

**CITY OF ONTARIO  
CITY COUNCIL, REDEVELOPMENT AGENCY,  
AND HOUSING AUTHORITY  
AGENDA  
MARCH 15, 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: APNs: 1048-552-14, 15 and 17: 240 N. Euclid Avenue; City/Agency/Authority Negotiator: Chris Hughes or his designee; Negotiating parties: Wells Fargo Bank, N.A.; Under negotiation: Price and terms of payment.

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

**PLEDGE OF ALLEGIANCE**

Council Member Bowman

**INVOCATION**

Pastor Mike Urciuoli, Calvary Chapel Ontario

**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 February 15, 2011, and approving same as on file in the Records Management Department.

**2. BILLS/PAYROLL**

**Bills** January 16, 2011 through January 29, 2011 and **Payroll** January 16, 2011 through January 29, 2011, when audited by the Finance Committee.

**3. RESOLUTION APPROVING THE FILING OF THE SECOND ROUND APPLICATION FOR GRANT FUNDS THROUGH THE STATE DEPARTMENT OF PARKS AND RECREATION**

That the City Council adopt the a resolution approving the filing of the second round application for grant funds through the Statewide Park Development and Community Revitalization Act of 2008 program under the Safe Drinking Water, Water Quality and Supply, Flood Control, River and Coastal Protection Bond of 2006 (Proposition 84) for the Civic Center Community Conservation Park.

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

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF ONTARIO, CALIFORNIA, APPROVING THE APPLICATION FOR GRANT FUNDS FOR THE STATEWIDE PARK DEVELOPMENT AND COMMUNITY REVITALIZATION ACT OF 2008 PROGRAM UNDER THE SAFE DRINKING WATER, WATER QUALITY AND SUPPLY, FLOOD CONTROL, RIVER AND COASTAL PROTECTION BOND ACT OF 2006 (PROPOSITION 84) FOR THE CIVIC CENTER COMMUNITY CONSERVATION PARK.

**4. AN ORDINANCE GRANTING A ONE-YEAR TIME EXTENSION TO ALL DEVELOPMENT PLAN, CONDITIONAL USE PERMIT AND VARIANCE APPROVALS**

That the City Council adopt an ordinance granting a one year time extension to all Development Plan, Conditional Use Permit and Variance approvals which are due to expire on or before March 1, 2012.

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

AN ORDINANCE OF THE CITY COUNCIL OF THE CITY OF ONTARIO, CALIFORNIA, GRANTING A ONE YEAR TIME EXTENSION TO ALL DEVELOPMENT PLAN, CONDITIONAL USE PERMIT AND VARIANCE APPROVALS WHICH ARE ACTIVE AND DUE TO EXPIRE ON OR BEFORE MARCH 1, 2012, AND MAKING FINDINGS IN SUPPORT THEREOF.

**5. APPLICATION FOR A STATE OF CALIFORNIA DEPARTMENT OF ALCOHOLIC BEVERAGE CONTROL GRANT**

That City Council authorize the City Manager to apply for and execute grant documents to accept a 12-month grant for a maximum of \$25,000 to assist in funding overtime enforcement operations for an Alcoholic Beverage Control (ABC) Investigator to address alcohol-related problems in the community.

**6. ACCEPTANCE OF A GRANT AWARD FROM THE U.S. DEPARTMENT OF HOMELAND SECURITY AND THE CALIFORNIA EMERGENCY MANAGEMENT AGENCY**

That the City Council authorize the City Manager to execute all documents necessary to accept a three-year grant award in the amount of \$77,101 from the U.S. Department of Homeland Security (DHS) and the California Emergency Management Agency for the Homeland Security Grant Program.

**7. CONSENT TO A JOINT PUBLIC HEARING WITH THE ONTARIO CITY COUNCIL AND THE ONTARIO REDEVELOPMENT AGENCY REGARDING ADOPTION OF THE DRAFT REDEVELOPMENT PLAN FOR THE PROPOSED MERGER OF THE FIVE REDEVELOPMENT PROJECT AREAS: PROJECT AREA NO. 1, PROJECT AREA NO. 2, CENTER CITY, CIMARRON, AND GUASTI**

That the City Council and Redevelopment Agency Board adopt resolutions authorizing and consenting to a Joint Public Hearing on May 3, 2011 to consider the adoption of the draft Redevelopment Plan for the proposed Project Area Merger.

