

CITY OF ONTARIO
CITY COUNCIL AND HOUSING AUTHORITY
AGENDA
MAY 15, 2012

Paul S. Leon
Mayor

Sheila Mautz
Mayor pro Tem

Alan D. Wapner
Council Member

Jim W. Bowman
Council Member

Debra Dorst-Porada
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 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

Mautz, Wapner, Bowman, Dorst-Porada, 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: 1008-431-17, 1008-431-21, 1008-431-22, 1008-431-25, 1425-1445 North Mountain Avenue; City/Authority Negotiator: Chris Hughes or his designee; Negotiating parties: Carl Karcher Enterprises, Inc.; Under negotiation: Price and terms of payment.
- GC 54957.6, CONFERENCE WITH LABOR NEGOTIATOR: Chris Hughes regarding American Federation of State, County and Municipal Employees; San Bernardino Public Employees Association; Confidential Group; Management Group; and Department Heads.
- GC 54956.9 (b), CONFERENCE WITH LEGAL COUNSEL, ANTICIPATED LITIGATION:
One or more cases: City of Los Angeles/Los Angeles World Airports (LAWA).

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

PLEDGE OF ALLEGIANCE

Council Member Dorst-Porada

INVOCATION

Reverend Frank Hamilton, First Christian Church of 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.

SPECIAL CEREMONIES

AWARD PRESENTATION FROM CALIFORNIA PARKS AND RECREATION SOCIETY

12TH ANNUAL MODEL COLONY AWARD PROGRAM

Presentation of the 2012 “Model Colony” Awards for Historic Preservation.

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, 2012, and approving same as on file in the Records Management Department.

2. BILLS/PAYROLL

Bills April 8, 2012 through April 21, 2012 and **Payroll** April 8, 2012 through April 21, 2012, when audited by the Finance Committee.

3. FISCAL YEAR 2011-12 THIRD QUARTER BUDGET REPORT

That the City Council approve the budget adjustments and recommendations as listed in the Fiscal Year 2011-12 Third Quarter Budget Report.

4. CONSTRUCTION CONTRACT FOR CIVIC CENTER BUS STOP IMPROVEMENTS/MICON CONSTRUCTION, INC.

That the City Council approve plans and specifications and award Contract No. MS1005 (on file in the Records Management Department) to Micon Construction, Inc. of Placentia, California, for the bid amount of \$419,252 plus a fifteen percent (15%) contingency of \$62,888 for a total authorized expenditure of \$482,140; and authorize the City Manager to execute said contract and related documents, and file a notice of completion upon satisfactory completion of construction.

5. PROFESSIONAL SERVICES AGREEMENT FOR FIBER OPTIC SYSTEMS MASTER PLANNING AND DESIGN SERVICES FOR THE FIBER OPTIC MASTER PLAN PROJECT/ID CONSULTING SOLUTION, LLC

That the City Council approve a professional services agreement (on file in the Records Management Department) with ID Consulting Solutions, LLC of Boise, Idaho, to provide fiber optic systems master planning and design services for the Fiber Optic Master Plan Project in the amount of \$87,236 plus a contingency of \$20,000 for a total authorized expenditure of \$107,236; and authorize the City Manager to execute said agreement and future amendments to the agreement.

6. CONSTRUCTION CONTRACT FOR FIFTH STREET STORM DRAIN IMPROVEMENT PROJECT/NORSTAR PLUMBING & ENGINEERING, INC.

That the City Council approve the plans and specifications, and award a construction contract (on file in the Records Management Department) to Norstar Plumbing & Engineering, Inc. of Alta Loma, California, for the master planned Fifth Street Storm Drain Improvement Project for the bid amount of \$1,659,606 plus a fifteen (15%) percent contingency of \$248,941 for a total authorized expenditure of \$1,908,547; and authorize the City Manager to execute said contract, related documents, and file a notice of completion at the conclusion of all construction activities related to the project.

7. RECOGNITION OF MAY 20-26, 2012 AS NATIONAL EMERGENCY MEDICAL SERVICES (EMS) WEEK

That the City Council recognize the week of May 20-26, 2012 as "National EMS Week" in the City of Ontario.

8. RESOLUTIONS REGARDING THE TRANSFER OF CERTAIN HOUSING ASSETS AND FUNCTIONS FROM THE CITY OF ONTARIO, SERVING AS THE SUCCESSOR AGENCY TO THE ONTARIO REDEVELOPMENT AGENCY, TO THE ONTARIO HOUSING AUTHORITY

That the City Council, acting as the Board of the Successor Agency to the Ontario Redevelopment Agency, and the Housing Authority Board adopt resolutions recommending and accepting the transfer of certain housing assets and functions from the Successor Agency to the Authority, subject to Oversight Board approval.

RESOLUTION NO. _____

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF ONTARIO, CALIFORNIA, SERVING AS SUCCESSOR AGENCY TO THE ONTARIO REDEVELOPMENT AGENCY, RECOMMENDING THE TRANSFER OF CERTAIN HOUSING ASSETS AND FUNCTIONS OF THE DISSOLVED REDEVELOPMENT AGENCY TO THE ONTARIO HOUSING AUTHORITY PURSUANT TO HEALTH AND SAFETY CODE SECTIONS 34176, 34177 AND 34181, TO THE OVERSIGHT BOARD.

RESOLUTION NO. _____

A RESOLUTION OF THE ONTARIO HOUSING AUTHORITY OF THE CITY OF ONTARIO, CALIFORNIA, ACCEPTING THE HOUSING ASSETS AND FUNCTIONS OF THE DISSOLVED ONTARIO REDEVELOPMENT AGENCY, SUBJECT TO DIRECTION OF THE OVERSIGHT BOARD.

9. CHINO BASIN DESALTER AUTHORITY PHASE 3 EXPANSION PROJECT SPONSOR GROUP ADMINISTRATIVE COST AGREEMENT

That the City Council approve and authorize the City Manager to execute the Chino Basin Desalter Authority (CDA) Phase 3 Expansion Project Administrative Cost Agreement (on file with Records Management Department).

10. CONSTRUCTION CONTRACT FOR WHISPERING LAKES GOLF COURSE IMPROVEMENTS/MOALEJ BUILDERS, INC.

That the City Council award and authorize the City Manager to execute Construction Contract No. PS 1112-4 (on file in the Records Management Department) with Moalej Builders, Inc. of Sherman Oaks, California, for Whispering Lakes Golf Course Improvements in the amount of \$543,000 plus a 15% contingency (\$81,450) for a total of \$624,450; and authorize the filing of a Notice of Completion at the conclusion of all construction activities related to the project.

11. A PROFESSIONAL SERVICES AGREEMENT FOR THE PREPARATION OF AN ENVIRONMENTAL IMPACT REPORT FOR THE GRAND PARK SPECIFIC PLAN/MICHAEL BRANDMAN ASSOCIATES

That the City Council approve and authorize the City Manager to execute a professional services agreement (on file with the Records Management Department) with Michael Brandman Associates (MBA) of Irvine, California, to prepare an Environmental Impact Report (EIR) for the Grand Park Specific Plan located in the New Model Colony (NMC), in an amount not to exceed \$136,004 (including a 10% contingency).

12. RECOGNITION OF "HISTORIC PRESERVATION MONTH" IN THE CITY OF ONTARIO

That the City Council recognize the month of May 2012 as "Historic Preservation Month" in the City of Ontario.

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.

13. A RESOLUTION OF INTENT AND AN ORDINANCE TO AMEND THE CONTRACT WITH THE CALIFORNIA PUBLIC EMPLOYEES' RETIREMENT SYSTEMS (CALPERS) FOR LOCAL POLICE AND FIRE MEMBERS

That the City Council adopt a Resolution of Intent and introduce and waive further reading of an ordinance amending the City's contract with the California Public Employees' Retirement System (CalPERS) to provide a second tier 3% at age 55 retirement formula for safety police and fire members entering membership for the first time in the safety classification after the effective date of this contract amendment.

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, GIVING NOTICE OF THE INTENTION TO APPROVE AN AMENDMENT TO THE CONTRACT WITH THE BOARD OF ADMINISTRATION OF THE CALIFORNIA PUBLIC EMPLOYEES' RETIREMENT SYSTEM.

ORDINANCE NO. _____

AN ORDINANCE OF THE CITY COUNCIL OF THE CITY OF ONTARIO AUTHORIZING AN AMENDMENT TO THE CONTRACT BETWEEN THE CITY COUNCIL OF THE CITY OF ONTARIO AND THE BOARD OF ADMINISTRATION OF THE CALIFORNIA PUBLIC EMPLOYEES' RETIREMENT SYSTEM.

14. A PUBLIC HEARING TO CONSIDER FILE NO. PHP12-002, THE DESIGNATION OF THE VANPELT HOUSE, LOCATED AT 423 WEST D STREET, AS A LOCAL LANDMARK

That the City Council adopt a resolution approving File PHP12-002 designating 423 West D Street (APN: 1048-571-02) as Local Historic Landmark No. 91.

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

Written communication.

Oral presentation.

Public hearing closed.

RESOLUTION NO. _____

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF ONTARIO, CALIFORNIA APPROVING FILE NO. PHP12-002, THE DESIGNATION OF THE VANPELT HOUSE, LOCATED AT 423 WEST D STREET, AS LOCAL HISTORIC LANDMARK NO. 91, AND MAKING FINDINGS IN SUPPORT THEREOF – APN: 1048-571-02.

15. A PUBLIC HEARING TO CONSIDER FILE NO. PHP11-021, THE DESIGNATION OF THE ROSS ANTHONY HOUSE, LOCATED AT 537 WEST I STREET, AS A LOCAL LANDMARK

That the City Council adopt a resolution approving File PHP11-021 designating 537 West I Street (APN: 1048-291-16) as Local Historic Landmark No. 90.

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

Written communication.

Oral presentation.

Public hearing closed.

RESOLUTION NO. _____

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF ONTARIO, CALIFORNIA APPROVING FILE NO. PHP11-021, THE DESIGNATION OF THE ROSS ANTHONY HOUSE, LOCATED AT 537 WEST I STREET, AS LOCAL HISTORIC LANDMARK NO. 90, AND MAKING FINDINGS IN SUPPORT THEREOF - APN: 1048-291-16.

16. AN ORDINANCE AMENDING THE ONTARIO DEVELOPMENT CODE (FILE NO. PDCA12-001) ADDING ARTICLE 22, MULTI-MODAL TRANSIT OVERLAY DISTRICT, CREATING THE OVERLAY DISTRICT AND ESTABLISHING DEVELOPMENT STANDARDS AND PERMITTED AND CONDITIONALLY PERMITTED USES FOR APPROXIMATELY 75 ACRES OF LAND LOCATED SOUTH OF INTERSTATE 10, WEST OF ARCHIBALD AVENUE, AND NORTH AND EAST OF GUASTI ROAD (ASSESSOR'S PARCEL NUMBERS 110-322-08, 17, 18, 21, 22, 25, 27, 29, 30, 31, AND 33)

That the City Council adopt the Addendum to The Ontario Plan Environmental Impact Report analyzing the environmental effects of the Project, pursuant to State CEQA Guidelines section 15164; and introduce and waive further reading of an ordinance approving Development Code Amendment File No. PDCA12-001, adding Development Code Article 22.

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, ADOPTING AN ADDENDUM TO THE ONTARIO PLAN ENVIRONMENTAL IMPACT REPORT FOR FILE NO. PDCA12-001, FOR WHICH AN INITIAL STUDY WAS PREPARED, ALL IN ACCORDANCE WITH THE CALIFORNIA ENVIRONMENTAL QUALITY ACT, AS AMENDED, AND MAKING FINDINGS IN SUPPORT THEREOF (APN: 110-322-08, 17, 18, 21, 22, 25, 27, 29, 30, 31, AND 33).

ORDINANCE NO. _____

AN ORDINANCE OF THE CITY COUNCIL OF THE CITY OF ONTARIO, CALIFORNIA, APPROVING FILE NO. PDCA12-001, A DEVELOPMENT CODE AMENDMENT ADDING ARTICLE 22, MULTI-MODAL TRANSIT OVERLAY DISTRICT, CREATING THE OVERLAY DISTRICT AND ESTABLISHING DEVELOPMENT STANDARDS AND PERMITTED AND CONDITIONALLY PERMITTED USES FOR APPROXIMATELY 75 ACRES OF LAND LOCATED SOUTH OF INTERSTATE 10, WEST OF ARCHIBALD AVENUE, NORTH OF THE RAILROAD TRACKS, AND EAST OF GUASTI ROAD MAKING FINDINGS IN SUPPORT THEREOF (APN: 110-322-08, 17, 18, 21, 22, 25, 27, 29, 30, 31, AND 33).

17. CONSIDERATION OF AN AMENDMENT TO THE POLICY PLAN (GENERAL PLAN) COMPONENT OF THE ONTARIO PLAN (FILE NO. PGPA09-001) TO REVISE THE HAMNER/SR-60 MIXED USE AREA TO INCLUDE A RESIDENTIAL LAND USE (20.0-30.0 DWELLING UNITS PER ACRE), A ZONE CHANGE (FILE NO. PZC09-002) TO REZONE APPROXIMATELY 20-ACRES OF LAND FROM R1 (SINGLE-FAMILY RESIDENTIAL) TO SPECIFIC PLAN, AND THE ADOPTION OF TUSCANA VILLAGE SPECIFIC PLAN (FILE NO. PSP09-001), TO MASTER PLAN APPROXIMATELY 20-ACRES OF LAND BY ESTABLISHING LAND USE DESIGNATIONS AND DESIGN GUIDELINES FOR THE PROPERTY LOCATED AT THE NORTHWEST CORNER OF RIVERSIDE DRIVE AND MILLIKEN AVENUE

That the City Council adopt a resolution approving a Negative Declaration and Mitigation Monitoring and Reporting Program pursuant to the California Environmental Quality Act (CEQA), as amended; adopt a resolution approving an Amendment to the Policy Plan (General Plan) component of The Ontario Plan (File No. PGPA09-001); introduce and waive further reading of an ordinance approving a Zone Change (File No. PZC09-002); and introduce and waive further reading of an ordinance approving the Tuscana Village Specific Plan (File No. PSP09-001).

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, ADOPTING A MITIGATED NEGATIVE DECLARATION, FOR WHICH AN INITIAL STUDY WAS PREPARED, ALL IN ACCORDANCE WITH THE CALIFORNIA ENVIRONMENTAL QUALITY ACT, AS AMENDED, AND ADOPTING A RELATED MITIGATION MONITORING AND REPORTING PROGRAM FOR THE TUSCANA VILLAGE SPECIFIC PLAN PROJECT CONSISTING OF FILE NOS. PGPA09-001, PZC09-002 AND PSP09-001.

RESOLUTION NO. _____

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF ONTARIO, CALIFORNIA, APPROVING FILE NO. PGPA09-001, AN AMENDMENT TO THE POLICY PLAN (GENERAL PLAN) COMPONENT OF THE ONTARIO PLAN TO REVISE THE HAMNER/SR-60 MIXED USE AREA TO INCLUDE A RESIDENTIAL LAND USE WITH A DENSITY OF 20.0 - 30.0 DWELLING UNITS PER ACRE, LOCATED AT THE NORTHWEST CORNER OF RIVERSIDE DRIVE AND MILLIKEN AVENUE, AND MAKING FINDINGS IN SUPPORT THEREOF – APNS: 1083-361-01, 1083-361-04 & 1083-361-07.

ORDINANCE NO. _____

AN ORDINANCE OF THE CITY COUNCIL OF THE CITY OF ONTARIO, CALIFORNIA, APPROVING FILE NO. PZC09-002, A ZONE CHANGE TO REZONE APPROXIMATELY 20 ACRES OF LAND FROM R1 (SINGLE-FAMILY RESIDENTIAL) TO SPECIFIC PLAN (TUSCANA VILLAGE), LOCATED AT THE NORTHWEST CORNER OF RIVERSIDE DRIVE AND MILLIKEN AVENUE, AND MAKING FINDINGS IN SUPPORT THEREOF – APN: 1083-361-01.

