

**CITY OF ONTARIO  
CITY COUNCIL, REDEVELOPMENT AGENCY,  
AND HOUSING AUTHORITY  
AGENDA  
JANUARY 18, 2011**

**Paul S. Leon**  
Mayor

**Debra Dorst-Porada**  
Mayor pro Tem

**Alan D. Wapner**  
Council Member

**Sheila Mautz**  
Council Member

**Jim W. Bowman**  
Council Member



**Chris Hughes**  
City Manager

**John E. Brown**  
City Attorney

**Mary E. Wirtes, MMC**  
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 200 North Cherry Avenue, 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, Redevelopment Agency, and Housing Authority meeting begins with Closed Session and Closed Session Comment at 6:00 p.m., Public Comment at 6:30 p.m. immediately followed by the Regular Meeting and Public Hearings. No agenda item will be introduced for consideration after 10:00 p.m. except by majority vote of the City Council.

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

**CALL TO ORDER (OPEN SESSION)**

**6:00 p.m.**

***ROLL CALL***

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

**CLOSED SESSION PUBLIC COMMENT** The Closed Session Public Comment portion of the Council/Redevelopment Agency/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: 301, 319 and 321 West Holt Boulevard, APN: 1049-053-01, 02 03 04 and 05;  
City/Agency/Authority Negotiator: Chris Hughes or his designee; Negotiating parties: Benjamin L. Cutter Trust; Under negotiation: Price and terms of payment.
- GC 54956.8, CONFERENCE WITH REAL PROPERTY NEGOTIATORS  
Property: 201/203, 205/207, 209/211 and 213/215 South Fern Avenue, APN: 1049-054-06;  
City/Agency/Authority Negotiator: Chris Hughes or his designee; Negotiating parties: Fern Avenue Rentals, LLC; Under negotiation: Price and terms of payment.
- GC 54956.8, CONFERENCE WITH REAL PROPERTY NEGOTIATORS  
Property: 310 West Emporia Street, APN: 1049054-04; City/Agency/Authority Negotiator: Chris Hughes or his designee; Negotiating parties: American Legion, Ontario Post No. 112 ; Under negotiation: Price and terms of payment.

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

**PLEDGE OF ALLEGIANCE**

Mayor pro Tem Dorst-Porada

**INVOCATION**

Senior Pastor Brian E. Kennedy, Mt. Zion Baptist Church

**REPORT ON CLOSED SESSION**

City Attorney

**PUBLIC COMMENTS**

**6:30 p.m.**

The Public Comment portion of the Council/Redevelopment Agency/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, Redevelopment Agency and Housing Authority of December 7, 2010, and approving same as on file in the Records Management Department.

**2. BILLS/PAYROLL**

**Bills** November 7, 2010 through December 4, 2010 and **Payroll** November 7, 2010 through December 4, 2010, when audited by the Finance Committee.

**3. ONTARIO REDEVELOPMENT AGENCY ANNUAL REPORT FOR FISCAL YEAR ENDED JUNE 30, 2010**

That the Agency Board accept the Ontario Redevelopment Agency's Annual Report for Fiscal Year ended June 30, 2010.

**4. AN AMENDMENT TO A PROFESSIONAL SERVICES AGREEMENT FOR LEGAL SERVICES RELATED TO PERSONNEL AND EMPLOYMENT ISSUES/LIEBERT CASSIDY WHITMORE**

That the City Council authorize the City Manager to execute an amendment to the Professional Services Agreement with the law firm Liebert Cassidy Whitmore, of Los Angeles, California, for on-going legal services on an as-needed basis related to personnel and employee relations at established billing rates; and extending the term for up to one year.

**5. AN AMENDMENT TO A LEASE AGREEMENT FOR USE OF CITY PROPERTY AND FACILITIES LOCATED AT JOHN GALVIN PARK BY THE BOY SCOUTS OF AMERICA AND THE WEST END FISH AND GAME ASSOCIATION/ONTARIO ROTARY CLUB**

That the City Council authorize the City Manager to execute an amendment to an existing Lease Agreement (on file in the Records Management Department) with the Ontario Rotary Club, of Ontario, California, extending the lease term an additional twenty (20) years for use of a City-owned building and adjacent property located at John Galvin Park by the Boy Scouts of America and the West End Fish and Game Association.

**6. A RESOLUTION FOR PLACEMENT OF SPECIAL ASSESSMENTS ON COUNTY TAX ROLLS**

That the City Council adopt a resolution for recovery of costs incurred in abating property and dangerous building violations as well as fees and penalties associated with property maintenance violations, and placing special assessments on County tax rolls.

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

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF ONTARIO, CALIFORNIA, ADOPTING A REPORT REQUESTING THE PLACEMENT OF SPECIAL ASSESSMENTS ON PROPERTY TAX BILLS FOR CIVIL PENALTIES OR RECOVERY OF COSTS INCURRED FOR ABATEMENT OF VIOLATIONS OF CITY CODES AND ORDINANCES.

**7. FUNDING AWARD FROM THE CALIFORNIA 9-1-1 EMERGENCY COMMUNICATIONS OFFICE FOR THE RECRUITMENT AND TRAINING OF 9-1-1 PUBLIC SAFETY DISPATCHERS**

That the City Council authorize the City Manager to execute all documents necessary to accept a one-time funding award in the amount of \$27,451 from the California 9-1-1 Emergency Communications Office for recruitment and training of 9-1-1 public safety dispatchers.