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

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF ONTARIO, CALIFORNIA, CONSENTING TO A JOINT PUBLIC HEARING WITH THE ONTARIO REDEVELOPMENT AGENCY OF THE CITY OF ONTARIO, CALIFORNIA, WITH RESPECT TO ADOPTION OF THE DRAFT REDEVELOPMENT PLAN FOR THE PROPOSED MERGER OF THE FIVE REDEVELOPMENT PROJECT AREAS: PROJECT AREA NO. 1, PROJECT AREA NO. 2, CENTER CITY, CIMARRON, AND GUASTI.

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

A RESOLUTION OF THE ONTARIO REDEVELOPMENT AGENCY OF THE CITY OF ONTARIO, CALIFORNIA, CONSENTING TO A JOINT PUBLIC HEARING WITH THE CITY COUNCIL OF THE CITY OF ONTARIO, CALIFORNIA, WITH RESPECT TO ADOPTION OF THE DRAFT REDEVELOPMENT PLAN FOR THE PROPOSED MERGER OF THE FIVE REDEVELOPMENT PROJECT AREAS: PROJECT AREA NO. 1, PROJECT AREA NO. 2, CENTER CITY, CIMARRON, AND GUASTI.

**PUBLIC HEARINGS**

**8. AN ORDINANCE ESTABLISHING A DEVELOPMENT AGREEMENT (FILE NO. PDA10-001) BETWEEN FORESTAR COUNTRYSIDE, LLC AND THE CITY OF ONTARIO FOR THE RESIDENTIAL DEVELOPMENT OF 77.2 ACRES**

That the City Council hold a public hearing to introduce and waive further reading of an ordinance establishing a Development Agreement (File No. PDA10-001) between Forestar Countryside, LLC and the City of Ontario for the residential development of 77.2 acres of land as prescribed in the Countryside Specific Plan within the New Model Colony generally located north of Schaefer Avenue, south of Riverside Drive, east of the Cucamonga Channel and west of Archibald Avenue (APNs: 218-131-11, 12, 22, 40, and 43 and 218-111-057).

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

Written communication.  
Oral presentation.  
Public hearing closed.

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

AN ORDINANCE OF THE CITY COUNCIL OF THE CITY OF ONTARIO, CALIFORNIA, APPROVING A DEVELOPMENT AGREEMENT BETWEEN THE CITY OF ONTARIO AND FORESTAR COUNTRYSIDE, LLC. FILE NO. PDA10-001, TO ESTABLISH THE TERMS AND CONDITIONS FOR RESIDENTIAL DEVELOPMENT OF 69.7 ACRES WITHIN THE COUNTRYSIDE SPECIFIC PLAN, OF THE NEW MODEL COLONY, GENERALLY LOCATED NORTH OF SCHAEFER AVENUE, SOUTH OF RIVERSIDE DRIVE, EAST OF THE CUCAMONGA CHANNEL, AND WEST OF ARCHIBALD AVENUE, AND MAKING FINDINGS IN SUPPORT THEREOF (APNS: 0218-111-57, 0218-131-11, 12, AND 40).

**9. A PUBLIC HEARING TO CONSIDER ADOPTION OF A RESOLUTION TO UPDATE AND MODIFY DEVELOPMENT IMPACT FEES**

That the City Council adopt a resolution to update and modify the City's Development Impact Fees.

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, UPDATING AND MODIFYING  
DEVELOPMENT IMPACT FEES.