ORDINANCE NO. _____

AN ORDINANCE OF THE CITY COUNCIL OF THE CITY OF ONTARIO, CALIFORNIA, APPROVING FILE NO. PSP09-001, A SPECIFIC PLAN (TUSCANA VILLAGE) TO MASTER PLAN APPROXIMATELY 20-ACRES OF LAND BY ESTABLISHING LAND USE DESIGNATIONS AND DESIGN GUIDELINES FOR THE PROPERTIES LOCATED AT THE NORTHWEST CORNER OF RIVERSIDE DRIVE AND MILLIKEN AVENUE, AND MAKING FINDINGS IN SUPPORT THEREOF – APN: 1083-361-01.

18. AN ORDINANCE RELATED TO A DEVELOPMENT AGREEMENT (FILE NO. PDA11-001) BETWEEN PANAYIOTIS AND ANDRIANA KATELARIS AND THE CITY OF ONTARIO TO ESTABLISH THE TERMS AND CONDITIONS FOR COMMERCIAL AND RESIDENTIAL DEVELOPMENT OF 20 ACRES WITHIN THE TUSCANA VILLAGE SPECIFIC PLAN

That the City Council introduce and waive further reading of an ordinance approving a Development Agreement (PDA11-001) between Panayiotis and Andriana Katelaris and the City of Ontario regarding the development of 20 acres within the Tuscana Village Specific Plan, generally located at the northwest corner of Milliken Avenue and Riverside Drive (APN: 218-091-09).

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 PANAYIOTIS AND ANDRIANA KATELARI, FILE NO. PDA11-001, TO ESTABLISH THE TERMS AND CONDITIONS FOR COMMERCIAL AND RESIDENTIAL DEVELOPMENT OF 20 ACRES WITHIN THE TUSCANA VILLAGE SPECIFIC PLAN, GENERALLY LOCATED AT THE NORTHWEST CORNER OF MILLIKEN AVENUE AND RIVERSIDE DRIVE, AND MAKING FINDINGS IN SUPPORT THEREOF (APN: 218-091-09).

COUNCIL MATTERS

APPOINTMENT TO MUSEUM BOARD OF TRUSTEES

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

STAFF MATTERS

City Manager Hughes

ADJOURNMENT

**CITY OF ONTARIO
CLOSED SESSION REPORT**
City Council / / Housing Authority / / Other / / (GC 54957.1)
May 15, 2012

ROLL CALL: Mautz __, Wapner __, Bowman __, Dorst-Porada__
Mayor / Chairman Leon __.

STAFF: City Manager / Executive Director __, City Attorney __

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

- GC 54956.8, CONFERENCE WITH REAL PROPERTY NEGOTIATORS
Property: APN: 1008-431-17, 1008-431-21, 1008-431-22, 1008-431-25, 1425-1445
North Mountain Avenue; City/Authority Negotiator: Chris Hughes or his designee;
Negotiating parties: Carl Karcher Enterprises, Inc.; Under negotiation: Price and
terms of payment.

No Reportable Action	Continue	Approved
/ /	/ /	/ /

Disposition: _____

- GC 54957.6, CONFERENCE WITH LABOR NEGOTIATOR: Chris Hughes regarding
American Federation of State, County and Municipal Employees; San Bernardino
Public Employees Association; Confidential Group; Management Group; and
Department Heads.

No Reportable Action	Continue	Approved
/ /	/ /	/ /

Disposition: _____

CITY OF ONTARIO
CLOSED SESSION REPORT
City Council / / Housing Authority / / Other / / (GC 54957.1)
May 15, 2012

- GC 54956.9 (b), CONFERENCE WITH LEGAL COUNSEL, ANTICIPATED LITIGATION:
One or more cases: City of Los Angeles/Los Angeles World Airports (LAWA).

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, 2012

SECTION:
SPECIAL CEREMONIES

SUBJECT: 12TH ANNUAL MODEL COLONY AWARD PROGRAM

RECOMMENDATION: That the City Council Present the 2012 "Model Colony" Awards for Historic Preservation.

COUNCIL GOALS: Develop Strategies and Take Actions, Including Regaining Local Control of the Ontario International Airport, 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 Model Colony Awards presentation will not have a fiscal impact.

BACKGROUND: The Planning Commission, acting as the Historic Preservation Commission, developed the "Model Colony" Awards program to recognize outstanding achievements in the preservation of Ontario's historic properties.

The "Model Colony" Awards are presented by the City Council each spring to coincide with National Preservation Month. Six awards will be presented in the categories of Restoration, Rehabilitation, Landscape, Merit, and the George Chaffey Memorial Award. On April 24, 2012, the Planning Commission considered each category and chose the following recipients:

**George Chaffey
Memorial Award**

For recognition of excellence and leadership in the preservation of Ontario's historic resources.

Recipient: Paul Peterson, Peterson Land and Development, LLC.

STAFF MEMBER PRESENTING: Jerry L. Blum, Planning Director

Prepared by: Diane Ayala
Department: Planning Department

Submitted to Council/O.H.A. 05/15/2012

Approved: _____

Continued to: _____

Denied: _____

City Manager
Approval: 

- Restoration Award:** For achievement in the restoration of a historic property.
Recipients: **The N.L. Mitchell House, 206 East Princeton Street – Donald and Vicki Gergovich**
- Rehabilitation Award:** For achievement in the exterior and interior rehabilitation of a historic property.
Recipient: **403 North Fern Avenue- Inland Investment Partnerships, LLC.**
- John S. Armstrong Landscape Award:** For achievement in the landscape restoration of a historic property.
Recipients: **The John D. Paschke House, 1341 North Euclid Avenue- Christian Kueng**
- Award of Merit:** For achievement in the ongoing preservation of a historic property.
Recipient: **The James Finley House, 413 West Sixth Street- Orville and Claire Garrison**
- Award of Merit:** For achievement in the ongoing preservation of a historic property.
Recipients: **The Donald Keith House, 419 West Armsley Square- Dennis and Lucy Maust**

CITY OF ONTARIO

Agenda Report
May 15, 2012

SECTION:
CONSENT CALENDAR

SUBJECT: FISCAL YEAR 2011-12 THIRD QUARTER BUDGET REPORT

RECOMMENDATION: That the City Council approve the budget adjustments and recommendations as listed in the Fiscal Year 2011-12 Third Quarter Budget Report.

COUNCIL GOALS: Develop Strategies and Take Actions, Including Regaining Local Control of the Ontario International Airport, to Minimize the Negative Impacts of the Global Financial Downturn on Ontario's Economy and the City's Fiscal Health

FISCAL IMPACT: The recommended actions will affect several fund budgets as outlined in the Fiscal Year 2011-12 Third Quarter Budget Report and supporting schedules.

BACKGROUND: This is the third interim budget report for Fiscal Year 2011-12 which reflects the Administrative 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 most of the government services such as public safety, recreation, library, museum, parks, building, and planning. This report also discusses budget trends and economic outlook that may impact the City's resources.

The primary purposes of this report are to:

- Revise the City's budget to reflect the City Council's actions taken since the Mid-Year Budget Report;
- Recommend budget changes to align the budget with projected year-end results;
- Recommend budget adjustments that are consistent with City Council goals and objectives; and
- Comment on significant budget trends that may impact next fiscal year's budget development.

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

Prepared by: Doreen M. Nunes

Department: Fiscal Services

City Manager
Approval: _____



Submitted to Council/O.H.A. 05/15/2012

Approved: _____

Continued to: _____

Denied: _____

3

Third Quarter Budget Recommendations

Third Quarter budget recommendations are routine in nature and include adjustments that are mainly comprised of previously approved City Council actions, adjustments in the revenue budget to reflect estimates based on current trends, and additional appropriations for new or ongoing programs/projects.

Major budgetary items reflect in the Third Quarter Budget include: \$825,000 increase for Development related revenue to reflect current year-to-date receipts; \$1.7 million increase for Miscellaneous revenue, primarily due to additional fees collected for Abandoned and Distressed properties; and \$2.50 million reduction for Interest and Rental income, as a result of the elimination of interest income from Ontario Redevelopment Agency promissory notes payable to the City.

Proposed budgetary actions for Other Funds include: \$351,169 for the Police firearms training range, funded by Asset Seizure monies; and \$50,000 for the Town Center Bus Stop improvements funded by a reimbursement agreement with Omnitrans.

Economic Outlook

The local economy is showing signs of improvements, with the unemployment rate continuing to decline and stronger gains reported in sales tax revenues. The unemployment rate for the City of Ontario continues to decline with a rate of 12.7 percent in March 2012, down from 13.4 percent reported a year ago. Sales Tax revenues for the calendar year 2011 reported a gain of approximately 10.1 percent compared to 2010. The increase is primarily attributed to higher consumer spending in new auto sales. The Consumer Confidence Index for the month of March 2012 is at 70.2, an indication that consumers are slowly gaining confidence in the continued recovery of the economy.

Although the economy is improving, there are still concerns regarding the continued progress. The decline of the Ontario International Airport is of the upmost concern for the City. Over the last three years the airport has lost over 35 percent of passenger traffic, which equates to a loss of approximately \$500 million dollars of economic impact and 9,200 local jobs. The transfer of the Ontario Airport management decisions to local control is in the best interest for the region to regain its status as an economic engine for the Inland Empire and to ensure there is sufficient airport capacity in the long-term for Southern California.

In addition to the decline at the Ontario International Airport, the local economy faces other serious headwinds and challenges ahead. Due to inflationary pressures, weak job growth, reduced government stimulus and spending, and the ongoing financial crisis in Europe, the economic recovery over the past year may be unsustainable and stall in the forthcoming months. The continuation of the economic recovery will be dependent upon increased jobs in the private sector and higher wages.

Redevelopment Agency

On December 29, 2011, the California Supreme Court rendered its decision regarding the constitutionality of Assembly Bills 1X 26 and 1X 27. It upheld Assembly Bill 1X 26 regarding the dissolution of redevelopment agencies, but it declared Assembly Bill 1X 27, relating to the continuance of redevelopment agencies by participation in the Voluntary Alternative Redevelopment Program (VARP) and paying of the voluntary payment, to be invalid in its entirety. As a result of the Court's decision, the Ontario Redevelopment Agency was dissolved as of February 1, 2012 and the City declared on January 10, 2012 it would serve as the Successor Agency for the Ontario Redevelopment Agency. The Successor Agency is responsible for winding down the Agency's existing obligations and liquidating the Agency's assets. In conjunction with this action, the Ontario Housing Authority was designated to receive the transfer of all the housing assets, obligations and housing related functions previously performed by the Agency.

The elimination of the Ontario Redevelopment Agency will negatively impact the City's ability to remove blighted areas and develop affordable housing projects for low- and moderate-income families. Due to the ambiguity and lack of clear guidelines in Assembly Bill 1X 26 regarding outstanding projects, and the assets and liabilities of redevelopment agencies, the exact fiscal impact from the dissolution of the Agency is still uncertain. Moreover, subsequent redevelopment agency reform bills have been introduced, including Assembly Bill 1585, which would protect the affordable housing funds. As additional information and clarification becomes available over the next several months, it is anticipated that further analysis of the fiscal impact and any proposed budgetary actions will be presented in June as part of the Fiscal Year 2012-13 Proposed Annual Budget.

CalPERS

The California State Public Employees Retirement System (CalPERS) is considerably underfunded, primarily due to lower projected earning rates combined with significant investment losses incurred during the Great Recession. All of this has contributed to dramatic increase to the City's CalPERS contribution rates. Prior to the actuarial rate change in March 2012 from 7.75 percent to 7.50 percent, CalPERS estimated rates for Safety Police, Safety Fire, and Miscellaneous Plans to increase to 33.3, 27.4, and 13.9 percent respectively by Fiscal Year 2016-17. CalPERS estimated that the lowered discount rate will increase the City's CalPERS contribution rates by an additional 2.0 percent for the Miscellaneous plan and 3.0 percent for the Safety plans. These rates are dependent upon CalPERS earning a 7.50 percent return on their investments in the future. For 2011, CalPERS investments earned only about 1.1 percent as its stock portfolio slumped – significantly less than the 7.50 percent rate CalPERS relies on for its actuarial assumptions.

To address increasing retirement costs, Governor Brown has proposed a 12-point pension reform plan that will apply to all California state, local, school, and other public entities. If approved in this upcoming November election, the plan will result in reduced benefits and require employee to pay a greater share of their pension benefit costs.

Conclusion

In summary, while the City is experiencing improvement in the economic recovery, serious challenges still remain. The economy will struggle to expand over the next couple of years due to a continued weak job market, expiration of the Federal stimulus program, increased energy and commodity prices, and the ongoing financial crisis in Europe.

Although the City is currently on schedule with its Five-Year Budget Action Plan, there remains a General Fund structural deficit. This deficit is expected to continue into the next fiscal year due to the fiscal impact of the elimination of the Ontario Redevelopment Agency, higher CalPERS costs, lower property tax revenues, and slower economic recovery than originally anticipated. Therefore, it is recommended that the City maintain its conservative fiscal approach with the budget and consider the need to take further actions in the future to reduce costs should economic growth slow or decline beyond current expectations.

The Adopted Operating Budget for FY 2011-12, as modified through the Third Quarter Budget Report, continues to reflect the City Council's 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 longer-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.

CITY OF ONTARIO

Agenda Report
May 15, 2012

SECTION:
CONSENT CALENDAR

SUBJECT: CONSTRUCTION CONTRACT FOR CIVIC CENTER BUS STOP IMPROVEMENTS

RECOMMENDATION: That the City Council approve plans and specifications and award Contract No. MS1005 (on file in the Records Management Department) to Micon Construction, Inc. of Placentia, California, for the bid amount of \$419,252 plus a fifteen percent (15%) contingency of \$62,888 for a total authorized expenditure of \$482,140; and authorize the City Manager to execute said contract and related documents, and file a notice of completion upon satisfactory completion of construction.

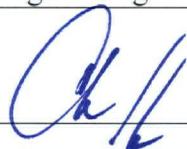
COUNCIL GOALS: Develop Strategies and Take Actions, Including Regaining Local Control of the Ontario International Airport, to Minimize the Negative Impacts of the Global Financial Downturn on Ontario's Economy and the City's Fiscal Health
Pursue City's Goals and Objectives by Working with Other Governmental Agencies
Invest in the City's Infrastructure (Water, Streets, Sewers, Parks, Storm Drains and Public Facilities)

FISCAL IMPACT: The Fiscal Year 2011-12 Budget includes appropriations of \$450,000 in the Capital Improvement Fund for this project. The Third Quarter Budget Report includes a recommended additional \$50,000 in Capital Improvement Funds for this project. Project costs up to \$500,000 will be reimbursed by Omnitrans in accordance with the existing funding agreement between Omnitrans and the City. The total recommended expenditure authorization of \$482,140 includes a fifteen percent contingency due to a high potential of unforeseen underground items within State Route 83, Euclid Avenue.

BACKGROUND: In December 2010, the City of Ontario entered into an agreement with Omnitrans to cooperate and participate in the development and construction of improvements to seven (7) bus stops located within the City's Civic Center area. The improvements include new decorative bus shelters, trash receptacles, street improvements, lighting, landscaping and any other items approved by both parties. A project location map is attached for reference.

