CITY OF ONTARIO

Regular City Council/Housing Authority Meeting
DECEMBER 17, 2024

City Hall
303 East B Street, Ontario, CA 91764

MAYOR PAUL S. LEON • MAYOR PRO TEM DEBRA PORADA
COUNCIL MEMBERS ALAN D. WAPNER, JIM W. BOWMAN AND DAISY MACIAS

CITY CLERK SHEILA MAUTZ • TREASURER JAMES R. MILHISER
CITY MANAGER SCOTT OCHOA • CITY ATTORNEY RUBEN DURAN

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 in person 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. To comment by email, submit your comments no later than 4:00 p.m. on the day of the meeting by emailing your name, agenda item you are commenting on and your comments to publiccomments@ontarioca.gov. All comments received by the deadline will be forwarded to the City Council for consideration before action is taken on the matter and will be entered into the record.

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 the chamber will not permitted. All those wishing to speak including Council and Staff need to be recognized by the Chair before speaking.

ACCOMMODATIONS

If you need special assistance or accommodations to participate in this meeting, please contact the City Clerk's office at 909-395-2009. Notification of 48 hours prior to the meeting will help the City make reasonable arrangements. Equipment for the hearing impaired is available in the Records Management Office.

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.

CALL TO ORDER *(OPEN SESSION)*

ROLL CALL

Porada, Wapner, Bowman, Macias, Mayor/Chairman Leon

CLOSED SESSION PUBLIC COMMENT

The Closed Session Public Comment portion of the Council/Housing Authority meeting is 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 54956.9(d)(1), CONFERENCE WITH LEGAL COUNSEL, EXISTING LITIGATION
Ruben Valencia v. City of Ontario, Case No. CIVSB2302751

GC 54956.8, CONFERENCE WITH REAL PROPERTY NEGOTIATORS
Property: APN: 0110-321-29, 0110-321-74, 0110-321-75, 0110-321-76; 2350-2630 East Inland Empire Boulevard; City/Authority negotiator: Scott Ochoa or his designee; Negotiating parties: IKEA Property Inc; Under negotiation: Price and terms of payment.

ATTACHMENT: 20241217 Closed Session.docx

PLEDGE OF ALLEGIANCE

Mayor pro Tem Porada

INVOCATION

Bishop Scott Costello, Church of Jesus Christ of Latter-Day Saints

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. 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.

To comment by email, submit your comments by email no later than 4:00 p.m. on the day of the meeting by emailing your name, agenda item you are commenting on and your comment to publiccomments@ontarioca.gov. All Comments received by the deadline will be forwarded to the City Council for consideration before action is taken on the matter and entered into the record. 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.

INFORMATION RELATIVE TO POSSIBLE CONFLICT OF INTEREST

Agenda item contractors, subcontractors and agents may require member abstentions due to conflict of interests and financial interests. Council Member abstentions shall be stated under this item for recordation on the appropriate item.

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.

1. **APPROVAL OF MINUTES**

Minutes for the regular meetings of the City Council and Housing Authority of November 19, 2024, and approving same as on file in the Records Management Department.

ATTACHMENT: 20241119 Meeting Minutes (Not Official Until Approved)

2. **BILLS & PAYROLL**

Bills November 15, 2024 through November 27, 2024, and Payroll November 3, 2024 through November 16, 2024.

3. **ADOPTION OF ORDINANCE APPROVING A MILITARY EQUIPMENT USE POLICY PURSUANT TO GOVERNMENT CODE SECTIONS 7070, ET. SEQ.**

That the City Council adopt an Ordinance adopting a Military Equipment Use Policy.

AN ORDINANCE OF THE CITY COUNCIL OF THE CITY OF ONTARIO, CALIFORNIA, ADOPTING A MILITARY EQUIPMENT USE POLICY PURSUANT TO GOVERNMENT CODE §§ 7070, ET. SEQ.

ATTACHMENT: AB 481 Ordinance 01^ORD^RM
ATTACHMENT: Policy 708 Military Equipment.pdf
ATTACHMENT: OPD 481 DRAFT 2024.pdf

4. **DESIGNATION OF VOTING DELEGATE FOR THE WEST VALLEY MOSQUITO AND VECTOR CONTROL DISTRICT**

That the City Council appoint Mayor Leon to serve as a Board of Trustee on the West Valley Mosquito and Vector Control District for a two-year term.

5. **AN ORDINANCE ADOPTING AN AMENDMENT TO CHAPTER 14, TITLE 8 OF THE ONTARIO MUNICIPAL CODE TITLED HISTORIC BUILDING CODE, EXISTING BUILDING CODE AND REFERENCED STANDARDS ESTABLISHING SECTION 8-14.04 ALTERNATIVE BUILDING STANDARDS FOR ADAPTIVE REUSE PROJECTS**

That the City Council consider and adopt the Ordinance approving an amendment to Chapter 14, Title 8 of the Ontario Municipal Code establishing alternative building standards for adaptive reuse projects.

AN ORDINANCE OF THE CITY COUNCIL OF THE CITY OF ONTARIO, CALIFORNIA, AMENDING CHAPTER 14 OF TITLE 8 OF THE ONTARIO MUNICIPAL CODE, ADDING SECTION 8-14.04, ALTERNATIVE BUILDING STANDARDS FOR ADAPTIVE REUSE PROJECTS, AND MAKING FINDINGS IN SUPPORT THEREOF.

ATTACHMENT: 20241217 ARO BUILDING CODE ADOPTION 01^ORD^RM
ATTACHMENT: ARO Techincal Manual-Oct 3 2024 Final Draft Exhibit A.pdf
ATTACHMENT: AM&M Requests Ontario_Oct Final Draft.docx

6. **AN ORDINANCE AMENDING CHAPTER 3, TITLE 4, OF THE ONTARIO MUNICIPAL CODE**

RELATING TO THE CITY'S EMERGENCY ORGANIZATION

That the City Council adopt an ordinance amending Chapter 3, Title 4, of the Ontario Municipal Code related to the City' s Emergency Organization.

AN ORDINANCE OF THE CITY COUNCIL OF THE CITY OF ONTARIO, CALIFORNIA, AMENDING CHAPTER 3 OF TITLE 4 OF THE ONTARIO MUNICIPAL CODE RELATING TO EMERGENCY ORGANIZATION.

ATTACHMENT: Muni Code ORD^RM

7. UPDATED LEGISLATIVE PLATFORMS

That the Council approve the 2025-2026 State and Federal Legislative Platforms.

ATTACHMENT: 2025-2026 State Leg Platform.docx
ATTACHMENT: 2025-26 Federal Platform.docx

8. ACCEPTANCE OF SOLID WASTE INFRASTRUCTURE FOR RECYCLING GRANTS PROGRAM FUNDING FROM THE U.S. ENVIRONMENTAL PROTECTION AGENCY

That the City Council Authorize the City Manager, or his designee, to execute all documents necessary to accept grant award funds in the amount of $3,571,064 from the U.S. Environmental Protection Agency (EPA) for the Solid Waste Infrastructure for Recycling (SWIFR) Grants Program.

ATTACHMENT: 4Z-98T89101-0 City of Ontario - SWIFR Save our Seas - Award.pdf

9. AUTHORIZE THE PURCHASE AND INSTALLATION OF FURNITURE WITH INFO-COM BUSINESS PRODUCTS FOR FIRE STATION NO. 1

That the City Council take the following actions:

A. Authorize a cooperative purchase agreement for D&C21-001 New Fire Station No. 1 with Margaret C. Pett, Inc. DBA Info-Com Business Products (Info-Com), of Altadena, California, for the purchase and installation of furniture in the amount of $358,372, consistent with the terms and conditions of the National Cooperative Purchasing Alliance Contract Number 07-97; and
B. Authorize the City Manager, or his designee, to execute all documents required for the completion of the project including, but not limited to agreements, assessments, easements, reduction of retention accounts, contracts amendments within the authorization limits, and filing a notice of completion at the conclusion of all construction related activities.

ATTACHMENT: Indiana Furniture Omnia Contract.pdf
ATTACHMENT: Info-Com- Goods & Services Agreement.pdf

10. AWARD OF TWO CONSTRUCTION CONTRACTS IN CONNECTION WITH THE CONSTRUCTION OF THE ONTARIO PROFESSIONAL BASEBALL STADIUM

That the City Council take the following actions:

A. Authorize the City Manager or his designee to execute two (2) Construction Contracts to provide various construction services for Bid No. 1856 - D&C23-011 – Professional Baseball Stadium in the amount of $11,758,970 and authorize a combined contingency of $1,175,897 for a total not-to-exceed contract amount of $12,934,867,
    1. 02 – Concrete: Site – Bogh Construction LLC.: $5,178,000
    2. 06 – Finish Carpentry – K&Z Cabinet Co., Inc.: $6,580,970, and
B. Reject all bids received for Bid No. 1856 Ontario Ballpark Section 20 - Signage and authorize Staff to solicit new bids for these trades in relation to the Professional Baseball Stadium; and
C. Authorize the City Manager, or his designee, to execute all documents required for the completion of the project including, but not limited to, contracts, agreements, assessments, easements, reduction of retention accounts, and filing a notice of completion at the conclusion of all construction related activities.

ATTACHMENT: KZ Cabinet Co- Construction Contract.pdf
ATTACHMENT: Bogh Construction- Construction Contract.pdf

11. A CHANGE ORDER TO THE CONSTRUCTION CONTRACT WITH MC ELECTRIC FOR THE PARKS POLE REPLACEMENT PROJECT

That the City Council authorize the City Manager, or his designee, to authorize Change Order No. 2 to the Construction Contract with MC Electric, of Chino, California, in the amount of $77,944 for a total not-to-exceed contract amount of $1,093,586 for the Parks Pole Replacement Project.

ATTACHMENT: MC Electric- Change Order No. 2 Proposal.pdf
ATTACHMENT: MC Electric- Change Order No. 2.pdf

12. AN AMENDMENT TO THE PROFESSIONAL SERVICES AGREEMENT WITH TRANSTECH, INC. FOR ON-CALL CONSTRUCTION MANAGEMENT SERVICES

That the City Council authorize the City Manager or his designee to execute Amendment No. 5 to the on-call Professional Services Agreement with Transtech, Inc. (Transtech), of Chino, California, to provide the bridging document preparation and Construction Management for the D-Block Parking Structure in the amount of $1,361,750 for total not-to-exceed contract amount of $4,019,500.

ATTACHMENT: Transtech Engineers, Inc.- Amendment No. 5.pdf

13. AB1600 DEVELOPMENT IMPACT FEE ANNUAL REPORT FOR FISCAL YEAR ENDED JUNE 30, 2024, AND SB165 LOCAL AGENCY SPECIAL TAX AND BOND ACCOUNTABILITY REPORT FOR FISCAL YEAR ENDED JUNE 30, 2024

That the City Council accept the City of Ontario's AB1600 Development Impact Fee (DIF) Annual Report (unaudited) for Fiscal Year Ended June 30, 2024, and the City of Ontario's SB165 Local Agency Special Tax and Bond Accountability Report (unaudited) for Fiscal Year Ended June 30, 2024.

ATTACHMENT: SB165 Report Fiscal Year Ending June 30,2024.pdf

ATTACHMENT: AB1600 Year Ending June 30,2024.pdf

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. Affidavits of posting compliance, for all items below, are on file with the Records Management Department.

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14. A DISPOSITION AND DEVELOPMENT AGREEMENT FOR THE DEVELOPMENT OF A HOUSING DEVELOPMENT LOCATED ON HOLT BOULEVARD EAST OF ALLYN AVENUE; AND A GRANT AGREEMENT BETWEEN THE CITY OF ONTARIO AND THE ONTARIO HOUSING AUTHORITY IN THE AMOUNT OF $15,000,000.

That the City Council ("City") and the Ontario Housing Authority Board ("Authority"):

A. Hold a Public Hearing to adopt Resolutions approving the Disposition and Development Agreement ("Agreement") (on file with the Records Management Department) between the Authority and National Community Renaissance of California ("Developer"); and
B. Approve the Grant Agreement ("Grant Agreement") (on file with the Records Management Department) between the City and the Authority, in an amount of $15,000,000.

