ontario Police Department will provide SRO services at Chaffey, Colony and Ontario High schools to maintain a safe and secure environment on these campuses.

**STAFF MEMBER PRESENTING:** Derek Williams, Chief of Police

Prepared by: Donna Bailey  
Department: Police  
City Manager Approval: 

Submitted to Council/O.H.A. 05/15/2018  
Approved: \_\_\_\_\_  
Continued to: \_\_\_\_\_  
Denied: \_\_\_\_\_

# CITY OF ONTARIO

Agenda Report  
May 15, 2018

SECTION:  
CONSENT CALENDAR

**SUBJECT: AMENDMENT TO THE CITY OF ONTARIO LOCAL GUIDELINES FOR IMPLEMENTING THE CALIFORNIA ENVIRONMENTAL QUALITY ACT (“CEQA”)**

**RECOMMENDATION:** That the City Council adopt a resolution approving the 2018 amendment to the “City of Ontario Local Guidelines for Implementing the California Environmental Quality Act” (on file in the Records Management Department).


**COUNCIL GOALS:** Invest in the Growth and Evolution of the City’s Economy  
Operate in a Businesslike Manner  
Pursue the City’s Goal and Objectives of Working with Other Governmental Agencies

**FISCAL IMPACT:** None.

**BACKGROUND:** The California Environmental Quality Act (CEQA) requires that environmental concerns be considered as a part of all public and private projects. In order to implement the provisions of the Act, all public agencies are required to adopt objectives, criteria and specific procedures consistent with CEQA and the State CEQA Guidelines for evaluating the potential environmental issues that may arise in relation to all projects. Local procedures should be revised periodically to conform to any statutory changes in CEQA, any revisions made to the State Guidelines, and to address environmental concerns that exist at the local level.

The City of Ontario last updated its local guidelines in September of 2014. Since that time, the California Legislature has passed bills requiring changes in local procedures for implementing CEQA. In addition to the new legislation, several court cases resulted in procedural changes that need to be included in the updated City local guidelines. The City Attorney’s office, Best Best & Krieger, prepared the changes to the City of Ontario’s Local Guidelines for Implementing CEQA that are necessary in order for the City to comply with the new laws and procedural requirements. A summary of the recommended amendments is provided as Exhibit “A.”

**STAFF MEMBER PRESENTING:** Cathy Wahlstrom, Assistant Planning Director

Prepared by: Richard Ayala  
Department: Planning  
City Manager Approval: 

Submitted to Council/O.H.A. 05/15/2018  
Approved: \_\_\_\_\_  
Continued to: \_\_\_\_\_  
Denied: \_\_\_\_\_

**EXHIBIT “A”**

**Memorandum**

**FROM:** Best Best & Krieger LLP  
**DATE:** March 26, 2018  
**RE:** 2018 Summary of Changes to Local CEQA Guidelines

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Public agencies are required to adopt implementing procedures for administering their responsibilities under CEQA. These procedures include provisions governing how the City will process environmental documents and provide for adequate comment, time periods for review, and lists of permits that are ministerial actions and projects that are considered categorically exempt. To date, the State CEQA Guidelines have not been revised but there were changes made to the Public Resources Code that became effective on January 1, 2018 as well as clarifications to the law that came about as a result of 2017 CEQA litigation. Your Local Guidelines have been updated to reflect those changes and we recommend that your City adopt the updated Local Guidelines within a month of receiving them from BB&K.

This memorandum summarizes the substantive amendments to your Local Guidelines made in response to regulations, legislation and legal cases that changed or impacted certain aspects of CEQA between January 2017 and December 2017. Your Local Guidelines and this memorandum are designed to assist in assessing the environmental implications of a project prior to its approval, as mandated by CEQA.

**Revisions to Local CEQA Guidelines.**

**Revised Sections.**

**1. SECTION 3.11 PIPELINES WITHIN A PUBLIC RIGHT-OF-WAY AND LESS THAN ONE MILE IN LENGTH**

Local Guidelines section 3.11 was changed pursuant to former Public Resources Code section 21080.21 that was repealed on by sunset date January 1, 2018 and replaced with a new Public Resources Code section 21080.21 regarding Pipelines within a public right-of-way and less than one mile in length.

**2. SECTION 3.12 PIPELINES OF LESS THAN EIGHT MILES IN LENGTH**

Local Guidelines section 3.12(b) was amended pursuant to Public Resources Code section 21080.23.5 which repealed the exclusion of biogas pipeline in the counties of Fresno, Kern, Kings and Tulare. Therefore, the definition of “Pipeline” in subsection (b) was deleted.

**3. SECTION 3.20 OTHER SPECIFIC EXEMPTIONS**

Pursuant to AB 1218, the sunset date established by Public Resources Code sections 21080.20 and 21080.20.5 statutory exemption for the approval of a bicycle transportation plan was extended through January 1, 2021.

**4. SECTION 5.15 CONSULTATION WITH WATER AGENCIES REGARDING LARGE DEVELOPMENT PROJECTS**

Local Guidelines section 5.15 was amended to delete subsection (c) Water Supply Assessment Not Required for Certain Renewable Energy Projects because pursuant to Assembly Bill 2561, a portion of Water Code section 10912 expired on January 1, 2018 and was not renewed. Therefore, the exemption from preparing a water supply assessment for photovoltaic or wind energy generation facilities no longer applies.

**5. SECTION 9 AFFORDABLE HOUSING**

In response to Senate Bill 35 and Assembly Bill 73, a new section 9 was added regarding affordable housing. Section 9.01 was added pursuant to Senate Bill 35 regarding the streamlined, ministerial approval process for affordable housing projects. Lastly, Section 9.02 was added regarding housing sustainability districts and the Public Resources Code sections 21155.10 and 21155.11 pursuant to Assembly Bill 73.

**6. SECTION 10.03 ADMINISTRATIVE RECORD**

Local Guidelines section 10.03.C. was changed to include the requirement of a lead City to respond to a request for concurrent preparation of the administrative record by the project applicant within 10 business days from receipt of the written request or the request will automatically be deemed denied.

**Other Changes.**

**Department of Fish and Wildlife.** Effective January 1, 2018, the Department of Fish and Wildlife has increased some of its fees. For a Negative Declaration or a Mitigated Negative Declaration, the new filing fee is \$2,280.75. For an Environmental Impact Report, the new filing fee is \$3,168.00. For an environmental document pursuant to a Certified Regulatory Program, the filing fee has been increased to \$1,077.00.



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

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF ONTARIO, CALIFORNIA, AMENDING AND ADOPTING LOCAL GUIDELINES FOR IMPLEMENTING THE CALIFORNIA ENVIRONMENTAL QUALITY ACT (PUBLIC RESOURCES CODE §§ 21000 ET SEQ.)

WHEREAS, the California Legislature has amended the California Environmental Quality Act ("CEQA") (Pub. Resources Code §§ 21000 et seq.) and the State CEQA Guidelines (Cal. Code Regs, tit. 14, §§ 15000 et seq.), and the California courts have interpreted specific provisions of CEQA; and

WHEREAS, Section 21082 of CEQA requires all public agencies to adopt objectives, criteria and procedures for the evaluation of public and private projects undertaken or approved by such public agencies, and the preparation, if required, of environmental impact reports and negative declarations in connection with that evaluation; and

WHEREAS, the City of Ontario must revise its local guidelines for implementing CEQA to make them consistent with the current provisions and interpretations of CEQA and the State CEQA Guidelines.

NOW, THEREFORE, the City Council of the City of Ontario ("City") hereby resolves as follows:

SECTION 1. The City adopts "Local Guidelines for Implementing the California Environmental Quality Act (2018 Revision)," a copy of which is on file in the Records Management/City Clerk's Office and is available for inspection by the public.

SECTION 2. All prior actions of the City enacting earlier guidelines are hereby repealed.

NOW, THEREFORE, BE IT RESOLVED that the City Council adopts the amended Local Guidelines for Implementing California Environmental Quality Act.

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

PASSED, APPROVED, AND ADOPTED this 15<sup>th</sup> day of May 2018.

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PAUL S. LEON, MAYOR

ATTEST:

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SHEILA MAUTZ, CITY CLERK

APPROVED AS TO FORM:

---

BEST BEST & KRIEGER LLP  
CITY ATTORNEY

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

I, SHEILA MAUTZ, City Clerk of the City of Ontario, DO HEREBY CERTIFY that foregoing Resolution No. 2018-        was duly passed and adopted by the City Council of the City of Ontario at their regular meeting held May 15, 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 May 15, 2018.

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

(SEAL)

# CITY OF ONTARIO

Agenda Report  
May 15, 2018

SECTION:  
PUBLIC HEARINGS

**SUBJECT:** AN APPEAL OF THE PLANNING COMMISSION'S DECISION TO APPROVE A DEVELOPMENT PLAN (FILE NO. PDEV17-046) TO CONSTRUCT A 4,500 SQUARE-FOOT SELF-SERVICE CARWASH (FAST 5 XPRESS) IN CONJUNCTION WITH A CONDITIONAL USE PERMIT (FILE NO. PCUP17-021) TO ESTABLISH AND OPERATE THE DRIVE-THRU CARWASH, ON 0.93 ACRES OF LAND, WITHIN THE COMMERCIAL LAND USE DESIGNATION OF THE GROVE AVENUE SPECIFIC PLAN, LOCATED AT 2345 S. GROVE AVENUE. (APN: 0216-081-25)

**RECOMMENDATION:** That the City Council uphold the Planning Commission's approval of File Nos. PDEV17-046 and PCUP17-021, a Development Plan to construct a 4,500 square-foot self-service carwash in conjunction with a Conditional Use Permit to establish and operate the drive-thru carwash, within the Commercial land use designation of the Grove Avenue Specific Plan, located at 2345 S. Grove Avenue; and take further actions necessary and consistent with the City Council's final determination and decision on the matter.


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

**FISCAL IMPACT:** None.

**BACKGROUND:** On September 14, 2017, Fast 5 Xpress applied for Development Plan (PDEV17-046) approval to construct a 4,500 square-foot self-service carwash in conjunction with a Conditional Use Permit (PCUP17-21) to establish and operate the drive-thru carwash on the site of an existing restaurant, located at 2345 S. Grove Avenue. The existing restaurant would be demolished in order to redevelop the site with the proposed use.

On January 9, 2018, the Planning Department sent a notice of proposed project to the community, including the entire mobile home park adjacent to the proposed facility. A total of 18 written comments and six phone calls were received regarding the project.

**STAFF MEMBER PRESENTING:** Cathy Wahlstrom, Assistant Planning Director

Prepared by: Alexis Vaughn  
Department: Planning  
City Manager Approval: 

Submitted to Council/O.H.A. 05/15/2018  
Approved: \_\_\_\_\_  
Continued to: \_\_\_\_\_  
Denied: \_\_\_\_\_

17

On February 20, 2018, the Planning Department held a community meeting at the Rancho Ontario Mobile Home Park Community Center. The intent of the meeting was to review the Development Plan and Conditional Use Permit with the surrounding residents, answer any questions, and receive comments on the proposed project. A total of 23 people signed in at the meeting.

On March 19, 2018, the Development Advisory Board held a public hearing to consider the application, and recommended approval of the project to the Planning Commission.

On March 27, 2018, the Planning Commission held a public hearing to consider the application and the Development Advisory Board's recommendation. Following a presentation of staff's findings and after receipt of all public testimony, the Planning Commission addressed the applications, and approved the project by a vote of 6-0, adopting Resolution Nos. PC18-026 and PC18-025.

**APPEAL:** On April 4, 2018, Sylvia DeVries ("Appellant") submitted an appeal of the Planning Commission's decision to approve File Nos. PDEV17-046 and PCUP17-021. A copy of the Appeal application and Appellant statement is included as Exhibit A of this report. The basis of the Appellant's appeal lies in their belief that the level of noise and exhaust pollution within the vicinity of the project site, specifically at the adjacent Rancho Ontario Mobile Home Park, will be exacerbated by the proposed project.

Staff has reviewed the appeal letter and provided a response for each issue raised by the Appellant:

1. *Appellant Issue No. 1: The project has the potential for significant noise impacts.*

Staff response: The project site is located within a commercial area currently developed with an approximately 12,000 square-foot, two-story sit-down restaurant (Royal Cut), with general operating hours of 11:30 AM – 9:00 PM on weekdays and 4:30 PM – 9:30 PM weekends. The site is currently affected by noise originating from vehicles traveling along Grove Avenue and the nearby 60 Freeway.

Per the City of Ontario's Municipal Code, the allowed equivalent noise level for Mobile Home Parks and for Commercial Property is 65 dBA from 7:00 AM to 10:00 PM, unless the ambient noise exceeds the respective City noise limit. On November 15, 2017, Advanced Engineering Acoustics prepared a noise study for the project during the peak noise hours between 7:15 AM and 9:30 AM. The study revealed that the current ambient noise levels (without the proposed carwash) along the eastern property line, adjacent to the Mobile Home Park, were generally below the allowable noise standard; however, intermittent spikes in noise levels were observed during the analysis, with a high of 87.3 dBA and an average peak noise level of 66.7 dBA. The analysis concluded that the combination of the existing ambient noise and the proposed daytime operations of the carwash would not exceed the Mobile Home Park and commercial noise limits of 65 dBA, provided that certain operational recommendations be incorporated into the project. As a result, the following mitigation measures have been incorporated into the project's conditions of approval to reduce noise impacts to adjacent properties:

- Carwash staff is to enforce that car radios be turned off while at the carwash, including while patrons are using the vacuums and compressed air nozzles to strip off excess water. On-site signage shall be provided to state this condition and to give consideration for the neighboring properties.

- No noise permitted prior to 6:50 AM for setup.
- The mechanical equipment room doors shall remain closed during operational hours.
- The vacuum station compressors be equipped with “silencers”, which have been provided for the Monrovia Fast 5 Xpress location with a similar type of project location (adjacent to a hotel, Mobile Home Park, and commercial uses).
- An 8-foot block wall shall be constructed along the eastern property line adjacent to the Mobile Home Park.

2. *Appellant Issue No. 2: The project has the potential for significant air pollution impacts.*

Staff response: The project will not conflict with or obstruct implementation of any air quality plan. As noted in The Ontario Plan FEIR (Section 5.3), pollutant levels in the Ontario area already exceed Federal and State standards. To reduce pollutant levels, the City of Ontario is actively participating in efforts to enhance air quality by implementing Control Measures in the Air Quality Management Plan for local jurisdictions within the South Coast Air Basin. The proposed project is consistent with The Ontario Plan, for which the EIR was prepared and impacts evaluated. Furthermore, the project is consistent with the City’s participation in the Air Quality Management Plan and, because of the project’s limited size and scope, will not conflict with or obstruct implementation of the plan.

Short-term air quality impacts will result from construction-related activities, such as excavation and grading, machinery and equipment emissions, vehicle emissions from construction employees, etc. As such, during project construction, the project will be required to follow Best Management Practices (BMPs) for erosion control and dust mitigation which include regular watering during soil disturbance.

During project operation, a condition of approval of the project requires Fast 5 Xpress carwash staff to ask patrons to turn off their cars while utilizing the vacuum stations to reduce impacts from vehicle exhaust.

3. *Appellant Issue No. 3: The project applicant (Fast 5 Xpress) listed the Ontario location as “coming soon” in their informational brochure.*

The City does not regulate commercial marketing, advertisement, or web content.

**CONCLUSION:** Staff recommends that the City Council consider all public testimony on the appeal and uphold the Planning Commission’s approval of Conditional Use Permit File No. PCUP17-021 and Development Plan File No. PDEV17-046.



City of Ontario  
 Planning Department  
 303 East B Street  
 Ontario, California 91764  
 Phone: 909.395.2036  
 Fax: 909.395.2420

## Appeal Application Form

**Instructions:**

1. Pursuant to Ontario Development Code Division 2.04 (Appeals), any person having legal standing may appeal and action or decision to the Appeal Authority, including but not limited to an applicant, resident, business owner, or any person owning real property within the City, that is aggrieved by an interpretation, action, or decision made by any City agency or department, or by an Approving Authority.
2. Within 10 days following the action or decision being appealed, an appeal request must be filed with the Planning Department on an Appeal Application Form, along with the required filing fees. The appeal request must include a statement identifying the specific action or decision that is being appealed, the specific grounds for the appeal, and the relief requested from the Appeal Authority.
3. An appeal of an action or decision made by an Approving Authority following a hearing, is limited to those matters raised during the hearing and contained in an appeal statement. The Appeal Authority cannot consider any matter that was not raised during the hearing before the Approving Authority and contained in the appeal statement.
4. The Appeal Authority that will hear the appeal request is limited to taking testimony and making its decision based solely on the specific grounds specified by the appellant in the Appeal Application Form, insofar as they make an adequate claim pursuant to Ontario Development Code Section 2.04.010. When the decision of an Approving Authority is appealed, you are limited to raising only those issues you or someone else raised during the hearing before the Approving Authority and stated in the Appeal Application Form.