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

Prepared by: Jaime Maciel-Carrera
Department: Engineering

City Manager
Approval: 

Submitted to Council/O.H.A. 05/15/2012

Approved: _____

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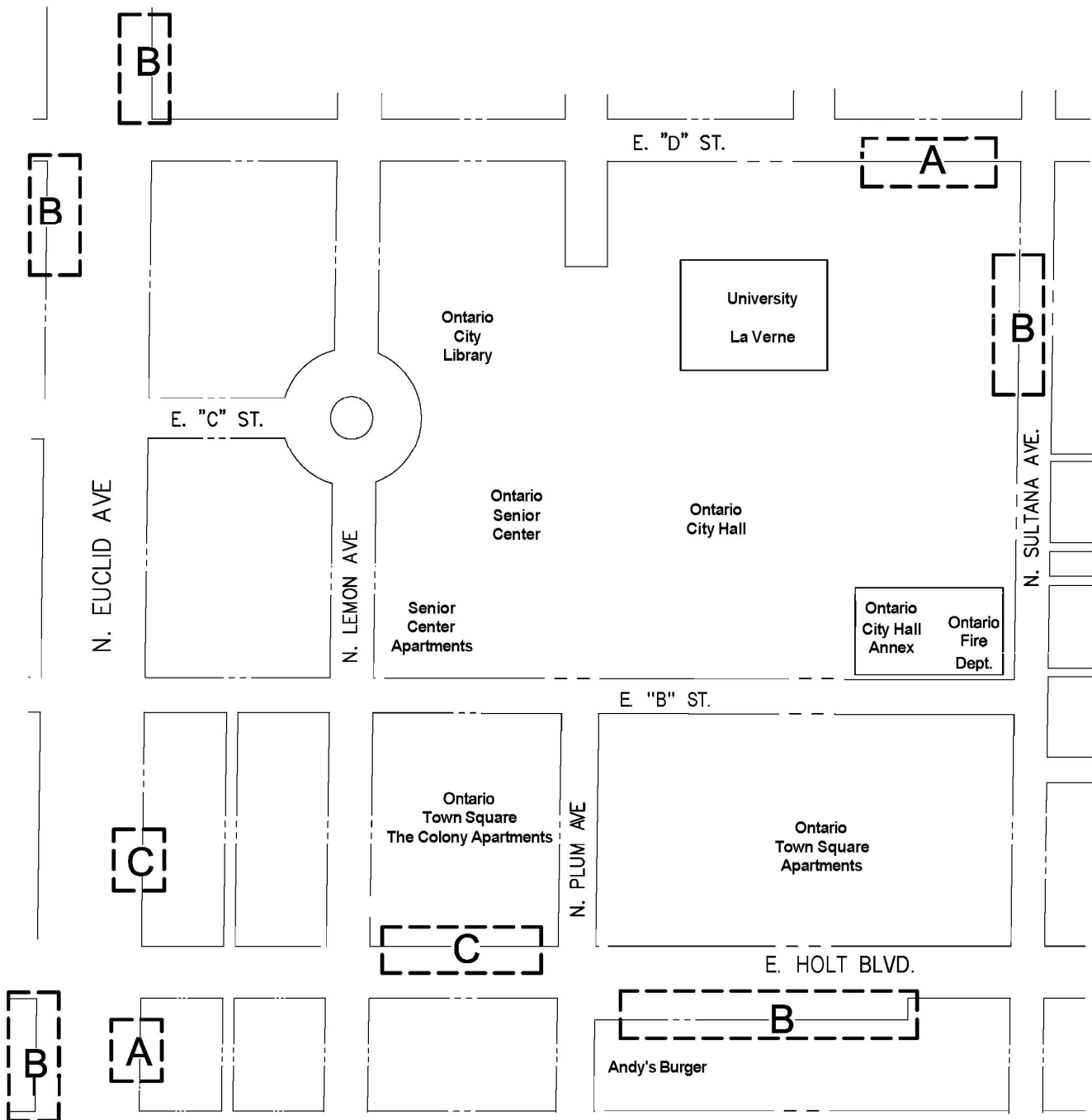
4

Omnitrans will reimburse the City up to \$500,000 via grant money from the Federal Transit Administration (FTA) and State Transit Assistance Funds. On March 22, 2012, two (2) bids were received. The bid results are as follows:

COMPANY	LOCATION	AMOUNT
Micon Construction, Inc.	Placentia, CA	\$419,252
Vido Samarzich, Inc.	Alta Loma, CA	\$429,247

Micon Construction, Inc. submitted the lowest responsible bid of \$419,252. Micon Construction, Inc. has previously performed similar work for the cities of Placentia, Fullerton, Victorville, San Bernardino, and Montclair in a satisfactory manner. It is anticipated that construction will be completed by September 2012.

LOCATION MAP **Civic Center Bus Stop Improvements** **CITY OF ONTARIO**



LEGEND:

- A. Bus stop to be eliminated**
- B. Bus stop to be improved**
- C. Existing bus shelters to be improved**



CITY OF ONTARIO

Agenda Report
May 15, 2012

SECTION:
CONSENT CALENDAR

**SUBJECT: PROFESSIONAL SERVICES AGREEMENT FOR FIBER OPTIC SYSTEMS
MASTER PLANNING AND DESIGN SERVICES FOR THE FIBER OPTIC
MASTER PLAN PROJECT**

RECOMMENDATION: That the City Council approve a professional services agreement (on file in the Records Management Department) with ID Consulting Solutions, LLC of Boise, Idaho, to provide fiber optic systems master planning and design services for the Fiber Optic Master Plan Project in the amount of \$87,236 plus a contingency of \$20,000 for a total authorized expenditure of \$107,236; and authorize the City Manager to execute said agreement and future amendments to the agreement.

COUNCIL GOALS: Develop Strategies and Take Actions, Including Regaining Local Control of the Ontario International Airport, 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
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 current Fiscal Year 2011-12 Budget includes appropriations of \$550,000 from the Information Technology Fund for the Fiber Optic Master Plan. The recommended expenditure authorization is \$107,236 including a contingency of \$20,000.

BACKGROUND: In 2002, the City began exploring high-speed fiber optic networks for the New Model Colony. Today, the vision is to construct a high-speed fiber optic ring in both the City's Old Model Colony and New Model Colony to provide: internal city transport, centralized network and communications management, automatic meter reading, traffic control systems, camera systems, residential and commercial security systems and wireless capabilities. Additional capacity will be included in the system to allow for future expansion of an open access network to allow for robust competition and efficient asset allocation to allow both Fiber-to-the-Home (FTTH) and Fiber-to-the-Business (FTTB) capabilities.

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

Prepared by: Steven Latino, P.E.

Department: Engineering

City Manager
Approval: 

Submitted to Council/O.H.A. 05/15/2012

Approved: _____

Continued to: _____

Denied: _____

5

A Request for Proposals (RFP) was issued to solicit consulting firms to perform fiber optic systems master planning and design. Four (4) proposals were received in January 2012. A consultant selection team consisting of City staff members from the Engineering and Information Technology Departments and an outside representative from the City of Santa Monica evaluated the firms based on their qualifications, experience, personnel, and project understanding. Staff finalized the scope of services and negotiated a fee with ID Consulting Solutions, LLC for \$87,236. Due to the complexities of this project and potential for additional needs as the project progresses, a \$20,000 contingency is recommended.

CITY OF ONTARIO

Agenda Report
May 15, 2012

SECTION:
CONSENT CALENDAR

SUBJECT: CONSTRUCTION CONTRACT FOR FIFTH STREET STORM DRAIN IMPROVEMENT PROJECT

RECOMMENDATION: That the City Council approve the plans and specifications, and award a construction contract (on file in the Records Management Department) to Norstar Plumbing & Engineering, Inc. of Alta Loma, California, for the master planned Fifth Street Storm Drain Improvement Project for the bid amount of \$1,659,606 plus a fifteen (15%) percent contingency of \$248,941 for a total authorized expenditure of \$1,908,547; and authorize the City Manager to execute said contract, related documents, and file a notice of completion at the conclusion of all construction activities related to the project.

COUNCIL GOALS: Develop Strategies and Take Actions, Including Regaining Local Control of the Ontario International Airport, 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 Fiscal Year 2011-12 budget includes appropriations of \$2,000,000 from Storm Drainage Impact Fees for the Old Model Colony. The total recommended expenditure authorization of \$1,908,547 includes a fifteen percent contingency. The contingency is recommended due to possible unforeseen conditions during the construction of the project.

BACKGROUND: The Fifth Street Storm Drain Improvement Project is a part of the master planned storm drain facilities located in the northeast quadrant of the City. A project location map is provided for reference. The storm drain project consists of installation of reinforced concrete pipes of various sizes ranging from 12-inch to 60-inch including trench repair, construction of concrete channel connection, reinforced concrete box (7'x3.5'), catch basins, local depressions, manholes, junction structures and other appurtenances necessary to complete the storm drain improvements as described in the Plans and Standard Specifications.

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

Prepared by: Hsing Chao
Department: Engineering

Submitted to Council/O.H.A. 05/15/2012

Approved: _____

Continued to: _____

Denied: _____

City Manager
Approval: _____

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At the completion of the project, the flooding during rain storms in the streets south of Fifth Street and around Berlyn Elementary School will be minimized. Driving conditions, pedestrian access and safety will also be improved throughout the area.

It is anticipated that construction will start in June 2012 and be completed by November 2012.

In March 2012, the City solicited bids for this project; and thirteen (13) bids were received. The bid results are:

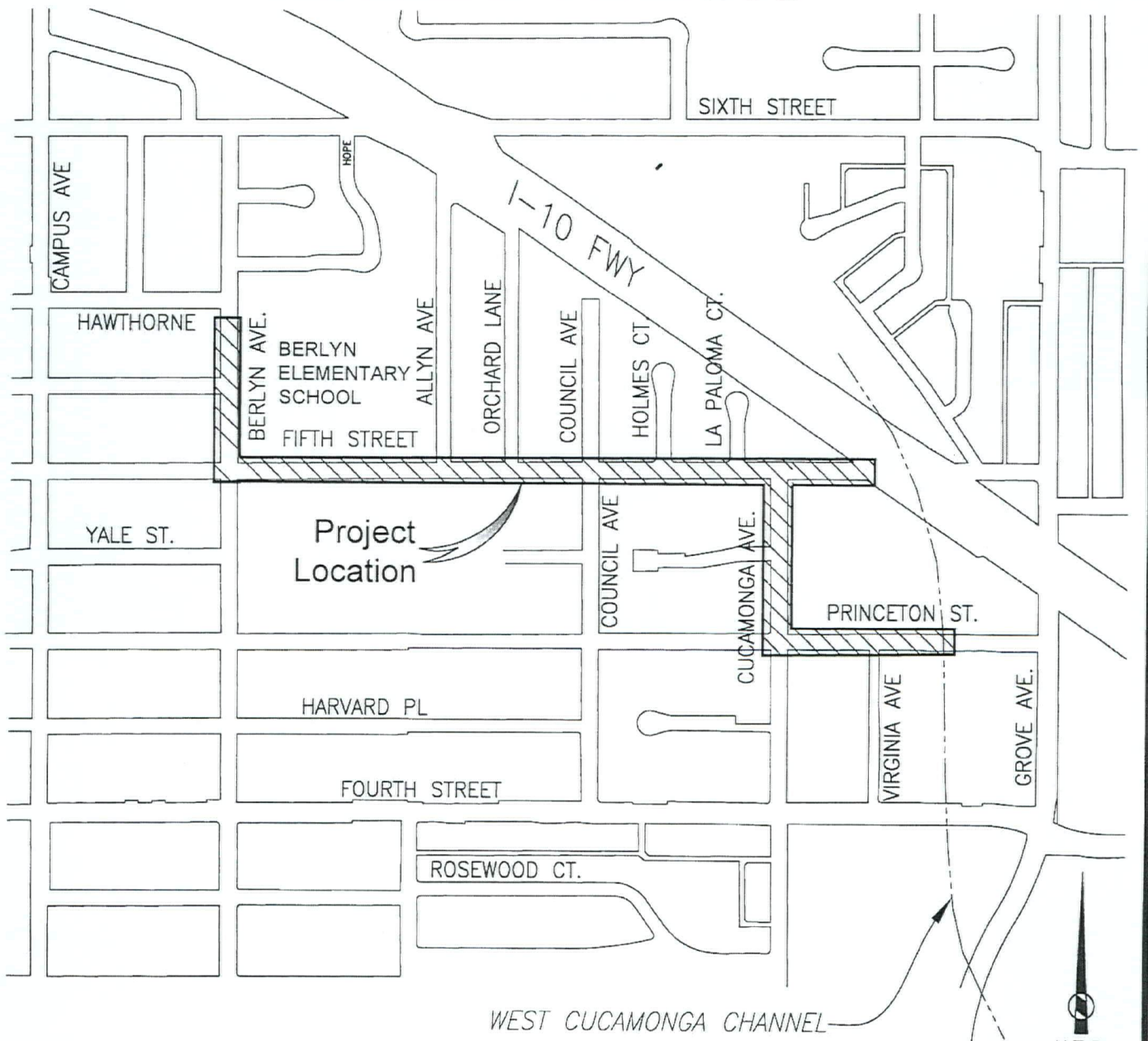
COMPANY	LOCATION	AMOUNT
Norstar Plumbing & Engineering, Inc.	Alta Loma, CA	\$1,659,606
Gentry Brothers, Inc.	Irwindale, CA	\$1,714,275
C.P. Construction Co., Inc.	Ontario, CA	\$1,796,675
SRD Engineering, Inc.	Anaheim, CA	\$1,928,709
Garcia Juarez Construction	Brea, CA	\$1,947,785
Kana Pipeline, Inc.	Placentia, CA	\$2,153,000
Mike Bubalo Construction Co., Inc.	Baldwin Park, CA	\$2,162,775
TBU Inc.	Beaumont, CA	\$2,172,355
Belczak & Sons, Inc.	Anaheim, CA	\$2,182,155
Utah Pacific Construction Company	Murrieta, CA	\$2,680,115
Beador Construction Company, Inc.	Corona, CA	\$2,931,700
Kenndy Pipeline Co.	Also Viejo, CA	\$3,120,884
Lonerock, Inc.	Laguna Hills, CA	\$3,431,335

Norstar Plumbing & Engineering, Inc. submitted the lowest responsive bid and has previously performed similar work for the City of Ontario in a satisfactory manner.

FIFTH STREET STORM DRAIN IMPROVEMENT Project No. SM1001

BERLYN AVE. TO CUCAMONGA AVE. / FIFTH ST.
TO PRINCETON ST. / CUCAMONGA AVE. TO WEST CUCAMONGA CHANNEL

THOMAS BROTHERS MAP PG. 602 GRID D5 & E5



N.T.S.

PROJECT LOCATION MAP

CITY OF ONTARIO

Agenda Report
May 15, 2012

SECTION:
CONSENT CALENDAR

SUBJECT: RECOGNITION OF MAY 20-26, 2012 AS NATIONAL EMERGENCY MEDICAL SERVICES (EMS) WEEK

RECOMMENDATION: That the City Council recognize the week of May 20-26, 2012 as "National EMS Week" in the City of Ontario.

COUNCIL GOALS: Develop Strategies and Take Actions, Including Regaining Local Control of the Ontario International Airport, 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
Encourage, Provide or Support Enhanced Recreational, Educational, Cultural and Healthy City Programs, Policies and Activities

FISCAL IMPACT: None.

BACKGROUND: National EMS Week brings together local communities and medical personnel to publicize safety and honor the dedication of those who provide the day-to-day lifesaving services of medicine's "front line."

EMS is a vital public service. The EMS teams are ready to provide lifesaving care to those in need 24 hours a day, 7 days a week. Access to quality emergency care dramatically improves the survival and recovery rate of those who experience sudden illness or injury. The emergency medical services system consists of emergency physicians, emergency nurses, emergency medical technicians, paramedics, firefighters, educators, administrators and others. The members of the EMS teams, whether career or volunteer, engage in thousands of hours of specialized training and continuing education to enhance their lifesaving skills.

It is appropriate to recognize the value and the accomplishments of EMS providers by designating National EMS Week. This year's theme is "EMS: More than a job. A calling."

STAFF MEMBER PRESENTING: Floyd E. Clark, Fire Chief

Prepared by: Cathy Thomas
Department: Fire Department

City Manager
Approval: 

Submitted to Council/O.H.A. 05/15/2012

Approved: _____

Continued to: _____

Denied: _____

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CITY OF ONTARIO

Agenda Report
May 15, 2012

SECTION:
CONSENT CALENDAR

SUBJECT: RESOLUTIONS REGARDING THE TRANSFER OF CERTAIN HOUSING ASSETS AND FUNCTIONS FROM THE CITY OF ONTARIO, SERVING AS THE SUCCESSOR AGENCY TO THE ONTARIO REDEVELOPMENT AGENCY, TO THE ONTARIO HOUSING AUTHORITY

RECOMMENDATION: That the City Council, acting as the Board of the Successor Agency to the Ontario Redevelopment Agency, and the Housing Authority Board adopt resolutions recommending and accepting the transfer of certain housing assets and functions from the Successor Agency to the Authority, subject to Oversight Board approval.