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF ONTARIO, CALIFORNIA, APPROVING THAT CERTAIN CITY GRANT AGREEMENT [HOLT/ALLYN MULTIFAMILY HOUSING PROJECT] CONCERNING THE GRANT OF AFFORDABILITY IN-LIEU FEE FUNDS TO THE ONTARIO HOUSING AUTHORITY FOR THE HOLT/ALLYN MULTIFAMILY HOUSING PROJECT

A RESOLUTION OF THE ONTARIO HOUSING AUTHORITY OF THE CITY OF ONTARIO, CALIFORNIA, APPROVING THAT CERTAIN CITY GRANT AGREEMENT [HOLT/ALLYN MULTIFAMILY HOUSING PROJECT] CONCERNING THE GRANT OF AFFORDABILITY IN-LIEU FEE FUNDS TO THE ONTARIO HOUSING AUTHORITY FOR THE HOLT/ALLYN MULTIFAMILY HOUSING PROJECT

A RESOLUTION OF THE ONTARIO HOUSING AUTHORITY OF THE CITY OF ONTARIO, CALIFORNIA, APPROVING A DISPOSITION AND DEVELOPMENT AGREEMENT BETWEEN THE ONTARIO HOUSING AUTHORITY AND NATIONAL COMMUNITY RENAISSANCE OF CALIFORNIA FOR PROPERTY GENERALLY LOCATED ON EAST HOLT BOULEVARD EAST OF ALLYN AVENUE

ATTACHMENT: DDA with NCRC Holt_Allyn Multifamily Housing Project - Substantial Draft 11-14-2024.docx
ATTACHMENT: CITY-GRANT AGREEMENT TO OHA 02^RESO^RM.docx
ATTACHMENT: Grant Agreement - In-Lieu Fees- City of Ontario to OHA - Holt_Allyn Multifamily Housing Project-c1.docx

ATTACHMENT: OHA - Resolution for NCRC - Holt Allyn DDA 04^RESO^RM
ATTACHMENT: OHA - GRANT AGREEMENT TO OHA 05^RESO^RM

ADMINISTRATIVE REPORTS/DISCUSSION/ACTION

15. AN ORDINANCE APPROVING A THIRD AMENDMENT TO THE DEVELOPMENT AGREEMENT (FILE NO. PDA05-001) BETWEEN THE CITY OF ONTARIO AND EDENGLEN ONTARIO, LLC

That the City Council consider and waive further reading of an Ordinance approving a Third Amendment to the Development Agreement (File No. PDA05-001) between the City of Ontario and Edenglen Ontario, LLC.

AN ORDINANCE OF THE CITY COUNCIL OF THE CITY OF ONTARIO, CALIFORNIA, APPROVING THE THIRD AMENDMENT TO THE DEVELOPMENT AGREEMENT, FILE NO. PDA05-001, BETWEEN THE CITY OF ONTARIO AND EDENGLEN ONTARIO, LLC, TO EXTEND THE TERM OF THE DEVELOPMENT AGREEMENT ASSOCIATED WITH TRACT MAP NO'S 17392, 17558, 17559, 17560, 17561, 17562, 17563, 17564, 18789, 18790,18791, AND 20524, GENERALLY LOCATED NORTH OF CHINO AVENUE, SOUTH OF RIVERSIDE DRIVE, EAST OF MILL CREEK AVENUE, AND WEST OF THE SCE UTILITY CORRIDOR, WITHIN PLANNING AREAS 1 THROUGH 8 OF THE EDENGLEN SPECIFIC PLAN, AND MAKING FINDINGS IN SUPPORT THEREOF - ; APN: 0218-171-15; 0218-921-07, 08, 16, 19, 22, AND 30; 0218-931-01 THROUGH 25; 218-931-75 THROUGH 89; 0218-932-01 THROUGH 21; 0218-933-01 THROUGH 17; 0218-934-01 THROUGH 24; 0218-935-01- THROUGH 04; 0218-935-12 THROUGH 19; 0218-935-22 THROUGH 38; 0218-941-01 THROUGH 39; 0218-941-55 THROUGH 93; 0218-951-01 THROUGH 70; 0218-952-19 THROUGH 82; 0218-954-01 THROUGH 42; 0218-955-01 THROUGH 42; 0218-956-01 THROUGH 58; 0218-961-07 THROUGH 88.

ATTACHMENT: File No. PDA05-001 Edenglen Ontario LLC ^01 EXH A.docx
ATTACHMENT: File No. PDA05-001 Edenglen Ontario LLC 02^ORD^RM
ATTACHMENT: File No. PDA05-001 Edenglen Ontario LLC^03^DEV AGR.docx

STAFF MATTERS

City Manager Ochoa

COUNCIL MATTERS

Mayor Leon
Mayor pro Tem Porada
Council Member Wapner
Council Member Bowman
Council Member Macias

ADJOURNMENT

CITY OF ONTARIO
CLOSED SESSION REPORT
City Council // Housing Authority // Other // *(GC 54957.1)*
December 17, 2024

ROLL CALL: Porada _, Wapner _, Bowman _, Macias _, Mayor / Chairman Leon _.

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

In attendance: Porada _, Wapner _, Bowman _, Macias _, Mayor / Chairman Leon _.

- GC 54956.9 (d)(1), CONFERENCE WITH LEGAL COUNSEL, EXISTING LITIGATION Ruben Valencia v. City of Ontario, Case No. CIVSB2302751

No Reportable Action	Continue	Approved
/ /	/ /	/ /

Disposition: _____

In attendance: Porada _, Wapner _, Bowman _, Macias _, Mayor / Chairman Leon _.

- GC 54956.8, CONFERENCE WITH REAL PROPERTY NEGOTIATORS
  Property: APN: 0110-321-29, 0110-321-74, 0110-321-75, 0110-321-76; 2350-2630 East Inland Empire Boulevard; City/Authority negotiator: Scott Ochoa or his designee; Negotiating parties: IKEA Property Inc; Under negotiation: Price and terms of payment.

No Reportable Action	Continue	Approved
/ /	/ /	/ /

Disposition: _____

Reported by:

_____
City Attorney / City Manager / Executive Director

ONTARIO CITY COUNCIL/
ONTARIO HOUSING AUTHORITY
MINUTES
NOVEMBER 19, 2024
(Not Official Until Approved)

JOINT MEETINGS

The regular meetings of the Ontario City Council and Housing Authority were held on Tuesday, November 19, 2024 at Ontario City Hall, 303 E. B Street Ontario, California.

OPEN MEETING CALLED TO ORDER

Mayor Leon called the joint meetings to order at 6:32 p.m.

ROLL CALL

PRESENT:	Mayor/Chairman:	Paul S. Leon
	Mayor pro Tem/Vice Chair:	Debra Porada
	Council/Authority Members:	Alan D. Wapner, Jim W. Bowman, and Ruben Valencia
ABSENT:	Council/Authority Members:	None

Also present were City Manager / Executive Director Scott Ochoa, City Attorney/Legal Counsel Ruben Duran, and City Clerk / Secretary Sheila Mautz.

INFORMATION RELATIVE TO POSSIBLE CONFLICTS OF INTEREST

There were no conflicts of interest announced by the City Council.

PLEDGE OF ALLEGIANCE

The Pledge of Allegiance was led by Council Member Wapner.

INVOCATION

The invocation was led by Senior Pastor Thomas, Ontario Seventh-Day Adventist Church.

PUBLIC COMMENT

Assistant City Clerk Isbell announced there was one written comment:
Brad Neumann, regarding his personnel matters.

Mayor Leon called upon the first speaker:
Karen Haughey, representative of San Bernardino County Board of Supervisors, Curt Hagman, announced upcoming events.
Brandy Rodriguez, spoke regarding her personal grievance.
Brad Neumann, spoke regarding his personnel grievance.

AGENDA REVIEW/ANNOUNCEMENTS

MOTION: Moved by Mayor pro Tem Porada, seconded by Council Member Bowman and carried by a unanimous vote 5-0, to approve the Consent Calendar as presented.

Public Comment
Tommy Mushigan, spoke regarding Item No. 9, stating people should take better care of trash containers.

1. APPROVAL OF MINUTES

Approved minutes for the regular meeting of the City Council, Housing Authority, and Ontario Industrial Development of October 15, 2024 and approving same as on file in the Records Management Department.

2. BILLS & PAYROLL

Approved bills October 25, 2024 through October 31, 2024, in the amount of $15,506,912.33, and Payroll October 6, 2024 through October 19, 2024 in the amount of $6,039,974.73.

3. A RESOLUTION AUTHORIZING THE EXECUTION AND DELIVERY OF AN AGREEMENT REGARDING COMMUNITY FACILITIES DISTRICT NO. 52 (SUNDANCE PARK) FOR ASSESSOR PARCEL NUMBER (LD PARCEL 1) 0218-211-01-0000 AND FEE IN-LIEU BETWEEN THE CITY OF ONTARIO AND BROOKCAL ONTARIO, LLC.

The City Council:

A. Adopted a Resolution approving an Agreement regarding Community Facilities District No. 52 (Sundance Park) for Assessor Parcel Number (LD Parcel 1) 0218-211-01-0000 and Fee In-Lieu (the “Agreement”) between the City of Ontario and BrookCal Ontario, LLC (the “Developer”); and
B. Authorized the City Manager, or his designee, to finalize, execute, and record said Agreement.

RESOLUTION NO. 2024-196 A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF ONTARIO, CALIFORNIA, AUTHORIZING THE EXECUTION AND DELIVERY OF AN AGREEMENT REGARDING ASSESSOR PARCEL NUMBER (LD PARCEL 1) 0218-211-01-0000 AND FEE IN-LIEU BETWEEN THE CITY OF ONTARIO AND BROOKCAL ONTARIO, LLC.

4. AN ORDINANCE OF THE CITY COUNCIL OF THE CITY OF ONTARIO, CALIFORNIA, LEVYING A SPECIAL TAX WITHIN CITY OF ONTARIO COMMUNITY FACILITIES DISTRICT NO. 72 (LOMA CREEK LOGISTICS CENTER SERVICES)

The City Council considered and adopted an Ordinance authorizing the levy of special taxes within City of Ontario Community Facilities District No. 72 (Loma Creek Logistics Center Services). Introduction and first reading took place at a regular meeting on November 5, 2024.

ORDINANCE NO. 3288 AN ORDINANCE OF THE CITY COUNCIL OF THE CITY OF ONTARIO, CALIFORNIA, LEVYING A SPECIAL TAX WITHIN CITY OF ONTARIO COMMUNITY FACILITIES DISTRICT NO. 72 (LOMA CREEK LOGISTICS CENTER SERVICES).

5. PURCHASE OF FLEET VEHICLES

The City Council took the following actions:

A. Authorized the sole source purchase and delivery of three (3) Ford F150 XLT pick-up trucks in the amount of $183,630 plus a 10% contingency of $18,363 to mitigate any unforeseen issues with supply chain surcharges and manufacturers price increases, for a total not-to-exceed amount of $201,993 from Citrus Motors, of Ontario, California, and
B. Authorized the sole source purchase and delivery of two (2) Ford F150 Lariat pick-up trucks in the amount of $147,519 plus a 10% contingency of $14,752 to mitigate any unforeseen issues with supply chain surcharges and manufacturers price increases, for a total not-to-exceed amount of $162,271 from Citrus Motors, of Ontario, California; and
C. Authorized the sole source purchase and delivery of one (1) Kovatch Mobile Equipment (KME) Custom Tractor Drawn Rescue in the amount of $2,757,113, plus a 10% contingency of $275,711 to mitigate any unforeseen issues with supply chain surcharges and manufacturers price increases, for a total not-to-exceed amount of $3,032,824 from Fire Apparatus Solutions, of Rialto, California.

6. AUTHORIZE THE PURCHASE OF PLAYGROUND EQUIPMENT AND PICNIC SHELTERS WITH INNOVATIVE PLAYGROUNDS COMPANY FOR THE DE ANZA PARK IMPROVEMENTS PROJECT

The City Council took the following actions:

A. Authorized the cooperative purchase of playground equipment for the De Anza Park Improvements Project in the amount of $913,554 plus a 10% contingency of $91,355 to mitigate any unforeseen issues with supply chain surcharges and manufactory price increases for a total not-to-exceed amount of $1,004,909 from Innovative Playgrounds Company, of Whittier, California,

consistent with the terms and conditions of the Sourcewell Cooperative Contract No. 010521- BUR; and

B. Authorized the cooperative purchase of picnic shelters for the De Anza Park Improvements Project in the amount of $659,061 plus a 10% contingency of $65,906 to mitigate any unforeseen issues with supply chain surcharges and manufactory price increases for a total not-to-exceed amount of $724,967 from Innovative Playgrounds Company, of Whittier, California, consistent with the terms and conditions of the Sourcewell Cooperative Contract No. 010521-BUR.

7. DESIGN SERVICES AGREEMENTS FOR ON-CALL ARCHITECTURAL SPACE PLANNING AND ENGINEERING DESIGN SERVICES

The City Council authorized the City Manager, or his designee, to execute the following three-year Design Services Agreements for on-call Architectural, Space Planning, and Engineering Design Services for a total compensation amount of $1,000,000 over three (3) years and extend the agreements for up to two (2) additional one-year periods:

A. HMC Architects, of Ontario, California, for a total contract amount not-to-exceed $200,000;
B. Holt Architecture, of Palm Desert, California, for a total contract amount not-to-exceed $200,000;
C. IDS Group, Inc., of Irvine, California, for a total contract amount not-to-exceed $200,000;
D. Hammel, Green and Abrahamson, Inc., of Santa Monica, California, for a total contract amount not-to-exceed $200,000; and
E. Robert Borders & Associates, of Costa Mesa, California, for a total contract amount not-to-exceed $200,000.