**COUNCIL MATTERS**

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)

**March 15, 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: APNs: 1048-552-14, 15 and 17: 240 N. Euclid Avenue;  
City/Agency/Authority Negotiator: Chris Hughes or his designee; Negotiating parties:  
Wells Fargo Bank, N.A.; 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  
March 15, 2011

SECTION:  
CONSENT CALENDAR

**SUBJECT: RESOLUTION APPROVING THE FILING OF THE SECOND ROUND APPLICATION FOR GRANT FUNDS THROUGH THE STATE DEPARTMENT OF PARKS AND RECREATION**

**RECOMMENDATION:** That the City Council adopt the a resolution approving the filing of the second round application for grant funds through the Statewide Park Development and Community Revitalization Act of 2008 program under the Safe Drinking Water, Water Quality and Supply, Flood Control, River and Coastal Protection Bond of 2006 (Proposition 84) for the Civic Center Community Conservation Park.

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

**FISCAL IMPACT:** The Statewide Park Development and Community Revitalization Act of 2008 grant is a competitive program with potential awards between \$100,000 and \$5,000,000. This grant program is extremely competitive with second round applications submitted from around the State vying for approximately \$184 million.

The project recommended for submittal in this second round of grant application is the Civic Center Community Conservation Park with grant funds requested of \$3,000,000. There is no requirement for local matching funds.

**BACKGROUND:** In March 2010, the City submitted an application for the first round of the Proposition 84 competitive grant funding. The Civic Center Community Conservation Park was selected for an on-site visit, but due the competitive process was not selected in the initial round. With the selection of a new consultant and the feedback received from the State, staff is working to improve our second round application and chances for approval.

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

Prepared by: Vern Stiner  
Department: Public Services

City Manager Approval: 

Submitted to Council/O.R.A./O.H.A. 03/15/2011

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

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

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

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The intent of the Statewide Park Development and Community Revitalization Act of 2008 Program is to finance the acquisition and development of parks, recreation areas, and facilities in neighborhoods with significant unmet park and recreation needs. In addition to meeting basic grant project requirements, staff reviewed statistical data through the State Community Fact Finder to ensure eligibility and desirability of these projects based upon grant guidelines regarding community demographics. The new facility will benefit the health of families, youth, senior citizens, and other population groups by meeting their recreational, cultural, social, educational, and environmental needs.

The Grant Program places special importance on the following criteria:

- Creation of new park space in neighborhoods;
- Underserved neighborhoods of usable park space; and
- Median household income.

The application for and receipt of this grant is intended to further develop recreation facilities to help meet community needs. The development of the Civic Center Community Conservation Park will include sustainable California native and adaptive Mediterranean landscaping, water efficient irrigation system, decomposed granite walkways, recycled materials for site furnishings, solar lighting and irrigation controllers and education displays with descriptions of sustainable design and elements utilized in demonstration garden, explanation of the climate cycle and plant identification plaques.

The Civic Center Community Conservation Park is consistent with the grant program criteria and will create new park space with facilities and recreation in the underserved neighborhoods where these needs have been unmet. Second round grant applications are due July 1, 2011. A resolution of the City Council is required as a mandatory element of the application.

# CITY OF ONTARIO

Agenda Report  
March 15, 2011

SECTION:  
CONSENT CALENDAR

**SUBJECT: AN ORDINANCE GRANTING A ONE-YEAR TIME EXTENSION TO ALL DEVELOPMENT PLAN, CONDITIONAL USE PERMIT AND VARIANCE APPROVALS**

**RECOMMENDATION:** That the City Council adopt an ordinance granting a one year time extension to all Development Plan, Conditional Use Permit and Variance approvals which are due to expire on or before March 1, 2012.

**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:** Adoption of the ordinance could result in the loss of fees for the processing of time extension requests (at the rate of \$490 per application). Conversely, future building permit fees, development impact fees and property tax revenues could be lost should current development applications be allowed to expire. Extending entitlement application approvals may assist developers to proceed with development projects delayed by the poor economy, thus increasing permit fees overall.

**BACKGROUND:** At a meeting of March 1, 2011, the City Council introduced the Ordinance to approve a one-year time extension to all Development Plan, Conditional Use Permit, and Variance approvals. The Development Code establishes the regulatory framework for controlling the development and use of land in the City. These regulations generally require an applicant to submit and have approved, a Development Plan, and in some cases, a Conditional Use Permit and/or Variance application. City regulations further provide for the expiration of a Development Plan, Conditional Use Permit or Variance approval within a specified one- to two-year timeframe, unless a building permit is issued and construction is commenced, or the approved use has commenced.