**General Information (print or type)**

Appellant: SYLVIA DeVRIES  
 Address: 1458 E. Philadelphia # 289  
ONTARIO, CA 91761  
 Phone: 909-923-8143 Email: Sylvia@SELECTVL.net  
 Appellant's Representative: \_\_\_\_\_  
 Address: \_\_\_\_\_  
 Phone: \_\_\_\_\_ Email: \_\_\_\_\_

(For staff use only)

File No(s): PDEV17-046  
PPUP17-021

Date: 4-4-18

Rec'd by: RD

Fees Paid: 125

Cash  Check (# \_\_\_\_\_)

Credit Card

Receipt No.: 288727

**Subject of Appeal**

This application is hereby filed pursuant to Ontario Development Code Division 2.04 (Appeals), appealing a decision or action of the following Authority:

- |   |   |   |
|---|---|---|
| <input type="checkbox"/> Department/Agency Head             | <input type="checkbox"/> Development Advisory Board       | <input type="checkbox"/> Zoning Administrator           |
| <input type="checkbox"/> Historic Preservation Subcommittee | <input type="checkbox"/> Historic Preservation Commission | <input checked="" type="checkbox"/> Planning Commission |

Project File No(s): PDEV17-046 Date of Action/Decision: 3/27/18

The application being appealed requests the following (attach additional sheets as necessary): \_\_\_\_\_

Appeal Application Form

List the specific action(s) or decision(s) that is/are being appealed (attach additional sheets as necessary):

THE decision to APPROVE FILE No PDEV17-046, A 4500 sq Foot  
SELF SERVICE CAR Wash - FAST 5 Xpress - to be LOCATED ON  
2345 Grove Ave, ONTARIO, OA 91761

Appeal Statement

Please check the box that best describes your reason(s) for the appeal:

- A. Abuse of discretion.
- B. Decision was not supported by the record.
- C. Both A and B, above.

State the specific grounds for the appeal and the relief requested (please be specific and attach additional sheets if necessary):

SEE ATTACHED

Appeal Application Certification

I, the undersigned, hereby certify that the statements and information provided in this Appeal Application Packet, and in any attached exhibits, present the data and information required for this application to the best of my ability, and that the facts, statements and information presented are true and correct to the best of my knowledge and belief.

Date: April 4, 2018

Signature: Sylvia DeVries

Name (print or type): SYLVIA DEVRIES



The decision to approve File No PDEV17-046 a 4,500 square foot self service car wash -Fast 5 X press-to be located on 2345 Grove Ave, Ontario, CA.

#### A. Abuse of Discretion.

The March 27 Meeting of the Planning Commission Notice states that the City of Ontario will hold a public hearing to consider the below-described project. This project is the Fast 5 X press Car Wash. The notice states "to consider". Nothing was to be approved or decided upon until we, the residents could comment and the commission could read the written concerns of the residents. However, on March 27, just prior to the start of the meeting, Mr Thomas Utman distributed a Fast 5 Express Car Wash fact brochure. This brochure was printed on a date prior to the March 27 meeting, prior to any decision the commission was to make. On Page 2 of this brochure it states "Please visit one of our facilities" and it lists 10 locations. The next line states Other facilities opening soon- and lists 10 locations- The Ontario Grove location being one of these locations.

How can Mr Utmans' Company print such a statement if he did not have advanced knowledge of approval of his business? It is obvious that our written and verbal concerns were not given consideration since that printed brochure proves that Mr Utman had prior knowledge that his business was approved prior to the March 27 meeting.

#### B. Decision was not supported by the record.

The level of noise pollution that the residence of the Rancho Ontario Mobile Home Park endure on a daily basis is high. The traffic noise from the 60 freeway, the Truck Route on Grove Avenue, the aircraft from the Ontario Airport and emergency vehicles coming and going from Kaiser Hospital and the Parco Street Fire Station are ongoing. This car wash with its vacuums and constant flow of moving vehicles will only raise the level of noise pollution already endured by the seniors that reside next to the business. We will now experience continuous noise 13 hours a day, 7 days a week. This is also true of the toxic exhaust fumes. Our exposure to toxic fumes varies each day, however this car wash with its idling cars will be a continuous exposure 13 hours a day, 7 days a week. This noise and pollution will be abusive to those of us who live adjacent to this business.

The facts are- Car Washes product noise and exhaust pollution. The charts created that the noise and toxic pollution that this business will produce are just below the unacceptable level is only measuring what the car wash produces--not the fact that this area already experiences a high level of noise and air pollution due to the 60 Freeway and adding the two will cause the levels to be unacceptable. This is a 55+ community and we are seniors, many in poor health and their only activity is walking around the park and the outdoor noise level will be abusive, and this is a constant 13 hour-7 day a week exposure.

#### C. Relief Requested

As a 55+ community we would like some consideration from the City as to the existing noise pollution and not make us endure more noise and air pollution. Noise pollution is extremely harmful to a persons' health as is the toxic exhaust fumes. The State of California now places warning labels on cups of coffee and yet there is no consideration of the harmful health effects this car wash will produce on our community. Therefore we request that this car wash not be constructed or operate on 2345 S. Grove Avenue, Ontario, CA.



To whom it may concern:

Fast 5 Xpress wishes to become part of your community. Fast 5 is the new generation of car washes. Fast 5 is not your average car wash for the following reasons:

**It's Fun** – Adults, Teens, Children and pets love us! With our great prices, mascot stickers for the kids, treats for pets and free vacuums, the entire family is happy without breaking their wallet.

**It's Faster** – Fast 5 Xpress Patrons are in and out within 5 minutes. This allows more time to spend at adjacent retail stores, generating more sales tax revenues for the City.

**It's Greener** – Fast 5 Xpress reclaims 80% of its water. Fast 5 washes over 200,000 cars per year per location. Fast 5 Xpress uses approximately 25 gallons of water per car wash, a savings of approximately 20 million gallons of water per year vs. the same individual washing his or her car in the drive way or within a parking lot inside an apartment complex using 125 – 150 gallons of city water per wash. In addition, Fast 5 uses non-toxic, biodegradable detergents. Fast 5 cares about the planet as much as each community member. Fast 5 does not sell any petroleum products and all solids from the car wash are captured onsite whereby no solids, oils, grease, etc. flow into the Community's storm drain system.

**It's an amazing value** – Wash packages are priced from \$6 - \$14.

**Our Mission** – It is Fast 5's Mission to keep your car clean without damaging our planet or your wallet while conserving our limited water resources by recycling onsite.

To further familiarize you with Fast 5, please review YELP reviews and visit our web site to view a short animation of our operation at [www.fast5xpress.com](http://www.fast5xpress.com). Our Patrons are saying that Fast 5 has the best customer service and are extremely happy Fast 5 has opened a facility within their community. Most cities embrace our service and appreciate we are educating the community on how to save water.

**Please visit one of our facilities:**

567 San Nicolas Drive Suite 390., Newport Beach, California 92660  
Telephone (949) 640-6420 (949) 640-9310

March 27 2014



- Irvine: 3080 Main Street (a Ground Lease with The Irvine Company – a retail Pad);
- Costa Mesa: 481 E. 17<sup>th</sup> Street (a Ground Lease with a Family Trust – a retail Pad);
- Fullerton: 285 E. Orangethorpe (a Ground Lease with Kimco Realty – a retail Pad);
- South Gate: 5810 Firestone Blvd. (a Ground Lease with Catellus Realty – a retail Pad);
- Pico Rivera: 8629 Whittier Blvd. (a Ground Lease with Evergreen Development – a retail Pad);
- Perris: 1721 N. Perris Blvd. (a Ground Lease with Evergreen Development – a retail Pad);
- Monrovia: 935 Huntington Drive (a Ground Lease with a Family Trust – a retail Pad);
- Murrieta: 40172 Murrieta Hot Springs Road (a Ground Lease with a Family Trust – a retail Pad)
- Norwalk – 1335 Firestone Blvd. (a Ground Lease with a Family Trust – a closed automobile dealership).
- Pasadena – 2400 E. Colorado Blvd. (a Ground Lease with a Family Trust)

#### **Other facilities opening soon:**

- Torrance: within a Shopping Center at 190<sup>th</sup> and Normandie (a Ground Lease with a Family Trust – a retail Pad); Under Construction
- Beaumont: a new retail center at 2<sup>nd</sup> and Highland Springs Rd. (a Ground Lease with Rich Development – a retail Pad);
- San Bernardino: SEC of Tippecanoe Ave. and E. Gould Street (a Ground Lease with Farmer Boys restaurant):
- Yucaipa: NWC of Yucaipa Ave. and 7<sup>th</sup> Street (a Ground Lease with a Family Trust – a retail Pad)
- Eastvale: A new retail center across from Wal-Mart (A Ground Lease with Orbis Retail Partners)
- Eastvale: A Ground Lease with Lewis Retail
- Garden Grove: A Ground Lease with a Family Trust
- Ontario – A Ground Lease with Calbay Retail Development
- Laguna Niguel – A Ground Lease with Buie-Stoddard Retail Partners
- Laguna Hills – A Ground Lease with a Family Trust.

#### **FAQ's**

What is an Express Car Wash?



extend the time for soap and water to be dispersed. In addition, there is an additional charge for vacuuming.

Most Fast 5 facilities have 120' to 150' tunnels filled with \$1,000,000 of high tech computerized equipment. The length of the tunnel and the cloth rollers at the exit of the tunnel acts as sound buffers. The Fast 5 operation is nothing one has experienced in the past.

How does a Fast 5 car wash work?

The Fast 5 operation requires only 3 or 4 employees. Each employee wears a clean pressed uniform. The employees are the following: **The Greeter** – this person greets each Patron, offers free coffee (when there is no waiting), Hi 5 stickers are given to children in the car and a dog biscuit if there is a dog in the car. **The Loader** – this is a person at the entry to the tunnel who guides your car into the tunnel, checks to see if your radio antenna is down and walks around the car to determine if there is any existing damage to the car. Once the Loader guides the car onto the conveyor, it becomes a ride. The kids love it! The remaining person onsite is the **Manager and / or assistant Manager** who is responsible for customer service, making sure there is no trash or debris onsite, there is no loitering and no loud music coming from cars while Patrons vacuum at Fast 5's free vacuum stations. The bottom line is the operation is quiet, safe, fun, quick, clean, environmentally friendly, and inexpensive for the Patrons.

What are the hours of Operation?

Fast 5 opens at 7:00 AM and closes by 8:00 PM, seven days a week. When Fast 5 closes, the property is gated at each entry so no vehicles can drive onto the site. Fast 5 is NOT the usual retail or fast food operation that remains open late into the night.

What about the environment and water?

All water used onsite is filtered and recycled. Most other car washes do not recycle water and most water and residue drain directly into the City's storm drain system. At Fast 5 absolutely NO residue drains into the City's storm drain system. All grease, oils, solids are collected onsite and hauled offsite to a collection center for environmental waste. Fast 5 protects the environment. All soaps are biodegradable and produce no odor and nearly 20 million gallons of water will be saved each year from washing down the local storm drains, polluting our precious environment.

What else does Fast 5 sell?

JRD

NOTICE OF PUBLIC HEARING & ENVIRONMENTAL ACTION

NOTICE IS HEREBY GIVEN that the Planning Commission of the City of Ontario will hold a public hearing to consider the below-described project. This notice has been mailed to you because your property is located near the proposed project, you (or your agency) may be directly or indirectly affected by the project, or because you have requested such notification.

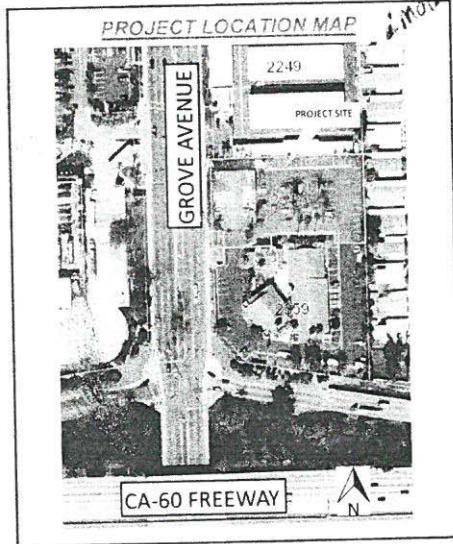
PROJECT DESCRIPTION

**ENVIRONMENTAL ASSESSMENT AND CONDITIONAL USE PERMIT AND DEVELOPMENT PLAN REVIEW FOR FILE NOS. PCUP17-021 AND PDEV17-046:**

A Development Plan (File No. PDEV17-046) to construct a 4,500 square-foot self-service carwash (Fast 5 Xpress) in conjunction with a Conditional Use Permit (File No. PCUP17-021) to establish and operate the drive-thru carwash, on 0.93 acres of land, within the Commercial land use designation of the Grove Avenue Specific Plan, located at 2345 S. Grove Avenue. The project is categorically exempt from the requirements of the California Environmental Quality Act (CEQA) pursuant to Section 15332 (Class 32, In-Fill Development Projects) of the CEQA Guidelines. The proposed project is located within the Airport influence Area of Ontario International Airport, and was evaluated and found to be consistent with the policies and criteria of the Ontario International Airport Land Use Compatibility Plan (ALUCP); (APN: 0216-081-25) submitted by Fast 5 Xpress Car Wash.

The necessary plans and supporting information for the project are available for review at the below-listed location. Anyone desiring to comment on the project may appear in person at the below-described meeting, or may submit their concerns in writing to the below-listed City Contact by no later than 5:30 PM on the day of the meeting.

The decision of the Planning Commission is final and conclusive, unless the project is appealed to the City Council within 10 days following the date of the decision. If you challenge the Planning Commission's action in court, you may be limited to raising only those issues you or someone else raised at the public hearing or in written correspondence delivered to the Planning Commission at, or prior to, the public hearing.



MEETING TIME AND LOCATION:

**Tuesday, March 27, 2018**, at 6:30PM, in the City Council Chambers of Ontario City Hall, 303 E. "B" Street, Ontario, California 91764

CITY CONTACT:

Alexis Vaughn, Assistant Planner  
Phone: (909) 395-2036;  
Fax: (909) 395-2420;  
E-mail: [avaughn@ontarioca.gov](mailto:avaughn@ontarioca.gov)

LOCATION WHERE DOCUMENTS MAY BE VIEWED OR COMMENTS SENT:

Planning Department, Ontario City Hall, 303 East "B" Street, Ontario, CA 91764

# 2ND Notice

## NOTICE OF COMMUNITY MEETING

The City of Ontario Planning Department will be conducting a community meeting regarding the below-mentioned project on **TUESDAY, FEBRUARY 20, 2018, AT 5:00 P.M.**, at the **Rancho Ontario Mobile Home Park Community Center, located at 1456 E. Philadelphia Street, Ontario.**

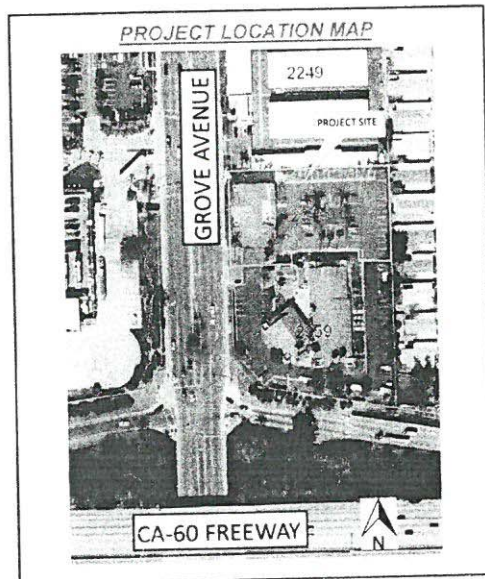
The purpose of the neighborhood meeting is to review the Development Plan and Conditional Use Permit with the surrounding residents, answer any questions, and receive comments on the proposed project. No project decision will be made at this meeting. If you would like to find out more information about this project prior to the meeting, please contact Alexis Vaughn, Assistant Planner, at the contact information listed below. A separate notification indicating hearing date(s) will be mailed at a future date.

### PROJECT DESCRIPTION

**PROJECT DESCRIPTION:** A Development Plan (File No. PDEV17-046) to construct a 4,500 square-foot self-service carwash (Fast 5 Xpress) on 0.93 acres of land, in conjunction with a Conditional Use Permit (File No. PCUP17-021) to establish and operate the drive-thru carwash. The subject site is located at 2345 S. Grove Avenue, within the Grove Avenue Specific Plan. The project is categorically exempt from the requirements of the California Environmental Quality Act (CEQA) pursuant to Section 15332 (Class 32, In-Fill Development Projects) of the CEQA Guidelines. The proposed project is located within the Airport Influence Area of Ontario International Airport, and was evaluated and found to be consistent with the policies and criteria of the Ontario International Airport Land Use Compatibility Plan (ALUCP).

**LOCATION:** 2345 S. Grove Avenue. (APN: 0216-081-25)

**APPLICANT:** Fast 5 Xpress



### CITY CONTACT:

Alexis Vaughn, Assistant Planner  
**Phone:** (909) 395-2416;  
**Fax:** (909) 395-2420;  
**E-mail:** [avaughn@ontarioca.gov](mailto:avaughn@ontarioca.gov)

### LOCATION WHERE DOCUMENTS MAY BE VIEWED OR COMMENTS

**SENT:** Planning Department, Ontario  
City Hall, 303 East "B" Street, Ontario,  
CA 91764

1<sup>st</sup> notice

## NOTICE OF PROPOSED PROJECT

The City of Ontario has received a Development Plan in conjunction with a Conditional Use Permit to construct a self-service carwash facility at 2345 S. Grove Avenue. The full project description and a map showing the project's location can be found below. As a courtesy, this notification is being sent to all property owners within the adjacent mobile home park. The intent of the notification is to inform the surrounding property owners of the proposed project and address any questions. If you would like to find out more information about this project or to request a community meeting, please contact the City's project planner, Alexis Vaughn, Assistant Planner, at the contact information listed below **by January 19, 2018**. A separate notification indicating hearing date(s) will be mailed at a future date.