8. CONSTRUCTION CONTRACTS FOR THE SPORTS COMPLEX OFFSITE UTILITIES PROJECT AND THE SEWER IMPROVEMENT AT VINEYARD PROJECT IN CONNECTION WITH THE CONSTRUCTION OF THE ONTARIO PROFESSIONAL BASEBALL STADIUM

The City Council took the following actions:

A. Authorized the City Manager or his designee to award Contract No. D&C23-025 Sports Complex O□site Utilities Project to Gri□th Company, of Brea, California, for the construction of the O□site Utilities for the Sports Complex, in the amount of $90,584,000 plus a 15% contingency of $13,587,600, for a total not-to-exceed contract amount of $104,171,600, and
B. Authorized the City Manager or his designee to award Contract No. D&C23-025 Sports Complex Sewer Improvement at Vineyard Avenue Project to Weka, Inc., of San Bernardino, California, for the construction of the O□site Vineyard Sewer for the Sports Complex, in the amount of $27,972,383 plus a 15% contingency of $4,195,857, for a total not-to-exceed contract amount

of $32,168,240, and

C. Authorized the City Manager or his designee to execute Amendment No. 2 to the on-call Professional Services Agreement with Ardurra Group, Inc., of Newport Beach, California, to provide on-call Design Services for the Ontario Sports Complex Project in the amount of $72,780 for a total not-to-exceed contract amount of $2,457,212; and
D. Authorized the City Manager or his designee to execute all documents required for the completion of the project including, but not limited to, contracts, agreements, assessments, easements, reduction of retention accounts, and filing a notice of completion at the conclusion of all construction related activities.

9. A GOODS AND EQUIPMENT PURCHASE AGREEMENT WITH MCLAUGHLIN WASTE EQUIPMENT, INC. FOR ROLL-OFF CONTAINERS AND PARTS

The City Council authorized the City Manager, or his designee, to execute a Goods and Equipment Purchase Agreement with McLaughlin Waste Equipment, Inc., of Lockeford, California, for the purchase of roll-o containers and parts for a total contract amount not-to-exceed $2,000,000 for up to five (5) years.

PUBLIC HEARINGS

10. AN APPEAL OF THE PLANNING COMMISSION DECISION APPROVING FILE NO. PDEV22-017

The City Council conducted a public hearing on the appeal and after receiving public testimony, upholding the Planning Commission's decision to approve the Development Plan (File No. PDEV22-017) and deny the appeal.

RESOLUTION NO. 2024-197 A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF ONTARIO, CALIFORNIA, DENYING AN APPEAL AND UPHOLDING THE PLANNING COMMISSION'S DECISION TO CERTIFY THE 5355 EAST AIRPORT DRIVE FINAL ENVIRONMENTAL IMPACT REPORT (STATE CLEARINGHOUSE NO. 2022090006) FOR A DEVELOPMENT PLAN TO CONSTRUCT A 270,337 SQUARE FOOT INDUSTRIAL BUILDING ON 13.08 ACRES OF LAND FOR PROPERTY LOCATED AT 5355 EAST AIRPORT DRIVE, WITHIN THE IH (HEAVY INDUSTRIAL) ZONING DISTRICT, AND ADOPT ENVIRONMENTAL FINDINGS PURSUANT TO THE CALIFORNIA ENVIRONMENTAL QUALITY ACT, A STATEMENT OF OVERRIDING CONSIDERATIONS AND A MITIGATION MONITORING AND REPORTING PROGRAM AND MAKING FINDINGS IN SUPPORT THEREOF—APNS: 0238-052-29 AND 0238-052-20.

RESOLUTION NO. 2024-198 A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF ONTARIO, CALIFORNIA, DENYING AN APPEAL AND UPHOLDING THE PLANNING COMMISSION'S DECISION TO APPROVE FILE NO. PDEV22-017, A DEVELOPMENT PLAN TO CONSTRUCT A 270,337 SQUARE FOOT INDUSTRIAL BUILDING ON 13.08 ACRES OF LAND FOR PROPERTY LOCATED AT 5355

EAST AIRPORT DRIVE, WITHIN THE IH (HEAVY INDUSTRIAL) ZONING DISTRICT, AND MAKING FINDINGS IN SUPPORT THEREOF—APNS: 0238-052-29 AND 0238-052-20.

Notice of public hearing was duly given. Affidavits of compliance are on file. There was one written communication from Californians Allied for Responsible Economy in support of the appeal.

Mayor Leon opened the public hearing and inquired if anyone was interested in speaking to the item. Executive Director of Community Development, Rudy Zeledon provided background information.

The appellant, Aden Marshall presented his case.
The following individuals spoke in support of the appellant:
Amy Smith
Bill Steiner
Cynthia Chavez
Louis Lopez
Mad Dog (Robert)

The applicant, Tyson Chave presented his case.
The following individuals spoke in support of the applicant:
Tracy Zinn
Jorge Zavala
Andrew Mayorge

The appellant was then given time to provide his rebuttal. Hearing no one else wishing to speak, Mayor Leon closed the public hearing and opened the item for Council discussion.

MOTION: Moved by Council Member Wapner, seconded by Council Member Bowman and carried by a unanimous vote 5-0, to deny the appeal and adopt Resolution Nos. 2024-197 and 2024-198.

11. A PUBLIC HEARING TO CONSIDER A DEVELOPMENT CODE AMENDMENT (FILE NO. PDCA24-003) REVISING AND CLARIFYING CERTAIN PROVISIONS OF THE CITY OF ONTARIO DEVELOPMENT CODE

The City Council introduced and waived further reading of an Ordinance Approving File No. PDCA24-003, a Development Code Amendment revising and clarifying certain provisions of Chapters 2.0 (Administration and Procedures), 4.0 (Permits, Actions, and Decisions), 5.0 (Zoning and Land Use), 6.0 (Development and Subdivision Regulations), 8.0 (Sign Regulations), and 9.0 (Definitions and Glossary) of the City of Ontario Development Code.

ORDINANCE NO. 3289 (FIRST READING) AN ORDINANCE OF THE CITY COUNCIL OF THE CITY OF ONTARIO, CALIFORNIA, APPROVING FILE NO. PDCA24-003, A DEVELOPMENT CODE AMENDMENT REVISING AND CLARIFYING CERTAIN PROVISIONS OF CHAPTERS 2.0 (ADMINISTRATION

AND PROCEDURES), 4.0 (PERMITS, ACTIONS, AND DECISIONS), 5.0 (ZONING AND LAND USE), 6.0 (DEVELOPMENT AND SUBDIVISION REGULATIONS), 8.0 (SIGN REGULATIONS), AND 9.0 (DEFINITIONS AND GLOSSARY) OF THE CITY OF ONTARIO DEVELOPMENT CODE, AND MAKING FINDINGS IN SUPPORT THEREOF.

Notice of public hearing was duly given. Affidavits of compliance are on file. There were no written communications.

Mayor Leon opened the public hearing and inquired if anyone was interested in speaking to the item. Hearing no one, Mayor Leon closed the public hearing and opened the item for Council discussion.

MOTION: Moved by Council Member Bowman seconded by Council Member Valencia and carried by a unanimous vote 5-0, to introduce Ordinance No. 3289.

12. A RESOLUTION REGARDING A LOAN AGREEMENT BETWEEN THE CITY OF ONTARIO AND OTC LOT A OWNER, LLC AND AN ECONOMIC SUBSIDY REPORT PURSUANT TO GOVERNMENT CODE SECTION 53083

The City Council considered and adopted a Resolution authorizing the execution of a Loan Agreement and other related documents in connection with providing a loan to OTC Lot A Owner, LLC and accepting the Economic Development Subsidy Report prepared pursuant to Government Code Section 53083.

RESOLUTION NO. 2024-199 A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF ONTARIO, CALIFORNIA, AUTHORIZING THE LOAN AGREEMENT BETWEEN THE CITY OF ONTARIO AND OTC LOT A OWNER, LLC AND EXECUTION THEREOF; ACCEPTING THE ECONOMIC DEVELOPMENT SUBSIDY REPORT PREPARED PURSUANT TO GOVERNMENT CODE SECTION 53083; FINDING THAT SUCH LOAN AGREEMENT APPROVAL IS EXEMPT FROM ENVIRONMENTAL REVIEW UNDER THE CALIFORNIA ENVIRONMENTAL QUALITY ACT (CEQA) PURSUANT TO STATE CEQA GUIDELINES SECTIONS 15061(B)(3) AND 15378(B)(4) AND DIRECTING STAFF TO ISSUE A NOTICE OF EXEMPTION

Notice of public hearing was duly given. Affidavits of compliance are on file. There were no written communications.

Mayor Leon opened the public hearing and inquired if anyone was interested in speaking to the item. Hearing no one, Mayor Leon closed the public hearing and opened the item for Council discussion.

MOTION: Moved by Council Member Bowman seconded by Council Member Wapner and carried by a unanimous vote 5-0, to adopt Resolution No. 2024-199.

13. A PUBLIC HEARING TO CONSIDER THE SALE OF CITY OF ONTARIO OWNED PROPERTY IN ACCORDANCE WITH GOVERNMENT CODE SECTION 52201; MAKING CERTAIN FINDINGS; AND ADOPTION OF A RESOLUTION APPROVING A PURCHASE AND SALE AGREEMENT BETWEEN THE CITY OF ONTARIO AND RICHARD FERNANDO BARBA

The City of Ontario conducted a public hearing to consider the sale of City-owned property; and adopted a Resolution approving a Purchase and Sale Agreement ("Agreement") between the City of Ontario ("City") and Richard Fernando Barba ("Developer") (on file in the Records Management Department); and authorized the City Manager to execute the Agreement and all other documents required for implementation of the Agreement.

RESOLUTION NO. 2024-200 A RESOLUTION OF THE CITY OF ONTARIO, OF THE CITY OF ONTARIO, CALIFORNIA, APPROVING A PURCHASE AND SALE AGREEMENT BETWEEN THE CITY OF ONTARIO AND RICHARD FERNANDO BARBA FOR THE PURCHASE AND SALE OF CERTAIN REAL PROPERTY LOCATED AT 910 EAST CALIFORNIA STREET AND 808 SOUTH GREENWOOD AVENUE, ONTARIO.

Notice of public hearing was duly given. Affidavits of compliance are on file. There were no written communications.

Mayor Leon opened the public hearing and inquired if anyone was interested in speaking to the item. Hearing no one, Mayor Leon closed the public hearing and opened the item for Council discussion.

MOTION: Moved by Council Member Bowman seconded by Council Member Wapner and carried by a unanimous vote 5-0, to adopt Resolution No. 2024-200.

ADMINISTRATIVE REPORTS/DISCUSSION/ACTION

14. INTRODUCTION OF AN ORDINANCE ANNUALLY ADOPTING A MILITARY EQUIPMENT USE POLICY PURSUANT TO GOVERNMENT CODE SECTIONS 7070, ET. SEQ.

The City Council introduced and waived further reading of an Ordinance annually adopting the Military Equipment Use Policy and approving the itemized military grade equipment currently in possession of the Ontario Police Department.

ORDINANCE NO. 3290 (FIRST READING) AN ORDINANCE OF THE CITY COUNCIL OF THE CITY OF ONTARIO, CALIFORNIA, ADOPTING A MILITARY EQUIPMENT USE POLICY PURSUANT TO GOVERNMENT CODE §§ 7070, ET. SEQ.

MOTION: Moved by Council Member Valencia, seconded by Council Member Wapner and carried by a unanimous vote 5-0 with, adopt introduce Ordinance No. 3290.

15. AN ORDINANCE AMENDING SECTION 3-1.112 TO TITLE 3 OF THE MUNICIPAL CODE RELATING TO LICENSE REQUIREMENTS OF CONTRACTORS AND SUBCONTRACTORS TO ENHANCE COMPLIANCE WITH LOCAL LABOR STANDARDS

The City Council introduced an Ordinance amending Section 3-1.112 to Title 3 of the Ontario Municipal Code relating to requirements of contractors and subcontractors to enhance compliance with local labor standards.

ORDINANCE NO. 3291 (FIRST READING) AN ORDINANCE OF THE CITY COUNCIL OF THE CITY OF ONTARIO, CALIFORNIA, AMENDING SECTION 3-1.112 TO TITLE 3 OF THE MUNICIPAL CODE RELATING TO LICENSE REQUIREMENTS OF CONTRACTORS AND SUBCONTRACTORS TO ENHANCE COMPLIANCE WITH LOCAL LABOR STANDARDS.

MOTION: Moved by Council Member Valencia, seconded by Council Member Bowman and carried by a unanimous vote 5-0 with, introduce Ordinance No. 3291.

STAFF MATTERS

City Manager Ochoa made no announcements.

COUNCIL MATTERS

Council Member Valencia had no comments.

Council Member Bowman had no comments.

Council Member Wapner had no comments.

Mayor pro Tem Porada had no comments.

Mayor Leon had no comments.

ADJOURNMENT

Mayor Leon adjourned the meetings of the Joint Agencies at 7:29 p.m. and announced the next regular meeting was scheduled for December 3, 2024.

Respectfully submitted,

_____
SHEILA MAUTZ, CITY CLERK/SECRETARY

APPROVED:

_____
PAUL S. LEON, MAYOR/CHAIRMAN

CITY OF ONTARIO *Agenda Report* **December 17, 2024**	**SECTION:** **CONSENT CALENDAR**
Department: Police Department Prepared By: Lizceth Zazueta Department: Prepared By: Gricelda Perez Staff Member Presenting: Mike Lorenz, Chief of Police Approved By:	Submitted To: Council/OHA Approved: _____ Continued To: _____ Denied: _____ Item No: 3

SUBJECT: ADOPTION OF ORDINANCE APPROVING A MILITARY EQUIPMENT USE POLICY PURSUANT TO GOVERNMENT CODE SECTIONS 7070, ET. SEQ.

RECOMMENDATION: That the City Council adopt an Ordinance adopting a Military Equipment Use Policy.

THE FOLLOWING COUNCIL GOALS ARE BEING ACHIEVED:
Maintain the Current High Level of Public Safety
Operate in a Businesslike Manner
Pursue City's Goals and Objectives by Working with Other Governmental Agencies

FISCAL IMPACT: There is no direct fiscal impact associated with this action.