To assist developers, landowners and business owners during the economic slowdown, on March 3, 2009, the City Council approved Ordinance No. 2910, extending the expiration date for

**STAFF MEMBER PRESENTING:** Jerry L. Blum, Planning Director

Prepared by: Charles Mercier  
Department: Planning

City Manager  
Approval: 

Submitted to Council/O.R.A./O.H.A. 03/15/2011

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

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

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

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Development Plan, Conditional Use Permit and Variance application approvals by one year. The ordinance affected applications that were active and due to expire on or before March 1, 2010.

On January 5, 2010, the City Council approved Ordinance No. 2917, extending the expiration date for Development Plan, Conditional Use Permit and Variance application approvals by an additional year. The ordinance affected applications that were active and due to expire on or before March 1, 2011.

With the slow recovery in the economy, developers, and land and business owners face the prospect of having their Development Plan, Conditional Use Permit and Variance approvals expire before they can obtain financing. Therefore, staff is recommending the City Council grant an additional one-year time extension to all active Development Plan, Conditional Use Permit and Variance approvals, which are due to expire before March 1, 2012. This action would be consistent with the State Legislature and Governor's approval of Senate Bill No. 1185, which extends by 12 months, the expiration date of any tentative subdivision map that has not expired by January 1, 2011, and Assembly Bill No. 333, which extends the tentative subdivision map expiration an additional 12 months (for a total of 24 months), for any subdivision map that has not expired before January 1, 2012.

Staff recommends taking final action on this matter.

**ENVIRONMENTAL REVIEW:** The project is exempt from environmental review under the California Environmental Quality Act (CEQA) pursuant to § 15061(b) (3) of the CEQA Guidelines, which is the general rule that CEQA applies only to projects that have the potential for causing a significant effect on the environment. Where it can be seen with certainty that there is no possibility that the activity in question may have a significant effect on the environment, the activity is not subject to CEQA.

# CITY OF ONTARIO

Agenda Report  
March 15, 2011

SECTION:  
CONSENT CALENDAR

**SUBJECT: APPLICATION FOR A STATE OF CALIFORNIA DEPARTMENT OF ALCOHOLIC BEVERAGE CONTROL GRANT**

**RECOMMENDATION:** That City Council authorize the City Manager to apply for and execute grant documents to accept a 12-month grant for a maximum of \$25,000 to assist in funding overtime enforcement operations for an Alcoholic Beverage Control (ABC) Investigator to address alcohol-related problems in the community.

**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:** The ABC Grant Program will reimburse the City for up to \$25,000 of overtime costs incurred while conducting field enforcements. The City is required to expend funds prior to receiving monthly reimbursement. If the City is awarded the grant, additional budget appropriations and corresponding revenue will be included in the Fiscal Year 2011-12 Proposed Budget. The City is not required to provide matching funds.

**BACKGROUND:** Funding for this grant program is awarded to local law enforcement agencies through the California State Budget Act 2010. These grant funds are distributed by ABC to help address and mitigate "disruptive and disorderly" alcoholic beverage retail outlets. The grant requires a sworn officer to be appointed to the program, work directly with an ABC Investigator, and receive training in ABC alcohol enforcement strategies. If awarded, this will be the fourth year (previously awarded in FY06-07, FY07-08, and FY10-11) that the Ontario Police Department has participated in the ABC enforcement program. Previous years have resulted in higher rates of business compliance, the closure of habitual non-compliant business offenders, and have made the City of Ontario Police Department a resource for law enforcement agencies throughout California.