### PROJECT DESCRIPTION

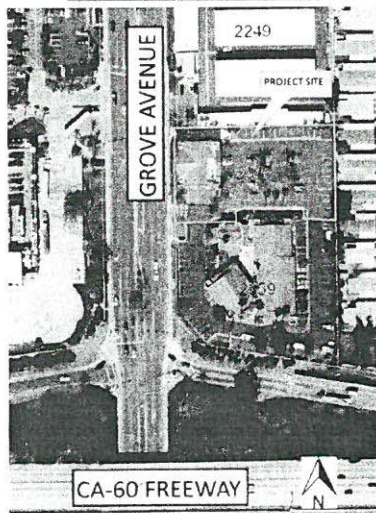
**PROJECT DESCRIPTION:** A Development Plan (File No. PDEV17-046) to construct a 4,500 square-foot self-service carwash (Fast 5 Xpress) on 0.93 acres of land, in conjunction with a Conditional Use Permit (File No. PCUP17-021) to establish and operate the drive-thru carwash. The subject site is located at 2345 S. Grove Avenue, within the Grove Avenue Specific Plan.

**ENVIRONMENTAL REVIEW:** The project is categorically exempt from the requirements of the California Environmental Quality Act (CEQA) pursuant to Section 15332 (Class 32, In-Fill Development Projects) of the CEQA Guidelines. The proposed project is located within the Airport Influence Area of Ontario International Airport, and was evaluated and found to be consistent with the policies and criteria of the Ontario International Airport Land Use Compatibility Plan (ALUCP).

**LOCATION:** 2345 S. Grove Avenue. (APN: 0216-081-25)

**APPLICANT:** Fast 5 Xpress

### PROJECT LOCATION MAP



**CITY CONTACT:** Alexis Vaughn,  
Assistant Planner

**Phone:** (909) 395-2416; 909-395-2036

**Fax:** (909) 395-2420;

**E-mail:** [avaughn@ontarioca.gov](mailto:avaughn@ontarioca.gov)

**LOCATION WHERE DOCUMENTS  
MAY BE VIEWED OR COMMENTS**

**SENT:** Planning Department, Ontario  
City Hall, 303 East "B" Street, Ontario,  
CA 91764

909-395-2416  
Alexis

# Health effects from noise

**Noise health effects** are the physical and psychological health consequences of regular exposure, to consistent elevated sound levels. Elevated workplace or environmental noise can cause hearing impairment, hypertension, ischemic heart disease, annoyance, and sleep disturbance. Changes in the immune system and birth defects have been also attributed to noise exposure.<sup>[1]</sup>

Although presbycusis occur naturally with age,<sup>[2]</sup> in many countries the cumulative impact of noise is sufficient to impair the hearing of a large fraction of the population over the course of a lifetime.<sup>[3][4]</sup> Noise exposure has been known to induce tinnitus, hypertension, vasoconstriction, and other cardiovascular adverse effects.<sup>[5]</sup> Chronic noise exposure has been associated with sleep disturbances and increased incidence of diabetes. Adverse cardiovascular effects occur from chronic exposure to noise due to the sympathetic nervous system's inability to habituate. The sympathetic nervous system maintains lighter stages of sleep when the body is exposed to noise, which does not allow blood pressure to follow the normal rise and fall cycle of an undisturbed circadian rhythm.<sup>[6]</sup>

Stress from time spent around elevated noise levels has been linked with increased workplace accident rates and aggression and other anti-social behaviors.<sup>[7]</sup> The most significant sources vehicles, aircraft, prolonged exposure to loud music, and industrial noise.<sup>[8]</sup>



Traffic is the main source of noise pollution in cities.

## Contents

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**Cardiovascular effects**

**Psychological Impacts of Noise**

**Stress**

**Annoyance**

**Infrasound (low-frequency sound)**

**Child physical development**

Cognitive development

**Dementia**

**Regulations**

**In canines**

**See also**

**References**

**External links**

## Noise Induced Hearing Loss





**CITY OF ONTARIO PLANNING COMMISSION/  
HISTORIC PRESERVATION MEETING**

**MINUTES**

**March 27, 2018**

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**CITY OF ONTARIO PLANNING COMMISSION/  
HISTORIC PRESERVATION MEETING**

**MINUTES**

**March 27, 2018**

**REGULAR MEETING:** City Hall, 303 East B Street  
Called to order by Chairman Delman at 6:30 PM

**COMMISSIONERS**

**Present:** Chairman Delman, Vice-Chairman Willoughby, DeDiemar, Gage, Gregorek, and Reyes

**Absent:** Downs

**OTHERS PRESENT:** Development Director Murphy, City Attorney Rice, Assistant Planning Director Wahlstrom, Principal Planner Zeledon, Senior Planner D. Ayala, Senior Planner R. Ayala, Senior Planner Batres, Senior Planner Mercier, Senior Planner Noh, Assistant Planner Aguilo, Assistant Planner Antuna, Assistant Planner Vaughn, Assistant City Engineer Do, Assistant Building Official Rico, and Planning Secretary Berendsen

**PLEDGE OF ALLEGIANCE TO THE FLAG**

The Pledge of Allegiance was led by Commissioner Gage.

**ANNOUNCEMENTS**

Mr. Murphy stated that there are revisions to Item K in front of the Commissioners and that Item D would be continued.

**PUBLIC COMMENTS**

No one responded from the audience.

**CONSENT CALENDAR ITEMS**

**A-01. MINUTES APPROVAL**

Planning/Historic Preservation Commission Minutes of February 27, 2018, approved as written.

**A-02. ENVIRONMENTAL ASSESSMENT AND DEVELOPMENT PLAN REVIEW**

**FOR FILE NO. PDEV17-056:** A Development Plan (File No. PDEV17-056) to construct 229 single-family homes on 59.8 acres of land within the Low Density

Residential district of Planning Area 6A of The Avenue Specific Plan, located at the southeast corner of Archibald Avenue and Schaefer Avenue. The environmental impacts of this project were previously analyzed in an addendum to The Avenue Specific Plan EIR (SCH# 2005071109) that was adopted by the City Council on December 9, 2006. This application is consistent with the previously adopted EIR and introduces no new significant environmental impacts. All previously adopted mitigation measures shall be a condition of project approval and are incorporated herein by reference. The proposed project is located within the Airport Influence Area of Ontario International Airport, and was evaluated and found to be consistent with the policies and criteria of the Ontario International Airport Land Use Compatibility Plan (ALUCP); (APNs: 0218-201-15 and 0218-201-44) **submitted by Western Pacific Housing, Inc., DBA: D.R. Horton.**

*It was moved by DeDiemar, seconded by Willoughby, to approve the Consent Calendar Items: Planning Commission Minutes of February 27, 2018, as written and File No. PDEV17-056. The motion was carried 5 to 0.*

### **PUBLIC HEARING ITEMS**

### **HISTORIC PRESERVATION ITEMS**

Mr. Gregorek arrived at 6:39 PM.

- B. EIGHTEENTH ANNUAL MODEL COLONY AWARDS FILE NO. PHP18-003:** A request for the Historic Preservation Commission to accept the nominations for the Eighteenth Annual Model Colony Awards; **submitted by City of Ontario. City Council presentation of Awards.**

Assistant Planner, Elly Antuna, presented the staff report for the 18<sup>th</sup> Annual Model Colony Awards. She described the awards: Founder's Heritage Award to the Benton Ballou House; Award of Merit to the Henry C. Hamilton House; Rehabilitation Award to Gloria's Cocina Mexicana and 111 West J Street. The awards will be presented on May 1<sup>st</sup> by the City Council, to coincide with Historic Preservation Month. She presented the history, architecture and interior and exterior designs, and explained how each location deserved their award. She stated that staff is recommending the Planning Commission approve File No. PHP18-003, pursuant to the facts and reasons contained in the staff report.

### **PUBLIC TESTIMONY**

No one responded.

As there was no one else wishing to speak, Chairman Delman closed the public testimony

Mr. Gregorek stated the Historic Preservation Subcommittee concurred with the nominations and that all are worthy of receiving the awards.

Mr. Reyes stated that as a city, he is glad that we are recognizing these historic buildings. He stated that having grown up in a historic home built in 1901 and having it destroyed by the city he grew up in was really sad. He stated he is glad to see the continuation of

preservation by the homeowners and recognition by the city, is exceptional. He stated he is glad to see a commercial building on the list this year, which really has a great impact to our downtown, Gloria's.

Mr. Willoughby thanked the staff for doing a phenomenal job working with our historic properties, and the great collection of homes and business, that we can highlight and award for maintaining that historical look of Ontario.

Mr. Gage stated he applauded these homes and the business. He stated the Founder's Heritage Award going to the Benton Ballou house, is appropriate as the family goes way back in the city and the original Chaffey irrigation runs in the back. He stated Gloria's was the old laundry mat and he applauds Gloria's for rehabilitating that building. He stated he appreciated the old building getting brought back to their original luster, which preserves the quality within our city. He stated the other homes had a lot of work put into them as well. He thanked staff too for all their work.

Mr. Delman stated he would like to echo the awe and respect of the other commissioners for these magnificent structures that represent Ontario's heritage.

#### **PLANNING / HISTORIC PRESERVATION COMMISSION ACTION**

*It was moved by Gregorek, seconded by Gage, to approve the Model Colony Nominations, File No. PHP18-003. Roll call vote: AYES, DeDiemar, Delman, Gage, Gregorek, Reyes, and Willoughby; NOES, none; RECUSE, none; ABSENT, Downs. The motion was carried 6 to 0.*

#### **PLANNING COMMISSION ITEMS**

- C. **ENVIRONMENTAL ASSESSMENT AND CONDITIONAL USE PERMIT AND DEVELOPMENT PLAN REVIEW FOR FILE NOS. PCUP17-021 AND PDEV17-046:** Development Plan (File No. PDEV17-046) to construct a 4,500 square-foot self-service carwash (Fast 5 Xpress) in conjunction with a Conditional Use Permit (File No. PCUP17-021) to establish and operate the drive-thru carwash, on 0.93 acres of land, within the Commercial land use designation of the Grove Avenue Specific Plan, located at 2345 S. Grove Avenue. The project is categorically exempt from the requirements of the California Environmental Quality Act (CEQA) pursuant to Section 15332 (Class 32, In-Fill Development Projects) of the CEQA Guidelines. The proposed project is located within the Airport Influence Area of Ontario International Airport, and was evaluated and found to be consistent with the policies and criteria of the Ontario International Airport Land Use Compatibility Plan (ALUCP); (APN: 0216-081-25) **submitted by Fast 5 Xpress Car Wash. Continued from February 27, 2018 meeting.**

Assistant Planner, Alexis Vaughn, presented the staff report. She described the location and the surrounding properties. She stated the layout and she went over the conditions of approval, architectural elements, noise evaluation and mitigated measures that are to be enforced. She stated a community meeting was held and described the concerns brought up at the meeting and how those issues were addressed. She stated that staff is recommending the Planning Commission approve File Nos. PCUP17-021 and PDEV17-046, pursuant to the facts and reasons contained in the staff report and attached

resolution, and subject to the conditions of approval.

Ms. DeDiemar wanted clarification regarding the community meeting, and if all of those concerns have been addressed to the satisfaction of those that attended the meeting.

Ms. Vaughn stated she took notes at the meeting and incorporated and addressed the concerns in her report.

Mr. Murphy stated that at this time we don't know if they are satisfied with the adjustments that were incorporated into the conditions of approval.

Mr. Willoughby wanted clarification regarding the two isles being used for different purposes: for entry and stack isles.

Mr. Murphy clarified that one was for those with a prepaid plan and the other was for those paying directly.

Mr. Willoughby asked if the northwest driveway will be enlarged or will it remain the same.

Mr. Murphy stated it is proposed to stay as is and be for entrance only.

Mr. Reyes wanted clarification regarding the wall along the east side being 8 ft and the landscaping to be used as additional buffer.

Mr. Murphy stated at this time it isn't determined but we can work with the applicant to get boxed trees to add instant screening and buffering.

Mr. Reyes stated that would be good.

Mr. Gage wanted clarification about the entry driveway and if there was any discussion about widening it.

Mr. Murphy explained they didn't want to have conflicting multiple points of access and there is already an existing signalized intersection for exiting and that helps to avoid additional conflicts from Grove Ave. traffic.

Mr. Willoughby wanted clarification regarding exiting out the south driveway and how do we prevent them from shooting across to do a u-turn at the Lowe's turn in, and if engineering has addressed this.

Mr. Do addressed the traffic issues and stated that there is adequate distance for them to make that turn.

Mr. Reyes wanted to know if back area as shown on the site plan is able to be closed off to keep people from wandering back there at night.

Mr. Murphy stated there are not any plans to limit vehicular access other than the tunnel will be closed off with metal roll-up doors and cones at the entry to the stacking lane.

Mr. Reyes stated the vacuum bay area stalls adjacent to the parking for the hotel are there enough definition for both businesses to avoid parking issues.

Mr. Murphy stated the driveway is sufficient to make sure there isn't any conflict, but as to a delineation of where the property line is no, but proximity wise you could infer its hotel property.

Mr. Willoughby wanted clarification if the area below the vacuum bay canopy was a planter.

Ms. Vaughn clarified that is a catch basin for water quality and is underground.

### **PUBLIC TESTIMONY**

Applicant Tom Utman, owner of Fast 5 Express Car Wash, stated they have 11 facilities opened on popular streets throughout Southern California and located next to retail or residential. He stated that the Monrovia location is also adjacent to a mobile home park. He stated that after attending the community meeting they tried to be aware of all their concerns. He stated they did a noise study and agreed to the additional mitigation measures, like a higher 8 foot wall, moving the vacuums from the east side, putting a 10 foot wall at the end of the tunnel. He stated that they pride themselves on being a good neighbor. He explained that they don't usually bring additional traffic but most of it comes from existing traffic, which Grove Avenue is a busy street and they are trying to try to keep everything the same in regards to the ingress and egress. He explained regarding the issue of pollution they would have 16 cars that could be in the queuing area at any one time, and they don't have standing cars while vacuuming. He explained that everything they use is biodegradable and nothing goes into the storm drains. He stated that he would like to be a good neighbor. He explained that the Monrovia location has a mobile home next to them and have had no issues. He explained they offer a great service for \$6.00 in a short time and they are successful and offer a great service to the community and have no issues anywhere.

Mr. Willoughby wanted clarification regarding signage in the vacuum area to turn off their cars.

Mr. Utman described the operation, how staff works and stated that there is signage to turn off radios, but that cars are running in the queuing area, but very seldom while vacuuming.

Marlund Hale, the sound engineer of this project stated he is here to answer any noise questions and the mitigation measures that have been addressed with regards to vegetation and its ability to absorb sound, or reflect sound back.

Sylvia DeVries, at 1456 South Grove, from the mobile home park wanted clarification regarding the operating hours.

Ms. Vaughn stated the proposed times would be 7am – 7pm in winter and 7am-8pm in the summer, and a condition was established that no noise be aloud before 6:50 am.

Ms. DeVries stated the noise factor would be seven days a week and that the wall is only for the car wash area, but the mobile home park extends further. Her biggest concern is the noise factor and that they have residents that are elderly, ill and those that work during the evenings and sleep during the day that will be effected by it.

Mr. Utman stated regarding the hours of the operation, that they would be closing earlier than the existing tenant. He stated there will be 16 cameras to monitor but he can't say what will happen with the neighboring properties.

Mr. Willoughby wanted clarification regarding lighting for dark areas after 5 pm during day light savings and if reflecting light has it been addressed in regards to neighboring properties.

Mr. Utman stated lights have a shield and try not to reflect to neighboring properties.

Mr. Murphy stated the lighting in parking areas is for safety issues, and will be designed to avoid spilling over into the adjacent properties. He stated the standard conditions of approval address the photo metrics of the lighting.

Mr. Utman stated when it gets dark the traffic dies down.

As there was no one else wishing to speak, Chairman Delman closed the public testimony

Mr. Reyes stated his concerns regarding the noise and the neighbors and the easy access to the back area when they aren't suppose to be there and suggested a drive arm. He also stated he wasn't crazy about the trash location, but doesn't see another location without causing a hindrance when the trash is being picked up.

Ms. DeDiemar stated that her dilemma is that she has listened and read the concerns regarding the noise from the community, who have come with logical reasons for having this fear and the applicant who gives the reassurance from the other locations, that they would mitigate it.

Mr. Gage stated he has sympathy and understands the concerns of the residents, but is swayed by the professionalism of the company, which seems to be a responsible organization that has tried to accommodate the concerns and run a clean facility and that they want to be good neighbors. He stated the site will look cleaner and better and maybe it will change the neighboring businesses.

Mr. Willoughby stated he has seen one of their other facilities and it is very clean and that it appears they take pride in their business and property, and want to be a good neighbor. He stated his appreciation for the landscaping on the street, the security with the 8 foot wall and the staff for putting in the extra conditions of approval to help with the noise concerns. He stated he concurs with Mr. Gage that a clean car wash could be a positive for a neighborhood.

Mr. Reyes stated he is okay with the use of the sight but still has his before-stated concerns. He has also seen the Monrovia sight which appeared to be clean and well



placed.

Mr. Gregorek stated this is a tough site and hates to see the restaurant go, because south Ontario is in need of sit down restaurants. He explained that with the awkward nature of the sight, the carwash isn't the best use but being it's a self service carwash, it won't be as impactful to the residents as they are thinking. He stated he is not totally in support but that it is appropriate.