**8. AWARD A CONTRACT FOR THE REHABILITATION OF THE BEGONIA AVENUE AND FRANCIS STREET APARTMENTS (BID NO. OHA-1011-03) AND AUTHORIZE AN AMENDMENT TO THE LOAN AGREEMENT FOR THE 307-309-311 WEST FRANCIS STREET PROJECT/DRP NATIONAL INC.**

That the Board of the Ontario Housing Authority ("Authority") waive minor deviations in the bid requirements; that the Authority reject the bid protests submitted by WFC Design Development Construction regarding DRP National, Inc. and Cal-City Construction; and that the Authority award and authorize the Executive Director to execute a contract with DRP National, Inc., of West Covina, California, in the amount of \$2,330,000 plus a 15% contingency of \$349,500, for the Begonia Avenue and Francis Street Apartments Rehabilitation Project (Bid No. OHA-1011-03); and that the City Council, Ontario Redevelopment Agency Board and the Authority Board authorize the City Manager/Executive Director to execute an amendment to the joint agency Loan Agreement pertaining to 307-309-311 West Francis Street.

**9. RESOLUTIONS APPROVING LOAN AGREEMENTS, FIRST AMENDED AND RESTATED LOAN AGREEMENTS, AND LAND CONVEYANCE AGREEMENTS AND AGREEMENTS CONTAINING REGULATORY COVENANTS AND RESTRICTIONS AFFECTING THE USE OF REAL PROPERTY FOR THE BEGONIA AVENUE APARTMENTS, LOCATED AT 209, 216, 217, 222, 223, 228 AND 231 NORTH BEGONIA AVENUE, ONTARIO, CALIFORNIA**

That the City Council of the City of Ontario ("City"), the Board of the Ontario Redevelopment Agency ("Agency"), and the Board of the Ontario Housing Authority ("Authority") adopt resolutions approving: (a) Loan Agreements and First Amended and Restated Loan Agreements between the City, Agency, and Authority; and (b) Land Conveyance Agreements and Agreements containing regulatory covenants and restrictions between the City and the Authority. These documents are on file with the City's Records Management Department.

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

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF ONTARIO, CALIFORNIA, APPROVING CERTAIN (1) LAND CONVEYANCE AGREEMENTS AND AGREEMENTS CONTAINING REGULATORY COVENANTS AND RESTRICTIONS AFFECTING THE USE OF REAL PROPERTY, AND (2) FIRST AMENDED AND RESTATED CITY LOAN AGREEMENTS CONCERNING CERTAIN REAL PROPERTY LOCATED AT 209, 216, 217, 222, 223, 228 AND 231 NORTH BEGONIA AVENUE, ONTARIO.

RESOLUTION NO. ORA-\_\_\_\_

A RESOLUTION OF THE ONTARIO REDEVELOPMENT AGENCY OF THE CITY OF ONTARIO, CALIFORNIA, APPROVING CERTAIN AGENCY LOAN AGREEMENTS CONCERNING CERTAIN REAL PROPERTY AT 209, 216 AND 231 NORTH BEGONIA AVENUE AND CERTAIN FIRST AMENDED AND RESTATED AGENCY LOAN AGREEMENTS CONCERNING CERTAIN REAL PROPERTY LOCATED AT 217, 222, 223 AND 228 NORTH BEGONIA AVENUE, ONTARIO.

RESOLUTION NO. OHA-\_\_\_\_

A RESOLUTION OF THE ONTARIO HOUSING AUTHORITY OF THE CITY OF ONTARIO, CALIFORNIA, APPROVING CERTAIN (1) LAND CONVEYANCE AGREEMENTS AND AGREEMENTS CONTAINING REGULATORY COVENANTS AND RESTRICTION AFFECTING THE USE OF REAL PROPERTY, (2) FIRST AMENDED AND RESTATED CITY LOAN AGREEMENTS, (3) AGENCY LOAN AGREEMENTS FOR CERTAIN REAL PROPERTIES LOCATED AT 209, 216 AND 231 NORTH BEGONIA AVENUE, AND (4) FIRST AMENDED AND RESTATED AGENCY LOAN AGREEMENTS CONCERNING CERTAIN REAL PROPERTIES LOCATED AT 217, 222, 223 AND 228 NORTH BEGONIA AVENUE, ONTARIO.

**10. A RESOLUTION AUTHORIZING THE TRANSMITTAL OF THE PRELIMINARY REPORT FOR THE PROPOSED MERGER OF THE REDEVELOPMENT PROJECT AREAS**

That the Redevelopment Agency Board consider and approve a resolution authorizing the transmittal of the Preliminary Report for the Merger of the Redevelopment Project Areas to affected taxing agencies.

RESOLUTION NO. ORA-\_\_\_\_

A RESOLUTION OF THE ONTARIO REDEVELOPMENT AGENCY OF THE CITY OF ONTARIO, CALIFORNIA, AUTHORIZING THE TRANSMITTAL OF THE PRELIMINARY REPORT, FOR THE PROPOSED MERGER OF THE FIVE REDEVELOPMENT PROJECT AREAS: PROJECT AREA 1, PROJECT AREA 2, GUASTI, CIMARRON, AND CENTER CITY.