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

Prepared by: Donna Bailey  
Department: Police

City Manager Approval: 

Submitted to Council/O.R.A./O.H.A. 03/15/2011

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

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

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

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The proposed spending plan is as follows:

• Personnel Overtime	\$22,500
• Travel/training	
- 2011 GAP Conference	2,000
• Operating Expenses	
- Buy money	<u>500</u>
<b>TOTAL</b>	<b><u>\$25,000</u></b>

# CITY OF ONTARIO

Agenda Report  
March 15, 2011

SECTION:  
CONSENT CALENDAR

**SUBJECT: ACCEPTANCE OF A GRANT AWARD FROM THE U.S. DEPARTMENT OF HOMELAND SECURITY AND THE CALIFORNIA EMERGENCY MANAGEMENT AGENCY**

**RECOMMENDATION:** That the City Council authorize the City Manager to execute all documents necessary to accept a three-year grant award in the amount of \$77,101 from the U.S. Department of Homeland Security (DHS) and the California Emergency Management Agency for the Homeland Security Grant Program.

**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:** The San Bernardino County Board of Supervisors, through the California Office of Emergency Services (pass-through agency for the Department of Homeland Security), is responsible for disbursing the FY2010 Homeland Security Grant Program (HSGP) funds. The City has been approved to receive \$77,101 and is not required to provide matching funds for this reimbursable grant. Staff does not anticipate any recurring costs for this project. If approved, the associated revenue and expenditure adjustments will be presented in the next quarterly budget report to the City Council.

**BACKGROUND:** The grant award, totaling \$77,101, allows for the purchase of law enforcement equipment which includes portable radio accessories, ballistic shields, and eye goggles.

The portable radio accessories will be issued to sworn personnel, forensic technicians and police technicians. The ballistic shields will be available for use by both patrol officers and SWAT personnel. The eye goggles will be issued to all SWAT personnel and range staff. The acquisition of the portable radio accessories is being coordinated with the Information Technology Department.

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

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

Submitted to Council/O.R.A./O.H.A. 03/15/2011  
Approved: \_\_\_\_\_  
Continued to: \_\_\_\_\_  
Denied: \_\_\_\_\_

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The spending plan is as follows:

• Ballistic shields	\$42,000
• Portable radio accessories	32,000
• Eye goggles	<u>3,101</u>
<b>TOTAL</b>	<b><u>\$77,101</u></b>

# CITY OF ONTARIO

Agenda Report  
March 15, 2011

SECTION:  
CONSENT CALENDAR

**SUBJECT:** CONSENT TO A JOINT PUBLIC HEARING WITH THE ONTARIO CITY COUNCIL AND THE ONTARIO REDEVELOPMENT AGENCY REGARDING ADOPTION OF THE DRAFT REDEVELOPMENT PLAN FOR THE PROPOSED MERGER OF THE FIVE REDEVELOPMENT PROJECT AREAS: PROJECT AREA NO. 1, PROJECT AREA NO. 2, CENTER CITY, CIMARRON, AND GUASTI

**RECOMMENDATION:** That the City Council and Redevelopment Agency Board adopt resolutions authorizing and consenting to a Joint Public Hearing on May 3, 2011 to consider the adoption of the draft Redevelopment Plan for the proposed Project Area Merger.

**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:** In July 2010, Agency staff initiated the amendment process which proposes to merge all five of the project areas into a Merged Redevelopment Project Area for the purposes of financial flexibility and ease of managing Agency resources. 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 Project Area. The proposed Redevelopment Project Area Merger is being processed in accordance with Community Redevelopment Law (Health and Safety Code Section 34000 et seq.; the "CRL").

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

Prepared by: Charity Hernandez  
Department: Economic Development

City Manager Approval: 

Submitted to Council/O.R.A./O.H.A. 03/15/2011

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

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

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

# CITY OF ONTARIO

Agenda Report  
March 15, 2011

SECTION:  
PUBLIC HEARINGS

**SUBJECT: AN ORDINANCE ESTABLISHING A DEVELOPMENT AGREEMENT (FILE NO. PDA10-001) BETWEEN FORESTAR COUNTRYSIDE, LLC AND THE CITY OF ONTARIO FOR THE RESIDENTIAL DEVELOPMENT OF 77.2 ACRES**

**RECOMMENDATION:** That the City Council hold a public hearing to introduce and waive further reading of an ordinance establishing a Development Agreement (File No. PDA10-001) between Forestar Countryside, LLC and the City of Ontario for the residential development of 77.2 acres of land as prescribed in the Countryside Specific Plan within the New Model Colony generally located north of Schaefer Avenue, south of Riverside Drive, east of the Cucamonga Channel and west of Archibald Avenue (APNs:218-131-11, 12, 22, 40, and 43 and 218-111-057).

