



City of Ontario, California

**AB 1600 DEVELOPMENT IMPACT FEE ANNUAL REPORT
For Fiscal Year Ended June 30, 2023**

Prepared By:

Development Administration Department of
Community Development Agency

CITY OF ONTARIO

**AB 1600 DEVELOPMENT IMPACT FEE ANNUAL
REPORT FOR FISCAL YEAR ENDED JUNE 30, 2023**

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CITY OF ONTARIO

AB 1600 DEVELOPMENT IMPACT FEE ANNUAL REPORT – INTRODUCTION JUNE 30, 2023 (UNAUDITED)

On July 1, 2003, the City Council adopted Ordinance Nos. 2779 and 2780 approving the collection of Development Impact Fees (DIF) in the City of Ontario to mitigate the impacts of future development. In accordance with the provisions of Ordinance Nos. 2779 and 2780, the City began collecting DIF on September 1, 2003. Pursuant to Ordinance 2779, the impact fees have been updated periodically since that time by the Resolutions of the City Council. The Development Impact Fee schedule authorized by the City Council occurred on September 17, 2019, by Resolution No. 2019-135 for fees collected from July 1, 2022 – December 31, 2022, and updated on August 16, 2022, by Resolution No. 2022-133 for fees collected on January 1, 2023 – June 30, 2023 respectively. This update, as well as the previous update, incorporates the results of the City's 2021-2022 Water, Sewer, Storm Drain, and Circulation Master Plan updates, along with the land use assumptions underlying the City's most recently updated The Ontario Plan, adopted by the City Council in 2010.

California Government Code sections §66001 and §66006 require making available to the public certain Development Impact Fee information. The City of Ontario addresses these reporting requirements through an issuance of the AB 1600 Development Impact Fee Annual Report along with the release of periodic updates to the City's Development Impact Fee calculation and nexus schedules. The AB 1600 Development Impact Fee Annual Report for Fiscal Year Ended June 30, 2023 consists of three schedules. The first schedule reports each Development Impact Fee category's beginning and ending fund balances, its annual revenue and earnings, and its expenditures for the fiscal year. The second schedule provides a summary listing of Development Impact Fee expenditure amounts by individual public improvement project, and the third schedule provides the five-year fundings with regards to unexpended funds, whether committed or uncommitted, from FY 2018-2019 through FY 2022-2023. Currently all unexpended funds are committed to future projects which are detailed in the May 16, 2023 Master Facilities Plan. The most recently adopted update of the City's Development Impact Fee Calculation and Nexus Schedules - Development Impact Fee Calculation and Nexus Report (August 2022) - contains the amount and purpose of each Development Impact Fee, the public improvements the fees will fund, and the reasonable relationship between the fees and the purposes for which they are being assessed.

As a reference, the 2021-2022 Development Impact Fee Calculation & Nexus Report, and the 2021-2022 Master Facilities Plan, are made available for review and reference at the City's Records Management Department and on the City's website (<https://www.ontarioca.gov/government-departments-financial-services-development-impact-fees-dif/reports>).

CITY OF ONTARIO
AB 1600 DEVELOPMENT IMPACT FEE ANNUAL REPORT
PURSUANT TO GOVERNMENT CODE SECTION 66006
FOR FISCAL YEAR ENDED JUNE 30, 2023 (Unaudited)