## **PUBLIC HEARINGS**

**11. JOINT PUBLIC HEARING OF THE CITY COUNCIL OF THE CITY OF ONTARIO AND THE AGENCY BOARD OF THE ONTARIO REDEVELOPMENT AGENCY (“AGENCY”) TO CONSIDER THE SALE OF AGENCY-OWNED REAL PROPERTY GENERALLY LOCATED AT 612 E. HOLT BOULEVARD TO SEA PARTNERS, A CALIFORNIA LIMITED LIABILITY COMPANY (“DEVELOPER”), PURSUANT TO A PROPOSED DISPOSITION AND DEVELOPMENT AGREEMENT BETWEEN THE AGENCY AND DEVELOPER**

Item continued to February 1, 2011, meeting.

## **COUNCIL MATTERS**

**REPORT AND RECOMMENDATION FROM SUBCOMMITTEE AND ACTION ON CITIZEN APPOINTMENTS TO CITY COMMISSIONS, COMMITTEES AND BOARDS**

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

## **STAFF MATTERS**

City Manager Hughes

## **ADJOURNMENT**

# CITY OF ONTARIO

## CLOSED SESSION REPORT

City Council / / Housing Authority / / Redevelopment Agency / /  
Redevelopment Financing Agency / / Other / / (GC 54957.1)

January 18, 2011

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

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

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

- GC 54956.8, CONFERENCE WITH REAL PROPERTY NEGOTIATORS  
Property: 301, 319 and 321 West Holt Boulevard, APN: 1049-053-01, 02, 03, 04 and 05; City/Agency/Authority Negotiator: Chris Hughes or his designee; Negotiating parties: Benjamin L. Cutter Trust ; Under negotiation: Price and terms of payment.

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

- GC 54956.8, CONFERENCE WITH REAL PROPERTY NEGOTIATORS  
Property: 201/203, 205/207, 209/211 and 213/215 South Fern Avenue, APN: 1049-054-06; City/Agency/Authority Negotiator: Chris Hughes or his designee; Negotiating parties: Fern Avenue Rentals, LLC; Under negotiation: Price and terms of payment.

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



**CITY OF ONTARIO  
CLOSED SESSION REPORT**

City Council / / Housing Authority / / Redevelopment Agency / /  
Redevelopment Financing Agency / / Other / / (GC 54957.1)

**January 18, 2011**

**(Continued)**

- GC 54956.8, CONFERENCE WITH REAL PROPERTY NEGOTIATORS  
Property: 310 West Emporia Street, APN: 1049054-04; City/Agency/Authority  
Negotiator: Chris Hughes or his designee; Negotiating parties: American Legion,  
Ontario Post No. 112 ; 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*  
January 18, 2011

SECTION:  
CONSENT CALENDAR

**SUBJECT: ONTARIO REDEVELOPMENT AGENCY ANNUAL REPORT FOR FISCAL YEAR ENDED JUNE 30, 2010**

**RECOMMENDATION:** That the Agency Board accept the Ontario Redevelopment Agency's Annual Report for Fiscal Year ended June 30, 2010.

**COUNCIL GOALS:** Develop Strategies and Take Actions to Minimize the Negative Impacts of the Global Financial Downturn on Ontario's Economy and the City's Fiscal Health  
Operate in a Businesslike Manner

**FISCAL IMPACT:** No fiscal impact.

**BACKGROUND:** Pursuant to Health and Safety Code Section 33080, the Ontario Redevelopment Agency is required to file a copy of its Annual Report with the State Controller's Office. The Annual Report contains the following:

1. An independent financial audit report for Fiscal Year 2009-10;
2. A fiscal statement for Fiscal Year 2009-10 which includes outstanding indebtedness of each project area, tax increment revenues generated in each project area, tax increment paid to taxing agencies, and the financial transaction report required pursuant to Section 53891 of the Government Code; and
3. A description of the Agency's activities affecting housing and displacement.

The audit for Fiscal Year 2009-10 was performed in accordance with generally accepted auditing standards by the accounting firm of Lance Soll & Lunghard, LLP. These standards are followed to obtain reasonable assurances that the general purpose financial statements are free from material misstatements. The opinion given in the Report of the Independence states that the general purpose financial statements present fairly the financial position of the Agency as of June 30, 2010, and the results of the Agency's operations are reported in accordance with generally accepted accounting principles. Moreover, the submittal of these reports to the Agency Board for review to understand the

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

Prepared by: Doreen Nunes  
Department: Fiscal Services

City Manager  
Approval: 

Submitted to Council/O.R.A./O.H.A. 01/18/2011  
Approved: \_\_\_\_\_  
Continued to: \_\_\_\_\_  
Denied: \_\_\_\_\_

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Ontario Redevelopment Agency's internal controls and financial matters is required under auditing standard SAS No. 112.

A copy of the Annual Report has been filed with the Records Management Department.

# CITY OF ONTARIO

*Agenda Report*  
January 18, 2011

SECTION:  
CONSENT CALENDAR

**SUBJECT: AN AMENDMENT TO A PROFESSIONAL SERVICES AGREEMENT FOR  
LEGAL SERVICES RELATED TO PERSONNEL AND EMPLOYMENT ISSUES**

**RECOMMENDATION:** That the City Council authorize the City Manager to execute an amendment to the Professional Services Agreement with the law firm Liebert Cassidy Whitmore, of Los Angeles, California, for on-going legal services on an as-needed basis related to personnel and employee relations at established billing rates; and extending the term for up to one year.