#### **PLANNING COMMISSION ACTION**

*It was moved by Willoughby, seconded by Gage, to adopt a resolution to approve the Conditional Use Permit, File No., PCUP17-021, and the Development Plan, File No. PDEV17-046, subject to conditions of approval. Roll call vote: AYES, DeDiemar, Delman, Gage, Gregorek, Reyes, and Willoughby; NOES, none; RECUSE, none; ABSENT, Downs. The motion was carried 6 to 0.*

- D. ENVIRONMENTAL ASSESSMENT, DEVELOPMENT PLAN, AND CONDITIONAL USE PERMIT REVIEW FOR FILE NO. PDEV17-033 AND PCUP17-015:** A Development Plan (File No. PDEV17-033) and Conditional Use Permit (File No. PCUP17-015) to construct and establish a drive-thru restaurant for Raising Cane's Chicken Fingers, totaling 3,233 square feet on 0.81 acres of land, located at 1437 North Mountain Avenue, within the Main Street District of the Mountain Village Specific Plan. The project is categorically exempt from the requirements of the California Environmental Quality Act (CEQA) pursuant to Section 15332 (Class 32, In-Fill Development Projects) of the CEQA Guidelines. The proposed project is located within the Airport Influence Area of Ontario International Airport, and was evaluated and found to be consistent with the policies and criteria of the Ontario International Airport Land Use Compatibility Plan (ALUCP). (APN: 1008-431-21); **submitted by Raising Cane's Chicken Fingers.**

This Item is being continued to the April 24, 2018 meeting.

#### **PUBLIC TESTIMONY**

No one responded.

#### **PLANNING COMMISSION ACTION**

*It was moved by Gage, seconded by Reyes, to continue File Nos. PCUP17-015 and PDEV17-033, to the April 24, 2018 Planning Commission meeting. The motion was carried 6 to 0.*

- E. ENVIRONMENTAL ASSESSMENT, DEVELOPMENT PLAN REVIEW, AND CONDITIONAL USE PERMIT FOR FILE NO. PDEV17-061 AND FILE NO. PCUP18-007:** A Development Plan (File No. PDEV17-061) and Conditional Use Permit (File No. PCUP18-007) to construct and establish a non-stealth wireless telecommunications facility for T-Mobile (65 feet high), attached to an existing SCE tower, and equipment enclosure totaling 484 square feet on 10.17 acres of land, located at 13434 South Ontario Avenue, within the SP/AG (Specific Plan/Agriculture Overlay)

zoning district. The project is categorically exempt from the requirements of the California Environmental Quality Act (CEQA) pursuant to Section 15303 (Class 3, New Construction or Conversion of Small Structures) of the CEQA Guidelines. This project introduces no new significant environmental impacts. The proposed project is located within the Airport Influence Area of Ontario International Airport, and was evaluated and found to be consistent with the policies and criteria of the Ontario International Airport Land Use Compatibility Plan (ALUCP); (APN: 0218-122-06) **submitted by T-Mobile.**

Assistant Planner, Jeanie Aguilo, presented the staff report. She described the location and surrounding area. She stated that staff is recommending the Planning Commission approve File Nos. PCUP18-007 and PDEV17-061, pursuant to the facts and reasons contained in the staff report and attached resolution, and subject to the conditions of approval.

No one responded.

### **PUBLIC TESTIMONY**

Damien Pichardo, a representative of Coastal Business Group, on behalf of T-mobile appeared and stated he was available to answer any questions.

As there was no one else wishing to speak, Chairman Delman closed the public testimony

Mr. Gage stated that these are submitted to us regularly and mostly the height and stealthness of the equipment are what are being looked at, and this is pretty straight forward.

Mr. Gregorek stated that with the location, it is appropriate.

### **PLANNING COMMISSION ACTION**

*It was moved by Gage, seconded by Reyes, to adopt a resolution to approve the Conditional Use Permit, File No. PCUP18-007, and the Development Plan, File No. PDEV17-033, subject to conditions of approval. Roll call vote: AYES, DeDiemar, Delman, Gage, Gregorek, Reyes, and Willoughby; NOES, none; RECUSE, none; ABSENT, Downs. The motion was carried 6 to 0.*

### **F. ENVIRONMENTAL ASSESSMENT, SPECIFIC PLAN REVIEW FOR FILE NO. PSP16-003 AND WILLIAMSON ACT CANCELLATION FOR FILE NO. PWIL18-002:**

A public hearing to consider certification of the Environmental Impact Report, (SCH#2017031048) including the adoption of a Statement of Overriding Considerations, for File No. PSP16-003 and a Specific Plan (Colony Commerce Center East) request (File No. PSP16-003) to establish land use designations, development standards, design guidelines and infrastructure improvements for approximately 94 acres of land, which includes the potential development of 2,362,215 square feet of industrial and business park development and a petition to cancel William Act Contract 70-159. The project site is bounded by Archibald Avenue to the east, the San Bernardino/Riverside County boundary to the south, the Cucamonga Creek Flood Control Channel to the west and Merrill Avenue to the north. The proposed project is

located within the Airport Influence Area of Ontario International Airport (ONT) and Chino Airport, and was evaluated and found to be consistent with the policies and criteria of both the ONT Airport and Chino Airport Land Use Compatibility Plans (ALUCP). (APNs: 218-311-02, 218-311-03, 218-311-07, 218-311-08, 218-311-10 & 218-311-13); **submitted by CapRock Partners Land & Development Fund I, L.P. City Council action is required.**

Senior Planner, Luis Batres, presented the staff report describing the location of the project sight and what is in the surrounding area. He stated this is the 12<sup>th</sup> specific plan approved in the South Ontario area. He described the standards, land uses, planning areas, potential uses and infrastructure for the area. He also described why it is necessary to cancel the existing Williamsons Act for the project area. He described the process of the EIR notification and the three items air quality, transportation and traffic, and agricultural resources, which are not able to be mitigated. He stated that staff is recommending the Planning Commission recommend approval of the Certification of a EIR with a Statement of Overriding Considerations and File Nos. PSP16-003 and PWIL18-002, pursuant to the facts and reasons contained in the staff report and attached resolutions, and subject to the conditions of approval.

Mr. Reyes wanted clarification regarding area PA1 wants to know what kind of uses would be allowed here.

Mr. Batres stated appropriate uses would be educational facilities, public education, trade schools, industrial clinics, religious facilities, advertising agencies, copying, repairing services, to give a few from the list.

Mr. Murphy stated that industrial light uses or a combination of professional and light manufacturing or retail uses, not typical of noise or odors associated to them.

Mr. Reyes wanted to know if site plans were available for review.

Mr. Batres stated no, not at this time.

### **PUBLIC TESTIMONY**

Patrick Daniels, CapRock Partners, appeared and stated he appreciates the opportunity to be here again. He stated that no site plans are available but that staff envision smaller buildings and mixed use, because of the residential and they working with staff to have more sensitivity and architectural enhancements, to have a product the city can be proud of.

Josh Bourgeois, of Golden State Environmental Justice Alliance, stated they provided a comment letter and that they stand by their letter and the items addressed in it and feel the EIR should be re-drafted and re-circulated, to address those issues.

As there was no one else wishing to speak, Chairman Delman closed the public testimony

Mr. Reyes stated he appreciated the applicant addressing the concerns of staff and that we need to be considerate of our neighbors. He stated that he sees this as an entrance to the

city and an important connection and we need to be mindful of the detail of architecture, and frontage as we move forward.

Mr. Willoughby also appreciated the applicant's comments regarding the frontage on Archibald, and that their thinking seems more in regards to the Goodman Center to the east, with huge buildings in the back and nice commercial business park buildings in the front.

### **PLANNING COMMISSION ACTION**

*It was moved by Willoughby, seconded by Reyes, to recommend adoption of a resolution to approve the Certification of an EIR, with a Statement of Overriding Consideration. Roll call vote: AYES, DeDiemar, Delman, Gage, Gregorek, Reyes, and Willoughby; NOES, none; RECUSE, none; ABSENT, Downs. The motion was carried 6 to 0.*

*It was moved by Willoughby, seconded by DeDiemar, to recommend adoption of a resolution to approve the Specific Plan, File No. PSP16-003, and the cancellation of the Williamson Act, File No. PWIL18-002, subject to conditions of approval. Roll call vote: AYES, DeDiemar, Delman, Gage, Gregorek, Reyes, and Willoughby; NOES, none; RECUSE, none; ABSENT, Downs. The motion was carried 6 to 0.*

#### **G. ENVIRONMENTAL ASSESSMENT, DEVELOPMENT CODE AMENDMENT AND ZONE CHANGE REVIEW FOR FILE NOS. PDCA18-001 & PZC18-001:**

A Development Code Amendment (File No. PDCA18-001) to allow used vehicle automobile dealers in the CR (Regional Commercial) zoning district, subject to the approval of a Conditional Use Permit, and a Zone Change (File No. PZC18-001) from OH (High Intensity Office) to CR (Regional Commercial) on 2.34 acres of land located the terminus of Turner Avenue, south of Interstate 10, at 520 North Turner Avenue. The environmental impacts of this project were reviewed in conjunction with an Addendum to 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. This project introduces no new significant environmental impacts. The proposed project is located within the Airport Influence Area of Ontario International Airport, and was evaluated and found to be consistent with the policies and criteria of the Ontario International Airport Land Use Compatibility Plan (ALUCP); (APN: 0210-551-01) **submitted by Carvana, LLC. City Council action is required.**

#### **H. ENVIRONMENTAL ASSESSMENT DEVELOPMENT PLAN, CONDITIONAL USE PERMIT, AND VARIANCE REVIEW FOR FILE NO. PDEV18-003, PCUP18-001 & PVAR18-002:**

A Development Plan (File No. PDEV18-003) and Conditional Use Permit to construct and operate a 5,781-square foot, 70-foot high automotive sales facility (Carvana), and a Variance to deviate from the maximum number of allowed wall signs on a commercial building, from 3 signs to 4 signs, on 2.34 acres of land located the terminus of Turner Avenue, south of Interstate 10, at 520 North Turner Avenue, within the CR (Regional Commercial) zoning district. The project is categorically exempt from the requirements of the California Environmental Quality Act (CEQA) pursuant to Section 15332 (Class 32, Infill Development Projects) of the CEQA Guidelines. The proposed project is located within the Airport Influence Area of Ontario

International Airport, and was evaluated and found to be consistent with the policies and criteria of the Ontario International Airport Land Use Compatibility Plan (ALUCP); (APNs: 0210-551-01) **submitted by Carvana, LLC.**

Senior Planner, Chuck Mercier, presented the staff report. He described the location and the project being proposed, and the changes that need to be made to accommodate the project. He described the process of the business from the purchasing, delivery, and the vending machine type building. He explained the difference between this dealership and other auto dealers. He described the variance for the signage. He stated that staff is recommending the Planning Commission recommend approval of the Addendum to an EIR, and File Nos. PZC18-001, and PDCA18-001, that the Planning Commission approve File Nos. PCUP18-001 & PDEV18-003, and the Planning Commission deny the Variance, File No. PVAR18-002, pursuant to the facts and reasons contained in the staff report and attached resolutions, and subject to the conditions of approval.

No one responded.

### **PUBLIC TESTIMONY**

Brett Sasaber, the applicant wanted to give a video presentation that describes the business. He stated Carvana is like the Amazon of car purchasing, as all of it is done online. He described purchasing process, delivery, and the vending machine looking building, and stated they are a low impact dealership with high impact sales. He stated they have 4.7 rating online, which they are very proud of. He described their position for the architectural reasons they want the signage on all four sides, because of the nature of the building.

Mr. Willoughby wanted to know if we have a California location now.

Mr. Sasaber stated the hubs are opened and they are working on a site in Westminster.

Mr. Willoughby wanted clarification on the percentage that come to the vending machine.

Mr. Sasaber stated across the platform and in all the markets it is consistently 50 / 50 use of vending machine.

Mr. Gage wanted to know the number of centers nationwide and are you going to accommodate California emission certification.

Brett stated that most of them are older models and already have the California emissions Certification, and if they don't then the vehicle wouldn't be available for California purchase.

Mr. Reyes wanted clarification on the vending machine building and how it works and how many cars are stored there.

Mr. Brett described the mechanics of the building and auto-parking display and the efficiency. He stated that ideally they would like to have all 27 vehicles rotating out,

because that means they are generating sales.

Mr. Reyes wanted clarification on when does the reload of the vending machine happen.

Mr. Brett stated it is usually the night before the pickup of a vehicle.

Mr. Reyes wanted to know if tracking of your car was available.

Mr. Brett stated yes customers have come to expect that in online purchasing.

Mr. Willoughby wanted to know how long before a car ready for pickup.

Mr. Brett stated typically 48 hours, depending on where the car is located and how busy the market is.

Ms. DeDiemar wanted clarification regarding the signs if you can't have four signs would rather have two signs for architectural balance, and would that be a detouring factor for Carvana.

Mr. Brett stated we are not trying to disrupt the community, but better to balance the building.

Ms. DeDiemar wanted to know why they chose Ontario for their business.

Mr. Brett stated California is a very big market and Ontario was welcoming and staff has been great. He stated they are happy to be here.

Mr. Gage wanted clarification regarding financing for the cars, and if it is done online.

Mr. Brett stated it is all done online and how the process works.

Mr. Gage wanted to know if all the registration is taken care of.

Mr. Brett stated the headquarters in Phoenix handles all the registration, from state to state and we do all we can within the state guidelines, before the pickup, to make it a quick and easy pickup.

Mr. Gage wanted clarification on the number of employees at this site.

Mr. Brett stated there would be no more than 25, but they would start with 7 or so.

As there was no one else wishing to speak, Chairman Delman closed the public testimony

Mr. Reyes stated that he knows the location well, and the proximity to Guasti to the south and the historical stuff that is going on there was an initial concern. He stated that he thinks this will fit the site because of the visibility of the iconic tower and the location off the 10 freeway and it isn't your normal car dealership.

Ms. DeDiemar stated she finds the idea intriguing and this seems to be a sign of how we

can do things in the future. She stated this will draw people to Ontario from a larger area and this is good use of the project site.

Mr. Gage stated he couldn't imagine supporting a building like this years ago, but this is an iconic idea and is happy to see this in the 10 freeway corridor in Ontario.

Mr. Willoughby echoed the other commissioner's statements and stated shopping and buying will continue to change and thinks this is ahead of the curve and he likes the concept. He stated that the 50/50 percentage of using the vending machine is a plus for the revenue for the city and the people it will bring. He stated he is not enthusiastic about the variance because of the door it opens for other businesses in the area. He stated it looks like a good business model and a good business to have in Ontario.

Mr. Delman stated this is a marvelous idea and great for consumers and he expressed his thanks to them for picking Ontario.

### **PLANNING COMMISSION ACTION**

*It was moved by Willoughby, seconded by Gregorek, to recommend adoption of a resolution to approve the use of an Addendum to an EIR. Roll call vote: AYES, DeDiemar, Delman, Gage, Gregorek, Reyes, and Willoughby; NOES, none; RECUSE, none; ABSENT, Downs. The motion was carried 6 to 0.*

*It was moved by Willoughby, seconded by DeDiemar, to recommend adoption of a resolution to approve the Zone Change, File No., PZC18-001, and the Development Code Amendment, File No. PDCA18-001, subject to conditions of approval. Roll call vote: AYES, DeDiemar, Delman, Gage, Gregorek, Reyes, and Willoughby; NOES, none; RECUSE, none; ABSENT, Downs. The motion was carried 6 to 0.*

*It was moved by Gregorek, seconded by DeDiemar, to adopt a resolution to deny the Variance, File No. PVAR18-002. Roll call vote: AYES, DeDiemar, Delman, Gage, Gregorek, Reyes, and Willoughby; NOES, none; RECUSE, none; ABSENT, Downs. The motion was carried 6 to 0.*

*It was moved by Gage, seconded by Reyes, to adopt a resolution to approve the Conditional Use Permit, File No. PCUP18-001, and Development Plan, File No. PDEV18-003, subject to conditions of approval. Roll call vote: AYES, DeDiemar, Delman, Gage, Gregorek, Reyes, and Willoughby; NOES, none; RECUSE, none; ABSENT, Downs. The motion was carried 6 to 0.*

### **I. ENVIRONMENTAL ASSESSMENT AND TENTATIVE TRACT MAP REVIEW**

**FOR FILE NO. PMTT16-003/TT 20012:** A Tentative Tract Map (File No. PMTT16-003/TT 20012) to subdivide 37.47 acres of land into 176 numbered lots and 47 lettered lots for public streets, landscape neighborhood edge areas and common open space purposes, for property generally located north of Ontario Ranch Road and approximately 400 feet west of Turner Avenue, within the Low Density Residential (LDR) district of Planning Area 8A of The Avenue Specific Plan. The environmental impacts of this project were previously analyzed in an addendum to The Avenue Specific Plan EIR (SCH# 2005071109) that was adopted by the City Council on December 9, 2006. This

application is consistent with the previously adopted EIR and introduces no new significant environmental impacts. All previously adopted mitigation measures shall be a condition of project approval and are incorporated herein by reference. 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 Plans (ALUCP) for ONT Airport. (APNs: 0218-201-20, 0218-201-26 and 0218-201-27); **submitted by Ontario Avenida Associates, LLC.**

- J. ENVIRONMENTAL ASSESSMENT AND DEVELOPMENT AGREEMENT FOR FILE NO. PDA17-007:** A Development Agreement between the City of Ontario and Ontario Avenida Property OWNER LLC, for the potential development of up to 176 residential units (File No. PMTT16-003/TT 20012) on 37.47 acres of land, for property generally located north of Ontario Ranch Road and approximately 400 feet west of Turner Avenue, within the Low Density Residential (LDR) district of Planning Area 8A of The Avenue Specific Plan. The environmental impacts of this project were previously analyzed in an addendum to The Avenue Specific Plan EIR (SCH# 2005071109) that was adopted by the City Council on December 9, 2006. This application is consistent with the previously adopted EIR and introduces no new significant environmental impacts. All previously adopted mitigation measures shall be a condition of project approval and are incorporated herein by reference. 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 Plans (ALUCP) for ONT Airport. (APNs: 0218-201-20, 0218-201-26 and 0218-201-27); **submitted by Ontario Avenida Property Owner LLC. City Council Action is required**

Mr. Gregorek recused himself, as his firm is working on the projects.