COUNCIL GOALS: Develop Strategies and Take Actions, Including Regaining Local Control of the Ontario International Airport, to Minimize the Negative Impacts of the Global Financial Downturn on Ontario's Economy and the City's Fiscal Health

FISCAL IMPACT: No Successor Agency funds are involved with (1) the transfer of the housing functions and assets of the dissolved Agency to the Authority, or (2) the Successor Agency's recommendation that the Oversight Board transfer the authority to implement and sign documents under the Agency Programs from the Agency's Executive Director to the Authority's Executive Director.

BACKGROUND: On December 29, 2011, the California Supreme Court upheld AB 1X 26, which eliminated redevelopment agencies in California. On January 10, 2012, the City of Ontario elected to serve as the Successor Agency to the dissolved Ontario Redevelopment Agency and elected not to retain the housing assets and functions, and instead elected to transfer the housing assets and functions to the Authority as allowed under Section 34176 of AB 1X 26 and as provided in Resolution No. 2012-002.

On February 1, 2012, all assets, properties, contracts, leases, books and records, buildings and equipment of the Ontario Redevelopment Agency transferred by operation of law to the control of the Successor Agency for administration. Pursuant to Section 34177(g) of AB 1X 26, the Successor Agency is required to effectuate the transfer of the housing functions and assets of the Successor Agency to the Authority, and pursuant to Section 34181(c), the Oversight Board is to direct the Successor

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

Prepared by: Julie Bjork
Department: Housing

City Manager
Approval: 

Submitted to Council/O.H.A. 05/15/2012

Approved: _____

Continued to: _____

Denied: _____

8

Agency to transfer housing responsibilities and all rights, powers, duties and obligations along with any amounts on deposit in the Low and Moderate Income Housing Fund to the Authority.

Therefore, staff is recommending the adoption of these resolutions to allow the City of Ontario, serving as the Successor Agency, to transfer the specified housing assets and functions to the Authority and avoid any potential future issues that the Successor Agency did not effectuate the transfer of the housing functions and assets as required by AB 1X 26.

Pursuant to Section 15301 of the State CEQA Guidelines, the transfer of real property, other assets, and obligations is exempt from environmental review under CEQA.

CITY OF ONTARIO

Agenda Report
May 15, 2012

SECTION:
CONSENT CALENDAR

**SUBJECT: CHINO BASIN DESALTER AUTHORITY PHASE 3 EXPANSION PROJECT
SPONSOR GROUP ADMINISTRATIVE COST AGREEMENT**


RECOMMENDATION: That the City Council approve and authorize the City Manager to execute the Chino Basin Desalter Authority (CDA) Phase 3 Expansion Project Administrative Cost Agreement (on file with Records Management Department).

COUNCIL GOALS: Develop Strategies and Take Actions, Including Regaining Local Control of the Ontario International Airport, to Minimize the Negative Impacts of the Global Financial Downturn on Ontario's Economy and the City's Fiscal Health
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: The current Water Capital Improvement Program includes appropriations of \$29 million for this project; and, to date Ontario's share of the project cost is approximately \$12.8 million. The Phase 3 Expansion Project Sponsor Group Administrative Cost Agreement will not have an impact on the overall cost of the project or Ontario's share of project costs. There is no impact on the General Fund.

BACKGROUND: The City of Ontario, Jurupa Communities Services District (JCSD), and Western Municipal Water District (WMWD) are equal partners in the Phase 3 Expansion Project which will be completed in multiple phases over the next four years. The Desalter Facilities Expansion Project includes expanding the Desalter II treatment plant in terms of capacity and treatment technology, expanding the raw water well fields, and adding additional product water delivery facilities. Completion of the entire project will increase the total desalter water production from 24,600 to 35,200 acre-feet per year. As a result, the City's desalter water deliveries will increase from 5,000 to 8,533 acre-feet per year.

STAFF MEMBER PRESENTING: Scott Burton, Utilities General Manager

Prepared by: Tom O'Neill
Department: MU/Utilities
City Manager
Approval: 

Submitted to Council/O.H.A. 05/15/2012
Approved: _____
Continued to: _____
Denied: _____

9

The City Council approved the CDA Amended and Restated Water Purchase Agreement on March 1, 2011, which includes the provision for the project partners to pay all capital costs for the design and construction of the Phase 3 Expansion Project.

The CDA is incurring Administrative Costs in connection with the acquisition and construction of the Phase 3 Expansion Project, primarily for staff time by Inland Empire Utilities Agency (IEUA) personnel performing financial management activities for the Project and work done by CDA legal counsel. The proposed agreement confirms that Ontario, JCSD, and WMWD each agree to pay one third (1/3) of the Administrative Costs incurred by CDA. CDA will separately account for the Administrative Costs incurred in connection with the Phase 3 Expansion Project and will bill Ontario, JCSD and WMWD for the costs from the period of July 1, 2011 moving forward. In July 2011, each member of the Sponsor Group deposited \$33,330 with the CDA to pay for the Administrative Costs.

In the future, each member of the Sponsor Group will make additional advance deposits as needed to pay for anticipated future Administrative Costs. The CDA Treasurer will provide quarterly reports to the Sponsor Group and the Technical Advisory Committee (TAC) on the amount of Administrative Costs incurred. The CDA Treasurer will perform a financial reconciliation within six months of the filing of the final notice of completion for the expansion project.

CITY OF ONTARIO

Agenda Report
May 15, 2012

SECTION:
CONSENT CALENDAR

SUBJECT: CONSTRUCTION CONTRACT FOR WHISPERING LAKES GOLF COURSE IMPROVEMENTS

RECOMMENDATION: That the City Council award and authorize the City Manager to execute Construction Contract No. PS 1112-4 (on file in the Records Management Department) with Moalej Builders, Inc. of Sherman Oaks, California, for Whispering Lakes Golf Course Improvements in the amount of \$543,000 plus a 15% contingency (\$81,450) for a total of \$624,450; and authorize the filing of a Notice of Completion at the conclusion of all construction activities related to the project.

COUNCIL GOALS: Develop Strategies and Take Action, Including Regaining Local Control of the Ontario International Airport, 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)
Encourage, Provide or Support Enhanced Recreational, Educational, Cultural and Healthy City Programs, Policies and Activities

FISCAL IMPACT: The Fiscal Year 2011-12 Capital Improvement Program Budget includes appropriations of \$778,856 for construction on the Whispering Lakes Golf Course Improvements project. The recommended contract is \$543,000 plus a fifteen percent (15%) contingency of \$81,450, for a total of \$624,450. This project is being funded by the Capital Projects Fund.

BACKGROUND: In September 2007, staff worked with Rainville & Bye Golf Course Architects and Economic Research Associates to prepare and develop a Master Plan for the Whispering Lakes Golf Course. The Master Plan recommended the replacement of the 50 year old dilapidated clubhouse with a new mobile office building/clubhouse and restroom facility. Along with the replacement of the clubhouse, other project improvements will include an attached concrete decking with overhead wooden trellis; construction of a clubhouse interior snack bar, pro shop, food prep area, and storage; replacement of the existing electrical system; grading; installation of water, gas and sewer utilities; miscellaneous concrete work and landscaping enhancements to front entry road and around the new clubhouse.

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

Prepared by: Dale Adcock
Department: Parks and Maintenance

City Manager
Approval: 

Submitted to Council/O.H.A. 05/15/2012

Approved: _____

Continued to: _____

Denied: _____

10

In January 2012, the City solicited bids for construction of the Whispering Lakes Golf Course Improvements project, and four (4) bids were received. Moalej Builders, Inc., located in Sherman Oaks, California, submitted a proposal that met all the required specifications with a base cost of \$543,000.

<u>Vendor</u>	<u>Location</u>	<u>Proposal Amount</u>
Broughton Construction	Rancho Cucamonga, CA	\$689,250
DELT Builders, Inc.	Rancho Cucamonga, CA	\$687,200
Jergensen Construction	Oak Hills, CA	\$619,600
Moalej Builders, Inc.	Sherman Oaks, CA	\$543,000

Based on their proposal, credentials, pricing and favorable references, staff recommends award of Contract No. PS 1112-4 to Moalej Builders, Inc.

CITY OF ONTARIO

Agenda Report
May 15, 2012

SECTION:
CONSENT CALENDAR

SUBJECT: A PROFESSIONAL SERVICES AGREEMENT FOR THE PREPARATION OF AN ENVIRONMENTAL IMPACT REPORT FOR THE GRAND PARK SPECIFIC PLAN

RECOMMENDATION: That the City Council approve and authorize the City Manager to execute a professional services agreement (on file with the Records Management Department) with Michael Brandman Associates (MBA) of Irvine, California, to prepare an Environmental Impact Report (EIR) for the Grand Park Specific Plan located in the New Model Colony (NMC), in an amount not to exceed \$136,004 (including a 10% contingency).

COUNCIL GOALS: Develop Strategies and Take Actions, Including Regaining Local Control of the Ontario International Airport, 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: None. The EIR contract is a \$136,004 "pass-thru" to be paid by the Grand Park Specific Plan applicant. There is no direct cost to the City. If approved, appropriations and associated revenues adjustments will be included in the next quarterly budget report presented to the City Council.

BACKGROUND: On January 27, 2010, the City adopted The Ontario Plan (TOP) and certified the accompanying EIR. TOP serves as the City's new General Plan for the entire City, including the NMC. The project site is zoned SP/AG (Specific Plan/Agriculture Preserve). The zoning of "SP" requires the project area to be developed with a Specific Plan to carry out the Goals and Policies of TOP that support a premier lifestyle community in the NMC, distinguished by diverse housing, highest design quality, and cohesive and highly amenitized neighborhoods.

Distinguish Homes, Inc. is proposing a specific plan for the development of up to 1,327 residential units with trails and pocket parks, a high school, an elementary school, and an approximate 140 acre public Great Park on approximately 320 gross acres of land.

STAFF MEMBER PRESENTING: Jerry L. Blum, Planning Director

Prepared by: Richard Ayala
Department: Planning Department

Submitted to Council/O.H.A. 05/15/2012

Approved: _____

Continued to: _____

Denied: _____

City Manager
Approval: 

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The Specific Plan site is generally bounded by Edison Avenue to the north, Haven Avenue to the east, Eucalyptus Avenue to the south, and Archibald Avenue to the west.

In order to thoroughly address the environmental impacts associated with the proposed specific plan, a site specific EIR is required.

The City is responsible for selecting the consultant to prepare the EIR. A Request for Proposal (RFP) to prepare an EIR for the Grand Park Specific Plan was sent to seven (7) qualified environmental consulting firms. The selection committee unanimously recommended MBA. The experience and qualifications of the MBA team seemed to best address and fully respond to the work scope.

The total cost for completing the EIR is \$136,004, which includes a ten percent (10%) contingency as required by the City, which will be paid by the applicant. The applicant is aware and has agreed to the required total amount. Staff will oversee the project from start to finish.

CITY OF ONTARIO

Agenda Report
May 15, 2012

SECTION:
CONSENT CALENDAR

SUBJECT: RECOGNITION OF "HISTORIC PRESERVATION MONTH" IN THE CITY OF ONTARIO

RECOMMENDATION: That the City Council recognize the month of May 2012 as "Historic Preservation Month" in the City of Ontario.

COUNCIL GOALS: Develop Strategies and Take Actions, Including Regaining Local Control of the Ontario International Airport, 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: None

BACKGROUND: Since 1971, the National Trust for Historic Preservation has conducted nationwide campaigns to celebrate historical places and showcase preservation activities. In 2005, the National Trust began designating the month of May as Historic Preservation Month.

The goals of Historic Preservation Month are to promote historical places for the purpose of instilling national and community pride, promoting heritage tourism and showing the social and economic benefits of historic preservation. This year, the City is celebrating Historic Preservation Month by holding the twelfth "Model Colony" Awards program, presentation and reception.

The City's 2012 Historic Preservation Month theme is "How the Streets Got Their Names". We ride, walk, and drive throughout our City on streets named Euclid Avenue, San Antonio Avenue and Mountain Avenue; but who are they named after and what do they mean? Often times, street names tell us who our early settlers were, what was important to them, and where they went. With approximately 549 miles of streets within the city limits, there are over 2,000 street names. The longest continuous street is Fourth Street at 9 miles. The shortest street, Orange Court (located at 7th and Orange Place), is about 77 feet. One of the narrowest streets in Ontario is El Morado Court which is merely 30 feet wide.

STAFF MEMBER PRESENTING: Jerry L. Blum, Planning Director

Prepared by: Diane Ayala
Department: Planning Department

City Manager
Approval: 

Submitted to Council/O.H.A. 05/15/2012

Approved: _____

Continued to: _____

Denied: _____

12

A street can be named after obvious topographic features such as Mountain Avenue, after the San Gabriel Mountains. San Antonio Avenue was previously called "San Antonia" Avenue due to a misspelling on a map. The name was later changed to its proper San Antonio Avenue after the San Antonio Creek located in the foothills. Ontario founder, George Chaffey, named Euclid Avenue after Greek mathematician Euclid of Alexandria, Egypt who is considered by some to be the "father of geometry". In 1882, the Chaffey Brothers laid out geometric streets $\frac{1}{4}$ mile apart around 10 acre parcels. Realizing that the streets in the business district should not be that far apart, they made them closer together forming "town lots" and named the streets "A" (starting at what is now Holt Blvd.), B, C, D, E, F, G, H, I, and J. Fourth Street is exactly one mile from Holt Blvd. The remaining east/west streets in the original subdivision continued from Fourth Street to 24th Street. The system of numerical and alphabetical lettering was a common trend in street naming throughout the United States, but generally lost momentum just before the turn of the century.

Naming streets today is regulated by the Development Code and the Planning Department. Streets are encouraged to be named after presidents, states, cities, California counties, colleges, colors, precious metals, trees, plants, flowers, and constellations.

CITY OF ONTARIO

Agenda Report
May 15, 2012

**SECTION:
PUBLIC HEARINGS**

SUBJECT: A RESOLUTION OF INTENT AND AN ORDINANCE TO AMEND THE CONTRACT WITH THE CALIFORNIA PUBLIC EMPLOYEES' RETIREMENT SYSTEMS (CALPERS) FOR LOCAL POLICE AND FIRE MEMBERS


RECOMMENDATION: That the City Council adopt a Resolution of Intent and introduce and waive further reading of an ordinance amending the City's contract with the California Public Employees' Retirement System (CalPERS) to provide a second tier 3% at age 55 retirement formula for safety police and fire members entering membership for the first time in the safety classification after the effective date of this contract amendment.

COUNCIL GOALS: Develop Strategies and Take Actions, Including Regaining Local Control of the Ontario International Airport, 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

FISCAL IMPACT: The modification to the retirement formula will result in a reduction in the City's employer contribution rate. Decreases in the employer rate will occur as employees are hired into the second tier. Based on the actuarial Cost Analysis Reports prepared by CalPERS (attached as Exhibit A) the ultimate expected annual cost decrease is 2.3% for safety police members and 2.1% for safety fire members. These ultimate cost reductions would be realized through turnover when all employees are covered by the second tier formula.

BACKGROUND: In order to effectively recruit and retain highly qualified police officers and firefighters, the City offers a competitive total compensation package and has contracted with CalPERS to provide a defined benefit retirement program. The current retirement program includes a retirement formula of 3% at age 50. On May 1, 2012 the City Council approved new Memoranda of Understanding (MOU) with the Ontario Police Officers Association, Ontario Police Management Group, Ontario Firefighters Association and Ontario Fire Management Group. All four bargaining units worked collaboratively with the City to reduce future retirement costs. The result of these efforts is to

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

Prepared by: Stacey Cue
Department: Human Resources
City Manager Approval: 

Submitted to Council/O.H.A. 05/15/2012
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Denied: _____

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provide for a reduced retirement formula of 3% at age 55 retirement formula for local safety police and fire members hired by the City after the effective date of the amendment.

CalPERS procedures require the adoption of a resolution of intent and adoption of an ordinance to amend the City's contract with CalPERS to provide for modification of the retirement formula. Government Code Section 7507 requires that the future costs of the proposed contract amendment be made public at a public meeting at least two weeks prior to the adoption of the final ordinance.