**COUNCIL GOALS: Develop Strategies and Take Actions to Minimize the Negative Impacts of the Global Financial Downturn on Ontario's Economy and the City's Fiscal Health**  
**Operate in a Businesslike Manner**

**FISCAL IMPACT:** Under the City Manager's contracting authority, the current two-year agreement with Liebert Cassidy Whitmore was entered into effective July 1, 2009 and runs through June 30, 2011. The existing contract value is \$96,000 for the two-year period. This amendment extends the agreement for one (1) year to June 30, 2012 at the 2010 billing rates and provides for on-going services to be provided on an as-needed basis with expenditures limited to budget appropriations as approved by the City Council for the respective fiscal years.

**BACKGROUND:** Liebert Cassidy Whitmore has provided personnel training to the City's supervisors and managers since 2003. The firm has advised the City regarding employee relations issues and also defended the City in labor law actions since 2009. During this time, Liebert Cassidy Whitmore has established an excellent reputation for solving employee relations issues and representing the City in employment related advisory arbitration proceedings. In addition, Liebert Cassidy Whitmore provides staff with information regarding relevant new laws and legal decisions that assists in keeping City policies and practices current, ultimately reducing litigation exposure and liability. The City currently contracts with multiple law firms for similar services to ensure availability of attorneys, timeliness in responding to employee relations issues, and flexibility in assigning attorneys with situation-specific expertise. During the past year, staff has increased utilization of Liebert Cassidy Whitmore while continuing to maintain expenditures within the budgeted appropriations.

**STAFF MEMBER PRESENTING:** Al C. Boling, Deputy City Manager

Prepared by: Stacey Cue  
Department: Human Resources

City Manager  
Approval: 

Submitted to Council/O.R.A./O.H.A. 01/18/2011

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

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

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

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# CITY OF ONTARIO

*Agenda Report*  
January 18, 2011

SECTION:  
CONSENT CALENDAR

**SUBJECT: AN AMENDMENT TO A LEASE AGREEMENT FOR USE OF CITY PROPERTY AND FACILITIES LOCATED AT JOHN GALVIN PARK BY THE BOY SCOUTS OF AMERICA AND THE WEST END FISH AND GAME ASSOCIATION**

**RECOMMENDATION:** That the City Council authorize the City Manager to execute an amendment to an existing Lease Agreement (on file in the Records Management Department) with the Ontario Rotary Club, of Ontario, California, extending the lease term an additional twenty (20) years for use of a City-owned building and adjacent property located at John Galvin Park by the Boy Scouts of America and the West End Fish and Game Association.

**COUNCIL GOALS:** Develop Strategies and Take Actions to Minimize the Negative Impacts of the Global Financial Downturn on Ontario's Economy and the City's Fiscal Health  
Encourage, Provide or Support Enhanced Recreational, Educational, Cultural and Healthy City Programs, Policies and Activities

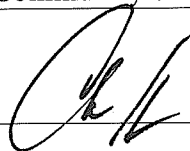
**FISCAL IMPACT:** The City currently leases the subject facilities to the Ontario Rotary Club for \$1 per year, which was paid in advance in 1982. The amended agreement calls for a 20-year extension under the same general terms and conditions as the existing agreement. In return for the lease extension and continued use of the City property, the Ontario Rotary Club will make rental payments of \$1 per year, payable in advance upon execution of the agreement, and will make tenant improvements to the facility with an estimated value of \$27,500. The improvements will enhance the City's property, extend the usefulness of the building, and result in no increase to the City's recurring maintenance costs.

**BACKGROUND:** Since 1952, the Ontario Rotary Club has leased and maintained a City-owned building located at John Galvin Park for use by the Boy Scouts of America and the West End Fish and Game Association for the promotion of activities to develop good character and citizenship in boys. Under the amended agreement, the Ontario Rotary Club will continue to lease the building and have use of adjacent property. The building and leased property will be the financial responsibility of the Ontario Rotary Club to maintain and keep in good repair.

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

Prepared by: Stacy Orton  
Department: Community & Public Services

City Manager  
Approval:



Submitted to Council/O.R.A./O.H.A. 01/18/2011  
Approved: \_\_\_\_\_  
Continued to: \_\_\_\_\_  
Denied: \_\_\_\_\_

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As consideration for the continued facility use, the Ontario Rotary Club will construct or install tenant improvement with an estimated value of \$27,500. The improvements include: a new roof, windows, fire pit, walkway and signage at the building. All tenant improvements to be constructed or installed under the agreement will be in accordance with City standards and specifications.

# CITY OF ONTARIO

*Agenda Report*  
January 18, 2011

**SECTION:**  
**CONSENT CALENDAR**

**SUBJECT: A RESOLUTION FOR PLACEMENT OF SPECIAL ASSESSMENTS ON COUNTY TAX ROLLS**

**RECOMMENDATION:** That the City Council adopt a resolution for recovery of costs incurred in abating property and dangerous building violations as well as fees and penalties associated with property maintenance violations, and placing special assessments on County tax rolls.

**COUNCIL GOALS:** Develop Strategies and Take Actions to Minimize the Negative Impacts of the Global Financial Downturn on Ontario's Economy and the City's Fiscal Health  
Operate in a Businesslike Manner

**FISCAL IMPACT:** The levy of special assessments will result in the recovery of approximately \$613,256 in costs the City has expended on 118 parcels. When received, reimbursements will be made to the General Fund (\$62,348), the Dangerous Building Fund (\$33,808) and the Abandoned & Distressed Property Fund (\$517,100).