**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  
Operate in a Businesslike Manner  
Encourage, Provide or Support Enhanced Recreational, Educational, Cultural and Healthy City Programs, Policies and Activities  
Ensure the Development of a Well Planned, Balanced, and Self-Sustaining Community in the New Model Colony

**FISCAL IMPACT:** The proposed Development Agreement will provide funding for additional City services required to support the Forestar Countryside, LLC development. Over the term of the Development Agreement, the City will receive approximately \$835,560 in Public Service Funding fees in addition to development impact, compliance processing, licensing, and permit fees. No Original Model Colony revenue will be used to support this New Model Colony development.

**BACKGROUND:** On February 22, 2011, the Planning Commission reviewed the proposed Development Agreement ("Agreement") and unanimously recommended it to the City Council for approval. The Agreement applies to 77.2 acres of land generally located north of Schaefer Avenue, south of Riverside Drive, east of the Cucamonga Channel, and west of Archibald Avenue. Approval of

**STAFF MEMBER PRESENTING:** Jerry L. Blum, Planning Director

Prepared by: Scott Murphy  
Department: Planning

City Manager Approval: 

Submitted to Council/O.R.A./O.H.A. 03/15/2011  
Approved: \_\_\_\_\_  
Continued to: \_\_\_\_\_  
Denied: \_\_\_\_\_

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this Agreement will grant Forestar Countryside, LLC (“Owner”) a vested right to develop the project as long as they comply with the Terms and Conditions of the Countryside Specific Plan and Environmental Impact Report.

The New Model Colony backbone infrastructure, upon which the Owner must rely, is being supplied through the New Model Colony Builders LLC Financing and Construction Agreement (NMC Financing and Construction Agreement) which was approved by the City Council on October 4, 2005. The NMC Financing and Construction Agreement requires those developers wishing to use this infrastructure enter into Development Agreements with the City of Ontario. In accordance with this requirement and pursuant to City of Ontario Resolution No. 2002-100 which establishes the procedures for consideration of Development Agreements, Owner and the City have drafted the Development Agreement.

The proposed Development Agreement with Owner is based upon the model Development Agreement that was developed in coordination with the City Attorney’s office and legal counsel for NMC Builders. This model Development Agreement is consistent with the provisions of the NMC Construction and Financing Agreement. The model Development Agreement was first used as the Development Agreement with Brookfield Homes for their Edenglen development and will continue to be used for all developers that are members of NMC Builders, LLC. The LLC agreement between NMC Builders’ members requires that members of the LLC enter into a Development Agreement that is consistent with the provisions of the NMC Construction and Financing Agreement.

The proposed Agreement funds all new City expenses created by the project. These expenses include operational costs related to the review, approval, and administration of the Forestar project, additional project-related services, infrastructure, and affordable housing requirements.

The main points of the Agreement are as follows:

- Term: Ten (10) years with a five (5) year option.
- Assignment: Assignable with all terms and conditions applying to the assignee. The City has conditional approval and City will assess a processing fee.
- Fees:
  - Development Impact: Varies by category (i.e.; Streets and Bridges, Police, Fire, Open Space/Parks etc.). This is a separate fee from existing City licensing fees and permits.
  - Public Services Funding: \$1,980/unit fee due in two (2) installments:
    - 1) \$990 within 10 days of the issuance of the first building permit or January 1, 2013, whichever is first.
    - 2) \$990 upon issuance of remaining building permits, the cost of which shall increase each January 1, beginning January 1, 2015.