Fund	Development Impact Fee Purpose	Fund Balance July 1, 2022	Revenues			DIF Refunds/ Reimbursements	Project Expenditures	Fund Balance June 30, 2023
			DIF Fees	Interest/ Gains/Losses	Other Sources/(Uses)			
2650	Park Land Acquisition and Facilities Development	41,678,364	18,336,118	663,518	-	758,668	10,183,858	49,735,474
4213	Law Enforcement Facilities, Vehicles and Equipment	2,000,191	865,645	23,333	-	(122)	8,654	2,880,638
4212	Refuse Collection Facilities and Equipment	7,705,764	1,527,067	(77,092)	-	375	330,210	8,825,155
4211	General Facilities, Vehicles and Equipment	6,798,294	966,745	115,142	-	1,580	-	7,878,600
4214	Library Facilities and Collection	9,725,767	1,867,294	154,395	-	224	-	11,747,232
4215	Public Use Facilities	10,473,388	2,267,411	162,443	-	(624)	-	12,903,866
4210	Aquatics Facilities	854,554	145,900	13,865	-	(18)	-	1,014,337
4216	NMC Open Space Land Acquisition	7,988,093	1,830,341	127,232	-	-	-	9,945,665
4317	OMC Regional Circulation (Streets, Bridges and Signals) System	6,659,093	1,681,826	98,961	-	480	-	8,439,399
4312	OMC Local Adjacent Circulation (Streets, Bridges and Signals) System	1,025,890	1,293,752	(14,507)	1,179,698 ¹	(55)	613,018	2,871,870
4316	OMC Regional Storm Drainage Collection Facilities	1,728,773	113,692	31,282	-	84	-	1,873,663
4313	OMC Local Adjacent Storm Drainage Collection Facilities	12,220,664	2,160,852	213,986	7,217 ²	1,598	807,317	13,793,804
4318	OMC Regional Water System	18,832,095	1,229,144	429,451	-	551,917	3,422,371	16,516,403
4314	OMC Local Adjacent Water System	3,237,040	446,798	55,984	-	-	-	3,739,822
4315	OMC Regional Sewer Collection System	2,946,107	42,897	56,084	-	160	-	3,044,928
4311	OMC Local Adjacent Sewer Collection System	4,722,542	378,748	94,310	-	-	548,078	4,647,522
4310	OMC Fire Facilities, Vehicles and Equipment	(2,084,692)	209,553	(37,270)	-	(412)	-	(1,911,998)
4419	NMC Regional Circulation (Streets, Bridges and Signals) System	6,341,695	5,936,338	93,412	-	2,126,831	1,701,283	8,543,332
4413	NMC Local Adjacent Circulation (Streets, Bridges and Signals) System	18,217,753	7,125,452	302,638	-	4,504,761	-	21,141,082
4418	NMC Regional Storm Drainage Collection Facilities	3,768,050	2,024,324	96,363	-	474,300	-	5,414,437
4414	NMC Local Adjacent Storm Drainage Collection Facilities	16,801,153	7,999,801	249,942	-	2,616,947	-	22,433,950
4420	NMC Regional Water System	8,868,139	6,162,846	143,851	6,046,531 ³	1,176,661	4,668,190	15,376,517
4415	NMC Local Adjacent Water System	23,123,087	3,935,082	308,813	5,362,018 ³	2,799,201	262,258	29,667,542
4417	NMC Regional Sewer Collection System	1,559,236	905,782	25,906	-	174	67,538	2,423,211
4412	NMC Local Adjacent Sewer Collection System	440,198	822,584	16,855	-	613,010	67,538	599,089
4416	NMC Regional Fiber Optic Telecommunication System	(11,453,161)	502,040	(188,334)	-	54,000	820,457	(12,013,913)
4411	NMC Local Adjacent Fiber Optic Telecommunication System	1,392,282	2,252,436	(1,404)	-	378,705	236,171	3,028,438
4410	NMC Fire Facilities, Vehicles and Equipment	3,938,654	407,164	92,746	-	95,986	1,063,980	3,278,598
		<u>\$ 209,509,011</u>	<u>\$73,437,631</u>	<u>\$ 3,251,903</u>	<u>\$ 12,595,465</u>	<u>\$ 16,154,430</u>	<u>\$ 24,800,919</u>	<u>\$ 257,838,662</u>

¹ Measure I reimbursement for Mountain & Holt Intersection Widen project.

² Reimbursement for Plan Specification & Estimate for San Antonio Ave Storm Drain

³ Ontario Ranch Phase II Water Improvement prepayment.