BACKGROUND & ANALYSIS: Assembly Bill No. 481 ("AB 481") was approved by Governor Newsom on September 30, 2021. AB 481 requires law enforcement agencies to obtain approval of the applicable governing body, by adoption of a Military Equipment Use Policy, as specified, by Ordinance at a regular meeting held pursuant to specified open meeting laws, prior to taking certain actions relating to the funding, acquisition, or use of military equipment.

In addition, state or local law enforcement agencies must publish the policy on the agency's internet website and provide a copy of the policy to the Governor or the Governor's designee. AB 481 allows the governing body to approve the funding, acquisition, or use of military equipment within its jurisdiction only if it determines that the military equipment meets specified standards. AB 481 also requires the governing body to annually review the Ordinance and either approve, disapprove a renewal of the authorization for itemized military equipment, or amend the Military Equipment Use Policy if it determines, based on an annual military equipment report prepared by the law enforcement agency, that the military equipment does not comply with standards for approval.

This is the second reading of Ordinance No. 3290 to approve the Ontario Police Department's Military Equipment Use Policy.

ORDINANCE NO. _____

AN ORDINANCE OF THE CITY COUNCIL OF THE CITY OF ONTARIO, CALIFORNIA, ADOPTING A MILITARY EQUIPMENT USE POLICY PURSUANT TO GOVERNMENT CODE §§ 7070, ET. SEQ.

THE CITY COUNCIL OF THE CITY OF ONTARIO DOES HEREBY FIND AND RESOLVE AS FOLLOWS:

WHEREAS, on September 30, 2021, Governor Gavin Newsom signed into law Assembly Bill 481 ("AB 481"), adding Chapter 12.8, "Funding, Acquisition and Use of Military Equipment", to Division 7 of Title 1 of the Government Code (sections 7070 – 7075), relating to the use of military equipment by California law enforcement agencies; and

WHEREAS, AB 481 seeks to provide transparency, oversight, and an opportunity for meaningful public input on decisions regarding whether and how military equipment is funded, acquired, or used; and

WHEREAS, the Ontario Police Department is in possession of certain items of equipment that qualify as "military equipment" under AB 481 and further intends to acquire other items of military equipment; and

WHEREAS, AB 481 requires, inter alia, that a law enforcement agency possessing and using such qualifying equipment must prepare a publicly released, written, military equipment use policy document covering the inventory, description, quantity, purpose, capabilities, use, lifespan, acquisition, maintenance, authorized use, fiscal impacts, procedures, training, oversight, and complaint process, applicable to the Department's use of such equipment; and

WHEREAS, the policy must be approved by the City Council by ordinance, and reviewed annually thereafter; and

WHEREAS, the military equipment inventoried and presented to the City Council is necessary because there is no reasonable alternative that can achieve the same objective of officer and civilian safety; and

WHEREAS, the proposed Military Equipment Use Policy ("Policy") will safeguard the public's health, welfare, safety, civil rights, and civil liberties; and

WHEREAS, the equipment is reasonably cost effective compared to available alternatives that can achieve the same objective of officer and civilian safety; and

WHEREAS, prior military equipment use complied with the applicable equipment use policy (which included equipment now defined as military equipment) that was in effect at the time, or if prior uses did not comply with the accompanying military equipment use policy, corrective action has been taken to remedy nonconforming uses and ensure future compliance; and

WHEREAS, the Police Department has submitted the proposed Policy to the City Council and thereafter has made those documents available on the Police Department's website for at least 30 days prior to the public hearing concerning the military equipment at issue; and

WHEREAS, the Policy satisfies the requirements of Government Code Section 7070(d); and

WHEREAS, the City Council of the City of Ontario, having received the information required under AB 481 regarding the Ontario Police Department's use of military equipment as defined in said law, deems it to be in the best interest of the City to and hereby does approve the Military Equipment Policy.

WHEREAS, all legal prerequisites prior to the adoption of this Ordinance have occurred.

NOW THEREFORE, THE CITY COUNCIL OF THE CITY OF ONTARIO HERBY ORDAINS AS FOLLOWS:

SECTION 1. Recitals. The City Council finds that all the recitals, facts, findings, and conclusions set forth above in the preamble of this Ordinance are true and correct.

SECTION 2. Approval of Military Equipment Policy.

Military Equipment Policy.

(a) The Military Equipment Policy shall govern the use of military equipment by the Ontario Police Department. (*Exhibit A)*

(b) The Policy shall be made publicly available on the Police Department's website for as long as the military equipment is available for use or as otherwise ordained by the City Council.

(c) The Police Department shall submit an annual military equipment report to the City Council containing the information required by Government Code Section 7072 and the City Council shall thereafter determine whether each type of military equipment identified therein complied with the standards for approval set forth in Government Code Section 7071(d). (Exhibit B)

(d) The City Council shall on an annual basis and at a regular meeting thereof review this ordinance and vote on whether to renew it pursuant to Government Code Section 7071(e)(2).

(e) The definitions set forth in Government Code section 7070 shall apply to this ordinance. Any provision of state law referred to herein shall mean and include any amended or successor provision thereof.

SECTION 3. Compliance with CEQA. Adoption of this Ordinance is exempt from the California Environmental Quality Act (CEQA) pursuant to Section 15061 (b)(3) (General Rule) of the CEQA Guidelines because it is not a "project" and because

it can be seen with certainty that there is no possibility that the passage of this Ordinance will have a significant effect on the environment.

SECTION 4. Inconsistencies. Any provision of the Ontario Municipal Code or appendices thereto inconsistent with the provisions of this Ordinance, to the extent of such inconsistencies and no further, is hereby repealed or modified to that extent necessary to affect the provisions of this Ordinance.

SECTION 5. Uncodified Ordinance. This Ordinance shall not be codified in the Ontario Municipal Code unless and until the City Council so ordains.

SECTION 6. Severability. If any chapter, article, section, subsection, subdivision, sentence, clause, phrase, word, or portion of this Ordinance, or the application thereof to any person, is for any reason held to be invalid or unconstitutional by the decision of any court of competent jurisdiction, such decision shall not affect the validity of the remaining portion of this Ordinance or its application to other persons. The City Council hereby declares that it would have adopted this Ordinance and each chapter, article, section, subsection, subdivision, sentence, clause, phrase, word, or portion thereof, irrespective of the fact that any one or more subsections, subdivisions, sentences, clauses, phrases, or portions of the application thereof to any person, be declared invalid or unconstitutional. No portion of this Ordinance shall supersede any local, state, or federal law, regulation, or codes dealing with life safety factors.

SECTION 7. Effective Date. This Ordinance shall become effective thirty (30) days following from its adoption.

SECTION 8. The Mayor shall sign this Ordinance and the City Clerk shall certify as to the adoption and shall cause a summary thereof to be published at least once, in a newspaper of general circulation in the City of Ontario, California within fifteen (15) days of the adoption. The City Clerk shall post a certified copy of this ordinance, including the vote for and against the same, in the Office of the City Clerk, in accordance with Government Code Section 36933.

PASSED, APPROVED, AND ADOPTED this 17th day of December, 2024.

_____
PAUL S. LEON, MAYOR

ATTEST:

_____
SHEILA MAUTZ, CITY CLERK

APPROVED AS TO FORM:

_____
BEST BEST & KRIEGER LLP
CITY ATTORNEY

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

I, SHEILA MAUTZ, City Clerk of the City of Ontario, DO HEREBY CERTIFY that foregoing Ordinance No. _____ was duly introduced at a regular meeting of the City Council of the City of Ontario held November 19, 2024 and adopted at the regular meeting held December 17, 2024 by the following roll call vote, to wit:

AYES: COUNCIL MEMBERS:

NOES: COUNCIL MEMBERS:

ABSENT: COUNCIL MEMBERS:

_____
SHEILA MAUTZ, CITY CLERK

(SEAL)

I hereby certify that the foregoing is the original of Ordinance No. _____ duly passed and adopted by the Ontario City Council at their regular meeting held December 17, 2024 and that Summaries of the Ordinance were published on _____ and _____, in the Inland Valley Daily Bulletin newspaper.

_____
SHEILA MAUTZ, CITY CLERK

(SEAL)

Military Equipment

708.1 PURPOSE AND SCOPE

The purpose of this policy ("Policy") is to provide guidelines for the approval, acquisition, and reporting requirements of military equipment pursuant to Assembly Bill 481 ("AB 481") (California Government Code section 7070, et seq.).

708.1.1 DEFINITIONS

Definitions related to this Policy include those provided in Government Code section 7070, and as follows:

Governing body – The City of Ontario City Council ("City Council").

Military equipment – Includes but is not limited to the following:

- Unmanned, remotely piloted, powered aerial or ground vehicles.
- Mine-resistant ambush-protected ("MRAP") vehicles or armored personnel carriers.
- High mobility multipurpose wheeled vehicles ("HMMWV)", two-and-one-half-ton trucks, five-ton trucks, or wheeled vehicles that have a breaching or entry apparatus attached.
- Tracked armored vehicles that provide ballistic protection to their occupants.
- Command and control vehicles that are either built or modified to facilitate the operational control and direction of public safety units.
- Weaponized aircraft, vessels, or vehicles of any kind.
- Battering rams, slugs, and breaching apparatuses that are explosive in nature. This does not include a handheld, one-person ram.
- Firearms and ammunition of.50 caliber or greater, excluding standard-issue shotguns and standard-issue shotgun ammunition.
- Specialized firearms and ammunition of less than.50 caliber, including firearms and accessories identified as assault weapons in Penal Code section 30510 and Penal Code section 30515, with the exception of standard-issue firearms.
- Any firearm or firearm accessory that is designed to launch explosive projectiles.
- Noise-flash diversionary devices and explosive breaching tools.
- Munitions containing tear gas or OC, excluding standard, service-issued handheld pepper spray.
- TASER® Shockwave, microwave weapons, water cannons, and long-range acoustic devices ("LRADs").
- Kinetic energy weapons and munitions.
- Any other equipment as determined by the City Council to require additional oversight.

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708.2 POLICY

It is the Policy of the City of Ontario Police Department ("Department") that members of this Department comply with the provisions of Government Code section 7070 et seq. with respect to the funding, acquisition, and use of military equipment.

708.3 MILITARY EQUIPMENT COORDINATOR

The Chief of Police will designate a member of this Department to act as the military equipment coordinator. The responsibilities of the military equipment coordinator include but are not limited to:

(a) Acting as liaison to the City Council for matters related to the requirements of this Policy.

(b) Identifying Department equipment that qualifies as military equipment in the current possession of the Department, or equipment the Department intends to acquire, that requires approval by the City Council.

(c) Conducting an inventory of all military equipment annually.

(d) Collaborating with any allied agency that may use military equipment within the jurisdiction of the Department.

(e) Preparing for, scheduling, and coordinating the annual community engagement meeting to include:

1. Publicizing the details of the meeting; and
2. Preparing for public questions regarding the Department's funding, acquisition, and use of equipment.

(f) Preparing the annual military equipment report for submission to the Chief of Police and ensuring that the report is made available on the Ontario Police Department website (Government Code § 7072).

(g) Establishing the procedure for a person to register a complaint or concern, or how that person may submit a question about the use of a type of military equipment, and how the Department will respond in a timely manner.

708.4 MILITARY EQUIPMENT INVENTORY

The list of qualifying military equipment for the Department is attached to this Policy.

708.5 APPROVAL

The Chief of Police or the authorized designee shall obtain approval from the City Council by way of an ordinance adopting the Policy. As part of the approval process, the Chief of Police or the authorized designee shall ensure the proposed Policy is submitted to the City Council and is available on the Department website at least thirty (30) days prior to any public hearing concerning the military equipment at issue. The Policy must be approved by the governing body prior to engaging in any of the following:

a) Requesting military equipment made available pursuant to 10 USC § 2576(a).

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b) Seeking funds for military equipment, including but not limited to applying for a grant, soliciting or accepting private, local, state, or federal funds, in-kind donations, or other donations or transfers.

c) Acquiring military equipment either permanently or temporarily, including by borrowing or leasing.

d) Collaborating with another law enforcement agency in the deployment or other use of military equipment within the jurisdiction of this Department.

e) Using any new or existing military equipment for a purpose, in a manner, or by a person not previously approved by the City Council.

f) Soliciting or responding to a proposal for, or entering into an agreement with, any other person or entity to seek funds for, apply to receive, acquire, use, or collaborate in the use of military equipment.

g) Acquiring military equipment through any means not provided above.

708.6 COORDINATION WITH OTHER JURISDICTIONS

Military equipment used by any member of this Department shall be approved for the use and in accordance with this Department Policy. Military equipment used by other jurisdictions that are providing mutual aid to the City of Ontario, or otherwise engaged in law enforcement operations in this City, shall comply with their respective military equipment use policies in rendering mutual aid or carrying out a law enforcement function related to a criminal matter under their investigation.

Situations may arise where the Department may deploy or use military equipment, as defined, owned by other law enforcement agencies. The Department hereby adopts the Military Equipmentpolicy, which may be amended from time to time, under Government Code section 7070 et seq., for jurisdictions that the Department may engage with to provide mutual aid. This section is in no way a limitation to the ability of the Department to deploy or use the military equipment of another jurisdiction.