CITY OF ONTARIO

Agenda Report
May 15, 2012

SECTION: PUBLIC HEARINGS

SUBJECT: A PUBLIC HEARING TO CONSIDER FILE NO. PHP12-002, THE DESIGNATION OF THE VANPELT HOUSE, LOCATED AT 423 WEST D STREET, AS A LOCAL LANDMARK

RECOMMENDATION: That the City Council adopt a resolution approving File PHP12-002 designating 423 West D Street (APN 1048-571-02) as Local Historic Landmark No. 91.

COUNCIL GOALS: Develop Strategies and Take Actions, Including Regaining Local Control of the Ontario International Airport, 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 approval of the Local Historic Landmark designation will not have a direct fiscal impact. However, if the designation is approved, the property owner will be eligible to apply for a Mills Act Contract, which if approved would provide for a potential reduction in property taxes in exchange for an agreed-upon list of improvements to the property.

BACKGROUND: Phi Troung (property owner) requested that the VanPelt House, located at 423 West D Street, be designated as a Local Historic Landmark.

HISTORY: The VanPelt House, built in 1921, is a fine example of the Neoclassical Revival Bungalow style of architecture. In American architecture, neoclassicism was popularized during the American Renaissance movement (1880-1917) as a reaction to the ornate styles of the Victorian Era. The Neoclassical Revival style restored "purity" in a classic and more simplistic form. While large scale Neoclassical Revival homes are not prevalent in Ontario, the Bungalow version can be found throughout Ontario's neighborhoods, especially on the west side adjacent to the downtown area.

HISTORIC SIGNIFICANCE: At the April 24, 2012 meeting, the Historic Preservation Commission recommended designation of the VanPelt House as a Local Historic Landmark pursuant to the following

STAFF MEMBER PRESENTING: Jerry L. Blum, Planning Director

Prepared by: Diane Ayala
Department: Planning Department

City Manager
Approval: 

Submitted to Council/O.H.A. 05/15/2012

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criteria contained in the Historic Preservation Ordinance (Article 26, Sec.9-1.2615 of the Development Code):

- 1 It embodies distinguishing architectural characteristics of a style, type, period, or method of construction:*

The VanPelt House is a fine example of a Neoclassical Revival Bungalow style home constructed in 1921. It embodies elements and features that are typical to the style such as the an off-center dormer with an open wood fence detail, a porch gable end with a diamond shaped window, two rounded column porch supports over brick piers, a brick chimney, a large bay style window, and a combination of wood framed fixed, casement, and hung windows.

ENVIRONMENTAL REVIEW: The application was reviewed pursuant to the California Environmental Quality Act (Public Resources Code Section 21000 et seq.) ("CEQA"). Per Section 21065 of the CEQA Guidelines, the local landmark designation is not considered a project.

CITY OF ONTARIO

Agenda Report
May 15, 2012

SECTION:
PUBLIC HEARINGS

SUBJECT: A PUBLIC HEARING TO CONSIDER FILE NO. PHP11-021, THE DESIGNATION OF THE ROSS ANTHONY HOUSE, LOCATED AT 537 WEST I STREET, AS A LOCAL LANDMARK

RECOMMENDATION: That the City Council adopt a resolution approving File PHP11-021 designating 537 West I Street (APN1048-291-16) as Local Historic Landmark No. 90.

COUNCIL GOALS: Develop Strategies and Take Actions, Including Regaining Local Control of the Ontario International Airport, 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 approval of the Local Historic Landmark designation will not have a direct fiscal impact. However, if the designation is approved, the property owner will be eligible to apply for a Mills Act Contract, which if approved would provide for a potential reduction in property taxes in exchange for an agreed-upon list of improvements to the property.

BACKGROUND: Ronald Johnson (property owner) requested that the Ross Anthony House, located at 537 West I Street, be designated as a Local Historic Landmark.

HISTORY: The Ross Anthony House, built in 1941, is a fine example of the Early Post-War Tract style of architecture. The Early Post-War Tract style stems from the International or Modern style of architecture, which began in the 1930s and was most dominant during the 1940s and 1950s. This style was mainly inspired by technology and the emerging love affair America had with machines, especially automobiles. The sleek and simple design of this style marked the beginning of a new era for housing styles and the housing market.

After World War II, the demand for housing was high and developers began creating tracts of homes with similar plans and elevations. This was the first time that housing was mass-produced. Ontario, like

STAFF MEMBER PRESENTING: Jerry L. Blum, Planning Director

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

Submitted to Council/O.H.A. 05/15/2012
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other communities in Southern California, has several Early Post-War Tract style homes. Unlike the Ross Anthony House, most of these homes were part of a subdivision and many have been altered over the years and no longer retain their original appearance.

HISTORIC SIGNIFICANCE: At the April 24, 2012 meeting, the Historic Preservation Commission recommended designation of the Ross Anthony House as a Local Historic Landmark pursuant to the following criteria contained in the Historic Preservation Ordinance (Article 26, Sec.9-1.2615 of the Development Code):

- 1. It embodies distinguishing architectural characteristics of a style, type, period, or method of construction:*

The Ross Anthony House is a fine example of an Early Post-War Tract style home constructed in 1941. It embodies elements and features that are typical to the style such as the stucco wall finish, wood framed single hung windows, decorative pediment at the entry, bay window, shutters, low pitched side facing gable, rake eaves, quoins at the building corners, and a decorative brick chimney. The only known alteration to the building is a rear kitchen, living room, master bedroom, bath, and covered patio addition constructed in 2011 which does not detract or diminish the value of the historic resource.

ENVIRONMENTAL REVIEW: The application was reviewed pursuant to the California Environmental Quality Act (Public Resources Code Section 21000 et seq.) ("CEQA"). Per Section 21065 of the CEQA Guidelines, the local landmark designation is not considered a project.

CITY OF ONTARIO

Agenda Report
May 15, 2012

SECTION:
PUBLIC HEARINGS

SUBJECT: AN ORDINANCE AMENDING THE ONTARIO DEVELOPMENT CODE (FILE NO. PDCA12-001) ADDING ARTICLE 22, MULTI-MODAL TRANSIT OVERLAY DISTRICT, CREATING THE OVERLAY DISTRICT AND ESTABLISHING DEVELOPMENT STANDARDS AND PERMITTED AND CONDITIONALLY PERMITTED USES FOR APPROXIMATELY 75 ACRES OF LAND LOCATED SOUTH OF INTERSTATE 10, WEST OF ARCHIBALD AVENUE, AND NORTH AND EAST OF GUASTI ROAD (ASSESSOR'S PARCEL NUMBERS 110-322-08, 17, 18, 21, 22, 25, 27, 29, 30, 31, AND 33)

RECOMMENDATION: That the City Council adopt the Addendum to The Ontario Plan Environmental Impact Report analyzing the environmental effects of the Project, pursuant to State CEQA Guidelines section 15164; and introduce and waive further reading of an ordinance approving Development Code Amendment File No. PDCA12-001, adding Development Code Article 22.

COUNCIL GOALS: Develop Strategies and Take Actions, Including Regaining Local Control of the Ontario International Airport, 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

FISCAL IMPACT: The City would experience a nominal increase in revenue as a result of the business licenses required for the companies which operate within the overlay district; and would gain from the indirect fiscal benefits associated with jobs created by the same businesses.

BACKGROUND: In 1985, the zoning of the 75 acres bounded on the north by Interstate 10, on the east by Archibald Avenue, on the south by the railroad tracks, and west by Guasti Road was changed to Airport Related Services (ARS). As the name implies, the ARS zone permitted uses related to airport operations including, but not limited to, hotels, offices, personal services, and similar uses. Additionally, the ARS zone permitted some light manufacturing operations, such as optical goods, scientific instruments, watches/clocks, and some light assembly. The ARS zone did not, however, permit

STAFF MEMBER PRESENTING: Jerry L. Blum, Planning Director

Prepared by: Scott Murphy
Department: Planning

City Manager
Approval: 

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warehouse/distribution facilities or contractor's storage yards. As a result, use of the existing buildings became non-conforming – the office portion of the northerly building remained a permitted use.

With the adoption of The Ontario Plan (TOP) in 2010, the site was designated as the Multi-Modal Transit Center. That designation is the only one of its type in the City and creates a situation where the existing warehouse and contractor's storage yard uses on the site continue to remain non-conforming. Under the Development Code, the building could only be used for uses conforming to the land use designation. The northerly building is designed for warehouse/distribution uses and indeed has been used for many years as a warehouse operation. The building is ill-suited for uses allowed in the transit center (residential, office, retail) but still has a useful life. Generally, the concept of creating non-conforming uses is so that the marginal properties can transition to new, desirable uses over time. In this case, the new use as a transit center may take years or decades to transition due to the lack of funding for transit infrastructure.

To allow the use of the warehouse/distribution and office structures until more definitive plans are available for the multi-modal transit center, an overlay district is being proposed that will temporarily allow those uses that were in operation at the existing buildings until April 2010 to continue until 2027, or until the buildings are demolished, whichever comes first. Uses would include warehouse/distribution, ancillary offices and temporary uses, in keeping with the existing buildings' design and the existing buildings' previous uses.

The TOP allows for land use flexibility and interim development in order to achieve the TOP Vision. Specifically, the TOP contains the following principles, goals and policies that are furthered and carried out by the Ordinance

- **TOP Goal Land Use 3.** Staff, regulations and processes that support and allow flexible responses to conditions and circumstances to achieve the [TOP] Vision.
 - The overlay district will allow use of existing buildings for the use for which they were constructed. Otherwise the warehouse building and contractor's storage yard would remain vacant until development of the multi-modal transit center.
- **TOP Policy LU3-3 - Land Use Flexibility.** We consider uses not typically permitted within a land use category if doing so improves livability, reduces vehicular trips, creates community gathering places and activity nodes, and helps create identity.
 - The uses permitted are identical to the uses underway at the site until 2010. The overlay will allow those uses in close proximity to major transportation corridors.
- **TOP Goal LU4.** Development that provides short-term value only when the opportunity to achieve our Vision can be preserved.
 - The overlay will allow uses of existing buildings while maintaining the necessary designation to require future development to adhere to the vision established by the TOP.
- **TOP Policy LU4-2 - Interim Development.** We allow development in growth areas that is not immediately reflective of our ultimate Vision provided it can be modified or replaced when circumstances are right. We will not allow development that impedes, precludes or compromises our ability to achieve our Vision.

- The overlay will allow uses of existing buildings while maintaining the necessary designation to require future development to adhere to the vision established by the TOP.
- **TOP Policy Community Economics 2-3 - Interim Development.** We require interim development that does not reflect the long-term Vision, be limited in scale of development so that the investment can be sufficiently amortized to make Vision-compatible redevelopment financially feasible.
 - The two existing buildings were built as industrial buildings and do not lend themselves to the uses identified within the multi-modal transit center. The overlay will permit limited interim uses to allow the buildings to be sufficiently amortized.
- **TOP Policy Mobility 3-5 - Light Rail.** We support extension of the Metro Rail Gold Line to Ontario, and will work to secure station locations adjacent to the Meredith site and at the proposed multimodal transit center.
 - The Metro Rail Gold Line is proposed – though no specific development proposal is before the City nor is any expected in the near future - within the western portion of the property. The overlay will allow use of the existing buildings while maintaining the area needed for the future Gold Line extension.
- **TOP Policy M3-10 - Multimodal Transit Center.** We intend to ensure the development of a multimodal transit center near LAONT airport to serve as a transit hub for local buses, BRT, the Gold Line, high-speed rail, the proposed Ontario Airport Metro Center circulator and other future transit modes.
 - The Metro Rail Gold Line is proposed – though no specific development proposal is before the City nor is any expected in the near future - within the western portion of the property. The overlay will allow use of the existing buildings while maintaining the long term vision of the site as a multi-modal transit hub, accommodating stops for the Gold Line, high-speed rail, and other transit options.

To ensure compliance with the long term TOP vision for the area, a “sunset clause” is included in the Ordinance that will result in the overlay district expiring under the following scenarios:

1. In 15 years on June 30, 2027, unless otherwise extended by the City Council; or
2. Upon demolition of the existing buildings.

The Planning Commission reviewed the proposed Development Code Amendment on March 27, 2012, and recommended approval of the application.

Following review by the Planning Commission, the overlay district was further refined by staff to narrow the uses allowed under the proposed overlay to those uses previously that previously occupied the buildings. As a result, the changes noted below have been incorporated into the overlay:

1. Sec. 9-1.2200 Introduction – Sentence added to the end of the second paragraph to read “However, the City wishes to authorize the use of the existing buildings for the purpose for which they were previously used.
2. Sec. 9-1.2210 Permitted Uses – Delete “Wholesale sales” and “Limited retail sales” and add “Temporary uses in accordance with Article 11, Temporary Use Permits, of the Ontario Development Code.

In that these changes restrict the uses to a greater degree than considered by the Planning Commission, further review by the Planning Commission is not required.

On April 17, 2012, Cory Briggs, on behalf of the Inland Oversight Committee, submitted comments to the City Council regarding its consideration of the Ordinance. Responses to those comments are included in the record of proceedings.

ENVIRONMENTAL REVIEW: Pursuant to CEQA section 21166 and sections 15162 and 15163 of the CEQA Guidelines, an addendum to the Ontario Plan EIR was prepared by the City with regard to the Project (“Addendum”). The Addendum incorporates, by reference, the analysis contained in the Ontario Plan EIR, and addresses only those issues specific to the Project. The City proposes to approve the Ordinance as an activity within the TOP, as the activity proposed under the Ordinance is within the scope of TOP, and, as described in the Addendum and the Initial Study, the TOP EIR adequately describes the activity proposed under the Ordinance for the purposes of CEQA. The Addendum concludes that because the Project will not permit any uses other than those uses already in operation on the site at the time of the certification of the Ontario Plan EIR, and the Project will not result in new, or substantially more adverse, significant environmental impacts than those disclosed in the Ontario Plan EIR.

CITY OF ONTARIO

RESPONSES TO COMMENTS ON THE PROPOSED NEW ARTICLE 22 MULTI-MODAL TRANSIT OVERLAY DISTRICT ORDINANCE

Jerry L. Blum, Planning Director

On April 17, 2012, Cory Briggs, on behalf of the Inland Oversight Committee, submitted comments to the City Council regarding its consideration of an Ordinance amending the Ontario Development Code adding Article 22, Multi-Modal Transit Overlay District (“Ordinance”). We have prepared the following responses to those comments:

Briggs Comment 1: The public hearing notice is misleading because it states that the Project is exempt from the California Environmental Quality Act (“CEQA”), but the City is relying on an Addendum to an environmental impact report (“EIR”)

Briggs Comment 2: The public hearing notice is defective because it fails to specify the recommendation that the Planning Commission made on the proposed Ordinance and was published even before the Planning Commission considered the Ordinance.

Response to Briggs Comments 1 and 2: The Notice of City Council Public Hearing for the City Council’s May 15, 2012 hearing on the Ordinance (File No. PDCA12-001) was published on May 4, 2012, after the Planning Commission’s March 27, 2012 hearing on the proposed Ordinance, and includes a statement notifying the public that the Planning Commission recommended the approval of the proposed Ordinance and a statement that an addendum to The Ontario Plan EIR was prepared for the Ordinance pursuant to the requirements of CEQA.

Briggs Comment 3: City files for the proposed Ordinance do not include The Ontario Plan Environmental Impact Report (TOP EIR).

Response to Briggs Comment 3: Copies of the TOP EIR and Addendum are included in the record of proceedings for File No. PDCA12-001 and are available along with the Agenda packets of the members of the City Council.

Briggs Comment 4: The Addendum to the TOP EIR was not considered by the Planning Commission.

Response to Briggs Comment 4: The Planning Commission was not required to consider the Addendum. (See California Code of Regulations, Title 14, Chapter 3 (CEQA Guidelines) §§15025 and 15161(d).)

Briggs Comment 5: The Addendum to the TOP EIR is the wrong environmental document for the Ordinance because it does not involve a minor change or correction to the TOP EIR. The TOP EIR rezoned the land that is the subject of this project, and now the land represents a non-conforming use. The EIR did not evaluate the environmental impacts of a non-conforming use on the land in question but rather eliminated that use. The finding of Section X-b of the

Addendum's Initial Study is incorrect.