Senior Planner, Henry Noh, presented the staff report. Mr. Noh described the location and the surrounding area. He described the proposed project to subdivide to 176 numbered lots, and four pocket parks. He stated they received a letter of opposition from the adjacent poultry farm, regarding the 100 foot separation. He described the development agreement and the financial commitment, the 10 year term with a 5 year option, infrastructure, parks and policies. He stated that staff is recommending the Planning Commission approve File No. PMTT16-003, pursuant to the facts and reasons contained in the staff report and attached resolution, and subject to the conditions of approval. He stated that staff is recommending the Planning Commission recommend approval of File No. PDA17-007.

No one responded.

### **PUBLIC TESTIMONY**

Jason Lee, with Ontario Avenida, appeared and thanked the staff for working with them to get the adequate setbacks from the existing poultry farm. He stated they have worked with Brookfield regarding connection points for the future, as well as did an overlay of the poultry farm in case that develops in the future.

Joyce Jong stated in November 2017 they came before the commission to express their



concerns with this project and since then they have met with staff and worked with them to give adequate setbacks. She wanted to thank the staff and commission for taking these concerns into consideration.

As there was no one else wishing to speak, Chairman Delman closed the public testimony

Mr. Gage thanked the family for staying all this time and making those comments. He stated he is glad that the city was able to work with them.

Ms. DeDiemar would like to comment that she was very impressed with their presentation in November and made it easy to grant the concerns of the family.

Mr. Reyes stated this is good example of city, developers and neighbors working together and he is glad that she came to share the concerns, because it helps us make a good decision.

Mr. Delman thanked everyone for working together.

Mr. Willoughby stated it is exciting to see what is happening in Ontario Ranch and as we move forward we are going to have these issues with existing usage. He stated that he appreciates Mr. Noh and the family working together to get a great project that works.

#### **PLANNING COMMISSION ACTION**

*It was moved by Willoughby, seconded by DeDiemar, to adopt a resolution to approve the Tract Map, File No. PMTT16-003. Roll call vote: AYES, DeDiemar, Delman, Gage, Reyes, and Willoughby; NOES, none; RECUSE, Gregorek; ABSENT, Downs. The motion was carried 5 to 0.*

*It was moved by Willoughby, seconded by Reyes, to recommend adoption of a resolution to approve the Development Agreement, File No., PDA17-007, subject to conditions of approval. Roll call vote: AYES, DeDiemar, Delman, Gage, Reyes, and Willoughby; NOES, none; RECUSE, Gregorek; ABSENT, Downs. The motion was carried 5 to 0.*

- K. ENVIRONMENTAL ASSESSMENT AND DEVELOPMENT CODE AMENDMENT FILE NO. PDCA18-002: A Development Code Amendment proposing various modifications, clarifications and updates to certain provisions of the Ontario Development Code, including Chapter 2.0, Table 2.02-1 (Review Matrix), Chapter 5.0 (Zoning and Land Use), Chapter 8.0 (Sign Regulations) as it relates to the ONT (Ontario International Airport) zoning designation, generally located north of Mission Boulevard, south of Airport Drive, east of Grove Avenue, and west of Haven Avenue; The proposed Development Code Amendment is exempt from the requirements of the California Environmental Quality Act (CEQA) and the guidelines promulgated thereunder, pursuant to Section 15061(b)(3) of the CEQA Guidelines. The project is located within the Airport Influence Area of Ontario International Airport, and was evaluated and found to be consistent with the policies and criteria set forth within the Ontario International Airport Land Use Compatibility Plan; **City Initiated. City Council action is required.****

Development Director, Scott Murphy, presented the staff report. He described the changes that have been going on in the Ontario Airport area. He stated the City of Ontario has Land Use Authority over projects, but the Joint Powers Authority (OIAA) is the lead agency under CEQA and NEPA, and the need for a quick response to projects coming in. He stated the Amendment allows for new development/construction would go through a plan check submittal process, routing through Building and Planning departments and as long as it coincides with the development standards and design guidelines, it would be processed, and environmental review would be under OIAA. He stated the revised table in front of them, is a narrowed down list of usages that are appropriate for the ONT zone. He stated signage for the airport and the amendment to allow for a uniform sign program and issue approvals based on those guidelines. He stated also included are 6 billboards being proposed. He stated that staff is recommending the Planning Commission recommend approval of File No. PDCA18-002, pursuant to the facts and reasons contained in the staff report and attached resolution, and subject to the conditions of approval.

Mr. Willoughby wanted clarification if 6 billboards is the limitation.

Mr. Murphy stated the last page of the revised handout, shows what will be allowed and the specifics, and a total square footage for all billboards combined, and states that all billboards shall be located in close proximity to the terminal and/or car rental area within the airport area.

Mr. Reyes wanted clarification regarding the table and the changes being made.

Mr. Murphy stated those clouded areas are changes from the original report they received.

Mr. Gage wanted to know if this takes the oversight of the planning commission away from the airport.

Mr. Murphy stated right now the way the process is now projects would go through the DAB hearing body and not go before the Planning Commission, but the way this is being crafted this wouldn't go to DAB and would go through a plan check process through the staff. He stated an appeal would go to the city council.

Mr. Gage wanted clarification if this includes historical aspects as well at the airport.

Mr. Murphy stated that because OIAA is the lead agency on environmental they would have to go through and review historic aspects of the project when they do their environmental work. He stated there was a recent study that identified the historic aspects, they will have to evaluate those.

Mr. Gage stated that planning commission has approved and reviewed many billboard signs in the past, so he wanted clarification that the commission would be approving 6 billboards with no design review.

Mr. Murphy described the difference between a billboard and freeway business signage, and stated there are only about three actual billboards that the planning commission has

approved.

Mr. Gage wanted clarification on the locations and that we don't have any input and are giving away our right to review it.

Mr. Willoughby wanted clarification if this was initiated by City Council.

Mr. Murphy stated that started with OIAA entering into a contract with Lamar Advertising to provide signage on Airport and part of the package included billboards, with our ordinance does not allow for that.

Mr. Gage wanted clarification that if we turn this down then it goes to the city council and they can vote any way they want.

Mr. Murphy stated that is correct.

### **PUBLIC TESTIMONY**

As there was no one else wishing to speak, Chairman Delman closed the public testimony

Mr. Reyes stated he is in favor of airport growth and high quality project that allow for expansion and high quality signage for the airport. He stated by taking the commission out of the review process, he isn't sure how the city folks will look at it, either they will like it or say it's a bad idea. He stated one of the things was expediting projects and suggested if they could go to a subcommittee and be able to make a recommendation or comment. He stated those are the things he is struggling with to make a decision.

Ms. DeDiemar stated she shares the concerns of Mr. Gage and Mr. Reyes and it is a dangerous president and wanted to know if we can make another way to expedite approval rather than giving up our authority to OIAA.

Mr. Willoughby stated that he agrees with the commissioners, but we aren't really giving up anything because they would go to DAB anyway. He stated he trust the planning staff with design quality and elements and he will give the power to the city council and let them decide.

Mr. Gregorek stated he was disappointed from the historic aspect, but it seems similar to the arena and library, which they had no say in, so he just has to trust the process.

Mr. Delman stated he agrees with Mr. Willoughby and he trust the planning staff and the DAB to make those decisions.

Mr. Reyes stated his comments previously were not meant to diminish the planning staffs abilities, but more of how will people within the city perceive it. He wanted to know if OIAA could create an advisory board, so that they could comment.

Mr. Gage stated he is for growth of the airport and fast growth and he isn't against billboard signs, but he is against the Planning Commission being taken out of the process because they are the people living in the city. He stated the city council can still overturn

things and he has faith in the planning department but the city council hires and fires those people.

### **PLANNING COMMISSION ACTION**

*It was moved by Gregorek, seconded by Willoughby, to recommend adoption of a resolution to approve the Development Code Amendment, File No. PDCA18-002, subject to conditions of approval. Roll call vote: AYES, Delman, Gregorek, Reyes, and Willoughby; NOES, DeDiemar and Gage; RECUSE, none; ABSENT, Downs. The motion was carried 4 to 2.*

Mr. Murphy thanked the commissioners for their comments, especially the faith they put in the staff and he stated he understands the difficulty in coming to a decision.

Mr. Delman stated he also appreciated and understands the process with airports.

### **MATTERS FROM THE PLANNING COMMISSION**

#### **Old Business Reports From Subcommittees**

**Historic Preservation (Standing):** This subcommittee met on March 8, 2018 and approved the Model Colony Award nominations.

**Development Code Review (Ad-hoc):** This subcommittee did not meet.

**Zoning General Plan Consistency (Ad-hoc):** This subcommittee did not meet.

#### **New Business**

Mr. Willoughby asked about the storage containers on Haven at the Holiday Express.

Mr. Murphy stated that this has been sent to code.

Ms. DeDiemar wanted to know if there was any news on semi-trucks parking in the downtown area.

Mr. Murphy stated that at the last meeting City Council did adopt a resolution requesting that Caltrans allows posting of no parking signs.

Mr. Gregorek wanted clarification as to what kind of parking.

Mr. Murphy stated semi-truck parking only.

### **NOMINATIONS FOR SPECIAL RECOGNITION**

None at this time.

**DIRECTOR'S REPORT**

Mr. Murphy stated the monthly activities reports are in their packets.

**ADJOURNMENT**

Willoughby motioned to adjourn, seconded by Gregorek. The meeting was adjourned at 10:01 PM.

  
Secretary Pro Tempore

  
Chairman, Planning Commission

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

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF ONTARIO, CALIFORNIA, DENYING AN APPEAL AND UPHOLDING THE PLANNING COMMISSION DECISION TO APPROVE FILE NO. PCUP17-021, CONDITIONAL USE PERMIT TO ESTABLISH AND OPERATE A DRIVE-THRU CARWASH, ON 0.93 ACRES OF LAND, WITHIN THE COMMERCIAL LAND USE DESIGNATION OF THE GROVE AVENUE SPECIFIC PLAN, LOCATED AT 2345 S. GROVE AVENUE, AND MAKING FINDINGS IN SUPPORT THEREOF—APN: 0216-081-25.

WHEREAS, SYLVIA DEVRIES ("Applicant") has filed an Application appealing the Planning Commission's approval of File No. PCUP17-021, as described in the title of this Resolution (hereinafter referred to as "Application" or "Project"); and

WHEREAS, the Application applies to 0.93 acres of land generally located near the northeast corner of Grove Avenue and the CA-60 Freeway, at 2345 S. Grove Avenue within the Commercial land use designation of the Grove Avenue Specific Plan, and is presently improved with a restaurant; and

WHEREAS, the properties to the north and south of the Project site are within the Commercial land use designation of the Grove Avenue Specific Plan and are developed with a self-storage facility and a hotel. The property to the east is within the Mobile Home Park zoning district and is developed with a mobile home park. The property to the west is within the Community Commercial zoning district and is developed with a retail commercial center; and

WHEREAS, the Applicant is requesting Development Plan approval (File No. PDEV17-046) to construct a 4,500 square-foot carwash facility in conjunction with the Conditional Use Permit to establish and operate the drive-thru carwash; and

WHEREAS, on September 14, 2017, Fast 5 Xpress submitted File Nos. PDEV17-046 and PCUP17-021, a Development Plan and Conditional Use Permit to establish and operate a self-service carwash (Fast 5 Xpress) as described above; and

WHEREAS, on January 9, 2018, the Planning Department sent a notice of proposed project to the community, including the entire mobile home park. A total of 18 written comments and six phone calls were received regarding the project; and

WHEREAS, on February 20, 2018, the Planning Department held a community meeting at the Rancho Ontario Mobile Home Park Community Center. The intent of the meeting was to review the Development Plan and Conditional Use Permit with the surrounding residents, answer any questions, and receive comments on the proposed project. A total of 23 people signed in at the meeting; and

WHEREAS, on March 19, 2018, the Development Advisory Board of the City of Ontario conducted a hearing to consider the Project, and concluded said hearing on that date, voting to issue Decision Nos. DAB18-012 recommending that the Planning Commission approve the Application; and

WHEREAS, on March 27, 2018, the Planning Commission of the City of Ontario conducted a public hearing to consider the project and the Development Advisory Board's recommendation. Following a presentation of staff's findings and after receipt of all public testimony, the Planning Commission addressed the applications, and concluded said hearing on that date, voting to issue Resolution No. PC18-025 to approve the Application by a vote of 6-0; and

WHEREAS, on April 4, 2018, the Applicant submitted an appeal of the Planning Commission's decision to approve File Nos. PDEV17-046 and PCUP17-021. The basis for the appeal lies in their belief that the level of noise and exhaust pollution within the vicinity of the project site, specifically at the adjacent mobile home park, will be exacerbated by the proposed project; and

WHEREAS, on May 15, 2018, the City Council of the City of Ontario conducted a hearing to consider an appeal of the Planning Commission's decision to approve the project, and concluded said hearing on that date; and

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

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

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

WHEREAS, the Project 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;

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 administrative record has been completed in compliance with CEQA, the State CEQA Guidelines, and the City of Ontario Local CEQA Guidelines; and

(2) The Project is categorically exempt from environmental review pursuant to Section 15332 (Class 32, In-Fill Development Projects) of the CEQA Guidelines, which consists of projects characterized as in-fill development meeting the conditions described in this section; and

(3) The application of the categorical exemption is not barred by one of the exceptions set forth in CEQA Guidelines Section 15300.2; and

(4) The determination of CEQA exemption reflects the independent judgment of the City Council.

**SECTION 2. 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 on the facts and information contained in the Application and supporting documentation, at the time of Project implementation, the project is consistent with the Housing Element of the Policy Plan (General Plan) component of The Ontario Plan, as the project site is not one of the properties in the Available Land Inventory contained in Table A-3 (Available Land by Planning Area) of the Housing Element Technical Report Appendix.

**SECTION 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, when implemented in conjunction with the conditions of approval, will be 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 scale and intensity of the proposed land use would be consistent with the scale and intensity of land uses intended for the particular zoning or land use district.*** The proposed location, as well as the scale and intensity, of the Conditional Use Permit is in accord with the objectives and purposes of the Commercial land use designation of the Grove Avenue Specific Plan. Furthermore, the proposed car wash land use will be established and operated consistent with the objectives and purposes, and development standards and guidelines, of the Specific Plan. The scale and intensity of the proposed carwash is consistent with other permitted land uses located within the Commercial land use designation of the Grove Avenue Specific Plan. The Commercial land use designation allows for general retail, service, and commercial uses, and permits other specific uses with similar characteristics with a Conditional Use Permit. This type of land use district is intended to provide commercial sales and retail facilities which support business operations within the Grove Avenue Corridor and/or serve the needs of airport-bound visitors, especially uses which can take advantage of high traffic volumes along Grove Avenue. The proposed Conditional Use Permit application is for establishing a self-service carwash. A Development Plan has been submitted in conjunction with the proposed Conditional Use Permit to construct a 4,500 square-foot building to accommodate the carwash and related functions. Furthermore, the project site is currently developed with a restaurant, which will be demolished to accommodate the carwash facility, and is surrounded on the north, west, and south by other existing commercial uses. The proposed use is not anticipated to create any impacts with implementation of the project's Conditions of Approval; therefore, the proposed use is consistent with the objectives, purposes, and development standards and guidelines of the City's Development Code and the Grove Avenue Specific Plan.

(2) ***The proposed use at the proposed location, and the manner in which it will be operated and maintained, is consistent with the goals, policies, plans and exhibits of the Vision, Policy Plan (General Plan), and City Council Priorities components of The Ontario Plan.*** The proposed car wash land use will be located within the General Commercial land use district of the Policy Plan Land Use Map, and the

Commercial land use designation of the Grove Avenue Specific Plan. The development standards, and the conditions of approval under which the proposed land use will be established, operated, and maintained, are consistent with the goals, policies, plans, and exhibits of the Vision, City Council Priorities, and Policy Plan (General Plan) components of The Ontario Plan. The General Commercial land use accommodates local and regional serving retail, personal service, entertainment, dining, office, tourist-serving, and related commercial uses. The proposed Conditional Use Permit and Development Plan applications are for establishing a self-service carwash, which falls under personal services and related commercial uses. The project will be consistent with an array of TOP goals and policies, such as the incorporation of a variety of land uses and quality landscape and streetscape design, and improvement of the neighborhood. The proposed use is not anticipated to create any impacts with enforcement of the project's Conditions of Approval; therefore, the project 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.