**BACKGROUND:** The City has established revolving funds to cover City costs for abatement of property and dangerous building violations as a result of code enforcement activities as well as the generation of fees and penalties associated with the Abandoned and Distressed Property Programs. These costs, fees and penalties are recovered through placement of special tax assessments upon the properties. The placement of special assessments and collection of revenue is done under Ordinance 2553, Property Appearance, (Title 5, Chapter 22 of the Ontario Municipal Code), Chapter 9 of the Uniform Code for the Abatement of Dangerous Buildings and Ordinance 2920 for civil penalties for continued violations of the Ontario Municipal Code (Title 1, Chapter 2 of the Ontario Municipal Code). The City and the County currently have a contractual agreement regarding implementation of special assessments; however, a resolution authorizing the placement of the specific assessments is required.

This assessment cycle, the Code Enforcement Department has billed \$1,203,242 in costs for the abatement of violations and the issuance of registration fees and civil penalties associated with the

**STAFF MEMBER PRESENTING:** Karen De Vrieze, Code Enforcement Director

Prepared by: Erin Bonett  
Department: Code Enforcement Department

City Manager  
Approval: 

Submitted to Council/O.R.A./O.H.A. 01/18/2011

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

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

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

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Abandoned and Distressed Property Program on 847 parcels. Of this amount, \$410,653 has already been collected as a result of direct invoicing. An itemized accounting of outstanding expenditures per parcel is contained in Exhibit A of the resolution. Upon approval by the City Council, the expenditure list, with any necessary corrections and adjustments, will be submitted to the County prior to August 2011 for placement on its 2011-2012 tax rolls. The uncollected balance of \$179,333 reflects funds expended on matters that are not yet resolved. Most often such matters are under the jurisdiction of the local Superior Court. When these matters are brought into court, the City becomes dependent on the court to award the abatement costs and attorney fees.

All affected property owners were given notice of the imposition of the special assessment via certified mail as provided in Ontario Municipal Code Section 1-4.05(a), and either have not requested an appeal or have exhausted the appellate procedure as provided in Ontario Municipal Code Section 1-4.05(b).



# CITY OF ONTARIO

*Agenda Report*  
January 18, 2011

**SECTION:**  
**CONSENT CALENDAR**

**SUBJECT: FUNDING AWARD FROM THE CALIFORNIA 9-1-1 EMERGENCY COMMUNICATIONS OFFICE FOR THE RECRUITMENT AND TRAINING OF 9-1-1 PUBLIC SAFETY DISPATCHERS**

**RECOMMENDATION:** That the City Council authorize the City Manager to execute all documents necessary to accept a one-time funding award in the amount of \$27,451 from the California 9-1-1 Emergency Communications Office for recruitment and training of 9-1-1 public safety dispatchers.

**COUNCIL GOALS:** Develop Strategies and Take Actions to Minimize the Negative Impacts of the Global Financial Downturn on Ontario's Economy and the City's Fiscal Health  
Maintain the Current High Level of Public Safety  
Pursue City's Goals and Objectives by Working with Other Governmental Agencies

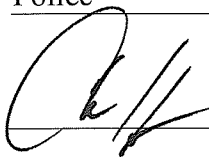
**FISCAL IMPACT:** This one-time award of \$27,451 requires the City to expend California 9-1-1 Emergency Communications Office funds for the cost to recruit and train new public safety dispatchers who accept wireless enhanced 9-1-1 calls routed directly through the City's call center. The use of these funds can only be applied to recruitment efforts and training costs of new public safety dispatchers hired after January 1, 2010. If approved, the associated revenue and expenditure adjustments will be included in the next quarterly budget report presented to the City Council.

**BACKGROUND:** Assembly Bill 912 (AB912) amended Section 41136 of the Revenue and Tax Code relating to emergency telephone systems and allows for Primary Public Safety Answering Points (PSAPs), such as the City's Communications Division, to receive a one-time payment for personnel costs associated with the recruitment and training of 9-1-1 public safety dispatchers hired after January 1, 2010. AB912 allocates approximately \$2 million of one-time funding payments to qualified PSAPs. The basis used for disbursing these funds is the number of qualified state-funded call answering positions, which resulted in a \$3,921.57 allocation per position. In November 2010, the California 9-1-1 Emergency Communications Office notified the City of its successful one-time funding award totaling \$27,451 (7 qualified positions x \$3,921.57). Funds are required to be expensed by December 31, 2011.

**STAFF MEMBER PRESENTING:** Eric Hopley, Chief of Police

Prepared by: Darryl Polk

Department: Police

City Manager  
Approval: 

Submitted to Council/O.R.A./O.H.A. 01/18/2011

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

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

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

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# **CITY OF ONTARIO**

*Agenda Report*  
January 18, 2011

**SECTION:  
CONSENT CALENDAR**

**SUBJECT: AWARD A CONTRACT FOR THE REHABILITATION OF THE BEGONIA AVENUE AND FRANCIS STREET APARTMENTS (BID NO. OHA-1011-03) AND AUTHORIZE AN AMENDMENT TO THE LOAN AGREEMENT FOR THE 307-309-311 WEST FRANCIS STREET PROJECT**

**RECOMMENDATION:** That the Board of the Ontario Housing Authority (“Authority”) waive minor deviations in the bid requirements; that the Authority reject the bid protests submitted by WFC Design Development Construction regarding DRP National, Inc. and Cal-City Construction; and that the Authority award and authorize the Executive Director to execute a contract with DRP National, Inc., of West Covina, California, in the amount of \$2,330,000 plus a 15% contingency of \$349,500, for the Begonia Avenue and Francis Street Apartments Rehabilitation Project (Bid No. OHA-1011-03); and that the City Council, Ontario Redevelopment Agency Board and the Authority Board authorize the City Manager/Executive Director to execute an amendment to the joint agency Loan Agreement pertaining to 307-309-311 West Francis Street.