Response to Briggs Comment 5: As noted in the Staff Report, the Addendum, and the Ordinance, the proposed overlay zone will allow the use of existing structures on the site ("Project site") for the purposes they were designed until more definitive plans are available for the multi-modal transit center. Uses would be limited to warehouse/distribution, ancillary offices and temporary uses, the uses for which the buildings were designed and used from 1967 until April of 2010.

The comment incorrectly states that the TOP EIR "eliminated" the use of the Project site that is proposed by the Ordinance. In fact, the uses on the Project site became non-conforming in 1985, when the zoning of the site was changed to Airport Related Services (ARS). The ARS zone permitted uses related to airport operations and did not permit warehouse/distribution facilities or contractor's storage yards. The Project site was under active and legal non-conforming use for warehouse/distribution, ancillary offices and temporary uses when the TOP EIR was prepared and certified. The TOP EIR's evaluation of the baseline environmental setting included the non-conforming use of the Project site.

In addition to the existing ARS zoning for the Project site, the TOP does further designate the Project site "Multi-Modal Transit Center," and the TOP EIR did consider this designation. However, the key TOP Policy regarding the Multi-Modal Transit Center that was evaluated in the TOP EIR provides, as does the proposed Ordinance, that a Multi-Modal Transit Center it is *not* expected to be a near-term development (See M3-10 Multimodal Transit Center: We intend to ensure the development of a multimodal transit center near LAONT airport to serve as a transit hub for local buses, BRT, the Gold Line, high-speed rail, the proposed Ontario Airport Metro Center circulator and other future transit modes"; see also Policies M3-4, 5, 6, 7, and 8.)

Further, the TOP EIR also evaluated the environmental impacts of the following TOP goals and policies regarding interim development using existing buildings, all of which are furthered and carried out by the proposed Ordinance. It is the proposed Ordinance's consistency with these goals and policies that supports the use of the Addendum and, in particular, supports the Initial Study's finding in Section X-b that the proposed Ordinance is consistent with the TOP. TOP Goal Land Use 3- Staff, regulations and processes that support and allow flexible responses to conditions and circumstances to achieve the [TOP] Vision.

- The proposed Ordinance will allow use of existing buildings for the use for which they were constructed. Otherwise the warehouse building and contractor' storage yard would remain vacant until development of the multi-modal transit center.
- TOP Policy LU3-3 – Land Use Flexibility We consider uses not typically permitted within a land use category if doing so improves livability, reduces vehicular trips, creates community gathering places and activity nodes, and helps create identity.
 - The uses permitted are identical to the uses underway at the site until 2010. The

overlay will allow those uses in close proximity to major transportation corridors.

- TOP Goal LU4 - Development that provides short-term value only when the opportunity to achieve our Vision can be preserved.
 - The proposed Ordinance will allow uses of existing buildings while maintaining the necessary designation to require future development to adhere to the vision established by the TOP.
- TOP Policy LU4-2 Interim Development. We allow development in growth areas that is not immediately reflective of our ultimate Vision provided it can be modified or replaced when circumstances are right. We will not allow development that impedes, precludes or compromises our ability to achieve our Vision.
 - The proposed Ordinance will allow uses of existing buildings while maintaining the necessary designation to require future development to adhere to the vision established by the TOP.
- TOP Policy Community Economics 2-3 Interim Development. We require interim development that does not reflect the long-term Vision, be limited in scale of development so that the investment can be sufficiently amortized to make Vision-compatible redevelopment financially feasible.
 - The two existing buildings were built as industrial buildings and do not lend themselves to the uses identified within the multi-modal transit center. The proposed Ordinance will permit limited interim uses to allow the buildings to be sufficiently amortized.
- TOP Policy Mobility 3-5 Light Rail. We support extension of the Metro Rail Gold Line to Ontario, and will work to secure station locations adjacent to the Meredith site and at the proposed multimodal transit center.
 - The Metro Rail Gold Line is proposed – though no specific development proposal is before the City nor is any expected in the near future - within the western portion of the property. The proposed Ordinance will allow use of the existing buildings while maintaining the area needed for the future Gold Line extension.
- TOP Policy M3-10 Multimodal Transit Center. We intend to ensure the development of a multimodal transit center near LAONT airport to serve as a transit hub for local buses, BRT, the Gold Line, high-speed rail, the proposed Ontario Airport Metro Center circulator and other future transit modes.
 - The Metro Rail Gold Line is proposed – though no specific development proposal is before the City nor is any expected in the near future - within the western portion of the property. The overlay will allow use of the existing buildings while maintaining the long term vision of the site as a multi-modal transit hub, accommodating stops for the Gold Line, high-speed rail, and other transit options.

Accordingly, and based on the findings and information contained in the previously certified TOP EIR, the Addendum, the Initial Study, and the CEQA statute and State CEQA Guidelines, including sections 15164 and 15162, the proposed Ordinance will not result in any new, increased or substantially different impacts, other than those previously considered and addressed in the TOP EIR. No changes or additions to the TOP EIR analyses are necessary, nor is there a need for any additional mitigation measures.

Briggs Comment 6: The agenda materials do not include a copy of the draft Ordinance.

Response to Briggs Comment 6: Copies of the draft Ordinance are included in the record of proceedings for File No. PDCA12-001 and in the Agenda packets of the members of the City Council.

CITY OF ONTARIO

Agenda Report
May 15, 2012

SECTION:
PUBLIC HEARINGS

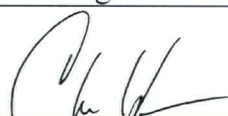
SUBJECT: CONSIDERATION OF AN AMENDMENT TO THE POLICY PLAN (GENERAL PLAN) COMPONENT OF THE ONTARIO PLAN (FILE NO. PGPA09-001) TO REVISE THE HAMNER/SR-60 MIXED USE AREA TO INCLUDE A RESIDENTIAL LAND USE (20.0-30.0 DWELLING UNITS PER ACRE), A ZONE CHANGE (FILE NO. PZC09-002) TO REZONE APPROXIMATELY 20-ACRES OF LAND FROM R1 (SINGLE-FAMILY RESIDENTIAL) TO SPECIFIC PLAN, AND THE ADOPTION OF TUSCANA VILLAGE SPECIFIC PLAN (FILE NO. PSP09-001), TO MASTER PLAN APPROXIMATELY 20-ACRES OF LAND BY ESTABLISHING LAND USE DESIGNATIONS AND DESIGN GUIDELINES FOR THE PROPERTY LOCATED AT THE NORTHWEST CORNER OF RIVERSIDE DRIVE AND MILLIKEN AVENUE

RECOMMENDATION: That the City Council adopt a resolution approving a Negative Declaration and Mitigation Monitoring and Reporting Program pursuant to the California Environmental Quality Act (CEQA), as amended; adopt a resolution approving an Amendment to the Policy Plan (General Plan) component of The Ontario Plan (File No. PGPA09-001); introduce and waive further reading of an ordinance approving a Zone Change (File No. PZC09-002); and introduce and waive further reading of an ordinance approving the Tuscana Village Specific Plan (File No. PSP09-001).

COUNCIL GOALS: Develop Strategies and Take Actions, Including Regaining Local Control of the Ontario International Airport, 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
Maintain the Current High Level of Public Safety
Operate in a Businesslike Manner

FISCAL IMPACT: The proposed development will increase demands for certain City services. Conditions of approval require the formation of a Community Facilities District to provide funding for those services (landscape maintenance, street lights) required to support the Tuscana Specific Plan development, thereby mitigating the increased cost associated with such services.

STAFF MEMBER PRESENTING: Jerry L. Blum, Planning Director

Prepared by: John Earle Hildebrand III
Department: Planning
City Manager Approval: 

Submitted to Council/O.H.A. 05/15/2012
Approved: _____
Continued to: _____
Denied: _____

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BACKGROUND: The project site is located at the northwest corner of Riverside Drive and Milliken Avenue, and is described as the Hamner/SR-60 Mixed Use Area within The Ontario Plan. A 20-acre portion of the entire 44-acre Mixed Use site is master planned under a new Specific Plan called Tuscana Village. In addition to the Specific Plan, an Amendment to the Policy Plan (General Plan) component of The Ontario Plan and a Zone Change are required.

POLICY PLAN (GENERAL PLAN) AMENDMENT: To accommodate the proposed Tuscana Village Specific Plan, an Amendment to the Policy Plan (General Plan) component of The Ontario Plan is first required. Pursuant to the Hamner/SR-60 Mixed Use Area of The Ontario Plan, a mixture of office and retail uses with a 1.0 maximum Floor Area Ratio (FAR), is allowed. Analysis of the Mixed Use area has concluded that there is too much commercially designated property within the site. As a result, the applicant for the Tuscana Village Specific Plan is proposing to dedicate approximately 7.1-acres for Residential use with a density of 20 - 30 dwelling units per acre. The proposed Amendment to the Policy Plan (General Plan) component of The Ontario Plan includes revisions to Exhibits LU-02: *Land Use Designation Summary Table* and LU-03: *Future Buildout Table*, to include a residential use, within the Hamner/SR-60 Mixed Use Area. All proposed changes are listed and described within the technical appendix of this report.

Pursuant to Policy CE3-2 of the Policy Plan (General Plan) component of The Ontario Plan, most amendments require a fiscal analysis to be prepared in conjunction with proposed amendments:

CE3-2: *General Plan Amendments*. We require those proposing General Plan Amendments to disclose reasonably foreseeable impacts through a fiscal analysis.

The analysis conducted by the City's Administrative/Fiscal Services staff concluded that there would be a negligible increase to the City's annual expenditures for services as a result of adding a residential component to the Mixed Use area. A maximum of 200 dwelling units is allowed, but the related Development Plan (File No. PDEV09-016) will result in the approval of 176 units. Any deficit will be realized through the establishment of a Community Facilities District (CFD).

ZONE CHANGE: Pursuant to the Mixed Use Land Use Designation of the Policy Plan (General Plan) component of The Ontario Plan (TOP), the site is required to be developed under a Specific Plan. In order to implement the TOP requirements, this Zone Change will result in changing the project site to Specific Plan from its current zoning of R1 (single family residential).

SPECIFIC PLAN: The Tuscana Village Specific Plan area consists of one parcel, owned by Panayiotis Katelaris. The Specific Plan is a master plan of development which specifies land uses, infrastructure, landscaping, and architectural requirements, ensuring the orderly and complete development of the site. Consistent with The Ontario Plan, the project site is designated by the Specific Plan, which establishes Residential, with a density range of 20 - 30 dwelling units per acre, and Commercial land uses.

- **Development:** The Ontario Plan currently allows for a maximum Floor Area Ratio (FAR) of 1.0 within the Specific Plan area. The site is proposed to be split into a 7.1-acre parcel for residential development, allowing for a maximum of 200 dwelling units, 1.7-acres will be dedicated for new streets, and the remaining 11.3-acres will be developed with commercial uses, including inline retail stores, a vehicle fueling and wash station, and a farm store. It is anticipated that the

operators of the farm store will also include a plant growing area, petting zoo, wine tasting, restaurant, and other seasonal sales items and live entertainment events in conjunction with the use.

- **Project Design:** The Specific Plan includes architectural design requirements for the project site. Both Tuscan and Italianate themes are proposed, which will be carried throughout both the residential and commercial developments. These styles are generally characterized by simple building massing and forms, with courtyard building configurations enhanced by rich architectural details, including recessed windows with rustic wood shutters, as well as stone and ironwork accents. Roof forms tend to be simple, with low pitches, exposed rafter tails, large overhangs, and s-tile roofing.
- **Circulation:** Two new public streets, identified as "A" Street and "B" Street, will provide primary access through the site and will allow future access to the northern properties within the Mixed Use area. Additionally, direct access to the site is provided from both Milliken Avenue and Riverside Drive through a series of drive approaches. Milliken Avenue is an 8-lane arterial and Riverside Drive is a 6-lane arterial, as specified in The Ontario Plan. Dedications and improvements, including a new curb, gutter, and parkway, are required along the southbound side of Milliken Avenue, as well as the westbound side of Riverside Drive.
- **Signage:** A master sign program will be prepared for the commercial development, which will identify the locations, designs, and sizing for all wall and monument signs. Pursuant to the New Model Colony Master Plan of Streets, the Riverside/Hamner corner is identified as a major City entry point and a City of Ontario identity sign will be constructed at this corner.
- **Future Development:** Only a portion of the 44-acre Hamner/SR-60 Mixed Use Area is proposed for development at this time. Should the properties north of the project site be developed in the future, they would first be required to be annexed into the Tuscana Village Specific Plan, or be master planned under a new Specific Plan.

COMPLIANCE WITH THE AIRPORT LAND USE COMPATIBILITY PLAN: The proposed project is located within the Airport Influence Area of Ontario International Airport (ONT) and a consistency evaluation was conducted to determine if the proposed project is consistent with policies and criteria of the Airport Land Use Compatibility Plan (ALUCP) for ONT. The project site is located outside of the safety zones but is located within the 60-65 dB CNEL noise contour. Residential land uses are allowed but required to have a Recorded Overflight Notification appearing on the Property Deed and Title incorporating the language below consistent with Business and Professions Code Section 11010 and Civil Code Sections 1102.6, 1103.4, and 1353. The required notification will read as follows:

NOTICE OF AIRPORT IN VICINITY: This property is presently located in the vicinity of an airport, within what is known as an airport influence area. For that reason, the property may be subject to some of the annoyances or inconveniences associated with proximity to airport operations (for example: noise, vibration, or odors). Individual sensitivities to those annoyances can vary from person to person. You may wish to consider what airport annoyances, if any, are associated with the property before you complete your purchase and determine whether they are acceptable to you.

ENVIRONMENTAL REVIEW: The application is a project pursuant to the California Environmental Quality Act (Public Resources Code Section 21000 et seq.) ("CEQA") and an initial study has been prepared to determine possible environmental impacts. On the basis of the initial study, which indicated that all potential environmental impacts from the Project were less than significant or could be mitigated to a level of insignificance, a Mitigated Negative Declaration was prepared pursuant to CEQA, the State CEQA Guidelines and the City of Ontario Local CEQA Guidelines. The Mitigated Negative Declaration cited to State CEQA Guidelines section 15183 to detail why operational and construction air quality impacts and greenhouse gas impacts disclosed and mitigated in The Ontario Plan EIR did not require further discussion in the Project's Mitigated Negative Declaration (however, the applicable mitigation measures from The Ontario Plan EIR have been applied to this Project). To ensure that all of the mitigation measures proposed in the Mitigated Negative Declaration are implemented, a Mitigation Monitoring Plan has been prepared for the Project pursuant to CEQA Guidelines Section 15097, which specifies responsible agencies/departments, monitoring frequency, timing and method of verification and possible sanctions for non-compliance with mitigation measures. On April 17, 2012, Cory Briggs, on behalf of the Inland Oversight Committee, submitted comments to the City Council regarding its consideration of the Ordinance. Responses to those comments have been prepared and are included in the record of proceedings. As part of those responses to comments, revisions to Mitigation Measure BR-2, which addresses impacts to the burrowing owl, have been proposed. The revised Mitigation Measure is equivalent to, if not more effective than, the original Mitigation Measure in terms of addressing these impacts, and hence recirculation of the Mitigated Negative Declaration is not required. The environmental documentation for this project is available for review at the Planning Department public counter and the Mitigation Monitoring and Reporting Program is attached as Exhibit I: *Mitigation Monitoring Plan*.

The Planning Commission considered the application at their meeting of March 27, 2012, and unanimously recommended approval of the applications.

CITY OF ONTARIO

**RESPONSES TO COMMENTS ON THE PROPOSED TUSCANA VILLAGES
SPECIFIC PLAN PROJECT**

Jerry L. Blum, Planning Director

On April 17, 2012, Cory Briggs, on behalf of the Inland Oversight Committee, submitted comments to the City Council regarding its consideration of the proposed Tuscana Villages Specific Plan Project (the “Project”). We have prepared the following responses to those comments:

Briggs Comment 1: The City’s public notice was defective for failure to specific the recommendation of the planning commission on the Project.

Briggs Comment 2: The agenda materials did not include a copy of the draft ordinances/resolutions/findings.