(3) ***The proposed use at the proposed location, and the manner in which it will be operated and maintained, is consistent with the objectives and requirements of the Development Code and any applicable specific plan or planned unit development.*** The proposed car wash land use has been reviewed and conditioned to ensure the establishment, operation and maintenance of the proposed land use is consistent with all applicable objectives, purposes, standards, and guidelines of the Development Code, and the General Commercial land use district and Grove Avenue Specific Plan in which the project is located. A Development Plan has been submitted in conjunction with the proposed Conditional Use Permit to construct a 4,500 square-foot building to accommodate the carwash and related functions. The project has been designed to facilitate the business activities on-site while still allowing for reciprocal access to the southerly parcel. The project site is surrounded on the north, west, and south by other existing commercial uses and is currently developed with a restaurant, which will be demolished to accommodate the proposed carwash facility. The project shall incorporate extensive landscaping throughout the site, which will enhance the Grove Avenue streetscape, and the use will provide an added convenience to patrons of the nearby commercial shopping center. The proposed use is not anticipated to create any impacts with implementation of the project's Conditions of Approval, which will ensure that the proposed use will operate in a safe manner and be properly maintained and operated in accordance with the Ontario Development Code and the Grove Avenue Specific Plan.

(4) ***The establishment, maintenance, and operation of the proposed use at the proposed location would not be detrimental or injurious to property and improvements within the vicinity, nor would it be detrimental to the health, safety, or general welfare of persons residing or working in the surrounding neighborhood.*** The City Council has required certain safeguards, and imposed certain conditions of approval, which have been established to ensure that: [i] the purposes of the Grove Avenue Specific Plan are maintained; [ii] the project will not endanger the public health, safety or general welfare; [iii] the project will not result in any significant environmental impacts; and [iv] the project will be in harmony with the surrounding area in which it is proposed to be located. The project site is located within the Commercial

land use designation of the Grove Avenue Specific Plan, for which a carwash is a conditionally-permitted use. The project proposes various improvements to the site, including enhanced landscaping at and beyond the parkway, improved drainage facilities, and a new eight-foot block wall along the east property line for safety and sound attenuation. Overall, the project will be conditioned to ensure that the proposed use will not be detrimental or injurious to the surrounding property or persons working or living in the surrounding neighborhood.

SECTION 5. **City Council Action.** Based upon the findings and conclusions set forth in Sections 1 through 4, above, the City Council hereby UPHOLDS the Planning Commission's decision to approve the herein described project (File Nos. PDEV17-046 and PCUP17-021).

SECTION 6. **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 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 15<sup>th</sup> day of May 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 May 15, 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 May 15, 2018.

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

(SEAL)

**ATTACHMENT A:**

**Conditions of Approval of File No. PCUP17-021**

*(Document follows this page)*



City of Ontario  
Planning Department  
303 East B Street  
Ontario, California 91764  
Phone: 909.395.2036  
Fax: 909.395.2420

*Planning Department  
Land Development Division  
Conditions of Approval*

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**Meeting Date:** March 27, 2018

**File No:** PCUP17-021

**Related Files:** PDEV17-046

**Project Description:** A Development Plan (File No. PDEV17-046) to construct a 4,500 square-foot self-service carwash (Fast 5 Xpress) in conjunction with a Conditional Use Permit (File No. PCUP17-021) to establish and operate the drive-thru carwash, on 0.93 acres of land, within the Commercial land use designation of the Grove Avenue Specific Plan, located at 2345 S. Grove Avenue. APN: 0216-081-25; **submitted by Fast 5 Xpress Car Wash.**

**Prepared By:** Alexis Vaughn  
Phone: 909.395.2416 (direct)  
Email: [avaughn@ontarioca.gov](mailto:avaughn@ontarioca.gov)

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The Planning Department, Land Development Section, conditions of approval applicable to the above-described Project, are listed below. The Project shall comply with each condition of approval listed below:

**1.0 Standard Conditions of Approval.** The project shall comply with the *Standard Conditions for New Development*, adopted by City Council Resolution No. 2017-027 on April 18, 2017. A copy of the *Standard Conditions for New Development* may be obtained from the Planning Department or City Clerk/Records Management Department.

**2.0 Special Conditions of Approval.** In addition to the *Standard Conditions for New Development* identified in condition no. 1.0, above, the project shall comply with the following special conditions of approval:

**2.1** Time Limits.

**(a)** Conditional Use Permit approval shall become null and void one year following the effective date of application approval, unless a building permit is issued and construction is commenced, and diligently pursued toward completion, or a time extension has been approved by the Planning Director, except that a Variance approved in conjunction with a Development Plan shall have the same time limits as said Development Plan. This condition does not supersede any individual time limits specified herein, or any other departmental conditions of approval applicable to the Project, for the performance of specific conditions or improvements.

**2.2** General Requirements. The Project shall comply with the following general requirements:

**(a)** All construction documentation shall be coordinated for consistency, including, but not limited to, architectural, structural, mechanical, electrical, plumbing, landscape and irrigation, grading, utility and street improvement plans. All such plans shall be consistent with the approved entitlement plans on file with the Planning Department.

**(b)** The project site shall be developed in conformance with the approved plans on file with the City. Any variation from the approved plans must be reviewed and approved by the Planning Department prior to building permit issuance.

**(c)** The herein-listed conditions of approval from all City departments shall be included in the construction plan set for project, which shall be maintained on site during project construction.

**(d)** The project is contingent upon Planning Commission approval of the related Development Plan (File No. PDEV17-046). All applicable Conditions of Approval of the related Application shall apply to the Conditional Use Permit Application.

**2.3** Indemnification. The applicant shall agree to defend, indemnify and hold harmless, the City of Ontario or its agents, officers, and employees from any claim, action or proceeding against the City of Ontario or its agents, officers or employees to attack, set aside, void or annul any approval of the City of Ontario, whether by its City Council, Planning Commission or other authorized board or officer. The City of Ontario shall promptly notify the applicant of any such claim, action or proceeding, and the City of Ontario shall cooperate fully in the defense.

**2.4** Additional Fees.

**(a)** Within 5 days following final application approval, the Notice of Determination (NOD) filing fee shall be provided to the Planning Department. The fee shall be paid by check, made payable to the "Clerk of the Board of Supervisors", which shall be forwarded to the San Bernardino County Clerk of the Board of Supervisors, along with all applicable environmental forms/notices, pursuant to the requirements of the California Environmental Quality Act (CEQA). Failure to provide said fee within the time specified may result in a 180-day extension to the statute of limitations for the filing of a CEQA lawsuit.

**(b)** After the Project's entitlement approval, and prior to issuance of final building permits, the Planning Department's Plan Check and Inspection fees shall be paid at the rate established by resolution of the City Council.

**2.5** Additional Requirements.

**(a)** All project noise mitigation recommendations by the project's acoustical engineer and by City of Ontario staff shall be followed so as to minimize all aspects of noise for adjacent properties, including, but not limited to:

**(i)** The south wall of the car wash tunnel be extended to equal the westerly extent of the north side of the tunnel.

**(ii)** Relocate the dryer blowers 10 feet deeper into the exit end of the tunnel (thus 20 feet from the exit).

**(iii)** Install an 8'-high block wall along the portion of the east property line, adjacent to residential units.

**(iv)** Hours of operation between 7:00 a.m. and 8:00 p.m., daily.

**(b)** The business' staff and management shall reinforce the following during operational hours so as to limit disruption to adjacent properties:

**(i)** No noise permitted prior to 6:50 a.m. for setup.

**(ii)** No patron car radios shall project sound.

**(iii)** Mechanical equipment room doors to remain closed during operational hours and proper ventilation shall be installed so as to prevent overheating during summer months.

**(iv)** Vacuum station compressors shall be equipped with "silencers".



**(c)** The property owner shall maintain the site free of graffiti and/or vandalism.

**(d)** The business and/or property owner shall promptly report any criminal activities occurring on-site to the Ontario Police Department.

**(e)** During regular business hours, the northern driveway approach on Grove Avenue shall be closed off when there are queued vehicles from the car wash within 40 feet from the Grove Avenue right-of-way.



# CITY OF ONTARIO

## MEMORANDUM

TO: Hassan Haghani, Development Director  
Scott Murphy, Planning Director (Copy of Memo only)  
Cathy Wahlstrom, Principal Planner (Copy of memo only)  
Charity Hernandez, Economic Development  
Kevin Shear, Building Official  
Khoi Do, Assistant City Engineer  
Carolyn Bell, Landscape Planning Division  
Sheldon Yu, Municipal Utility Company  
Doug Sorel, Police Department  
Paul Ehrman, Deputy Fire Chief/Fire Marshal  
Jay Bautista, T. E., Traffic/Transportation Manager  
Lorena Mejia, Senior Planner  
Steve Wilson, Engineering/NPDES  
Bob Gluck, Code Enforcement Director  
Jimmy Chang, IT Department  
David Simpson, Development/IT (Copy of memo only)

FROM: Alexis Vaughn, Assistant Planner

DATE: September 18, 2017

SUBJECT: FILE #: PCUP17-021

Finance Acct#:

The following project has been submitted for review. Please send one (1) copy and email one (1) copy of your DAB report to the Planning Department by **Monday, October 2, 2017**.

- Note:
- Only DAB action is required
  - Both DAB and Planning Commission actions are required
  - Only Planning Commission action is required
  - DAB, Planning Commission and City Council actions are required
  - Only Zoning Administrator action is required

**PROJECT DESCRIPTION:** A Conditional Use Permit request to establish a 4,500 square foot self-service carwash (Fast 5 Xpress) on 0.93 acres of land within the commercial land use designation of the Grove Avenue Specific Plan, located at 2345 South Grove Avenue. (APN 0216-081-25).

- The plan does adequately address the departmental concerns at this time.
  - No comments
  - Report attached (1 copy and email 1 copy)
  - Standard Conditions of Approval apply
- The plan does not adequately address the departmental concerns.
  - The conditions contained in the attached report must be met prior to scheduling for Development Advisory Board.

Department: Landscape Planning Signature: Carolyn Bell Title: Landscape Planner Date: 10/5/17



CITY OF ONTARIO  
MEMORANDUM

TO: Hassan Haghani, Development Director  
Scott Murphy, Planning Director (Copy of Memo only)  
Cathy Wahlstrom, Principal Planner (Copy of memo only)  
Charity Hernandez, Economic Development  
Kevin Shear, Building Official  
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  - Standard Conditions of Approval apply
- The plan does not adequately address the departmental concerns.
  - The conditions contained in the attached report must be met prior to scheduling for Development Advisory Board.

*Builder*  
Department \_\_\_\_\_ Signature \_\_\_\_\_ Title \_\_\_\_\_ Date \_\_\_\_\_

# CITY OF ONTARIO

## MEMORANDUM

**TO:** PLANNING DEPARTMENT, Alexis Vaughn  
**FROM:** BUILDING DEPARTMENT, Kevin Shear  
**DATE:** October 2, 2017  
**SUBJECT:** PCUP17-021

---

1. The plan **does** adequately address the departmental concerns at this time.  
No comments.

KS:lm





# CITY OF ONTARIO

## MEMORANDUM

TO: Hassan Haghani, Development Director  
Scott Murphy, Planning Director (Copy of Memo only)  
Cathy Wahlstrom, Principal Planner (Copy of memo only)  
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FROM: Alexis Vaughn, Assistant Planner

DATE: September 18, 2017

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  - Report attached (1 copy and email 1 copy)
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  - The conditions contained in the attached report must be met prior to scheduling for Development Advisory Board.

Broadband Ops. *Anna Vaca Sr. Systems Analyst* 11/21/2017  
Department Signature Title Date

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

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF ONTARIO, CALIFORNIA, DENYING AN APPEAL AND UPHOLDING THE PLANNING COMMISSION DECISION TO APPROVE FILE NO. PDEV17-046, A DEVELOPMENT PLAN (FILE NO. PDEV17-046) TO CONSTRUCT A 4,500 SQUARE-FOOT SELF-SERVICE CARWASH (FAST 5 XPRESS), ON 0.93 ACRES OF LAND, WITHIN THE COMMERCIAL LAND USE DESIGNATION OF THE GROVE AVENUE SPECIFIC PLAN, LOCATED AT 2345 S. GROVE AVENUE, AND MAKING FINDINGS IN SUPPORT THEREOF—APN: 0216-081-25.

WHEREAS, SYLVIA DEVRIES ("Applicant") has filed an Application appealing the Planning Commission's approval of File No. PDEV17-046, as described in the title of this Resolution (hereinafter referred to as "Application" or "Project"); and

WHEREAS, the Application applies to 0.93 acres of land generally located near the northeast corner of Grove Avenue and the CA-60 Freeway, at 2345 S. Grove Avenue within the Commercial land use designation of the Grove Avenue Specific Plan, and is presently improved with a restaurant; and

WHEREAS, the properties to the north and south of the Project site are within the Commercial land use designation of the Grove Avenue Specific Plan and are developed with a self-storage facility and a hotel. The property to the east is within the Mobile Home Park zoning district and is developed with a mobile home park. The property to the west is within the Community Commercial zoning district and is developed with a retail commercial center; and

WHEREAS, the Applicant is requesting a Conditional Use Permit (File No. PCUP17-021) to establish and operate a drive-thru carwash in conjunction with the Development Plan application to construct a 4,500 square-foot carwash facility; and

WHEREAS, on September 14, 2017, Fast 5 Xpress submitted File Nos. PDEV17-046 and PCUP17-021, a Development Plan and Conditional Use Permit to establish and operate a self-service carwash (Fast 5 Xpress) as described above; and

WHEREAS, on January 9, 2018, the Planning Department sent a notice of proposed project to the community, including the entire mobile home park. A total of 18 written comments and six phone calls were received regarding the project; and

WHEREAS, on February 20, 2018, the Planning Department held a community meeting at the Rancho Ontario Mobile Home Park Community Center. The intent of the meeting was to review the Development Plan and Conditional Use Permit with the surrounding residents, answer any questions, and receive comments on the proposed project. A total of 23 people signed in at the meeting; and

WHEREAS, on March 19, 2018, the Development Advisory Board of the City of Ontario conducted a hearing to consider the Project, and concluded said hearing on that date, voting to issue Decision No. DAB18-013 recommending that the Planning Commission approve the Application; and

WHEREAS, on March 27, 2018, the Planning Commission of the City of Ontario conducted a public hearing to consider the project and the Development Advisory Board's recommendation. Following a presentation of staff's findings and after receipt of all public testimony, the Planning Commission addressed the applications, and concluded said hearing on that date, voting to issue Resolution No. PC18-026 to approve the Application by a vote of 6-0; and

WHEREAS, on April 4, 2018, the Applicant submitted an appeal of the Planning Commission's decision to approve File Nos. PDEV17-046 and PCUP17-021. The basis for the appeal lies in their belief that the level of noise and exhaust pollution within the vicinity of the project site, specifically at the adjacent mobile home park, will be exacerbated by the proposed project; and

WHEREAS, on May 15, 2018, the City Council of the City of Ontario conducted a hearing to consider an appeal of the Planning Commission's decision to approve the project, and concluded said hearing on that date; and

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

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

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

WHEREAS, the Project 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, 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 administrative record has been completed in compliance with CEQA, the State CEQA Guidelines, and the City of Ontario Local CEQA Guidelines; and

(2) The Project is categorically exempt from environmental review pursuant to Section 15332 (Class 32, In-Fill Development Projects) of the CEQA Guidelines, which consists of projects characterized as in-fill development meeting the conditions described in this section; and

(3) The application of the categorical exemption is not barred by one of the exceptions set forth in CEQA Guidelines Section 15300.2; and

(4) The determination of CEQA exemption reflects the independent judgment of the City Council.

**SECTION 2. 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 on the facts and information contained in the Application and supporting documentation, at the time of Project implementation, the project is consistent with the Housing Element of the Policy Plan (General Plan) component of The Ontario Plan, as the project site is not one of the properties in the Available Land Inventory contained in Table A-3 (Available Land by Planning Area) of the Housing Element Technical Report Appendix.

**SECTION 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, when implemented in conjunction with the conditions of approval, will be 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 at the proposed location is consistent with the goals, policies, plans and exhibits of the Vision, Policy Plan (General Plan), and City Council Priorities components of The Ontario Plan.*** The proposed Project is located within the General Commercial land use district of the Policy Plan Land Use Map, and the Commercial land use designation of the Grove Avenue Specific Plan. The development standards and conditions under which the proposed Project will be constructed and maintained are consistent with the goals, policies, plans, and exhibits of the Vision, Policy Plan (General Plan), and City Council Priorities components of The Ontario Plan. The proposed carwash facility will provide the area with an additional service, promoting a variety of land uses and building types in the area, per LU1-6 (Complete Community). Additionally, the project will be well-landscaped, and will contribute to the overall streetscape along Grove Avenue, per CD2-9 (Landscape Design) and CD3-6 (Landscaping).

(2) ***The proposed development is compatible with those on adjoining sites in relation to location of buildings, with particular attention to privacy, views, any physical constraint identified on the site and the characteristics of the area in which the site is located.*** The Project has been designed consistent with the requirements of the City of Ontario Development Code and the Grove Avenue Specific Plan, including standards relative to the particular land use proposed (carwash), as-well-as building intensity, building and parking setbacks, building height, number of off-street parking and loading spaces, on-site and off-site landscaping, and fences, walls and obstructions. The project site is bordered by commercial uses on the north, west, and south, and currently contains a two-story building, which will be demolished to accommodate the proposed carwash facility. The proposed one-story building will not impose any privacy or view issues, as it will be surrounded by taller buildings on the north and south. Further, an 8-foot solid block wall will be constructed along the east property line to improve privacy and sound attenuation to the adjacent mobile home park.