- Community Facilities:  
 District (CFD): City will cooperate with Owner to form a CFD to reimburse costs of infrastructure construction and maintenance of public facilities.
- Parks/Open Space: As required by the General Plan, Owner will supply five (5) acres per 1,000 projected population through park dedication and/or the payment of in-lieu fees.
- Housing: Provide affordable housing as required by the General Plan through construction, rehabilitation, or by paying an In-Lieu Fee.
- Compliance: Owner will submit an annual monitoring report which the City will review for compliance. The City will assess a review/approval processing fee. If Owner is found to be in compliance, the City will issue a Certificate of Compliance. If noncompliance is identified, a letter of correction will be issued.
- Schools: Must satisfy Mountain View School District and Chaffey Joint Union High School District school facilities requirements.
- Termination: The City may terminate the Agreement if substantial evidence is found of noncompliance.

Forestar Countryside, LLC has two members – Foremost Communities, a land development company, and Starwood Capital.

**ENVIRONMENTAL REVIEW:** The environmental impacts of this project were previously reviewed in conjunction with the Countryside Specific Plan (PSP04-001) EIR (SCH# 2004071001), which was certified by the City Council on April 18, 2006. This Application introduces no new significant environmental impacts. All previously adopted mitigation measures are be a condition of project approval and are incorporated herein by reference.

# CITY OF ONTARIO

Agenda Report  
March 15, 2011

SECTION:  
PUBLIC HEARINGS

**SUBJECT:** A PUBLIC HEARING TO CONSIDER ADOPTION OF A RESOLUTION TO UPDATE AND MODIFY DEVELOPMENT IMPACT FEES

**RECOMMENDATION:** That the City Council adopt a resolution to update and modify the City's Development Impact Fees.

**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  
Operate in a Businesslike Manner  
Invest in the City's Infrastructure (Water, Streets, Sewers, Parks, Storm Drains and Public Facilities)  
Ensure the Development of a Well Planned, Balanced, and Self-Sustaining Community in the New Model Colony

**FISCAL IMPACT:** The proposed update of the Development Impact Fee (DIF) amounts primarily reflects modifications to the land acquisition cost assumption, and the estimated cost for park development. It also adjusts the land acquisition costs in three individual projects from estimates to actual costs, and lowers the solid waste fee amount for single family units based on a reduction in the required number of containers for detached dwelling units. The proposed changes incorporate an 18.4% decrease in the Parks DIF for all residential land use categories; and the changes to the DIF amounts result in overall decreases in fees for all land use categories, especially residential land uses where decreases range from 7.0% to 8.7% for Old Model Colony housing, and from 5.3% to 6.8% for New Model Colony residential development.

**BACKGROUND:** On July 1, 2003, the City Council adopted Ordinance Nos. 2779 and 2780 to approve Development Impact Fees for the City. Comprehensive updates of the DIF Program, including the application of various indexes to DIF project costs estimates, were approved in January 2005 and February 2007. Fees have not been modified since 2008, and the proposed DIF update continues to reflect the City Council's direction that development pay its fair share of the costs for infrastructure and

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

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

Submitted to Council/O.R.A./O.H.A. 03/15/2011  
Approved: \_\_\_\_\_  
Continued to: \_\_\_\_\_  
Denied: \_\_\_\_\_

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that development in the New Model Colony should not have a negative fiscal impact on current residents.

The proposed reductions to the current Development Impact Fees result principally from the following two changes in DIF Program assumptions:

1. The projected land acquisition cost assumption has been modified from \$450,000 per acre to \$120,983 per acre based on several recent land sales; and
2. The projected costs for development of Parklands has been modified from \$294,310 per acre to \$485,700 per acre based on recent project costs for the Soccer Complex project and estimates for the New Model Colony Great Park. Although the Soccer Complex is not as amenitized as the sports parks contemplated for the Great Park, it is the City's best direct and most timely experience with park construction and represents a reasonable estimate for park construction costs of varying scopes.