Response to Briggs Comments 1 and 2: The Notice of City Council Public Hearing for the City Council’s May 15, 2012 hearing on the Project (Tuscana Village, File Nos. PGPA09-001, PZC09-002, and PSP09-001) was published on May 4, 2012, after the Planning Commission’s March 27, 2012 hearing on the proposed Project, and includes a statement notifying the public that the Planning Commission recommended approval of the proposed Project. The resolutions, ordinances and findings for the Project are available along with and included in the agenda materials for the City Council’s May 15, 2012 hearing on the Project.

Briggs Comment 3: The Project Mitigated Negative Declaration (“MND”) violates CEQA because it illegally defers the analysis and mitigation of the project’s impacts until later for the burrowing owl and delhi sands flower-loving fly. Additionally, the MND and its initial study make it clear that these two wildlife species have the potential to occur on the site, but it will not be until after construction activities begin (e.g., pre-grading clearing) that any attempt to identify these species and the project’s impacts on them will be undertaken.

Response to Briggs Comment 3: The City of Ontario has ensured that the MND prepared for the Tuscana Village Specific Plan takes a conservative and precautionary approach in regard to sensitive biological resources which could occur on the Project site, given the urbanizing character of the area and the fact that the site is surrounded by major roadways. Mitigation measures BR-1 and BR-2, as provided within the MND, enforce the protection recommended by the California Department of Fish and Game (“CDFG”) for common wildlife species, such as nesting birds; and ensure that any burrowing owls that might be present onsite at the time of construction would be protected. Additionally, mitigation measure BR-3 would ensure that the requirements of the United States Fish and Wildlife Service (“USFWS”) are met in regard to the potential presence of the Delhi-sands flower loving fly.

It should be noted that in response to comments received from CDFG, an updated biological survey of the 20-acre Specific Plan area was conducted by Harmsworth Associates in February 2012. The survey report (available at the City of Ontario Planning Department) confirms the findings of the MND's Environmental Evaluation (page 4-27), noting that the "site conditions, habitats, vegetation and wildlife onsite were similar to those documented onsite during past biological surveys." Wildlife species found onsite were found to be "sparse due to the lack of native habitats and poor site conditions. Species detected were typical of disturbed open areas and included western fence lizards (*Sceloporus occidentalis*), killdeer (*Charadrius vociferus*), Savannah sparrow (*Passerculus sandwichensis*), house finch (*Carpodacus mexicanus*), and the California ground squirrel (*Spermophilus beecheyi*)."

No sensitive species, including burrowing owls, were identified onsite. Hence, the mitigation measures that Mr. Briggs complains of were merely precautionary, in case something changes prior to construction. As noted on page 4-29 of the MND, the burrowing owl (*Athene cunicularia*) is a California Species of Special Concern which "lives in the abandoned burrows of ground squirrels and other burrowing animals, modifying the burrows to suit their needs by digging." Although no burrowing owls have been identified by biologists during site surveys, because ground squirrels are present onsite, it is possible that burrowing owls may be attracted to the area in the period between Project approval and the beginning of construction. On this basis, Mitigation Measure BR-2 requires a pre-construction survey to document the presence or absence of this species. Given the migratory nature of the burrowing owl, the CDFG requires that focused burrowing owl surveys be conducted no more than 30 days prior to grading. Contrary to Mr. Briggs' assertions that surveys would not be undertaken "until after construction activities begin," Mitigation Measure BR-2 would require a burrowing owl survey to be completed prior to construction.

Also contrary to Mr. Briggs' assertion, Mitigation Measure BR-2 does not impermissibly defer mitigation. Under Mitigation Measure BR-2, any burrowing owls found to be present on the site are to be "actively or passively relocated following CDFG approved protocols, and with CDFG permission, prior to the commencement of clearing." This is not the same as solely "[r]equiring regulatory compliance," as the mitigatory actions to be taken (i.e., active or passive relocation) are explicitly listed as being required if owl burrows are found. Hence, Mr. Briggs' comment that analysis and mitigation has been deferred is not correct. However, to further clarify the requirements of the cited Protocol, Mitigation Measure BR-2 shall be revised as follows:

BR-2 Within 30 days of site clearing activities, a pre-construction burrowing owl survey shall be conducted to document the presence/absence of any occupied owl burrows. Any owls present shall be passively or actively relocated following CDFG approved protocols, and with CDFG permission, prior to commencement of clearing. Passive relocation shall occur by excluding owls from burrows by installing one-way doors in burrow entrances. One-way doors (e.g., modified dryer vents) should be left in place 48 hours to insure owls have left the burrow before excavation. Whenever possible, burrows should be excavated

using hand tool and refilled to prevent reoccupation. Active relocation (i.e., trapping) shall only be used if passive relocation is not possible. The survey shall be submitted to the Planning Division prior to issuance of a grading permit. Occupied burrows during owl nesting season (Feb. 1 through Aug. 31) shall be avoided by construction and clearing activities with at least a 75-meter buffer around each active owl nest. Occupied burrows may only be disturbed during nesting season if a qualified biologist approved by CDFG verifies through noninvasive methods that either: (1) the birds have not begun egg-laying and incubation; or (2) that juveniles from the occupied burrows are foraging independently and are capable of independent survival.

It should be noted that these revisions are intended to give more detail regarding how passive relocation will occur and how occupied burrows with nesting owls will be treated. Such revisions would not require recirculation of the MND because these revisions result in a mitigation measure that is “equivalent or more effective” as compared to the original Mitigation Measure BR-2 with regard to mitigating impacts to the owl.

In regard to the Delhi sands flower-loving fly (DSFLF), as discussed in the MND’s Environmental Evaluation (page 4-31), and documented in MND Appendix B, the current, revised Specific Plan area was, in its entirety, previously surveyed to determine the absence of the DSFLF. As discussed in the MND, focused DSFLF surveys were conducted according to USFWS protocol for five consecutive years (2004, 2005, 2006, 2007, and 2008), during the summer flight period. Survey Reports for each year were prepared by biologist Brian Drake, who conducted each survey under USFWS Permit TE-006328. Each report indicates that no DSFLF were observed onsite.

As a point of clarification, the MND reviewed by Mr. Briggs was prepared prior to the recent revision of the Tuscana Village Specific Plan. The Specific Plan area currently totals 20 acres, and includes only the southernmost portion of the area assessed within the MND. The northernmost parcels, previously identified as the Riboli and Galleano properties, are no longer part of the Tuscana Village Specific Plan. MND mitigation measure BR-3 was intended to ensure that the northerly parcels assessed within the MND project area undergo the recommended evaluation of habitat suitability for the DSFLF prior to their development. This measure is not applicable to the current, revised Specific Plan area, since focused, protocol surveys have been completed for this 20-acre area.

Contrary to Mr. Briggs’ claims, the mitigation provided in the Tuscana Village Specific Plan MND adequately and appropriately documents the potential for sensitive biological species to occur on the Project site, and ensures that appropriate and timely protections will be implemented. The results and conclusions of the MND are not affected.

Briggs Comment 4: The MND is the wrong environmental document under CEQA. For instance, the initial study indicates that construction-related VOC emissions will exceed the SCAQMD’s threshold and will therefore be significant, but then the initial study states that the impact will only be temporary. Because the region is already exceeding air-quality standards for

VOCs, the project's contribution constitutes a cumulative impact that triggers a mandatory finding of significance. Another example is the initial study's statement that the project's long-term operation impacts on air pollution--namely, VOCs, NOx, and PM10--will exceed SCAQMD's thresholds and will therefore be significant. It makes zero legal difference that The Ontario Plan's EIR includes a statement of over-riding considerations. The adverse environmental impacts of the project before the City Council were not specifically considered previously in the EIR or in the statement of overriding considerations.”

Response to Briggs Comment 4: Despite Mr. Briggs’ assertions in regard to the requirements of the California Environmental Quality Act, CEQA does not require that an EIR be prepared for a project with significant impacts, provided that such significant impacts have been previously addressed within an encompassing certified EIR. In this regard, preparation of an MND for the Project is consistent with and supports CEQA provisions outlined at CEQA Guidelines §15183, excerpted below in pertinent part:

15183 (a): CEQA mandates that projects which are consistent with the development density established by existing zoning, community plan, or general plan policies for which an EIR was certified shall not require additional environmental review, except as might be necessary to examine whether there are project-specific significant effects which are peculiar to the project or its site.

15183 (c): If an impact is not peculiar to the parcel or to the project, has been addressed as a significant effect in the prior EIR, or can be substantially mitigated by the imposition of uniformly applied development policies or standards, as contemplated by subdivision (e) below, then an additional EIR need not be prepared for the project solely on the basis of that impact.

In this case, the Project development intensity is consistent with the development density established by the City of Ontario General Plan (TOP), and the significance implications of the Project’s air quality impacts (inclusive of its VOC, NOx and PM₁₀ emissions impacts) have been previously and adequately addressed within the TOP EIR (SCH No. 2008101140) and related statements of overriding considerations adopted by the City of Ontario.

Actually, the Project would result in substantially reduced development intensity of the subject property and likely reduced environmental effects, when compared to development intensities allowed under TOP and environmental effects reflected in the TOP EIR. The Project proposes up to 210,830 square feet of commercial development and up to 200 residential units within the 20-acre Tuscana Village Specific Plan Area, resulting in an estimated maximum floor-to-area ratio (FAR) of 0.55.¹ In contrast, the

¹ The Project provides for up to 210,830 s.f. of commercial/retail development, and up to 200 residential units ranging in floor area from 780 s.f. to 1,335 s.f. each. Assuming the total allowance of 200 residential units are constructed at the maximum allowable unit area (1,335 s.f./unit), full buildout of the 20-acre Project area would yield 210,830 s.f. commercial/retail development + 200 residential units x 1,335 s.f./ unit = 477,830 s.f./20 acres = 0.548 FAR.

General Plan “Mixed Use Area 12,” encompassing the Project site allows for FARs of up to 1.0, and is assumed to be developed accordingly within the Ontario Plan EIR.

On a proportional basis, the Project yields a 45 percent reduction in development intensity when compared to allowed buildout of the Project site pursuant to the adopted TOP. Certain incrementally reduced impacts would also likely occur when compared to impacts identified in the Ontario Plan EIR. While a straight-line 45 percent proportional reduction in air quality impacts would not be expected, there would be likely reductions in total air quality impacts resulting from the Project when compared to air quality impacts predicated on maximum intensity buildout scenarios reflected in the Ontario Plan EIR.

It is further noted that consistent with CEQA’s intent to minimize potential environmental effects of projects, the MND proposes air quality mitigation measures (inclusive of all applicable mitigation measures incorporated in the Ontario Plan EIR), and incorporates all applicable development policies or standards acting to reduce all Project air quality impacts to the extent feasible. (*See*: MND Pages 4-8 through 4-23; MND Appendix A, Air Quality Impact Analysis, GHG Analysis; and Mitigation Measures AQ-1 through AQ-3; GG-1 through GG-3.)

Lastly, it is recognized that preparation of an MND for the Project is consistent with the City’s “Local Guidelines for the Implementation of the California Environmental Quality Act (CEQA)” which provide for the use a single environmental assessment (in this case, the Ontario Plan EIR) in situations where the impacts of subsequent projects are adequately analyzed.

On this basis, the Tuscana Village Specific Plan Project MND provides substantial evidence to support that:

- The Tuscana Village Specific Plan Project is consistent with the Ontario Plan for which the Certified Ontario Plan EIR was prepared;
- The Tuscana Village Specific Plan Project is consistent with the general plan and zoning of the City of Ontario; and
- The Tuscana Village Specific Plan Project, as mitigated, will not result in any significant effects which were not examined in the previously Certified Ontario Plan EIR.

The MND’s conclusion that the Project will result in certain significant air quality impacts, which impacts have already been considered and addressed under the Certified City of Ontario General Plan EIR, does not trigger the requirement for a new EIR. The Project MND correctly relies on the previously Certified Ontario Plan EIR where appropriate, while accurately focusing on new potential impacts particular to the Project under consideration.

Briggs Comment 5: The analysis of the project's air-quality impacts on sensitive receptors is unlawful. The only air pollutant considered was CO, but the project will result in the emission of several other pollutants (some of which will be emitted at a significant level). There are residences that are part of the project and that will be surrounded on the east and to the north by commercial activities (including pollution-belching vehicles), and those impacts also have not been considered for the sensitive receptors. Since the residences will be part of phase 1 of the project, the residents will have to endure the impacts of construction-related air-pollution impacts during phase 2, even though the initial study concludes that such pollution will be significant. None of these impacts has been adequately analyzed and mitigated. All of these impacts have been found to be significant in other project-specific environmental documents, such as the most recent EIR prepared for the Ontario Walmart Supercenter at Fifth and Mountain.

Response to Briggs Comment 5: Absent any supporting evidence or analysis, Mr. Briggs speculates on potential localized air quality impacts of the Project. Pursuant to California Public Resources Code (PRC) Section 21080, subd. (e), below, the commenter's statements alone are not considered substantial evidence that the Project may result in significant localized air quality impacts.

e) (1): For the purposes of this section and this division, substantial evidence includes fact, a reasonable assumption predicated upon fact, or expert opinion supported by fact.

e) (2): Substantial evidence is not argument, speculation, unsubstantiated opinion or narrative, evidence that is clearly inaccurate or erroneous, or evidence of social or economic impacts that do not contribute to, or are not caused by, physical impacts on the environment.

Mr. Briggs' statements regarding the Ontario Walmart Supercenter EIR may be informative regarding that project, but are not considered germane to the Tuscana Village Specific Plan Project as the nature of the two projects is different. There is no demonstrated or substantiated evidence of significant localized air pollutant emissions impacts should the Project be implemented. Absent substantiation, the commenter's statements in these regards (as well as other opinions provided) are considered speculative.

Moreover, and consistent with SCAQMD *Final Localized Significance Threshold Methodology* (Methodology) (SCAQMD, June 2003), the MND does in fact provide an evaluation of the Project's potential localized air pollutant emissions impacts. (See: MND Pages 4-15 through 4-17; 4-22; and MND Appendix A, Air Quality Analysis, Pages 50 through 53). As concluded therein, even at the nearest sensitive receptor (inclusive of potential future residential uses) the Project would not generate air pollutant emission concentrations exceeding applicable SCAQMD localized Significance Thresholds (LSTs). It is also noted that, contrary to the commenter's inferences, an exceedance of a regional threshold does not translate to an exceedance of a localized threshold. Methodologies, modeling protocols, and significance thresholds for localized and regional pollutants are distinct and independent: localized thresholds are more directly

related to affects on human health, whereas regional thresholds are related to consistency with the Air Quality Management Plan's long-term efforts to improve regional air quality.

Briggs Comment 6: The MND and initial study say nothing about the air-quality impacts from diesel emissions and particulate. Diesel particulate is a toxic air pollutant. The analysis from the Supercenter's EIR provides that this pollutant needs to be properly addressed in an environmental impact report for this project.

Response to Briggs Comment 6: The Project MND and supporting Initial Study correctly and appropriately focus on potentially significant environmental impacts germane to the Project in question. There is no evidence or supporting information to suggest that the Project would result in or cause potentially significant impacts related to diesel emissions or diesel particulate matter. See also the previous citation to PRC Section 21080, subd. (e) regarding speculation vis-à-vis substantiated evidence.

As previously noted, Mr. Briggs' statements regarding the Ontario Walmart Supercenter EIR are not considered germane to the Tuscana Village Specific Plan Project as they are different projects. Moreover, even though a diesel risk analysis may have been performed for the Ontario Walmart project, arguably even that analysis was unwarranted.² In this regard, direction provided by the SCAQMD indicates that diesel and diesel particulate matter (DPM) risk analyses are likely appropriate for projects generating or attracting substantial concentrated volumes of diesel-emitting sources. Such projects typically include truck stops, distribution warehouses, transit centers, ship hoteling at ports, or train stations. In comparison, the nominal diesel emissions that may result from mixed-use commercial/residential projects such as the Tuscana Village Specific Plan Project (or, for that matter, from the commercial/retail Ontario Walmart Supercenter project) make them unlikely candidates for substantial DPM-source health risks.