708.7 COMPLIANCE

Department members are bound to adhere to this Policy, in addition to state and local laws and ordinances when employing the use of military equipment at any time. Violations of the law or this Policy may result in criminal or administrative investigations, or action.

708.8 COMPLAINT PROCESS

Members of the public may register complaints or concerns or submit questions about the use of each specific type of military equipment in this Policy by any of the following means:

1. Via email to: MilitaryEquipmentCoordinator@ontariopolice.org

2. Via phone call to: (909) 395-2001

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3. Via mail sent to: Ontario Police Department

Attn: Military Equipment Use Coordinator

2500 S. Archibald Avenue

Ontario, CA 91761

The Department is committed to responding to complaints, concerns and/or questions received through any of the above methods in a timely manner.

708.9 ANNUAL REPORT

Upon approval of this Policy, the Chief of Police or the authorized designee will submit a military equipment report to the City Council for each type of military equipment approved within one year of approval of the Policy, and annually thereafter for as long as the military equipment is available for use.

The Chief of Police or the authorized designee should also make each annual military equipment report publicly available on the Department website for as long as the military equipment is available for use. The report shall include all information required by Government Code section 7072 for the preceding calendar year for each type of military equipment in the Department's inventory.

708.10 COMMUNITY ENGAGEMENT

Within thirty (30) days of submitting and publicly releasing the annual report, the Department shall hold at least one well-publicized and conveniently located community engagement meeting, at which the Department should discuss the report and respond to public questions regarding the funding, acquisition, or use of military equipment.

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I. PURPOSE

This Department procedure establishes guidelines for the use, training, approval, and procurement of existing military equipment and future military equipment acquisitions in accordance with California Assembly Bill 481 (AB-481), codified in California Government Code sections 7070-7075. Additionally, this procedure outlines the fiscal impact and specific descriptions of existing military equipment within the Department's inventory.

II. SCOPE

This procedure applies to all members of the Department.

III. DEFINITIONS

Pursuant to AB-481, the following definitions are applicable **only** to the Department's current military equipment inventory and potential future military equipment acquisitions for operational needs. (For a more detailed list refer to Government Code Section 7070, for "military equipment" as defined within the assembly bill.)

A. "Governing body" means the City Council and Mayor.

B. "Military equipment" means the following:

1. Unmanned, remotely piloted, powered aerial or ground vehicles.
2. Armored personnel carriers and/or armored vehicles with breaching apparatus.
3. High mobility multipurpose wheeled vehicles (HMMWV), commonly referred to as Humvees, two and one-half-ton trucks.
4. Tracked armored vehicles that provide ballistic protection to their occupants and utilize a tracked system instead of wheels for forward motion.
5. Command and control vehicles that are either built or modified to facilitate the operational control and direction of public safety units.
6. Weaponized aircraft, vessels, or vehicles of any kind.
7. Battering rams, slugs, and breaching apparatuses that are explosive in nature.
8. Firearms of .50 caliber or greater. However, standard issue shotguns are specifically excluded from this definition.
9. Ammunition of .50 caliber or greater. However, standard issue shotgun ammunition is specifically excluded from this definition.
10. Specialized firearms and ammunition of less than .50 caliber, including assault weapons as defined in Sections 30510 and 30515 of the Penal Code, with the exception of standard issue service weapons and ammunition of less than .50 caliber that are issued to sworn members.
11. Any firearm or firearm accessory that is designed to launch explosive projectiles.
12. 'Flashbang' grenades and explosive breaching tools, 'tear gas' and 'pepperballs' excluding standard, service-issued handheld pepper spray.

DRAFT

13. Taser Shockwave, microwave weapons, water cannons, and the Long Range Acoustic Device (LRAD).
14. The following projectile launch platforms and their associated munitions: 40mm projectile launchers, and specialty impact munition (SIM) weapons.

C. "Military equipment use policy" refers to this Department Procedure and means a publicly released, written document governing the use of military equipment by the Department that addresses, at a minimum, all of the following:

1. A description of each type of military equipment, the quantity sought, its capabilities, expected lifespan, and product descriptions from the manufacturer of the military equipment.
2. The purposes and authorized uses for which the Department proposes to use each type of military equipment.
3. The fiscal impact of each type of military equipment, including the initial costs of obtaining the equipment and estimated annual costs of maintaining the equipment.
4. The legal and procedural rules that govern each authorized use.
5. The training, including any course required by the Commission on Peace Officer Standards and Training, that must be completed before any sworn member is allowed to use each specific type of military equipment to ensure the full protection of the public's welfare, safety, civil rights, and civil liberties and full adherence to the military equipment use policy.
6. The mechanisms to ensure compliance with the military equipment use policy, including which independent persons or entities have oversight authority, and, if applicable, what legally enforceable sanctions are put in place for violations of the policy.
7. The procedures by which members of the public may register complaints or concerns or submit questions about the use of each specific type of military equipment, and how the Department will ensure that each complaint, concern, or question receives a response in a timely manner.

D. "Law enforcement agency" means any of the following:

1. A police department, including the police department of a transit agency, school district, or any campus of the University of California, the California State University, or California Community Colleges.
2. A sheriff's department.
3. A district attorney's office.
4. A county probation department.

IV. MILITARY EQUPIMENT TYPES AND USAGE GUIDELINES

The Police Department recognizes that critical incidents are unpredictable and can be very dynamic in nature. A variety of military equipment options can greatly assist incident commanders, officers, and specific units in bringing those incidents to a swift resolution in a safe manner. The use of military equipment is restricted for use only in

certain instances and in some cases only by certain units. While this procedure is wide-ranging, it is not all inclusive. There may be instances wherein unpredictable critical incidents demand the need for incident commanders to authorize military equipment to be used in a manner not outlined within this procedure. In scrutinizing those particular instances, the judgment of the incident commander influenced by the totality of the circumstances, public safety, officer safety, civil rights, and information available at the time will be used.

It is incumbent upon incident commanders, supervisors, individual officers, and specific units to recognize the particular circumstances wherein military equipment should be employed to enhance the safety of the public and officers, and to bring a critical incident to a safe resolution.

The following are the various types, descriptions, and guidelines for usage of military equipment currently employed by the Police Department.

A. Unmanned remotely piloted, powered aerial or ground vehicles

1. **Small Unmanned Aircraft Systems (sUAS):** An unmanned aircraft of any type that is capable of sustaining directed flight, whether pre-programmed or remotely controlled, and all of the supporting or attached systems designed for gathering information through imaging, recording or by any other means.

   Capability: sUAS can support first responders in any hazardous incident which would benefit from an aerial perspective. These uses could include search and rescue, barricaded suspects or high-risk tactical operations, disaster response, and video and photographic documentation of crime scenes.

   Usage: sUAS are to be used by trained pilots during high-risk operations, tactical operations, disaster response, and video and photographic documentation. These pilots receive regular training and flight hours and when applicable adhere to FAA regulations.

   Training Requirements: Drone operators attended continual yearly training.

   Fiscal Impact: See Appendix A

   Lifespan: Approximately five (5) years.

   The Department currently possesses the following types of sUAS:

   a. **Parrot Anafi Thermal** (Quantity: 2)
      Manufacturer: Parrot
      Description: To balance the resolutions of the thermal image and visible image, and therefore benefit from information not visible in thermal, the displayed image is a fusion of the information from the two cameras.

Concerns & Complaints Received: None
Internal Audit Results & Responses: None
Total Annual Cost: None
Future Acquisition Plans: Unknown

b. **DJI Avata** (Quantity: 3)
Description: A handheld drone designed for interior searches. The drone is controlled by a handheld remote control. It has the ability to record video for use with evidence collection.
Concerns & Complaints Received: None
Internal Audit Results & Responses: None
Total Annual Cost: None
Future Acquisition Plans: Unknown

c. **LOKI 1** (Quantity: 6)
Manufacturer: Sky-Hero
Description: A handheld drone designed for interior searches. The drone is controlled by a handheld remote control.
Concerns & Complaints Received: None
Internal Audit Results & Responses: None
Total Annual Cost: None
Future Acquisition Plans: Unknown

d. **LOKI 1I** (Quantity: 4)
Manufacturer: Sky-Hero
Description: A handheld drone designed for interior searches. The drone is controlled by a handheld remote control.
Concerns & Complaints Received: None
Internal Audit Results & Responses: None
Total Annual Cost: None
Future Acquisition Plans: Unknown

e. **Evo II** (Quantity: 1)
Manufacturer: Autel Robotics
Description: A handheld drone designed for exterior searches. The drone is controlled by a handheld remote control. It has the ability to record video for use with evidence collection.
Concerns & Complaints Received: None
Internal Audit Results & Responses: None
Total Annual Cost: None
Future Acquisition Plans: Unknown

f. **Mini 2** (Quantity: 2)
Manufacturer: DJI

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Description: A handheld drone designed for exterior searches. The drone is controlled by a handheld remote control. It has the ability to record video for use with evidence collection.
Concerns & Complaints Received: None
Internal Audit Results & Responses: None
Total Annual Cost: None
Future Acquisition Plans: Unknown

g. **Mavic 3 Enterprise** (Quantity: 8)
Manufacturer: DJI
Description: A handheld drone designed for exterior searches. The drone is controlled by a handheld remote control. It has the ability to record video for use with evidence collection.
Concerns & Complaints Received: None
Internal Audit Results & Responses: None
Total Annual Cost: None
Future Acquisition Plans: Unknown

h. **Matirce 30T** (Quantity: 4)
Manufacturer: DJI
Description: A handheld drone designed for exterior searches. The drone is controlled by a handheld remote control. It has the ability to record video for use with evidence collection.
Concerns & Complaints Received: None
Internal Audit Results & Responses: None
Total Annual Cost: None
Future Acquisition Plans: Unknown

2. **Small Unmanned Tracked Robots:** An unmanned tracked robot of any type that is capable of being remotely controlled as well as all of the supporting or attached systems designed for gathering information through imaging, recording or by any other means.

Capability: Small Unmanned Tracked Robots can support first responders in any hazardous incident which would benefit from a ground level perspective. These uses could include barricaded suspects or high-risk tactical operations, disaster response, and use in crawl spaces or confined isolated areas to assist in searches for suspects or evidence.

Usage: Small Unmanned Tracked Robots are to be used exclusively by the SWAT unit during high-risk operations, disaster response, and in crawl spaces or confined isolated areas to assist in searches for suspects or evidence.

Training Requirements: SWAT Officers regularly train on safe robot deployment in a variety of operational settings.

Fiscal Impact: See Appendix A

Lifespan: Dragon Runner – Lifespan varies with operational usage and wear.

The Department currently possesses the following types of Small Unmanned Tracked Robot:

a. **Dragon Runner** (Quantity: 1)
Manufacturer: QinetiQm
Description: Lightweight, expandable, and one-man portable robot that offers protection and support to officers. Designed to provide situational awareness by 'scouting out' while the officers remain at a safe distance.

Designed for rapid tactical missions, the robot is simple to operate and quick to deploy for searching rooms, hallways, stairwells, and confined spaces. With rubber tracks, the Dragon Runner effortlessly climbs stairs. It also includes an extendible rotating claw arm that simplifies opening door handles.
Concerns & Complaints Received: None
Internal Audit Results & Responses: None
Total Annual Cost: None
Future Acquisition Plans: Unknown

i. **MKI** (Quantity: 2)
Manufacturer: Sigyn
Description: Small hand-deployable remote-control robot with audio listening capabilities.
Concerns & Complaints Received: None
Internal Audit Results & Responses: None
Total Annual Cost: None
Future Acquisition Plans: Unknown

B. Armored Personnel Carriers

1. **BearCat:** An armored rescue vehicle capable of providing high ballistic protection, cover, limited breaching capability, and transport of officers and/or civilians at critical incidents and high-risk tactical operations.

Capability: BearCats can support first responders in any hazardous, high risk, or critical incident which would benefit from having a vehicle that provides a high level of ballistic protection.

Usage: These uses could include active shooters, armed barricaded suspects, hostage situations, high-risk tactical operations, disaster response, officer/citizen

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rescues, and CBRNE (Chemical, Biological, Radiological, Nuclear, and Explosive) attacks and detection.

Training Requirements: Officers authorized to operate the BearCat are required to successfully complete in house training on its capabilities and must complete a driving assessment during the training period.

Fiscal Impact: See Appendix A

Lifespan: Approximately 20 years depending on operational usage and wear.