The most significant fee impact from the application of these DIF assumption changes is on Parks fees, where an 18.4% decrease for all residential land use categories is proposed. This reduction results principally from the land acquisition cost, which has been lowered in the proposal from \$450,000 per acre to \$120,983 per acre to address reduced land prices. However, this decrease is offset in part by higher than previously projected Parks development costs which are necessarily incorporated in the update to ensure the availability of sufficient funds for construction of City parks, especially the Great Park. The Great Park will be the premier amenity in the New Model Colony, and adequate funding is essential to ensure its development in the manner envisioned in The Ontario Plan. Ensuring a sufficiency of development funds for the Great Park has become even more critical now because the Construction Agreement Amendment being negotiated between the City and NMC Builders LLC may eliminate the requirement previously imposed upon the developers' group to construct a significant portion of the Great Park.

Taken together, the proposed changes reduce the single family Parks DIF amount from \$8,965 per unit to \$7,315 per unit. As proposed, the single family Parks fee amount of \$7,315 per unit is comparable to the single family fees of numerous cities in the area:

- Fontana ..... \$6,500
- Ontario (As Proposed, Reduced from \$8,965) ..... \$7,315
- Corona (Includes 40% Discount from \$12,708) ..... \$7,625
- Chino Preserve ..... \$7,673
- San Bernardino ..... \$8,360
- Upland ..... \$10,700

It should be noted that the existing Construction Agreement with NMC Builders LLC, includes a provision that sets the fair market value for land that may be acquired from NMC Builders LLC members at \$450,000 per acre. Staff has also pursued an amendment of that provision. It is also proposed that Council authorize staff to amend that provision of the existing Construction Agreement.

Exhibit A of the attached Resolution specifies the updated DIF amounts for the New Model Colony area and the balance of the City (Old Model Colony). The following is a summary of the current and updated total DIF amounts for the New Model Colony and the balance of the City.

Category	Current* Old Model Colony	Proposed* Old Model Colony	Percent Change	Current New Model Colony	Proposed New Model Colony	Percent Change
Residential, Single Family- Detached	\$ 26,441 per unit	\$24,596 per unit	-7.0%	\$38,567 per unit	\$ 36,533 per unit	-5.3%
Residential, Single Family – Attached	\$ 18,976 per unit	\$ 17,443 per unit	-8.1%	Not Applicable	Not Applicable	
Residential, Multi-Family	\$ 17,055 per unit	\$ 15,575 per unit	-8.7%	\$23,134 per unit	\$ 21,566 per unit	-6.8%
Mobile Homes	\$ 14,343 per unit	\$ 13,160 per unit	-8.2%	Not Applicable	Not Applicable	
Commercial Lodging	\$ 3,682 per unit	\$ 3,671 per unit	-0.3%	\$8,095 per unit	\$ 8,038 per unit	-0.7%
Commercial Uses	\$ 12.687 per S.F.	\$12.666 per S.F.	-0.2%	\$20.809 per S.F.	\$20.660 per S.F.	-0.7%
Office Uses	\$ 5.954 per S.F.	\$ 5.939 per S.F.	-0.3%	\$13.493 per S.F.	\$ 13.396 per S.F.	-0.7%
Industrial Uses	\$ 2.979 per S.F.	\$ 2.972 per S.F.	-0.2%	\$7.291 per S.F.	\$ 7,246 per S.F.	-0.6%

All supporting information for the proposed fee amounts have been incorporated in an update to the Nexus Schedules and Master Facilities Plan prepared by Revenue and Cost Specialists, on file in the Records Management Department.

It is anticipated that there may be a need to review the City’s DIF Program in the near future, now that The Ontario Plan has been adopted. Once The Ontario Plan related changes to the City’s infrastructure Master Plans have been completed and approved later in 2011, staff may return to Council with further modifications to the DIF Program. It should also be noted that City staff and NMC Builders LLC representatives are currently working on modifying the Construction Agreement between the City and NMC Builders LLC. It is expected that adjustments to the Construction Agreement may also require modifications to the City’s DIF Program to ensure continuing consistency between the DIF Program and the Construction Agreement. Any such changes may also be addressed in such a future DIF Program update. In addition, land values will be reassessed, which may also require adjustments to the DIF.

Staff has notified the Building Industry Association (BIA) and NMC Builders LLC of the proposed update to the DIF. The recommendations contained in the resolution updating the DIF will be effective upon adoption.