**CITY OF ONTARIO
DEVELOPMENT IMPACT FEE PROJECTS/EXPENDITURES
FISCAL YEAR ENDED JUNE 30, 2023 (Unaudited)**

City Project	DIF Project	Description	Annual Expenditure
PA1904	PK-001	Ontario Ranch Great Park	10,183,858
		Fund 2650 Subtotal	<u>10,183,858</u>
PF2302	LE-002	Renovate PD Training and Traffic Area	8,654
		Fund 4213 Subtotal	<u>8,654</u>
N/A	RS-002	Side Loader Collection Vehicle	330,210
		Fund 4212 Subtotal	<u>330,210</u>
ST1510	ST-036/ST-053	Mountain & Holt Intersection Widening	19,289
ST1511	ST-042/ST-053	Grove & Holt Intersect Widen	240,952
ST1914	ST-060	ATP Cycle 4 Pedestrian Improve	352,777
		Fund 4312 Subtotal	<u>613,018</u>
N/A	SD-075	Master Plan of Drainage	182,222
SM2101	SD-073/SD-086	San Antonio Ave Storm Drain	473,009
SM2301	SD-063	Fourth Street Storm Drain	152,086
		Fund 4313 Subtotal	<u>807,317</u>
WA1401	WT-004	San Antonio Ave 1212' PZ Phase 3	3,422,371
		Fund 4318 Subtotal	<u>3,422,371</u>
SE1701	SW-022	Archibald Ave Sewer Diversion	180,033
SE2302	SW-052	Piemonte Overlay Sewer Improvement	368,045
		Fund 4311 Subtotal	<u>548,078</u>
ST-1411	ST-106	SR60 at Archibald Interchange	1,701,283
		Fund 4419 Subtotal	<u>1,701,283</u>
WA9910	WT-002	New Well No. 43	2,710,880
WA1907	WT-032	Groundwater Wellhead Treatment	369,832
WA2004	WT-009/WT-010	Ontario Ranch Phase 2 Water Main Improvements	1,587,478
		Fund 4420 Subtotal	<u>4,668,190</u>
SE1801	SW-001	Payment to IEUA for Eastern Trunk Sewer ¹	67,538
		Fund 4417 Subtotal	<u>67,538</u>

**CITY OF ONTARIO
DEVELOPMENT IMPACT FEE PROJECTS/EXPENDITURES
FISCAL YEAR ENDED JUNE 30, 2023 (Unaudited)**

City Project	DIF Project	Description	Annual Expenditure
SE1801	SW-001	Payment to IEUA for Eastern Trunk Sewer ¹	67,538
		Fund 4412 Subtotal	<u>67,538</u>
WA2004	WT-009/WT-010	Ontario Ranch Phase 2 Water Main Improvements	262,258
		Fund 4415 Subtotal	<u>262,258</u>
MS-0205	FO-005	High-Speed Telecomm System-NMC	820,457
		Fund 4416 Subtotal	<u>820,457</u>
MS-0205	FO-005	High-Speed Telecomm System - NMC	236,171
		Fund 4411 Subtotal	<u>236,171</u>
PF2208	FS-003	Temporary Fire Station No. 11	1,024,637
PF2303	FS-003	Fire Station No. 11	363
PF0506	FS-001	Fire Station No. 9 Land Acquisition and Construction	38,979
		Fund 4410 Subtotal	<u>1,063,980</u>
Total			<u>24,800,919</u>

¹ Pursuant to Cooperative Agreement For The Sewer Conveyance Facilities Of The Eastern Trunk Sewer, Kimball Interceptor Sewer Extension, And RP-1 Outfall, Dated June 4, 2004.