**COUNCIL GOALS:** Develop Strategies and Take Actions to Minimize the Negative Impacts of the Global Financial Downturn on Ontario’s Economy and the City’s Fiscal Health  
Focus Resources in Ontario’s Commercial and Residential Neighborhoods

**FISCAL IMPACT:** The proposed contract amount for the rehabilitation work is \$2,330,000 plus a 15% contingency of \$349,500, for a total recommended expenditure authorization of \$2,679,500. The overall project is funded from the Low- and Moderate-Income Housing Fund (LMIHF), U.S. Department of Housing and Urban Development Neighborhood Stabilization Program funds and HOME Investment Partnership Program funds. No General Fund monies will be used for this project.

The proposed actions would increase the funding allocated for 307-309-311 West Francis Street by \$21,305 adjusting the total from \$2,300,469 to \$2,321,774 for this apartment building. The increased costs would be allocated from appropriations in the LMIHF. There is no funding adjustment necessary for the Begonia Avenue units.

**STAFF MEMBER PRESENTING:** Brent Schultz, Housing & Neighborhood Revitalization Director

Prepared by: Katryna Gonzalez  
Department: Housing Agency

City Manager  
Approval: 

Submitted to Council/O.R.A./O.H.A. 01/18/2011

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

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

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

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**BACKGROUND:** On May 3, 2005, the City Council approved the Mercy House Homeless Services Continuum of Care Program (“Continuum”). The Continuum is a multi-phase program that includes the following components: a 14-bed emergency shelter and intake center; a 34-bed transitional housing facility; 60 permanent affordable housing units; and after care services. To date, the following activities have been completed:

- Designed a 15-bed emergency shelter/intake center; secured entitlements, completed acquisition/clearance activities necessary for the development of the proposed emergency shelter/intake center;
- Secured \$1 million in EHAPCD funds from the State of California for the construction of the emergency shelter/intake center;
- Completed a 34-bed transitional housing facility (Assisi House);
- Completed a 14-unit permanent affordable housing development (Guadalupe Apartments);
- Acquired a 15-unit permanent affordable housing development (Francis Apartments); and
- Acquired eight four-plexes for permanent affordable housing units (209, 216, 217, 222, 223, 228, 231, and 305 North Begonia Avenue Apartments).

The proposed increase in the loan amount for 307-309-311 West Francis Street reflects current rehabilitation costs with prevailing federal and state wage rates. The original loan included \$1,533,646 in HOME funds and \$766,823 in Low- and Moderate-Income Housing Funds (LMIHF). The proposed increase consists of \$21,305 in LMIHF.

A Notice Inviting Bids for the Begonia Avenue and Francis Street Apartments Rehabilitation Project was advertised on November 12, 2010 for the rehabilitation of the 15 apartment units on Francis Street and the 16 units on Begonia Avenue (209, 216, 223, and 231 North Begonia Avenue). A mandatory pre-bid meeting was conducted on November 30, 2010 and the bid opening was held on January 7, 2011.

A total of six bids were received. A summary of the bid results is shown in the table below.

<b>Contractor’s Name/Location</b>	<b>Bid Amount</b>
DRP National, Inc. / West Covina	\$ 2,330,000.00
Cal-City Construction / Cerritos	\$ 2,359,000.00
WFC Design Development Construction / La Verne	\$ 2,506,635.00
Newman Midland / Los Alamitos	\$ 2,756,978.64
Portrait Homes / Corona	\$ 2,983,524.34
Broughton Construction / Rancho Cucamonga	\$ 3,215,889.00

Minor deviations from the bid requirements were found in each of the six bid submittals received with regard to the submittal of completed and executed administrative documents to comply with federal and state labor requirements. These deviations are immaterial since they do not impact the price of the bid or otherwise provide a material advantage to any single bidder.

The Ontario Housing Authority is recommending that the bid requirements for the minor deviations noted in the bid submittals be waived and that the contract for this work be awarded to DRP National, Inc. The rehabilitation is estimated to begin on February 28, 2011 and will take six months to complete (September 2011).

In addition, the Authority recommends that the bid protests filed by WFC regarding DRP National, Inc. and Cal-City, Inc. be rejected. DRP National, Inc. has provided evidence that they are in full compliance with California Public Contract Code Sections 4100 – 4144 (*Subletting and Subcontracting Fair Practice Act*). The bid protest regarding Cal-City is inconsequential since DRP National, Inc. is the lowest responsive bidder.

If approved, a Pre-Construction Conference will be conducted and a Notice to Proceed will be issued allowing 30 days to commence work.