Further, the risks associated with diesel particulate matter from all sources have been decreasing steadily over the past years and are expected to further decline as cleaner fuel programs and cleaner diesel fleets come on line. For example, the State is currently implementing comprehensive diesel fleet modernization regulatory programs. Over the past few years, CARB has adopted increasingly stringent regulations applicable to diesel trucks. Examples of such regulations adopted since 2003 include: required use of ultra-low sulfur diesel fuel (2003); heavy-duty truck idling limited to five minutes (2004); adoption of stringent emissions standards for 2010 and subsequent model year heavy-duty diesel engines (2005); new heavy-duty trucks required to be equipped with an automatic engine shutoff device to limit idling time (2005); manufacturers of diesel engines used in medium and heavy-duty trucks required to perform emissions testing (2006); limitations on use of older trucks at ports (2007).

² Even assuming 24-hour per day, 365 days/year, 70-year exposure, the maximum incremental cancer risk resulting from the Ontario Walmart Supercenter Project was estimated at 0.44 persons/million population. (See: *Ontario Wal-Mart [Walmart] Supercenter Subsequent Environmental Impact Report*, SCH 2006101132, Page 4.5-20.) The relevant SCAQMD cancer risk threshold is 10.0 persons /million population.

In December 2008, CARB adopted two new regulations applicable to heavy duty trucks. The first requires all heavy-duty trucks to have a 2010 model year engine or equivalent by 2023. The regulation includes a schedule by which all vehicles are required to be upgraded and/or replaced, e.g., pre-1994 vehicles are required to install a particulate matter (PM) filter by 2011 and be replaced by 2015, while 2009 vehicles are not required to be replaced until 2023. The regulation also includes a separate compliance option which allows trucking companies to upgrade/replace a certain percentage of their fleet each year; although it also requires that all trucks have the equivalent of a 2010 engine by 2023.

The other December 2008 regulation is designed to improve the fuel efficiency of trucks that pull 53-foot or longer box-type trailers, and requires improvements in tractor and trailer aerodynamics, as well as the use of low rolling resistance tires. Unlike most previous diesel truck regulations adopted by CARB, which were focused on reducing PM and oxides of nitrogen (NOx) emissions, the primary purpose of this regulation was to reduce greenhouse gas (GHG) emissions. In fact, such regulation, which will be phased in beginning in 2010, is known as the “Heavy-Duty Vehicle Greenhouse Gas Measure,” and was identified in the Climate Change Scoping Plan approved by the California Air Resources Board (CARB) in December 2008 as one of the measures which will help the state achieve the GHG emission targets set by AB 32. (CARB Scoping Plan, pp. 53-54.) Given ongoing and increasing generalized concerns regarding air pollutants within the Basin, and specific concerns regarding DPM emissions, further and more stringent CARB regulatory actions are anticipated.

Moreover, as noted above, CARB has only recently begun targeting diesel trucks as a source of GHG emissions (rather than as a source of PM and NOx emissions), and it is likely future CARB regulations will specifically address GHG emissions. Indeed, the Climate Change Scoping Plan approved by CARB calls for further regulation of trucks to achieve greater fuel efficiency, including the adoption of a regulation requiring the “hybridization of medium- and heavy-duty vehicles,” in order to achieve greater fuel efficiency. (CARB Scoping Plan, pp. 53-54.)

While CARB has yet to document or propose specific “hybridization” regulation(s), notwithstanding, the Scoping Plan notes that “[h]ybrid trucks would likely achieve the greatest benefits in urban, stop-and-go applications, such as parcel delivery, utility services, transit, and other vocational work trucks.” (CARB Scoping Plan, p. 54.) These are likely sources of potential Project-related diesel emissions. Likewise, a presentation given by CARB staff at a May 21, 2009 public workshop to discuss freight efficiency measures suggested that it will apply to “trucks that benefit the most from hybrid technology,” such as “garbage trucks, utility trucks, delivery trucks,” etc. In summary, to date, CARB’s regulatory actions and stance indicate an on-going regulatory focus on reducing freight-related GHG emissions by requiring ever more efficient trucks and/or less carbon-intensive fuels. These regulatory actions would only act to further reduce any nominal diesel emissions impacts that may result from the Tuscana Village Specific Plan Project.

As indicated by the above discussions, preparation of a diesel emissions health risk assessment for the Tuscana Village Specific Plan Project is not only unwarranted, such an assessment would only add to the time and cost of analyses while distracting from, and diminishing focus on, potentially significant environmental issues. This is contrary to the purpose, use and application of environmental analyses stated at PRC §21002.1 (e), excerpted below:

(e): To provide more meaningful public disclosure, reduce the time and cost required to prepare an environmental impact report, and focus on potentially significant effects on the environment of a proposed project, lead agencies shall, in accordance with Section 21100, focus the discussion in the environmental impact report on those potential effects on the environment of a proposed project which the lead agency has determined are or may be significant. Lead agencies may limit discussion on other effects to a brief explanation as to why those effects are not potentially significant.

Lastly, it is noted that, as provided under CEQA Guidelines Section 15204 (a) . . . "CEQA does not require a lead agency to conduct every test or perform all research, study, and experiment recommended or demanded by commenters." The Lead Agency considers the MND analysis of potential air quality impacts to be adequate and appropriate and substantiated by facts and evidence. A Project diesel health risk assessment is not warranted or required.

Briggs Comment 6(a): The City's public hearing notice does not include the statements required by State CEQA Guidelines sections 15168(e)(1) and (2).

Response to Briggs Comment 6(a): Such a statement is not required as the City is not relying upon the TOP EIR via the streamlining provisions of State CEQA Guidelines section 15168. Rather, the City makes reference to the TOP EIR via section 15183, and thereby establishing that the further consideration of various significant impacts from that EIR is not needed in connection with the Project. See Response to Briggs Comment 4, above.

Briggs Comment 7: The City has not prepared an adequate water supply assessment ('WSA') for the project under Water Code Section 10910 et seq.

Response to Briggs Comment 7: The Tuscana Village Specific Plan MND identifies the requirements for the preparation of a WSA on pages 4-116 to 4-117. The following text is excerpted from the MND:

Under State regulations (SB 610, adopted in 2002), a Water Supply Assessment (WSA) is required for the Project. More specifically, SB 610 amended the California Public Resources Code to incorporate Water Code findings within the CEQA process for certain types of projects. SB 610 amended the Water Code to broaden the types of information included in Urban Water Management Plans (Water Code Section 10620 et seq.) and to add Water Code part 2.10 Water Supply Planning to Support Existing

and Planned Future Uses (Section 10910 *et seq.*). Water Code part 2.10 clarifies the roles and responsibilities of the Lead Agency under CEQA and the “water supplier” with respect to describing current and future supplies compared to current and future demands. Part 2.10 also defines the “Projects” that are subject to a WSA and the Lead Agency’s responsibilities related to the WSA. A WSA is required for the following types of development projects:

- A proposed residential development of more than 500 dwelling units;
- A proposed shopping center or business establishment employing more than 1,000 people or having more than 500,000 square feet of floor space;
- A proposed commercial office building employing more than 1,000 people or having more than 250,000 square feet of floor space;
- A proposed hotel or motel, or both, having more than 500 rooms;
- A proposed industrial, manufacturing, or processing plant, or industrial park planned to house more than 1,000 people, occupying more than 40 acres of land, or having more than 650,000 square feet of floor area;
- A mixed - use development that includes one or more of the uses described above;
- A development that would demand an amount of water equivalent to or greater than the amount of water required by a 500 - dwelling unit project; or
- For Lead Agencies with fewer than 5,000 water service connections, any new development that will increase the number of water service connections in the service area by ten percent or more.

The MND further notes (on page 4-118) that “[t]he City, as the lead agency and the local water purveyor, has contracted for the preparation of the WSA. This document will be available for public review prior to, or concurrent with, the public hearing process.” However, prior to the completion of the referenced WSA, the applicant requested a revision to the Tuscana Village Specific Plan which reduced the size of the project area by over fifty percent.

As indicated in the Tuscana Village Specific Plan Table 4.1, “Land Use Summary,” the proposed land uses under the revised Specific Plan include up to 200 residential units on 7.9 acres, and up to 210,830 square feet of commercial development on 12.1 acres. By way of comparison, the MND assessed land uses that included the same residential development, but anticipated up to 948,731 square feet of commercial and business park uses on approximately 36 acres (Table 2.5-1, “Land Use Summary,” *Tuscana Village Specific Plan Mitigated Negative Declaration*, October 2011).

Using the same criteria identified in the MND (provided by Water Code Section 10910 *et seq.*), the following table summarizes the application of these criteria to the revised Specific Plan project.

Criteria	Applicability Assessment
A proposed residential development of more than 500 dwelling units.	<i>Not applicable.</i> The Tuscana Village Specific Plan proposes up to 200 residential dwelling units.
A proposed shopping center or business establishment employing more than 1,000 people or having more than 500,000 square feet of floor space.	<i>Not applicable.</i> The Tuscana Village Specific Plan proposes up to 210,830 square feet of commercial uses, and is estimated to employ approximately 600 people. ¹
A proposed commercial office building employing more than 1,000 people or having more than 250,000 square feet of floor space.	<i>Not applicable.</i> The Tuscana Village Specific Plan proposes up to 210,830 square feet of commercial uses, of which a maximum of approximately 171,680 square feet could be developed as office uses. ²
A proposed hotel or motel, or both, having more than 500 rooms.	<i>Not applicable.</i> Although hotels and motels are conditionally permitted as part of the Tuscana Village Specific Plan, no hotel or motel uses have been proposed or approved as part of the Project.
A proposed industrial, manufacturing, or processing plant, or industrial park planned to house more than 1,000 people, occupying more than 40 acres of land, or having more than 650,000 square feet of floor area.	<i>Not applicable.</i> Industrial uses are not included as permitted or conditionally permitted uses within the Tuscana Village Specific Plan.
A mixed - use development that includes one or more of the uses described above.	<i>Not applicable.</i> Based on buildout square footage and residential dwelling unit counts, the Tuscana Village Specific Plan project does not meet the criteria for residential, commercial, office, or industrial uses identified above. A mix of land uses involving smaller multipliers would similarly not exceed these criteria.

A development that would demand an amount of water equivalent to or greater than the amount of water required by a 500 - dwelling unit project.	<i>Not applicable.</i> California Department of Water Resources (DWR) guidelines indicate that a minimum of 133,911 gallons per day (gpd) of water would be required by a 500-dwelling unit project. ³ In comparison, the Tuscana Village Specific Plan project can be expected to demand approximately 75,693 gpd of municipal water at buildout. ⁴ Using the DWR guidelines, this amount of water would support the development of up to 282 dwelling units.
For Lead Agencies with fewer than 5,000 water service connections, any new development that will increase the number of water service connections in the service area by ten percent or more.	<i>Not applicable.</i> The City of Ontario's 2011 Urban Water Management Plan indicates that the City had more than 33,000 metered water service accounts in 2010.

Notes:

¹ Based on the highest-generating standard of 2.86 employees per 1,000 square feet, provided in the City of Ontario *Urban Water Management Plan* (Ontario Municipal Utilities Company, June 2011).

² Based on the Tuscana Village Specific Plan Table 4-2, "Commercial Property – Interim and Final Buildout Land Uses"

³ The guidelines note that "it is generally acknowledged that one acre-foot of water [325,851 gallons] can serve two to three households on an annual basis; therefore, one dwelling unit typically consumes 0.3 to 0.5 acre-feet of water per year, depending upon several factors, including the regional climate." (Page 3, California Department of Water Resources. Guidebook for Implementation of Senate Bill 610 and Senate Bill 221 of 2001, www.water.ca.gov/pubs/use/sb_610...guidebook/guidebook.pdf).

⁴ Based on water demand projections for General Commercial and High-Density Residential land uses included in Table 3-9 of the City of Ontario *Water and Recycled Water Master Plan* (Final Report, April 2006).

As seen in the preceding table, none of the criteria of Water Code Section 10910 *et seq.* are applicable to the current Tuscana Village Specific Plan. On this basis, the City is not required to prepare a WSA for the Project, nor is there a need to circulate a WSA as part of the Project's environmental review. The results and conclusions of the MND are not affected.

CITY OF ONTARIO

Agenda Report
May 15, 2012

SECTION:
PUBLIC HEARINGS

SUBJECT: AN ORDINANCE RELATED TO A DEVELOPMENT AGREEMENT (FILE NO. PDA11-001) BETWEEN PANAYIOTIS AND ANDRIANA KATELARIS AND THE CITY OF ONTARIO TO ESTABLISH THE TERMS AND CONDITIONS FOR COMMERCIAL AND RESIDENTIAL DEVELOPMENT OF 20 ACRES WITHIN THE TUSCANA VILLAGE SPECIFIC PLAN


RECOMMENDATION: That the City Council introduce and waive further reading of an ordinance approving a Development Agreement (PDA11-001) between Panayiotis and Andriana Katelaris and the City of Ontario regarding the development of 20 acres within the Tuscana Village Specific Plan, generally located at the northwest corner of Milliken Avenue and Riverside Drive (APN: 218-091-09).

COUNCIL GOALS: Develop Strategies and Take Actions, Including Regaining Local Control of the Ontario International Airport, to Minimize the Negative Impacts of the Global Financial
Maintain the Current High Level of Public Safety
Operate in a Businesslike Manner

FISCAL IMPACT: The proposed Development Agreement will provide for the formation of a Community Facilities District to provide funding for additional City services (landscape maintenance, street lights) required to support the Tuscana Village Specific Plan development, thereby mitigating the increased cost associated with such services.

BACKGROUND: On March 27, 2012, the Planning Commission reviewed the proposed Development Agreement ("Agreement") and unanimously recommended it to the City Council for approval. The Agreement applies to 20 acres of land generally located north of Riverside Drive and west of Milliken Avenue. Approval of this Agreement will grant Panayiotis and Andriana Katelaris ("Owner") a vested right to develop the project as long as they comply with the terms and conditions of the Tuscana Village Specific Plan and Mitigated Negative Declaration.

STAFF MEMBER PRESENTING: Jerry L. Blum, Planning Director

Prepared by: Scott Murphy
Department: Planning
City Manager Approval: 

Submitted to Council/O.H.A. 05/15/2012
Approved: _____
Continued to: _____
Denied: _____

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The proposed Agreement applies to the 20 acres of commercial and residential development as shown in Planning Commission Staff Report as Exhibit A – Specific Plan Map. The Agreement grants to the Owner certain rights to develop their project consistent with the Tuscana Village Specific Plan.

The Agreement also funds all additional City expenses created by the introduction of residential development. These expenses include operational costs related to project related City services, including, but not limited to, maintenance of median and neighborhood edge landscaping, and street light maintenance.

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.
Phasing of Public Improvements:	Identifies the construction timing of various public improvements
Reimbursements:	Provides for reimbursement for the cost of installing infrastructure over-sized to serve other properties. Provides the conditions under which reimbursement will be calculated.
Compliance:	Owner will submit an annual monitoring report which the City will review for compliance. 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.
Termination:	The City may terminate the Agreement if substantial evidence is found of noncompliance.

The Planning Commission considered the application at their meeting of March 27, 2012. At that time, the adjacent property owner raised concerns about the timing, extent and methodology of the reimbursement agreement. Staff addressed many of the questions asked but noted that further discussions could occur with the property owner prior to the City Council meeting. The Planning Commission unanimously approved the application and directed staff to continue working with the adjacent property owners on the Development Agreement language prior to the Council hearing. Staff has been in contact with the property owner and their representatives and believes that the issues have been addressed.

ENVIRONMENTAL REVIEW: The application was reviewed pursuant to the California Environmental Quality Act (Public Resources Code Section 21000 et seq.) ("CEQA") and an initial study has been prepared for the Tuscana Village Specific Plan to determine possible environmental impacts. On the basis of the initial study, which indicated that all potential environmental impacts from the Project were less than significant or could be mitigated to a level of insignificance, a Mitigated Negative Declaration was prepared pursuant to CEQA, the State CEQA Guidelines and

the City of Ontario Local CEQA Guidelines. The application is deemed consistent with the Tuscana Village Specific Plan and Mitigated Negative Declaration and introduces no new significant environmental impacts and was adopted under separate Resolution.