(3) ***The proposed development will complement and/or improve upon the quality of existing development in the vicinity of the project and the minimum safeguards necessary to protect the public health, safety and general welfare have been required of the proposed project.*** The City Council has required certain safeguards, and imposed certain conditions of approval, which have been established to ensure that: [i] the purposes of the Grove Avenue Specific Plan are maintained; [ii] the project will not endanger the public health, safety or general welfare; [iii] the project will not result in any significant environmental impacts; [iv] the project will be in harmony with the area in which it is located; and [v] the project will be in full conformity with the Vision, City Council Priorities and Policy Plan components of The Ontario Plan, and the Grove Avenue Specific Plan. The proposed project is complementary to the surrounding commercial development in terms of use and architecture, and will install an extensive landscape buffer along Grove Avenue. Additionally, conditions have been put in place to help mitigate any potential impacts to the Mobile Home Park residential units backing onto the project, along the east property line, and to the Country Inn hotel to the south. All oil, grease, and debris from the car wash bay are captured and hauled to an off-site location for treatment, and water from the car wash bay is recycled and reused. The facility uses non-toxic, biodegradable detergents. Additionally, a condition has been imposed that the on-site management close off the driveway at the northwest corner of the site, should the on-site queueing have cars stacked within 40 feet of the public right-of-way line, further promoting public safety on or near the site.

(4) ***The proposed development is consistent with the development standards and design guidelines set forth in the Development Code, or applicable specific plan or planned unit development.*** The proposed Project has been reviewed for consistency with the general development standards and guidelines of the Grove Avenue Specific Plan that are applicable to the proposed Project, including building intensity, building and parking setbacks, building height, amount of off-street parking and loading spaces, parking lot dimensions, design and landscaping, bicycle parking, on-site landscaping, and fences and walls, as-well-as those development standards and guidelines specifically related to the particular land use being proposed (carwash facility). The project as proposed meets or positively exceeds all design guidelines, including parking, landscaping, setbacks, FAR, fencing, noise and debris attenuation, and circulation. As a result of this review, the City Council has determined that the Project, when implemented in conjunction with the conditions of approval, will be consistent with the development standards and guidelines described in the Grove Avenue Specific Plan and the City's Development Code.

**SECTION 5. City Council Action.** Based upon the findings and conclusions set forth in Sections 1 through 4, above, the City Council hereby UPHOLDS the Planning Commission's decision to approve the herein described project (File No. PDEV17-046 and PCUP17-021).

**SECTION 6. 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 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 15<sup>th</sup> day of May 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 May 15, 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 May 15, 2018.

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

(SEAL)

**ATTACHMENT A:**

**Conditions of Approval of File No. PDEV17-046**

*(Document follows this page)*



City of Ontario  
Planning Department  
303 East B Street  
Ontario, California 91764  
Phone: 909.395.2036  
Fax: 909.395.2420

*Planning Department  
Land Development Division  
Conditions of Approval*

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**Meeting Date:** March 27, 2018

**File No:** PDEV17-046

**Related Files:** PCUP17-021

**Project Description:** A Development Plan (File No. PDEV17-046) to construct a 4,500 square-foot self-service carwash (Fast 5 Xpress) in conjunction with a Conditional Use Permit (File No. PCUP17-021) to establish and operate the drive-thru carwash, on 0.93 acres of land, within the Commercial land use designation of the Grove Avenue Specific Plan, located at 2345 S. Grove Avenue. APN: 0216-081-25; **submitted by Fast 5 Xpress Car Wash.**

**Prepared By:** Alexis Vaughn  
Phone: 909.395.2416 (direct)  
Email: [avaughn@ontarioca.gov](mailto:avaughn@ontarioca.gov)

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The Planning Department, Land Development Section, conditions of approval applicable to the above-described Project, are listed below. The Project shall comply with each condition of approval listed below:

**1.0 Standard Conditions of Approval.** The project shall comply with the *Standard Conditions for New Development*, adopted by City Council Resolution No. 2017-027 on April 18, 2017. A copy of the *Standard Conditions for New Development* may be obtained from the Planning Department or City Clerk/Records Management Department.

**2.0 Special Conditions of Approval.** In addition to the *Standard Conditions for New Development* identified in condition no. 1.0, above, the project shall comply with the following special conditions of approval:

**2.1** Time Limits.

**(a)** Development Plan approval shall become null and void 2 years following the effective date of application approval, unless a building permit is issued and construction is commenced, and diligently pursued toward completion, or a time extension has been approved by the Planning Director. This condition does not supersede any individual time limits specified herein, or any other departmental conditions of approval applicable to the Project, for the performance of specific conditions or improvements.

**2.2** General Requirements. The Project shall comply with the following general requirements:

**(a)** All construction documentation shall be coordinated for consistency, including, but not limited to, architectural, structural, mechanical, electrical, plumbing, landscape and irrigation, grading, utility and street improvement plans. All such plans shall be consistent with the approved entitlement plans on file with the Planning Department.

**(b)** The project site shall be developed in conformance with the approved plans on file with the City. Any variation from the approved plans must be reviewed and approved by the Planning Department prior to building permit issuance.

(c) The herein-listed conditions of approval from all City departments shall be included in the construction plan set for project, which shall be maintained on site during project construction.

### **2.3** Landscaping.

(a) The Project shall provide and continuously maintain landscaping and irrigation systems in compliance with the provisions of Ontario Development Code Division 6.05 (Landscaping).

(b) Comply with the conditions of approval of the Planning Department; Landscape Planning Division.

(c) Landscaping shall not be installed until the Landscape and Irrigation Construction Documentation Plans required by Ontario Development Code Division 6.05 (Landscaping) have been approved by the Landscape Planning Division.

(d) Changes to approved Landscape and Irrigation Construction Documentation Plans, which affect the character or quantity of the plant material or irrigation system design, shall be resubmitted for approval of the revision by the Landscape Planning Division, prior to the commencement of the changes.

**2.4** Walls and Fences. All Project walls and fences shall comply with the requirements of Ontario Development Code Division 6.02 (Walls, Fences and Obstructions).

### **2.5** Parking, Circulation and Access.

(a) The Project shall comply with the applicable off-street parking, loading and lighting requirements of City of Ontario Development Code Division 6.03 (Off-Street Parking and Loading).

(b) All drive approaches shall be provided with an enhanced pavement treatment. The enhanced paving shall extend from the back of the approach apron, into the site, to the first intersecting drive aisle or parking space.

(c) Areas provided to meet the City's parking requirements, including off-street parking and loading spaces, access drives, and maneuvering areas, shall not be used for the outdoor storage of materials and equipment, nor shall it be used for any other purpose than parking.

(d) The required number of off-street parking spaces and/or loading spaces shall be provided at the time of site and/or building occupancy. All parking and loading spaces shall be maintained in good condition for the duration of the building or use.

(e) Parking spaces specifically designated and conveniently located for use by the physically disabled shall be provided pursuant to current accessibility regulations contained in State law (CCR Title 24, Part 2, Chapters 2B71, and CVC Section 22507.8).

(f) Bicycle parking facilities, including bicycle racks, lockers, and other secure facilities, shall be provided in conjunction with development projects pursuant to current regulations contained in CALGreen (CAC Title 24, Part 11).

### **2.6** Site Lighting.

(a) All off-street parking facilities shall be provided with nighttime security lighting pursuant to Ontario Municipal Code Section 4-11.08 (Special Residential Building Provisions) and Section 4-11.09 (Special Commercial/Industrial Building Provisions), designed to confine emitted light to the parking

areas. Parking facilities shall be lighted from sunset until sunrise, daily, and shall be operated by a photocell switch.

(b) Unless intended as part of a master lighting program, no operation, activity, or lighting fixture shall create illumination on any adjacent property.

## **2.7** Mechanical and Rooftop Equipment.

(a) All exterior roof-mounted mechanical, heating and air conditioning equipment, and all appurtenances thereto, shall be completely screened from public view by parapet walls or roof screens that are architecturally treated so as to be consistent with the building architecture.

(b) All ground-mounted utility equipment and structures, such as tanks, transformers, HVAC equipment, and backflow prevention devices, shall be located out of view from a public street, or adequately screened through the use of landscaping and/or decorative low garden walls.

**2.8** Security Standards. The Project shall comply with all applicable requirements of Ontario Municipal Code Title 4 (Public Safety), Chapter 11 (Security Standards for Buildings).

**2.9** Signs. All Project signage shall comply with the requirements of Ontario Development Code Division 8.1 (Sign Regulations). Signage requires a separate sign permit review and approval.

**2.10** Sound Attenuation. The Project shall be constructed and operated in a manner so as not to exceed the maximum interior and exterior noised levels set forth in Ontario Municipal Code Title 5 (Public Welfare, Morals, and Conduct), Chapter 29 (Noise).

## **2.11** Environmental Review.

(a) The proposed project is categorically exempt from the requirements of the California Environmental Quality Act of 1970 (CEQA), as amended, and the Guidelines promulgated thereunder, pursuant to **Section 15332 (Class 32, In-Fill Development Projects)** of the CEQA Guidelines, meeting the following conditions:

(i) The Project is consistent with the applicable general plan designation and all applicable general plan policies, as well as the applicable zoning designation and regulations;

(ii) The proposed development occurs within city limits, on a project site of no more than five acres, and is substantially surrounded by urban uses;

(iii) The project site has no value as habitat for endangered, rare, or threatened species;

(iv) Approval of the Project will not result in any significant effects relating to traffic, noise, air quality, or water quality; and

(v) The Project site can be adequately served by all required utilities and public services.

(b) If human remains are found during project grading/excavation/construction activities, the area shall not be disturbed until any required investigation is completed by the County Coroner and Native American consultation has been completed (if deemed applicable).

(c) If any archeological or paleontological resources are found during project grading/excavation/construction, the area shall not be disturbed until the significance of the resource is determined. If determined to be significant, the resource shall be recovered by a qualified archeologist or paleontologist consistent with current standards and guidelines, or other appropriate measures implemented.



**2.12** Indemnification. The applicant shall agree to defend, indemnify and hold harmless, the City of Ontario or its agents, officers, and employees from any claim, action or proceeding against the City of Ontario or its agents, officers or employees to attack, set aside, void or annul any approval of the City of Ontario, whether by its City Council, Planning Commission or other authorized board or officer. The City of Ontario shall promptly notify the applicant of any such claim, action or proceeding, and the City of Ontario shall cooperate fully in the defense.

**2.13** Additional Fees.

**(a)** Within 5 days following final application approval, the Notice of Determination (NOD) filing fee shall be provided to the Planning Department. The fee shall be paid by check, made payable to the "Clerk of the Board of Supervisors", which shall be forwarded to the San Bernardino County Clerk of the Board of Supervisors, along with all applicable environmental forms/notices, pursuant to the requirements of the California Environmental Quality Act (CEQA). Failure to provide said fee within the time specified may result in a 180-day extension to the statute of limitations for the filing of a CEQA lawsuit.

**(b)** After the Project's entitlement approval, and prior to issuance of final building permits, the Planning Department's Plan Check and Inspection fees shall be paid at the rate established by resolution of the City Council.

**2.14** Additional Requirements.

**(a)** All project noise mitigation recommendations by the project's acoustical engineer and by City of Ontario staff shall be followed so as to minimize all aspects of noise for adjacent properties, including, but not limited to:

**(i)** The south wall of the car wash tunnel be extended to equal the westerly extent of the north side of the tunnel.

**(ii)** Relocate the dryer blowers 10 feet deeper into the exit end of the tunnel (thus 20 feet from the exit).

**(iii)** Install an 8'-high block wall along the portion of the east property line, adjacent to residential units.

**(iv)** Hours of operation between 7:00 a.m. and 8:00 p.m., daily.

**(b)** The business' staff and management shall reinforce the following during operational hours so as to limit disruption to adjacent properties:

**(i)** No noise permitted prior to 6:50 a.m. for setup.

**(ii)** No patron car radios shall project sound.

**(iii)** Mechanical equipment room to remain closed during operational hours and proper ventilation shall be installed so as to prevent overheating during summer months.

**(iv)** Vacuum station compressors shall be equipped with "silencers".

**(c)** The property owner shall maintain the site free of graffiti and/or vandalism.

**(d)** The business and/or property owner shall promptly report any criminal activities occurring on-site to the Ontario Police Department.

**(e)** During regular business hours, the northern driveway approach on Grove Avenue shall be closed off when there are queued vehicles from the car wash within 40 feet from the Grove Avenue right-of-way.



# CITY OF ONTARIO

## MEMORANDUM

TO: Hassan Haghani , Development Director  
Scott Murphy, Assistant Development Director ( Copy of memo only)  
Cathy Wahlstrom, Principal Planner (Copy of memo only)  
Charity Hernandez, Economic Development  
Kevin Shear, Building Official  
Khoi Do, Assistant City Engineer  
Carolyn Bell, Landscape Planning Division  
Sheldon Yu, Municipal Utility Company  
Doug Sorel, Police Department  
Paul Ehrman, Deputy Fire Chief/Fire Marshal  
Jay Bautista, T. E., Traffic/Transportation Manager  
Lorena Mejia, Senior Planner  
Steve Wilson, Engineering/NPDES  
Joe De Sousa, Supervising Code Enforcement Officer  
Jimmy Chang , IT Department  
David Simpson , IT Department ( Copy of memo only)

FROM: Alexis Vaughn, Assistant Planner

DATE: January 04, 2018

REVISION NO. 1

SUBJECT: FILE #: PDEV17-046

Finance Acct#:

The following project has been resubmitted for review. Please send one (1) copy and email one (1) copy of your DAB report to the Planning Department by **Thursday, January 18, 2018**.

**PROJECT DESCRIPTION:** A Development Plan to construct a 4,500-square foot self-service carwash (Fast 5 Xpress) on 0.93 acres of land located at 2345 South Grove Avenue, within the Commercial land use district of the Grove Avenue Specific Plan (APN 0216-081-25). Related File: PCUP17-021.

- The plan does adequately address the departmental concerns at this time.
- No comments
  - See previous report for Conditions
  - Report attached (1 copy and email 1 copy)
  - Standard Conditions of Approval apply
- The plan does not adequately address the departmental concerns.
- The conditions contained in the attached report must be met prior to scheduling for Development Advisory Board.

Landscape Planning Carolyn Bell Sr landscape Architect  
Department Signature Title Date 1/30/18

**CITY OF ONTARIO**  
**LANDSCAPE PLANNING DIVISION**  
 303 East "B" Street, Ontario, CA 91764

**PRELIMINARY PLAN CORRECTIONS**  
 Sign Off

*Carolyn Bell*  
 Carolyn Bell, Sr. Landscape Planner

1/29/18  
 Date

viewer's Name:  
**Carolyn Bell, Sr. Landscape Planner**

Phone:  
**(909) 395-2237**

D.A.B. File No.:  
 PDEV17-046 Rev 1  
 Project Name and Location:  
 Self Service Car Wash – Fast 5 Express  
 2345 S Grove Ave  
 Applicant/Representative:  
 Don Vogel  
 567 San Nicolas Dr ste 390  
 Newport Beach, Ca 92660

Case Planner:  
 Alexis Vaughn

<input checked="" type="checkbox"/>	<b>A Preliminary Landscape Plan (dated 1/3/18 ) meets the Standard Conditions for New Development and has been approved with the consideration that the following conditions below be met upon submittal of the landscape construction documents.</b>
<input type="checkbox"/>	<b>A Preliminary Landscape Plan (dated ) has not been approved. Corrections noted below are required prior to Preliminary Landscape Plan approval.</b>

**CORRECTIONS REQUIRED**

Landscape Plans

1. Provide a tree inventory for existing trees: Include existing trees within 15' of adjacent property ( east side) that would be affected by new walls, footings or on-site tree planting.
2. Show appropriate parking lot shade trees with min 30' canopy at maturity such as Pistache, Ulmus, Koelreuteria, etc. Ok to avoid canopy area. Add shade trees in the west planter in place of 5 Queen palms. Relocate palms to narrow planters such as the NE and NW and SE planters at car wash bldg. Move Oak in 6' planter by ADA space to the larger planter area to north.
3. preliminary MAWA calculation.
4. Hydrozone #1, change moderate water plants to all low water plants or show 2 shrub hydrozones.
5. After a project's entitlement approval, the applicant shall pay all applicable fees for landscape plan check and inspections at a rate established by resolution of the City Council. Fees are:
  - Plan Check—less than 5 acres .....\$1,301.00
  - Inspection—Construction (up to 3 inspections per phase) .....\$278.00
  - Total Invoice #232018.....\$1509.00

Landscape construction plans with building permit number for plan check may be emailed to:  
[landscapeplancheck@ontarioca.gov](mailto:landscapeplancheck@ontarioca.gov)



# CITY OF ONTARIO

## MEMORANDUM

### ENGINEERING DEPARTMENT CONDITIONS OF APPROVAL

(Environmental Section, Information Technology & Management Services Department, Ontario Municipal Utilities Company and Traffic & Transportation Division Conditions incorporated)

**DAB MEETING DATE:** March 19<sup>th</sup>, 2018

**PROJECT:** PDEV17-046, a Development Plan to construct a 4,500-square foot self-service carwash (Fast 5 Xpress) on 0.93 acres of land.