The Department currently possesses the following types of BearCats:

a. **BearCat G2** – 2 Door Model (Quantity: 1)
Manufacturer: Lenco
Description: The Lenco BearCat G2 is the standard armored rescue vehicle for special operations units within the US Law Enforcement community. The G2 has excellent on-road driving characteristics and maneuverability in tight urban settings. The large floor plan seats 10–12 fully equipped officers or citizens.
Concerns & Complaints Received: None
Internal Audit Results & Responses: None
Total Annual Cost: $505.45
Future Acquisition Plans: Unknown

b. **BearCat G3** – 4 Door Model (Quantity: 1)
Manufacturer: Lenco
Description: The BearCat G3 provides Lenco's proven armor system in a ruggedized off-road platform. The G3 utilizes the same body design, interior features and tactical options as the G2, but it comes standard with a heavier duty upgraded suspension and off-road tires, rims & run flats to provide enhanced off-road performance. The increased ground clearance and robust suspension allows for emergency response in rural regions and natural disaster scenarios where standard armored rescue vehicles would experience challenges.
Concerns & Complaints Received: None
Internal Audit Results & Responses: None
Total Annual Cost: $972.56
Future Acquisition Plans: Unknown

c. **BearCat G3 w/ P3E MARS Ramp System** – 3 Door Model (Quantity: 1)
Manufacturer: Lenco
Description: The BearCat G3 provides Lenco's proven armor system in a ruggedized off-road platform. The G3 utilizes the same body design, interior

features and tactical options as the G2, but it comes standard with a heavier duty upgraded suspension and off-road tires, rims & run flats to provide enhanced off-road performance. The increased ground clearance and robust suspension allows for emergency response in rural regions and natural disaster scenarios where standard armored rescue vehicles would experience challenges. This armored rescue vehicle is outfitted with the P3E MARS ramp system which allows officers to safely make entry into or rescue citizens from elevated structures.
Concerns & Complaints Received: None
Internal Audit Results & Responses: None
Total Annual Cost: $219.30
Future Acquisition Plans: Unknown

d. **Rook** – (Quantity: 1)
Manufacturer: Ring Power
Description: The Rook is a tracked armored vehicle capable of deploying officers into a critical incident or rescue citizens during a critical incident. It features several attachments capable of moving objects, or vehicles to aide in the peace resolution of a critical incident. The attachments and vehicle also can be used in various natural disaster incidents.
Concerns & Complaints Received: None
Internal Audit Results & Responses: None
Total Annual Cost: $113.42
Future Acquisition Plans: Unknown

C. Command and Control Vehicles

1. **Mobile Command Vehicles:** Completely self-contained command posts designed to provide the Incident Commander with a mobile base of operation.

Capability: As a mobile base of operation, these vehicles contain specialized command, control, and communications equipment to assist with this mission.

Usage: Mobile Command Vehicles are to be utilized as an Incident Command Post for planned or unplanned events. Vehicles are also equipped with specialized equipment to assist with numerous types of incidents.

Training Requirements: Officers are frequently train in the operations of Command vehicles.

Fiscal Impact: See Appendix A

Lifespan: No lifespan indicated by manufacturer. Dependent on operational usage and wear.

The Department currently possesses the following types of Mobile Command Vehicles:

a. **SWAT Special Equipment Vehicle** – (Quantity: 1)

The SWAT Special Equipment Vehicle is a non-armored vehicle used by SWAT personnel to transport special weapons and equipment to the scene of critical incidents. Once at an incident, it is also used as a SWAT and Tactical Operations Center (TOC).

Manufacturer: Custom Built International Chassis
Description: This vehicle is a custom build. It is capable of transporting various SWAT equipment to a critical incident. It is also outfitted with various radio and computers to aide the Incident Commander.
Concerns & Complaints Received: None
Internal Audit Results & Responses: None
Total Annual Cost: $1,171.52
Future Acquisition Plans: Unknown

b. **CP131 – Command Post Vehicle** - (Quantity: 1)
Manufacturer: Custom Built Freightliner Chassis
Description: This vehicle is a custom-built truck which allows officers to aide in communicating with subjects during critical incidents or can be utilized as a command post during any type of situation.
Concerns & Complaints Received: None
Internal Audit Results & Responses: None
Total Annual Cost: $1,703.70
Future Acquisition Plans: Unknown

D. Explosive Breaching Equipment

1. **Explosive Breaching Equipment:** During crisis situations, it may become necessary for a SWAT team to facilitate an entry into a target location. It is critical the point of entry is breached quickly and as safely as possible. A quick and effective breach is one key to a successful tactical mission**.** In some instances, an explosive breach may be required to provide an added degree of safety and tactical advantage in order to accomplish a mission.

A variety of specialized breaching equipment consisting of explosive materials are possessed by the Department. Explosive Breaching Equipment can only be used exclusively by the SWAT team's dedicated breaching personnel.

Capability / Usage: Explosive breaching, the use of explosive materials to affect a breach, can be an effective option in SWAT team tactics. An effective breach is a design where the least amount of explosive material is used and still accomplishes its goal. An effective Explosive Breach can defeat fortified doors

and walls. Effective breaching techniques allow tactical officers immediate entry with minimal risk to victims, officers, and suspects. An Explosive Breach should only be utilized after taking into consideration the overall mission, officer and citizen safety, the overall construction of the structure, the presence of unstable chemicals, explosives, or incendiary materials, and whether other means of mechanical breaching would be effective and safe to use. The option to use an explosive breach shall be at the discretion of the SWAT Commander.

Training Requirements: Only SWAT Officers that are certified Explosive Breachers are authorized to utilize explosive breaches. SWAT Explosive Breachers must successfully complete a certified Explosive Breaching Course. Additionally, SWAT Explosive Breachers must maintain proficiency with the use and handling of explosives and explosive breaching techniques.

Fiscal Impact: See Appendix A

Lifespan: Approximately five (5) years.

The Department currently possesses the following types of Explosive Breaching Equipment:

a. **Explosive Breaching Equipment Kit** – (Quantity: See Below)
Explosive Breaching Equipment consists of:
1. 50 grain Detonation Cord (69,200 gr.)
2. C2 sheets (1,540 gr.)
3. Shock-tube Blasting Cap (1,879 gr.)
Manufacturer: Southwest Explosives
Description: Explosive breaching, the use of explosive materials to affect a breach, can be an effective option in SWAT team tactics. An effective breach is a design where the least amount of explosive material is used and still accomplishes its goal.
Concerns & Complaints Received: None
Internal Audit Results & Responses: None
Total Annual Cost: None
Future Acquisition Plans: Unknown

2. **Breaching Shotguns and Breaching Ammunition:** During crisis situations, it may become necessary for a SWAT team to facilitate an entry into a target location. It is critical the point of entry is breached quickly and as safely as possible. A quick and effective breach is one key to a successful tactical mission**.** In some instances, a breach initiated by a breaching shotgun loaded with specialized breaching rounds may be required to provide an added degree of safety and tactical advantage in order to accomplish a mission.

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Specialized Breaching Rounds, also referred to as TKO round, are frangible and are designed to break into a powder form upon impact with a solid object (i.e., dead bolt lock, door frame, etc.)

The Department possesses a limited inventory of Breaching Shotguns and Breaching Shotgun Ammunition. Breaching Shotguns are to be used exclusively by trained members of the SWAT team.

Capability / Usage: Shotgun breaching, the use of a breaching shotgun to affect a breach, can be an effective option in SWAT team tactics. An effective breach is a design where the least amount of breaching shotgun rounds is used and still accomplishes its goal. An effective shotgun breach can defeat fortified doors and locks. Effective breaching techniques allow tactical officers immediate entry with minimal risk to victims, officers, and suspects.

Training Requirements: SWAT team members regularly train on the use of shotgun breaching.
Fiscal Impact: See Annual Military Report

Lifespan: Remington 870 Police Magnum – Limited lifetime warranty. Lifespan varies on operational usage and wear

Breaching Shotgun Ammunition – Five (5) year limited warranty. Five (5) year shelf life.

The Department currently possesses the following types of breaching shotguns and breaching shotgun ammunition:

a. **Remington 870 Police Magnum –** (Quantity: 5)
Manufacturer: Remington
Description: The Remington 870 Police Magnum pump-action shotgun is a rugged 12-gauge with a short barrel backed by a stout 3" chamber. The all-matte black gun is parkerized for generalized durability and rust-resistance. Both the pump action for-end and stock are robust and tough synthetic.
Concerns & Complaints Received: None
Internal Audit Results & Responses: None
Total Annual Cost: None
Future Acquisition Plans: Unknown

b. **TKO 12-Gauge Breaching Shotgun Rounds** – (Quantity: 60)
Manufacturer: Defense Technology
Description: The 12-Gauge TKO Breaching Round is a 12-Gauge shell loaded with a compressed zinc slug, utilizing smokeless powder as a propellant. This is a widely used method to breach door locks or hinges for entry during tactical operations. When properly deployed, the TKO is capable of defeating

door lock mechanisms, doorknobs, hinges, dead bolts, safety chains, and pad locks on both wooden or hollow core doors. Upon impact with the target, the zinc slug disintegrates into a fine powder eliminating fragmentation.
Concerns & Complaints Received: None
Internal Audit Results & Responses: None
Total Annual Cost: None
Future Acquisition Plans: Unknown

E. Firearms of .50 Caliber or greater

1. **.50 Caliber Rifles:** A heavy-duty, bolt-action rifle rated for .50 caliber ammunition that is capable for delivering precision rifle fire at great distances with effective results.

   Due to the ever-increasing number of deadly incidents involving vehicle borne attacks and fortified structures both in Southern California and around the country, the SWAT Sniper Team currently employs the use of a .50 caliber rifle to address the unique operational needs presented by these threats.

   The requirement and implementation of a .50 caliber rifle are now the standard for many SWAT Teams both in the US and abroad to combat vehicular threats that may arise out of conventional SWAT operations or domestic and international terror attacks.

   Capability / Usage: These weapons provide the capability to pierce hard armor, multiple layers of mild steel, or substantial brick, concrete and other materials that may give hard cover to potential suspects. In limited circumstances, these weapons can also be used to disable the engine block of a vehicle posing a clear and present threat to the public (i.e., a vehicle laden with explosives).

   Training Requirements: SWAT Snipers receive specific .50 caliber rifle training and must undergo regular training and weapons qualifications to be able to deploy the .50 caliber rifle.

   Fiscal Impact: See Appendix A

   Lifespan: EDM ARMS – Barrel life rated to approximately 20,000 rounds.

   a. **EDM ARMS Windrunner -** (Quantity: 1)
      Manufacturer: Bushmaster Firearms
      Description: The Windrunner is built to outshine all previous standards for long-range accuracy.
      Concerns & Complaints Received: None
      Internal Audit Results & Responses: None
      Total Annual Cost: None
      Future Acquisition Plans: Unknown

F. Ammunition of .50 caliber or greater

1. **.50 Caliber Rifle Ammunition:** Rifle ammunition manufactured specifically for .50 caliber Special Application Rifles. This caliber is also referred to as .50 BMG.

   Match Ammunition: Designed for when greater distance from a target is encountered and accuracy is needed. Match ammunition rounds excel against heavy barriers and penetrating thick glass.

   Fiscal Impact: See Appendix A

   Lifespan: Approximately 10-year shelf life.

   a. **A-Max Match Ammo - .50 BMG 750 grain** (Quantity: 10,750)
   Manufacturer: Engel Ballistic Research
   Description: 50BMG match grade 750 grain. Match ammunition rounds excel against heavy barriers and penetrating thick glass.
   Concerns & Complaints Received: None
   Internal Audit Results & Responses: None
   Total Annual Cost: None
   Future Acquisition Plans: Unknown

G. Specialized firearms and ammunition of less than .50 caliber, including assault weapons

1. **AR-15 Rifles:** A semi-automatic shoulder-fired long gun that fires a rifle caliber cartridge. The Department-approved AR-15 style weapon system is designed to fire a .223/5.56 caliber projectile.

   Capability/Usage: The rifle caliber carbine provides officers the ability to engage hostile suspects at distances generally greater than the effective distance of their handguns. Additionally, AR-15 rifles offer advantages over handguns, such as increased accuracy potential and the ability to defeat soft body armor but are not appropriate for every situation.

   Training Requirements: All officers attend a POST rifle course and regularly qualify with their rifle. SWAT Officers partake in regular rifle training, and consistent weapons qualifications to maintain proficiency with the AR-15.

   Fiscal Impact: See Appendix A

   Lifespan: Colt M4 Carbine LWRC IC-45 – Barrel life rated to approximately 12,000 rounds.

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Colt M4 Carbine – Barrel life rated to approximately 12,000 rounds.

a. **Colt M4 Carbine LWRC M6IC** (Quantity: 132)
Manufacturer: LWRC International
Description: Colt style M4 rifle chambered in .223 caliber. These rifles are outfitted with a collapsible stock and flashlight.
Concerns & Complaints Received: None
Internal Audit Results & Responses: None
Total Annual Cost: None
Future Acquisition Plans: Unknown

b. **Colt M4 Carbine** (Quantity: 150)
Manufacturer: Colt Manufacturing LLC
Description: Colt M4 rifle chambered in .223 caliber. These rifles are outfitted with a collapsible stock.
Concerns & Complaints Received: None
Internal Audit Results & Responses: None
Total Annual Cost: None
Future Acquisition Plans: Unknown

2. **.308 Caliber Rifles:** Rifle's chambered in a .308 caliber round. These rifles are set up as a semi-automatic rifle or a bolt action. They can be outfitted with various optics and accessories depending on the mission.

Capability / Usage: The .308 rifle provides SWAT Snipers and Air Support personnel the ability to engage hostile suspects at great distances with accuracy. The .308 rifle platform are typically deployed with the SWAT Team during high-risk SWAT operations and special events or instances wherein Sniper Over Watch Teams are needed. These rifles can also be deployed by the Ontario Air Support Unit for similar situations.

Training Requirements: SWAT team members and the Air Support Unit regularly train and qualify with various weapons systems including the .308 rifle to maintain proficiency.

Fiscal Impact: See Appendix A

Lifespan: HK 91 – Barrel life rated to approximately 3,000 to 6,000 rounds.
Tactical Ops Tango 51– Barrel life rated to approximately 5,000 rounds.
Sig Sauer 716 – Barrel life rated to approximately 3,000 to 6,000 rounds.