CITY OF ONTARIO
FIVE-YEAR REVENUE TEST USING FIRST IN FIRST OUT METHOD
FISCAL YEAR ENDED JUNE 30, 2023 (Unaudited)

Fund	Development Impact Fee Purpose	Fund Balance	Project Expenditures					Total	Unexpended	
		June 30, 2018	2019	2020	2021	2022	2023		Funds (Note 1)	Note
2650	Park Land Acquisition and Facilities Development	5,434,737	-	8,365,863	5,368,994	5,033,109	10,183,858	28,951,824	-	
4213	Law Enforcement Facilities, Vehicles and Equipment	(458,646)	-	-	-	-	8,654	8,654	-	
4212	Refuse Collection Facilities and Equipment	3,632,305	-	93,130	136,914	81,022	330,210	641,275	2,991,030	2
4211	General Facilities, Vehicles and Equipment	3,331,809	-	-	-	-	-	-	3,331,809	3
4214	Library Facilities and Collection	3,985,005	-	-	-	-	-	-	3,985,005	4
4215	Public Use Facilities	5,132,345	-	1,299,998	-	-	-	1,299,998	3,832,348	5
4210	Aquatics Facilities	408,362	-	-	-	-	-	-	408,362	6
4216	NMC Open Space Land Acquisition	3,622,468	-	-	-	-	-	-	3,622,468	7
4317	OMC Regional Circulation (Streets, Bridges and Signals) System	4,464,139	475,531	730,998	641,231	485,390	-	2,333,150	2,130,988	8
4312	OMC Local Adjacent Circulation (Streets, Bridges and Signals) System	7,698,115	317,253	282,242	5,544,150	2,715,394	613,018	9,472,057	-	
4316	OMC Regional Storm Drainage Collection Facilities	1,413,066	-	-	-	-	-	-	1,413,066	9
4313	OMC Local Adjacent Storm Drainage Collection Facilities	17,435,332	2,595,509	2,564,236	3,015,406	-	807,317	8,982,468	8,452,864	10
4318	OMC Regional Water System	14,089,931	-	-	-	-	3,422,371	3,422,371	10,667,561	11
4314	OMC Local Adjacent Water System	1,498,234	247,427	-	-	-	-	247,427	1,250,806	12
4315	OMC Regional Sewer Collection System	2,546,394	-	-	-	-	-	-	2,546,394	13
4311	OMC Local Adjacent Sewer Collection System	4,211,131	-	-	105,675	225,065	548,078	878,818	3,332,313	14
4310	OMC Fire Facilities, Vehicles and Equipment	(142,232)	343,942	1,518,680	35,291	512,534	-	2,410,447	-	
4419	NMC Regional Circulation (Streets, Bridges and Signals) System	2,911,517	868,658	1,962,394	8,859,996	938,916	1,701,283	14,331,247	-	
4413	NMC Local Adjacent Circulation (Streets, Bridges and Signals) System	2,237,863	-	-	-	-	-	-	2,237,863	15
4418	NMC Regional Storm Drainage Collection Facilities	2,120,953	-	-	-	-	-	-	2,120,953	16
4414	NMC Local Adjacent Storm Drainage Collection Facilities	3,638,355	-	-	-	-	-	-	3,638,355	17
4420	NMC Regional Water System	(8,783,545)	-	9,878	294,176	972,142	4,668,190	5,944,386	-	
4415	NMC Local Adjacent Water System	15,751,800	-	484,614	531,678	552,339	262,258	1,830,888	13,920,911	18
4417	NMC Regional Sewer Collection System	440,861	288,203	285,981	144,772	368,813	67,538	1,155,307	-	
4412	NMC Local Adjacent Sewer Collection System	293,679	220,119	345,779	103,222	390,664	67,538	1,127,322	-	
4416	NMC Regional Fiber Optic Telecommunication System	(2,736,704)	895,273	478,342	287,458	306,529	820,457	2,788,059	-	
4411	NMC Local Adjacent Fiber Optic Telecommunication System	4,061,417	1,745,459	1,260,891	647,304	753,310	236,171	4,643,135	-	
4410	NMC Fire Facilities, Vehicles and Equipment	8,249,310	1,111,713	3,036,764	8,749,747	1,764,296	1,063,980	15,726,500	-	

Notes:

1. All unexpended funds indicate the amount being held beyond the five year limit as described by AB1600.
2. The unexpended Refuse Collection Facilities and Equipment funds will be expended on the Solid Waste projects detailed in the 2022 Master Facilities Plan on pages 401-408.
3. The unexpended General Facilities, Vehicles and Equipment funds will be expended on the General Facilities projects detailed in the 2022 Master Facilities Plan on pages 411-415.