# CITY OF ONTARIO

*Agenda Report*  
January 18, 2011

SECTION:  
CONSENT CALENDAR

**SUBJECT:** RESOLUTIONS APPROVING LOAN AGREEMENTS, FIRST AMENDED AND RESTATED LOAN AGREEMENTS, AND LAND CONVEYANCE AGREEMENTS AND AGREEMENTS CONTAINING REGULATORY COVENANTS AND RESTRICTIONS AFFECTING THE USE OF REAL PROPERTY FOR THE BEGONIA AVENUE APARTMENTS, LOCATED AT 209, 216, 217, 222, 223, 228 AND 231 NORTH BEGONIA AVENUE, ONTARIO, CALIFORNIA

**RECOMMENDATION:** That the City Council of the City of Ontario ("City"), the Board of the Ontario Redevelopment Agency ("Agency"), and the Board of the Ontario Housing Authority ("Authority") adopt resolutions approving: (a) Loan Agreements and First Amended and Restated Loan Agreements between the City, Agency, and Authority; and (b) Land Conveyance Agreements and Agreements containing regulatory covenants and restrictions between the City and the Authority. These documents are on file with the City's Records Management Department.

**COUNCIL GOALS:** Develop Strategies and Take Actions to Minimize the Negative Impacts of the Global Financial Downturn on Ontario's Economy and the City's Fiscal Health  
Focus Resources in Ontario's Commercial and Residential Neighborhoods

**FISCAL IMPACT:** The City and the Agency previously allocated funds for the acquisition and rehabilitation of the Begonia Apartments. The proposed actions would increase by \$1,040,742 the funding allocated to the apartments located at 209, 216, 223, and 231 North Begonia resulting in the total estimated project cost of \$4,037,896 for these four apartment buildings, up from \$2,997,154. The increased costs will be allocated from the Agency's Low- and Moderate-Income Housing Fund (LMIHF). In addition, the proposed agreements redefine the developer fee amount that may be charged on these properties by the Ontario Housing Authority, resulting in a net decrease of approximately \$263,893.

**BACKGROUND:** On May 3, 2005, the City Council approved the Mercy House Homeless Services Continuum of Care Program ("Continuum"). The Continuum is a multi-phase program that includes the

**STAFF MEMBER PRESENTING:** Brent Schultz, Housing & Neighborhood Revitalization Director

Prepared by: Julie Bjork  
Department: Housing Agency

City Manager  
Approval: 

Submitted to Council/O.R.A./O.H.A. 01/18/2011

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

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

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following components: a 14-bed emergency shelter and intake center; a 34-bed transitional housing facility; 60 permanent affordable housing units; and after care services. To date, the following activities have been completed:

- Designed a 15-bed emergency shelter/intake center; secured entitlements; completed acquisition/clearance activities necessary for the development of the proposed emergency shelter/intake center;
- Secured \$1 million in EHAPCD funds from the State of California for the construction of the emergency shelter/intake center;
- Completed a 34-bed transitional housing facility (Assisi House);
- Completed a 14-unit permanent affordable housing development (Guadalupe Apartments);
- Acquired a 15-unit permanent affordable housing development (Francis Apartments); and
- Acquired eight four-plexes for permanent affordable housing units (209, 216, 217, 222, 223, 228, 231 and 305 N. Begonia Apartments). The property located at 305 N. Begonia, was purchased utilizing HOME Community Housing Development Organization (CHDO) funds with a long-term lease executed between the Ontario Housing Authority and Mercy House CHDO, Inc.

In the table below is a breakdown of the funding approval dates and amounts previously approved for the Begonia Apartments funded without the utilization of HOME CHDO funds:

Address	City Council Approval Date	Funding Amount			
		NSP	HOME	LMIHF	TOTAL
209 N. Begonia	September 15, 2009	\$750,579			<b>\$750,579</b>
216 N. Begonia	September 15, 2009	\$821,696			<b>\$821,696</b>
217 N. Begonia	August 17, 2010		\$702,144	\$125,438	<b>\$827,582</b>
222 N. Begonia	May 4, 2010		\$526,608	\$312,892	<b>\$839,500</b>
223 N. Begonia	May 4, 2010	\$383,403	\$175,536	\$143,309	<b>\$702,248</b>
228 N. Begonia	October 19, 2010		\$526,608	\$372,819	<b>\$899,427</b>
231 N. Begonia	September 15, 2009	\$722,631			<b>\$722,631</b>
<b>TOTAL</b>		<b>\$2,678,309</b>	<b>\$1,930,896</b>	<b>\$954,458</b>	<b>\$5,563,663</b>

On January 7, 2011, the Authority accepted rehabilitation bids for a number of the apartments controlled by the Authority, including the apartments located at 209, 216, 223 and 231 North Begonia Avenue. The rehabilitation bids with a 15% contingency exceed the existing budgets.

Housing staff is recommending a restructuring of the originally approved agreements to provide for greater flexibility given current guidelines that govern the program. The key changes to the agreements are listed below:

- The previously approved lease agreements for the properties listed above are being terminated and replaced with a land conveyance agreement. These agreements allow all net proceeds to be used for the operation of the properties and other Continuum activities.
- The land conveyance agreements have a 55 year term to maintain the properties with the existing affordability levels previously approved by City Council and the Authority Board.
- The Authority will enter into loan agreements with the City and/or Agency for all of the funds expended on the above referenced properties depending on the source of funding. The notes are zero-interest with a 55-year term.

- Increase the loan amounts for each property to reflect current rehabilitation costs with prevailing federal and state wage rates as shown in Exhibit A.
- For properties funded with NSP monies, the Authority will be classified as a subrecipient rather than a developer and the developer fee will be removed from the NSP-funded projects. As a subrecipient, the Ontario Housing Authority will assume all of the duties and responsibilities of the City in implementing these funds in compliance with the federal regulations and will be allowed to charge administrative costs to the project. In addition, the agreements impacting the remaining properties without NSP funding have been amended to restrict the developer fee to an amount not to exceed ten percent (10%) of HOME funds allocated for each property.