Fiscal Impact: See Appendix A

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a. **HK 91 Rifle** (Quantity: 1)
Manufacturer: Heckler and Koch
Description: Semi-automatic .308 rifle with optic attached.
Concerns & Complaints Received: None
Internal Audit Results & Responses: None
Total Annual Cost: None
Future Acquisition Plans: Unknown

b. **Tactical Ops Tango 51 .308 Bolt Action Rifle** (Quantity: 6)
Manufacturer: Accuracy International
Description: The bolt action Tango 51 is chambered in .308 caliber and is a bolt action rifle.
Concerns & Complaints Received: None
Internal Audit Results & Responses: None
Total Annual Cost: None
Future Acquisition Plans: Unknown

c. **Sig Sauer 716 Rifle** (Quantity: 2)
Manufacturer: Sig Sauer
Description: Semi-automatic .308 rifle with optic attached.
Concerns & Complaints Received: None
Internal Audit Results & Responses: None
Total Annual Cost: None
Future Acquisition Plans: Unknown

3. **MP-5 Submachine Guns:** A compact, modular, lightweight, shoulder fired, submachine gun capable of semi-automatic or automatic fire chambered in 9mm.

Capability / Usage: The MP-5 submachine gun provides the ability to deliver precision gun fire with a shoulder fired weapons system that is accurate, reliable, and safe. Its compact design allows for ease of maneuverability when operating in the open or within interior environments. The use of the MP-5 submachine gun is relegated to SWAT officers.

Training Requirements: Officers authorized to carry the MP-5 have completed numerous hours of live fire and movement training. Additionally, officers authorized to use the MP-5 must complete weapons qualifications on a regular basis to maintain proficiency.

Fiscal Impact: See Appendix A

Lifespan: Barrel life rated for approximately 50,000+ rounds.

a. **HK MP5 Submachine Gun** (Quantity: 8)

Manufacturer: Heckler & Koch

Description: Probably the most popular series of submachine guns in the world, it functions according to the proven roller-delayed blowback principle. Tremendously reliable, with maximum safety for the user, easy to handle, modular, extremely accurate and extraordinarily easy to control when firing.
Concerns & Complaints Received: None
Internal Audit Results & Responses: None
Total Annual Cost: None
Future Acquisition Plans: Unknown

4. **.223 Caliber or 5.56mm Rifle Ammunition:** Rifle ammunition manufactured specifically for rifles chambered in 5.56mm or .223 Remington. Currently there are two types of .223/5.56mm caliber rifle ammunition in use operationally by the Department.

   Capability / Usage: .223 caliber or 5.56mm rifle ammunition used in conjunction with an AR-15 type rifle provides officers the ability to engage hostile suspects at distances generally greater than the effective distance of their handguns. Rifle ammunition fired from AR-15 rifles offer advantages over handguns, such as increased accuracy potential and the ability to defeat soft body armor but are not appropriate for every situation. For the SWAT Team, the AR-15 is the primary weapons system utilized by the team. SWAT Officers regularly utilize the AR-15 as their primary weapons system on tactical operations.

   Training Requirements: Officers receive POST training and regularly qualify with their weapon.

   Fiscal Impact: See Appendix A

   Lifespan: Approximately 10-year shelf life.

   The Department currently possesses the following types of .223 caliber or 5.56mm rifle ammunition:

   a. **Federal – FMJ .223 55 grain** (Quantity: 75,500)
      Manufacturer: Federal
      Description: American Eagle rifle ammunition offers consistent, accurate performance at a price that's perfect for high-volume shooting. The loads feature quality bullets, reloadable brass cases and dependable primers.
      Concerns & Complaints Received: None
      Internal Audit Results & Responses: None
      Total Annual Cost: None
      Future Acquisition Plans: Unknown

   b. **Federal – Gold Dot .223 62 grain** (Quantity: 11,000)
      Manufacturer: Federal

Description: Gold Dot Duty Rifle brings proven bullet technology to rifle platform. Gold Dot rifle bullets are optimized to ensure expansion out of barrels down to 10" at a wide variety of velocities out to 200 yards.
Concerns & Complaints Received: None
Internal Audit Results & Responses: None
Total Annual Cost: None
Future Acquisition Plans: Unknown

5. **.308 Caliber Rifle Ammunition:** Rifle ammunition manufactured specifically for rifles chambered in .308 Winchester. Currently there are various types of .308 Winchester caliber rifle ammunition in use by the Department.

   Fiscal Impact: See Appendix A

   Lifespan: Approximately 10-year shelf life.
   The Department currently possesses the following types of .308 Winchester ammunition:

   a. **Federal.308 Winchester LE308TT2 Ammunition** (Quantity: 4,000)
      Manufacturer: Federal
      Description: Tactical bonded ammunition is made exclusively for law enforcement. It is designed to defeat barriers with minimal deflection.
      Concerns & Complaints Received: None
      Internal Audit Results & Responses: None
      Total Annual Cost: None
      Future Acquisition Plans: Unknown

H. Flashbangs, Chemical Agents, Chemical Agent Delivery Devices, and Pepper Ball Launchers

1. **Noise Flash Diversionary Devices (NFDD):** Canisters that emit a loud noise and bright light.

   Capability / Usage: Diversionary Devices are capable of releasing large amounts of stored energy in the form of heat, light, pressure, and noise. They are intended to temporarily distract, confuse, and disorient subjects. They can also be used as "attention-getting" devices. Diversionary Devices are to be used exclusively by the SWAT team. Noise Flash Diversionary Devices can be used in high-risk tactical operations as an attention getting device. They can also be used during high-risk warrants, and hostage rescue incidents to provide an added degree of officer safety by disorienting subjects.

   Training Requirements: SWAT Officers regularly train on safe device deployment in a variety of operational settings.

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Fiscal Impact: See Appendix A

Lifespan: Defense Technology Multi Port Distraction Device – Five (5) year shelf life.

Liberty Dynamics Distraction Device –Five (5) year shelf life.

The Department currently possesses the following types of Diversionary Devices:

a. **Defense Technology Multi Port Distraction Device** (Quantity: 60)
Manufacturer: Defense Technology
Description: These noise flash diversionary devices have a highly reliable functionality and very precise delay times.
Concerns & Complaints Received: None
Internal Audit Results & Responses: None
Total Annual Cost: None
Future Acquisition Plans: Unknown

b. **Defense Technology Multi-bang** (Quantity: 2)
Manufacturer: Defense Technology
Description: This distraction device is capable of multiple consecutive detonations on one device.
Concerns & Complaints Received: None
Internal Audit Results & Responses: None
Total Annual Cost: None
Future Acquisition Plans: Unknown

c. **Low-roll Distraction Device (Training Device)** (Quantity: 50)
Manufacturer: Defense Technology
Description: Training device utilizes the same deployment methods with minimal load for training purposes.
Concerns & Complaints Received: None
Internal Audit Results & Responses: None
Total Annual Cost: None
Future Acquisition Plans: Unknown

d. **Liberty Dynamics Distraction Device** (Quantity: 138)
Manufacturer: Liberty Dynamics
Description: This diversionary device has the binary energetic material contained within the Enhanced Noise Flash Diversionary device allows for drastically lowered volatility levels, creating a vastly safer and more reliable noise-flash event.
Concerns & Complaints Received: None
Internal Audit Results & Responses: None
Total Annual Cost: None
Future Acquisition Plans: Unknown

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2. **Chemical Agents and Chemical Agent Delivery Devices**: Compounds, devices, and delivery systems utilized by SWAT, Mobile Field Force, and patrol officers. Compounds can include irritants such as Chlorobenzalmalononitrile (CS) or an inflammatory agent such as Oleoresin Capsicum (OC) or Pava (synthetic OC). Chemical agents can be liquid, powder, or gaseous. Delivery systems can be pyrotechnic, blast dispersion, OC Fogger, or aerosol.

   Chemical agent delivery devices consist of the following:

   Gas Ram: A metal device resembling a handheld pointed battering ram that can be loaded with a chemical agent canister. The gas ram can be used to introduce chemical agents into a location by piercing the wall, door, or roof of a structure.

   Burn Safe: A cylindrical metal container designed to contain a pyrotechnic chemical agent canister and reduce fire hazard upon deployment into a structure.

   Capability / Usage: Depending on the delivery method, chemical agents are capable of being introduced in close proximity or from a distance. Depending on the type of delivery system and/or quantity, chemical agents can be used to saturate individual suspects, violent crowds, or areas of varied size. Chemical agents are to be used by the SWAT Team, Mobile Field Force, and/or patrol officers. Generally, during high-risk tactical incidents chemical agents can be used to dislodge a suspect from a stronghold location with the least possible danger to citizens, police, and the suspect. Chemical agents can also be used to prevent an armed suspect from accurately firing at citizens and/or officers. They can also be used in limited instances during civil unrest to disperse violent crowds.

   Training Requirements: Officers receive regular training on the deployment and use of chemical agents. Officers are required to pass annual qualifications with the use of chemical agents and chemical agent delivery systems in order to maintain proficiency.

   Fiscal Impact: See Appendix A

   Lifespan: Defense Technology Chemical Agent Canisters and Munitions - Five (5) year shelf life.

   Chemical Agent Delivery Devices - No lifespan indicated by manufacturer. Lifespan varies on operational usage and wear.

   The Department currently possesses the following types of chemical agents:

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a. **SPEDE-HEAT CS Model -** (Quantity: 16)
Manufacturer: Defense Technology
Description: The Spede-Heat CS munition is a high volume, continuous burn it expels its payload in approximately 20-40 seconds. The payload is discharged through four gas ports on top of the canister, three on the side and one on the bottom. This munition holds approximately 2.9 oz. of active agent.
Concerns & Complaints Received: None
Internal Audit Results & Responses: None
Total Annual Cost: None
Future Acquisition Plans: Unknown

b. **40mm Liquid Ferret -** (Quantity: 169)
Manufacturer: Defense Technology
Description: These launchable munitions are capable of being deployed into a structure, through barriers, to deploy chemical agent into a structure at a safe distance.
Concerns & Complaints Received: None
Internal Audit Results & Responses: None
Total Annual Cost: None
Future Acquisition Plans: Unknown

c. **Chemical Agent CS Pocket Tactical – Model 1016** (Quantity: 6)
Manufacturer: Defense Technology
Description: The Pocket Tactical CS munition is small, and lightweight. The 0.9 oz. of active agent will burn approximately 20-40 seconds. At 4.75 in. by 1.4 inches in size, it easily fits in most tactical pouches.
Concerns & Complaints Received: None
Internal Audit Results & Responses: None
Total Annual Cost: None
Future Acquisition Plans: Unknown

d. **Maximum HC Smoke Model 1073 -** (Quantity: 13)
Manufacturer: Defense Technologies
Description: Pyrotechnic smoke grenade used for concealment or as a signaling device.
Concerns & Complaints Received: None
Internal Audit Results & Responses: None
Total Annual Cost: None
Future Acquisition Plans: Unknown

e. **37mm Multiple Foam Baton – Model 6299** (Quantity: 379)
Manufacturer: Defense Technology
Description: The 37mm foam baton round contains three foam projectiles.
Concerns & Complaints Received: None
Internal Audit Results & Responses: None
Total Annual Cost: None

Future Acquisition Plans: Unknown

f. **40mm Skat Shell – Model 6172** (Quantity: 62)
Manufacturer: Defense Technology
Description: The 40mm Skat shell is designed to deliver multiple CS canisters from a 40mm launcher. It has a maximum effective range of 80-100 yards.
Concerns & Complaints Received: None
Internal Audit Results & Responses: None
Total Annual Cost: None
Future Acquisition Plans: Unknown

g. **Instantaneous Blast CS – Model 1042** (Quantity: 52)
Manufacturer: Defense Technology
Description: The instantaneous blast CS munition is designed for indoor or outdoor use; this munitions powder is expelled upon initiation of a small internal detonator that has sufficient force to split the canister at six machined groves on the outside surface.
Concerns & Complaints Received: None
Internal Audit Results & Responses: None
Total Annual Cost: None
Future Acquisition Plans: Unknown

h. **Pocket Tactical Saf-Smoke – Model 1017** (Quantity: 38)
Manufacturer: Defense Technology
Description: This munition is small and lightweight. It will burn approximately 20-40 seconds.
Concerns & Complaints Received: None
Internal Audit Results & Responses: None
Total Annual Cost: None
Future Acquisition Plans: Unknown

i. **CS Flameless Tri-Chamber – Model 1032** (Quantity: 38)
Manufacturer: Defense Technology
Description: The flameless tri-chamber allows the contents to burn within an internal can and disperse the agent safely with reduced risk of fire.
Concerns & Complaints Received: None
Internal Audit Results & Responses: None
Total Annual Cost: None
Future Acquisition Plans: Unknown

j. **CS Triple-Chaser Canister – Model 1026** (Quantity: 52)
Manufacturer: Defense Technology
Description: The triple-chaser CS consists of three separate canisters pressed together with separating charges between each. When deployed, the canisters separate and land approximately 20 feet apart allowing increased area coverage.