**APN:** 0216-081-25

**LOCATION:** 2345 South Grove Avenue

**PROJECT ENGINEER:** Antonio Alejos, Engineering Assistant *AA* (909) 395-2384

**PROJECT PLANNER:** Alexis Vaughn, Assistant Planner (909) 395-2416

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**The following items are the Conditions of Approval for the subject project:**

1. Project shall comply with the requirements as set forth in the Amendment to the Standard Conditions of Approval for New Development Projects adopted by the City Council (Resolution No. 2017-027) on April 18, 2017; as well as project-specific conditions/requirements as outlined below:
2. The Applicant/Developer shall equip the existing service for domestic and irrigation use with a backflow device per City standards.
3. The Applicant/Developer shall equip the existing sewer system with a sand & oil separator per City Standard Drawing Number 2202.
4. The Applicant/Developer shall abandon the existing sewer lateral and fire service no longer to be used per City standards.
5. The Applicant/Developer shall install parkway landscaping along the entire property frontage on Grove Avenue.
6. The Applicant/Developer shall replace the existing street light fixture with a current City approved LED equivalent fixture for one (1) existing street light located north of the southerly shared driveway approach fronting Grove Avenue in accordance with the Traffic & Transportation Guidelines Section 1.4 Street Light Plans.


7. The Applicant/Developer shall reconstruct the existing shared southerly driveway approach and conform to the City's standard commercial driveway approach per City Standard Drawing Number 1204.
  - a. The Applicant/Developer shall be responsible for street light relocation per City standards if the geometric changes to the driveway conflict with the existing street light.
8. The Applicant/Developer shall construct a new 2-bin trash enclosure with a solid roof per the Refuse & Recycling Planning Manual.
9. The Applicant/Developer or Occupant shall apply for a Wastewater Discharge Permit for the establishment, and shall comply with all the requirements of the Wastewater Discharge Permit.
  - a. Requirements of the Wastewater Discharge Permit may include, but not limited to: Installation of wastewater pretreatment equipment, such as clarifiers. For wastewater permit application questions, please contact:
    - i. Michael Birmelin, Environmental Programs Director  
Email: [omucenvironmental@ontarioca.gov](mailto:omucenvironmental@ontarioca.gov)  
Phone: (909) 395-2661
10. The Applicant/Developer shall pay an In-Lieu Fee, approximately \$25,000, to the Engineering Department for the installation of a future 48-inch storm drain along the project frontage at Grove Avenue. Final fee shall be determined based on the approved storm drain in-lieu fee cost estimate.
11. The Applicant/Developer shall pay all Development Impact Fees (DIF) to the Building Department. Storm Drain Development Impact Fee, approximately \$20,000, shall be paid to the Building Department. Final fee shall be determined based on the approved site plan.
12. Submit a Hydrology Report/Drainage Study. This study shall be approved by the Engineering Department prior to approval of any grading plan.
  - a. An adequate drainage facility to accept additional runoff from the site does not currently exist downstream of the project. Design and construct a storm water detention facility on the project site. 100 year post-development peak flow shall be attenuated such that it does not exceed 80% of pre-development peak flows, in accordance with the approved hydrology study and improvement plans.
13. Submit a Water Quality Management Plan (WQMP). This plan shall be approved by the Engineering Department prior to approval of any grading plan. The WQMP shall be submitted, utilizing the current San Bernardino County Stormwater Program template, available at: <http://www.sbcounty.gov/dpw/land/npdes.asp>.
14. Submit a security deposit to the Engineering Department to guarantee construction of the public improvements required herein valued at 100% of the approved construction cost estimate. Security deposit shall be in accordance with the City of Ontario Municipal Code. Security deposit will be eligible for release, in accordance with City procedure, upon completion and acceptance of said public improvements.

Project File No. PDEV17-046 (Related to PCUP17-021)  
Project Engineer: Antonio Alejos  
DAB Date: 03/19/18

15. Submit electronic copies (PDF and Auto CAD format) of all approved improvement plans, studies and reports (i.e. hydrology, traffic, WQMP, etc.).
16. During regular business hours the northern driveway approach on Grove Avenue shall be closed-off when there are queued vehicles from the car wash within 40-ft from the Grove Avenue right-of-way.

  
\_\_\_\_\_  
Bryan Lirley, P.E.  
Principal Engineer

3/5/18  
\_\_\_\_\_  
Date

  
\_\_\_\_\_  
Khoi Do, P.E.  
Assistant City Engineer

3/5/18  
\_\_\_\_\_  
Date



# CITY OF ONTARIO

## MEMORANDUM

**TO:** Alexis Vaughn, Planning Department

**FROM:** Douglas Sorel, Police Department

**DATE:** September 27, 2017

**SUBJECT:** PDEV17-046 AND PCUP17-021: A DEVELOPMENT PLAN AND  
CONDITIONAL USE PERMIT APPLICATION TO CONSTRUCT AND  
ESTABLISH A CAR WASH AT 2345 SOUTH GROVE AVENUE

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The "Standard Conditions of Approval" contained in Resolution No. 2017-027 apply. The applicant shall read and be thoroughly familiar with these conditions, including but not limited to, the requirements below.

- Required lighting for walkways, driveways, doorways, parking lots and other areas used by the public shall be provided. Lights shall operate via photosensor. Photometrics shall be provided to the Police Department and include the types of fixtures proposed and demonstrate that such fixtures meet the vandal-resistant requirement. Planned landscaping shall not obstruct lighting.
- Rooftop addresses shall be installed and maintained on the building as stated in the Standard Conditions.
- The Applicant shall comply with construction site security requirements as stated in the Standard Conditions.

In addition, the Ontario Police Department places the following conditions on the development:

- The business shall install and maintain a video surveillance system. Cameras shall be installed to cover, at a minimum, the car wash entrance, the car wash exit, all pedestrian doors leading into the business, all cash registers, and any coin payment boxes. Each camera shall record at a minimum resolution of 640x480 and a minimum of fifteen (15) frames per second. Recorded video shall be retained for a minimum of 30 days and made available to the Police Department upon request.
- The applicant will be responsible for keeping the grounds of the business clean from debris and litter.
- Graffiti abatement by the business owner/licensee, or management shall be immediate and on-going on the premises, but in no event shall graffiti be allowed unabated on the premises for more than 72 hours. Abatement shall take the form of removal, or shall be covered/painted over with a color reasonably matching the color of the existing building.

structure, or other surface being abated. Additionally, the business owner/licensee, or management shall notify the City within 24 hours at (909) 395-2626 (graffiti hotline) of any graffiti elsewhere on the property not under the business owner/licensee's or management control so that it may be abated by the property owner and/or the City's graffiti team.

The Applicant is invited to contact Douglas Sorel at (909) 395-2873 with any questions or concerns.





# CITY OF ONTARIO

## MEMORANDUM

**TO:** Alexis Vaughn, Assistant Planner  
Planning Department

**FROM:** Paul Ehrman, Deputy Fire Chief / Fire Marshal  
Fire Department

**DATE:** September 19, 2017

**SUBJECT:** PDEV17-046 - A Development Plan to construct a 4,500 square foot self-service carwash (Fast 5 Xpress) on 0.93 acres of land within the commercial land use designation of the Grove Avenue Specific Plan, located at 2345 South Grove Avenue. (APN 0216-081-25)

- 
- The plan **does** adequately address Fire Department requirements at this time.
- No comments.
- Standard Conditions of Approval apply, as stated below.
- 

### **SITE AND BUILDING FEATURES:**

- A. 2016 CBC Type of Construction: Type V
- B. Type of Roof Materials: Ordinary
- C. Ground Floor Area(s): 4,509 Sq. Ft
- D. Number of Stories: 1
- E. Total Square Footage: 4,509 Sq. Ft
- F. 2016 CBC Occupancy Classification(s): B

### **CONDITIONS OF APPROVAL:**

#### **1.0 GENERAL**

- ☒ 1.1 The following are the Ontario Fire Department (“Fire Department”) requirements for this development project, based on the current edition of the California Fire Code (CFC), and the current versions of the Fire Prevention Standards (“Standards.”) It is recommended that the applicant or developer transmit a copy of these requirements to the on-site contractor(s) and that all questions or concerns be directed to the Bureau of Fire Prevention, at (909) 395-2029. For copies of Ontario Fire Department Standards please access the City of Ontario web site at [www.ontarioca.gov](http://www.ontarioca.gov), click on “Fire Department” and then on “Standards and Forms.”
- ☒ 1.2 These Fire Department conditions of approval are to be included on any and all construction drawings.

## **2.0 FIRE DEPARTMENT ACCESS**

- ☒ 2.2 In order to allow for adequate turning radius for emergency fire apparatus, all turns shall be designed to meet the minimum twenty five feet (25’) inside and forty-five feet (45’) outside turning radius per Standard #B-005.
- ☒ 2.4 Access drive aisles which cross property lines shall be provided with CC&Rs, access easements, or reciprocating agreements, and shall be recorded on the titles of affected properties, and copies of same shall be provided at the time of building plan check.
- ☒ 2.5 "No Parking-Fire Lane" signs and /or red painted curbs with lettering are required to be installed in interior access roadways, in locations where vehicle parking would obstruct the minimum clear width requirement. Installation shall be per Standard #B-001.
- ☒ 2.7 Any time PRIOR to on-site combustible construction and/or storage, a minimum twenty-four (24) ft. wide circulating all weather access roads shall be provided to within 150 ft. of all portions of the exterior walls of the first story of any building, unless specifically approved by fire department and other emergency services.;

## **3.0 WATER SUPPLY**

- ☒ 3.1 The required fire flow per Fire Department standards, based on the 2016 California Fire Code, Appendix B, is 1750 gallons per minute (g.p.m.) for 2 hours at a minimum of 20 pounds per square inchont (p.s.i.) residual operating pressure.
- ☒ 3.2 Off-site (public) fire hydrants are required to be installed on all frontage streets, at a minimum spacing of three hundred foot (300’) apart, per Engineering Department specifications.
- ☒ 3.4 The water supply, including water mains and fire hydrants, shall be tested and approved by the Engineering Department and Fire Department prior to combustible construction to assure availability and reliability for firefighting purposes.

## **4.0 FIRE PROTECTION SYSTEMS**

- ☒ 4.7 Portable fire extinguishers are required to be installed prior to occupancy per Standard #C-001. Please contact the Fire Prevention Bureau to determine the exact number, type and placement required.

## **5.0 BUILDING CONSTRUCTION FEATURES**

- ☒ 5.1 The developer/general contractor is to be responsible for reasonable periodic cleanup of the development during construction to avoid hazardous accumulations of combustible trash and debris both on and off the site.
- ☒ 5.2 Approved numbers or addresses shall be placed on all new and existing buildings in such a position as to be plainly visible and legible from the street or road fronting the property. Multi-tenant or building projects shall have addresses and/or suite numbers provided on the rear of the building. Address numbers shall contrast with their background. See Section 9-1 6.06 of the Ontario Municipal Code and Standards #H-003 and #H-002.
- ☒ 5.3 Single station smoke alarms and carbon monoxide alarms are required to be installed per the California Building Code and the California Fire Code.
- ☒ 5.7 Placards shall be installed in acceptable locations on buildings that store, use or handle hazardous materials in excess of the quantities specified in the CFC. Placards shall meet the requirements of National Fire Protection Association (NFPA) Standard 704.

## **6.0 OTHER SPECIAL USES**

- ☒ 6.1 The storage, use, dispensing, or handling of any hazardous materials shall be approved by the Fire Department, and adequate fire protection features shall be required. If hazardous materials are proposed, a Fire Department Hazardous Materials Information Packet, including Disclosure Form and Information Worksheet, shall be completed and submitted with Material Safety Data Sheets to the Fire Department along with building construction plans.



# CITY OF ONTARIO

## MEMORANDUM

TO: Hassan Haghani, Development Director  
Scott Murphy, Planning Director (Copy of Memo only)  
Cathy Wahlstrom, Principal Planner (Copy of memo only)  
Charity Hernandez, Economic Development  
Kevin Shear, Building Official  
Khoi Do, Assistant City Engineer  
Carolyn Bell, Landscape Planning Division  
Sheldon Yu, Municipal Utility Company  
Doug Sorel, Police Department  
Paul Ehrman, Deputy Fire Chief/Fire Marshal  
Jay Bautista, T. E., Traffic/Transportation Manager  
Lorena Mejia, Senior Planner  
Steve Wilson, Engineering/NPDES  
Bob Gluck, Code Enforcement Director  
Jimmy Chang, IT Department  
David Simpson, Development/IT (Copy of memo only)

FROM: Alexis Vaughn, Assistant Planner

DATE: September 18, 2017

SUBJECT: FILE #: PDEV17-046

Finance Acct#:



The following project has been submitted for review. Please send one (1) copy and email one (1) copy of your DAB report to the Planning Department by **Monday, October 2, 2017**.

- Note:
- Only DAB action is required
  - Both DAB and Planning Commission actions are required
  - Only Planning Commission action is required
  - DAB, Planning Commission and City Council actions are required
  - Only Zoning Administrator action is required

**PROJECT DESCRIPTION:** A Development Plan to construct a 4,500 square foot self-service carwash (Fast 5 Xpress) on 0.93 acres of land within the commercial land use designation of the Grove Avenue Specific Plan, located at 2345 South Grove Avenue. (APN 0216-081-25).

- The plan does adequately address the departmental concerns at this time.
  - No comments
  - Report attached (1 copy and email 1 copy)
  - Standard Conditions of Approval apply
- The plan does not adequately address the departmental concerns.
  - The conditions contained in the attached report must be met prior to scheduling for Development Advisory Board.

Department: Building Signature: \_\_\_\_\_ Title: \_\_\_\_\_ Date: \_\_\_\_\_

# CITY OF ONTARIO MEMORANDUM

**TO:** PLANNING DEPARTMENT, Alexis Vaughn  
**FROM:** BUILDING DEPARTMENT, Kevin Shear  
**DATE:** October 2, 2017  
**SUBJECT:** PDEV17-046

- 
- The plan **does** adequately address the departmental concerns at this time.  
 No comments  
 Report below.

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### Conditions of Approval

1. Standard Conditions of Approval apply.

KS:lm



# AIRPORT LAND USE COMPATIBILITY PLANNING

## CONSISTENCY DETERMINATION REPORT



Project File No.: PDEV17-046 and PCUP17-021  
 Address: 2345 South Grove Avenue  
 APN: 0216-081-25  
 Existing Land Use: restuarant  
 Proposed Land Use: 4,500 SF self service car wash  
 Site Acreage: 0.93 Proposed Structure Height: 25 ft  
 ONT-IAC Project Review: N/A  
 Airport Influence Area: ONT

Reviewed By: Lorena Mejia  
 Contact Info: 909-395-2276  
 Project Planner: Alexis Vaughn  
 Date: 11/7/17  
 CD No.: 2017-066  
 PALU No.: n/a

### The project is impacted by the following ONT ALUCP Compatibility Zones:

Safety	Noise Impact	Airspace Protection	Overflight Notification
<input type="radio"/> Zone 1	<input type="radio"/> 75+ dB CNEL	<input type="radio"/> High Terrain Zone	<input type="radio"/> Avigation Easement Dedication
<input type="radio"/> Zone 1A	<input type="radio"/> 70 - 75 dB CNEL	<input checked="" type="checkbox"/> FAA Notification Surfaces	<input checked="" type="checkbox"/> Recorded Overflight Notification
<input type="radio"/> Zone 2	<input type="radio"/> 65 - 70 dB CNEL	<input checked="" type="checkbox"/> Airspace Obstruction Surfaces	<input type="radio"/> Real Estate Transaction Disclosure
<input type="radio"/> Zone 3	<input checked="" type="checkbox"/> 60 - 65 dB CNEL	<input type="radio"/> Airspace Avigation Easement Area	
<input type="radio"/> Zone 4		Allowable Height: 200 ft +	
<input type="radio"/> Zone 5			

### The project is impacted by the following Chino ALUCP Safety Zones:

Zone 1   
  Zone 2   
  Zone 3   
  Zone 4   
  Zone 5   
  Zone 6

Allowable Height: \_\_\_\_\_

## CONSISTENCY DETERMINATION

This proposed Project is:  Exempt from the ALUCP   
 ● Consistent   
 Consistent with Conditions   
 Inconsistent

The proposed project is located within the Airport Influence Area of Ontario International Airport (ONT) and was evaluated and found to be consistent with the policies and criteria of the Airport Land Use Compatibility Plan (ALUCP) for ONT.

Airport Planner Signature: \_\_\_\_\_



# CITY OF ONTARIO

## MEMORANDUM

TO: Hassan Haghani, Development Director  
Scott Murphy, Planning Director (Copy of Memo only)  
Cathy Wahlstrom, Principal Planner (Copy of memo only)  
Charity Hernandez, Economic Development  
Kevin Shear, Building Official  
Khoi Do, Assistant City Engineer  
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Sheldon Yu, Municipal Utility Company  
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Paul Ehrman, Deputy Fire Chief/Fire Marshal  
Jay Bautista, T. E., Traffic/Transportation Manager  
Lorena Mejia, Senior Planner  
Steve Wilson, Engineering/NPDES  
Bob Gluck, Code Enforcement Director  
Jimmy Chang, IT Department  
David Simpson, Development/IT (Copy of memo only)

FROM: Alexis Vaughn, Assistant Planner

DATE: September 18, 2017

SUBJECT: FILE #: PDEV17-046

Finance Acct#:

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Broadband Ops      *Aravind Sr. Systems Analyst*      11/2/17  
Department      Signature      Title      Date