CITY OF ONTARIO
FIVE-YEAR REVENUE TEST USING FIRST IN FIRST OUT METHOD
FISCAL YEAR ENDED JUNE 30, 2023 (Unaudited)

4. The unexpended Library Facilities and Collection funds will be expended on the Library projects detailed in the 2022 Master Facilities Plan on pages 418-419.
5. The unexpended Public Use Facilities funds will be expended on the Public Use Facilities projects detailed in the 2022 Master Facilities Plan on page 422.
6. The unexpended Aquatics Facilities funds will be expended on the Aquatics Centers projects detailed in the 2022 Master Facilities Plan on page 425.
7. The NMC Open Space Land Acquisition Development Impact Fee amount is based on a lawsuit settlement. The unexpended funds will be expended on one of the seven scenarios that were contemplated to determine the amount needed to be collected to meet the funding requirements of the settlement agreement. These scenarios are outlined in the 2022 Development Impact Fee Calculation and Nexus Report on pages 167-168.
8. The unexpended OMC Regional Circulation (Streets, Bridges and Signals) System funds will be expended on the General City Street Regional Circulation projects identified in the 2022 Development Impact Fee Calculation and Nexus Report on page 191 and detailed in the 2022 Master Facilities Plan on pages 59-189.
9. The unexpended OMC Regional Storm Drainage Facilities funds will be expended on the General City Regional Storm Drainage projects identified in the 2022 Development Impact Fee Calculation and Nexus Report on page 193 and detailed in the 2022 Master Facilities Plan on pages 196-300.
10. The unexpended OMC Local Storm Drainage Facilities funds will be expended on the General City Local Storm Drainage projects detailed in the 2022 Master Facilities Plan on pages 196-300.
11. The unexpended OMC Regional Water System funds will be expended on the General City Regional Water projects identified in the 2022 Development Impact Fee Calculation and Nexus Report on page 195 and detailed in the 2022 Master Facilities Plan on pages 305-342.
12. The unexpended OMC Local Adjacent Water System funds will be expended on the General City Local Adjacent Water projects detailed in the 2022 Master Facilities Plan on pages 305-342.
13. The unexpended OMC Regional Sewer Collection System funds will be expended on the General City Regional Sewer projects identified in the 2022 Development Impact Fee Calculation and Nexus Report on page 197 and detailed in the 2022 Master Facilities Plan on pages 347-398.
14. The unexpended OMC Local Sewer Collection System funds will be expended on the General City Local Sewer projects identified detailed in the 2022 Master Facilities Plan on pages 347-398.
15. The unexpended NMC Local Adjacent Circulation (Streets, Bridges and Signals) System funds will be expended on the Local Adjacent Ontario Ranch Street projects detailed in the 2022 Master Facilities Plan on pages 59-189.
16. The unexpended NMC Regional Storm Drainage System funds will be expended on the Ontario Ranch Regional Storm Drainage projects identified in the 2022 Development Impact Fee Calculation and Nexus Report on page 201 and detailed in the 2022 Master Facilities Plan on pages 196-300.
17. The unexpended NMC Local Adjacent Storm Drainage System funds will be expended on the Local Adjacent Ontario Ranch Storm Drainage projects detailed in the 2022 Master Facilities Plan on pages 196-300.
18. The unexpended NMC Local Adjacent Water System funds will be expended on the Ontario Ranch Local Adjacent Water projects detailed in the 2022 Master Facilities Plan on pages 305-342.