With these proposed changes, the net rent proceeds created by these affordable housing units will be able to continue to assist in implementing homeless activities provided at the Temporary Homeless Services Area (“THSA”) and the Mercy House Homeless Continuum of Care.

It is anticipated that the properties located at 209, 216, 223 and 231 North Begonia will be under construction beginning in February 2011 and will be completed within six months. The properties located at 217, 222 and 228 North Begonia are anticipated to be under construction in April 2011.

Under the California Environmental Quality Act (“CEQA”), the City (as lead agency) and the Agency and the Authority (as responsible agencies) are required to review the environmental effects of the activities resulting from their approval of the agreements described by this staff report. City staff recommends that the City Council and Agency and Authority governing boards determine that these activities are exempt from further CEQA review as a Class 1 categorical exemption under CEQA Guidelines Section 15301. The Class 1 exemption applies to projects for the repair, reconstruction, operation and maintenance of existing facilities when there is no substantial expansion of use.

**EXHIBIT A**

**BEGONIA APARTMENT**

**REVISED BUDGETS**

Address	Original Funding Amount				Proposed Increase	TOTAL
	NSP	HOME	LMIHF	TOTAL	LMIHF	
209 N. Begonia	\$750,579			<b>\$750,579</b>	\$268,320	<b>\$1,018,899</b>
216 N. Begonia	\$821,696			<b>\$821,696</b>	\$172,679	<b>\$994,375</b>
223 N. Begonia	\$383,403	\$175,536	\$143,309	<b>\$702,248</b>	\$272,476	<b>\$974,724</b>
231 N. Begonia	\$722,631			<b>\$722,631</b>	\$327,267	<b>\$1,049,898</b>
	<b>\$2,678,309</b>	<b>\$175,536</b>	<b>\$143,309</b>	<b>\$2,997,154</b>	<b>\$1,040,742</b>	<b>\$4,037,896</b>



# CITY OF ONTARIO

*Agenda Report*  
January 18, 2011

**SECTION:**  
**CONSENT CALENDAR**

**SUBJECT: A RESOLUTION AUTHORIZING THE TRANSMITTAL OF THE PRELIMINARY REPORT FOR THE PROPOSED MERGER OF THE REDEVELOPMENT PROJECT AREAS**

**RECOMMENDATION:** That the Redevelopment Agency Board consider and approve a resolution authorizing the transmittal of the Preliminary Report for the Merger of the Redevelopment Project Areas (on file with the Records Management Department) to affected taxing agencies.

**COUNCIL GOALS:** Develop Strategies and Take Actions to Minimize the Negative Impacts of the Global Financial Downturn on Ontario's Economy and the City's Fiscal Health  
Invest in the Growth and Evolution of the City's Economy

**FISCAL IMPACT:** The proposed Redevelopment Project Area Merger will have significant positive fiscal impacts by providing more financial flexibility, allowing funds to be distributed throughout the Merged Project Area. The proposed merger will not have a fiscal impact on the overall dollars collected or received.

**BACKGROUND:** The Agency has made significant progress in eliminating blight throughout the redevelopment project areas by actively pursuing revitalization opportunities and assisting in redevelopment activities as allowed by the California Redevelopment Law (CRL). Although progress has been made, there is still a substantial amount of blight throughout the five project areas.

In July 2010, as part of the amendment process, the Agency proposed to merge all of the project areas into an Ontario Merged Redevelopment Project Area for the purposes of financial flexibility and ease of administration. The merger of the existing project areas will allow the Agency to utilize funds from one project area in any other portion of the merged area. The merger would continue to provide a significant public benefit by addressing remaining blight in the existing project areas as well as encouraging and facilitating private investment for the creation of employment and housing opportunities in the proposed Ontario Merged Redevelopment Project Area.

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

Prepared by: Megan Hebdon  
Department: Economic Development

City Manager  
Approval: 

Submitted to Council/O.R.A./O.H.A. 01/18/2011

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

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The proposed Redevelopment Project Area Merger is being processed in accordance with Community Redevelopment Law (Health and Safety Code Section 34000 et seq.).

Summary of the Preliminary Report:

The Preliminary Report provides affected taxing agencies, and other interested groups or individuals, with a detailed description of the Merged Project Areas and the Project's overall intentions for redevelopment activities therein. Following the distribution of the Preliminary Report, each taxing agency must be given the opportunity to consult with Agency staff regarding the Project Merger. As such, Agency staff will schedule a date, time and location to meet with the affected taxing agencies that are interested in doing so.

Pursuant to CRL Section 33344.5, the Preliminary Report must contain the following information:

The reasons for the selection of the Merger Areas:

- A description of the physical and economic conditions existing in the Merger Area.
- A description of the Merger Area sufficiently detailed for a determination as to whether the Merger Area is predominantly urbanized.
- A preliminary assessment of the proposed method of financing the redevelopment of the Merger Area, including an assessment of the economic feasibility of the project and the reasons for including the provision for tax increment authority.
- A description of the specific project or projects proposed by the Agency.
- A description of how the project or projects to be pursued by the Agency in the Amendment Area will improve or alleviate the physical and economic conditions existing in the Amendment Area.