Concerns & Complaints Received: None
Internal Audit Results & Responses: None
Total Annual Cost: None
Future Acquisition Plans: Unknown

k. **40mm Muzzle Blast – Model 6042** (Quantity: 79)
Manufacturer: Defense Technology
Description: The 40mm muzzle blast CS round is widely used as a crowd management tool for the immediate and close deployment. .
Concerns & Complaints Received: None
Internal Audit Results & Responses: None
Total Annual Cost: None
Future Acquisition Plans: Unknown

l. **Gas Ram – Chemical Agent Delivery Device** (Quantity: 3)
Manufacturer: Custom build
Manufacturer Description: The gas ram is a double walled container constructed of steel designed to contain the flames of a pyrotechnic chemical agent canister. There is a large metal probe attached to one end designed to penetrate walls to deploy the chemical agent inside a structure from outside.
Concerns & Complaints Received: None
Internal Audit Results & Responses: None
Total Annual Cost: None
Future Acquisition Plans: Unknown

m. **Burn Safe – Chemical Agent Delivery Device** (Quantity: 2)
Manufacturer: Burn Safe
Manufacturer Description: The Burn Safe is a double walled container constructed of aluminum. It is designed to contain the flames inside the inner chamber thereby reducing the probability of starting a fire. The Burn Safe allows the introduction of significant amounts of pyrotechnic non-lethal chemical agent into the target, which increases the probability of a successful resolution.
Concerns & Complaints Received: None
Internal Audit Results & Responses: None
Total Annual Cost: None
Future Acquisition Plans: Unknown

3. **Pepper Ball Launchers and Pepper Ball Munitions:** A non-lethal munitions system that employs paint ball launchers to fire "pepper balls" that contain powdered synthetic OC in place of the paint. The pepper ball delivery system combines chemical agent exposure with kinetic energy impact to aid in its effectiveness in addressing armed and/or violent individuals or crowds. Pepper ball munitions also include glass breaking rounds.

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Capability / Usage: Pepper ball launchers give officers the ability to address an armed and/or violent suspect(s) with a non-lethal munition that delivers both chemical agent and kinetic energy impact. This combination can be extremely effective in gaining compliance or reducing threat potential with an armed and/or violent suspect(s). Due to its design, pepper balls can be delivered from a larger standoff distance allowing for an added degree of officer safety. Pepper ball launchers and pepper ball munitions can be used to address armed and/or violent individuals or crowds, limited instances of violent civil unrest, suicidal individuals, and individuals believed to possess or have immediate access to a deadly weapon. Pepper ball munitions can be effective in driving suspects from confined spaces or vehicles.

Training Requirements: Officers undergo regular live fire proficiency training. Additionally, Officers are required to qualify with pepper ball launchers on a consistent basis to maintain proficiency.

Fiscal Impact: See Appendix A

Lifespan: Pepper Ball Launcher – No manufacturer life span indicated by manufacturer.

Pepper Ball Munitions – Approximately three (3) year shelf life.

The Department currently possesses the following types of pepper ball launchers and pepper ball munitions:

a. **Tippman FTC Pepper Ball Launcher** (Quantity: 12)
Manufacturer: Tippman
Manufacturer Description: The Tippmann FTC paintball marker is a compact marker launcher.
Concerns & Complaints Received: None
Internal Audit Results & Responses: None
Total Annual Cost: None
Future Acquisition Plans: Unknown

b. **PepperBall Live –** (Quantity: 3,300)
Manufacturer: PepperBall
Description: A potent and powerful concentration of PAVA pepper powder. One round of LIVE-X contains 2% PAVA.
Concerns & Complaints Received: None
Internal Audit Results & Responses: None
Total Annual Cost: None
Future Acquisition Plans: Unknown

c. **PepperBall Glass Breaker –** (Quantity:140)

Manufacturer: PepperBall
Description: Used to break side glass of vehicles and residential glass windows.
Concerns & Complaints Received: None
Internal Audit Results & Responses: None
Total Annual Cost: None
Future Acquisition Plans: Unknown

d. **PepperBall Inert –** (Quantity: 3,000)
Manufacturer: PepperBall
Description: Containing a harmless, scented powder, this projectile is best suited for training, qualifications, and direct impact when chemical exposure is not desired.
Concerns & Complaints Received: None
Internal Audit Results & Responses: None
Total Annual Cost: None
Future Acquisition Plans: Unknown

I. Extended Range Impact Weapons, Projectile Launcher Platforms, Munitions, and Specialty Impact Munitions (SIM)

1. **40mm Launchers (Projectile Launch Platforms):** A single shot or multi-shot Extended Range Impact Weapon launcher capable for firing a variety of 40mm rounds. The Department also has a limited inventory of 37mm launchers that share the same characteristics as 40mm launchers but are chambered for 37mm munitions.

Capability / Usage: 40mm launchers are capable of firing a variety of munitions with a maximum effective range of one hundred twenty (120) feet. 40mm launchers can deliver 40mm munitions in the form of chemical agents, and sponge baton rounds. The 40mm launchers utilized with less lethal sponge baton rounds are designed to impact armed and/or violent suspects so officers can gain compliance, overcome resistance, or prevent serious injury or death to bystanders, officers, and the suspect. 40mm single launchers combined with less lethal 40mm sponge baton rounds are authorized to be used by any officer that has been trained in its use and maintains current qualifications.

Training Requirements: Officers that have been trained in the use of the 40mm single launcher undergo thorough training in its use. Additionally, officers trained in the use of the 40mm single launcher must pass annual qualifications to maintain proficiency.

Fiscal Impact: See Appendix A

Lifespan:

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Defense Technology 40mm Launchers – Two (2) year limited warranty. No lifespan indicated by manufacturer. Dependent on operational usage and wear.

Defense Technology 37mm Launchers – No lifespan indicated by manufacturer. Lifespan varies on operational usage and wear.

The Department currently possesses the following types of 40mm launchers:

a. **Def Tech – Model 1425** (Quantity: 15)
Manufacturer: Defense Technology
Description: The 40mm will fire standard 40mm Less Lethal ammunition, up to 4.8 inches in cartridge length.
Concerns & Complaints Received: None
Internal Audit Results & Responses: None
Total Annual Cost: None
Future Acquisition Plans: Unknown

b. **LMT – 40mm Launcher** (Quantity: 32)
Manufacturer: Lewis Machine & Tool
Description: The 40mm will fire standard 40mm Less Lethal ammunition, up to 4.8 inches in cartridge length.
Concerns & Complaints Received: None
Internal Audit Results & Responses: None
Total Annual Cost: None
Future Acquisition Plans: Unknown

c. **LMT – Model 203** (Quantity: 2)
Manufacturer: Lewis Machine & Tool
Description: The 40mm will fire standard 40mm Less Lethal ammunition, up to 4.8 inches in cartridge length.
Concerns & Complaints Received: None
Internal Audit Results & Responses: None
Total Annual Cost: None
Future Acquisition Plans: Unknown

d. **Def-Tec – Model 1415** (Quantity: 4)
Manufacturer: Defense Technology
Manufacturer Description: The 37mm will fire standard 37mm Less Lethal ammunition, up to 8 inches in cartridge length.
Concerns & Complaints Received: None
Internal Audit Results & Responses: None
Total Annual Cost: None
Future Acquisition Plans: Unknown

e. **Def-Tec 40mm 6-Shot Launcher** (Quantity: 2)

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Manufacturer: Defense Technology
Description: Designed for riot and tactical situations, the 40mm 6-Shot Launcher is low-profile and lightweight, providing multi-shot capability in an easy to carry launcher.
Concerns & Complaints Received: None
Internal Audit Results & Responses: None
Total Annual Cost: None
Future Acquisition Plans: Unknown

2. **40mm Ammunition:** The 40MM round is a sponge baton cartridge. The sponge round has a blue-colored nose with a black base. The casing is stainless.

   Fiscal Impact: See Appendix A

   Lifespan: Five (5) year shelf life.

   The Department currently possesses the following types of 40mm direct impact ammunition:

   a. **eXact iMpact 40mm Sponge Round – Model 6325** (Quantity: 500)
      Manufacturer: Defense Technology
      Description: The eXact iMpact 40 mm Sponge Round is a point-of-aim, point-of-impact direct-fire round. This lightweight, high-speed projectile consisting of a plastic body and sponge nose that is spin stabilized via the incorporated rifling collar and the 40 mm launcher's rifled barrel. Used for Crowd Control, Patrol, and Tactical Applications.

J. Night Vision Equipment and Infrared Sighting Systems

1. **Night Vision Optical Devices:** A night-vision device (NVD), also known as night optical/observation device (NOD) or night-vision goggles (NVG) is an optoelectronic device that allows images to be produced in low levels of light approaching total darkness.

   Capability / Usage: Night Vision Optical Devices provide the user the ability to see an enhanced image during darkness. The use of this equipment allows a tactical advantage for officers especially when operating in low light or dark environments. The majority of SWAT tactical operations occur at night or are conducted in low light environments. Having NVD's allows for SWAT Officers to have a tactical advantage and an added degree of officer safety when operating in those conditions. The use of NVD's is extremely advantageous during high-risk operations, hostage rescue, active shooter, and tactical operations in a wide range of environments.

   Training Requirements: SWAT Officers maintain proficiency by continual training and annual weapons qualifications with NVD's.

Fiscal Impact: See Appendix A

Lifespan: Approximately 10,000 hours.

The Department currently possesses the following types of Night Vision Optical Devices:

a. **Pinnacle Gen3 Night Vision –** (Quantity: 30)
Manufacturer: Night Vision Depot
Description: Pinnacle Gen3 Night Vision Device is a compact, lightweight, high-performance white phosphor dual-tube goggle.
Concerns & Complaints Received: None
Internal Audit Results & Responses: None
Total Annual Cost: None
Future Acquisition Plans: Unknown

b. **L3 Warrior –** (Quantity: 3)
Manufacturer: L3
Description: The L3 Warrior Night vision scope can be attached quickly to the rifle to allow for enhanced vision during night time operations. It works in conjunction with the rifle's optics for improved vision.
Concerns & Complaints Received: None
Internal Audit Results & Responses: None
Total Annual Cost: None
Future Acquisition Plans: Unknown

2. **Infrared Sighting Systems:** A device attached to a firearm to aid in target acquisition. Unlike optical and iron sights where the user looks through the device to aim at the target, laser sights project a beam onto the target that provides a visual reference point. This device is used in conjunction with NVD's to aid in rapid and accurate target acquisition.

Capability / Usage: This equipment, when combined with NVD's, provide the user the ability to see an enhanced image during low light conditions or darkness. The use of this equipment allows for a tactical advantage for officers. It allows officers to obtain accurate and rapid target acquisition especially when operating in a multitude of low light or dark environments. Most SWAT operations occur at night or are conducted in low light environments. Having NVD's in conjunction with infrared sighting systems allows for SWAT Officers to have a tactical advantage and an added degree of officer safety when operating in those conditions. The use of NVD's combined with infrared sighting systems are extremely advantageous during high-risk operations, hostage rescue, active shooter, and tactical operations in a wide range of environments. Infrared sighting systems are to be used exclusively by the SWAT Unit. Night Vision optical enhancement devices combined with infrared sighting systems may be utilized

during tactical missions with approval from the SWAT Commanding Officer or SWAT Executive Officer.

Training Requirements: SWAT Officers maintain proficiency by continual training and annual weapons qualifications with NVD's and infrared sighting systems.

Fiscal Impact: See Appendix A

Lifespan: Approximately 10,000 hours.

The Department currently possesses the following types of infrared sighting systems:

a. **MAWL IR Designator** (Quantity: 30)
Manufacturer: B.E. Meyers
Description: The MAWL has an IR light and IR laser which work in conjunctions with night vision devices to illuminate and aide in aiming a weapon system.

V. USAGE OF MILITARY EQUIPMENT WHEN COLLABORATING WITH OTHER LAW ENFORCEMENT AGENCIES

On occasion, the Department may be required to assist other law enforcement agencies in a formal Law Enforcement Mutual Aid Request (LEMA) or support with day-to-day operational collaboration (i.e., pursuits, investigative unit assistance, joint law enforcement operations, etc.).

In certain mutual aid or operational collaboration circumstances, it may be necessary for sworn Department members to utilize military equipment in order to fulfill an assigned mission (i.e., civil unrest, SWAT requests, barricaded suspects in a vehicle, etc.). When sworn Department members utilize military equipment in instances of mutual aid or law enforcement collaboration, the following shall apply:

A. Department members are required to adhere to the Department's Military Equipment Procedure and **all** policies and procedures outlined within the Ontario Police Department's Policy and Procedures Manual, regardless of operational jurisdiction.

B. Should the Police Department request mutual aid from another law enforcement agency within the City and military equipment is required during the course of the response, the following shall apply:

1. The Ontario Police Department will remain in charge of the overall incident command.

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2. The Incident Commander or designee will brief the supervisor from the assisting agency and inform them of the mission, enforcement posture, and any pertinent information related to the incident.

3. The assisting agency will adhere to their respective policies and procedures, particularly those governing the use of military equipment.

4. If the Incident Commander or their designee is informed of or witnesses the utilization of military equipment by an assisting agency inconsistent with the guidelines set forth in this procedure, the Incident Commander may elect to cancel the request for mutual aid or re-assign the assisting agency to a different support mission.

VI. APPROVAL OF MILITARY EQUIPMENT BY GOVERNING BODY

A. Pursuant to AB-481 all military equipment acquired and/or in use by the Department shall be approved by the governing body by adopting a military use policy. This approval by the governing body must be granted prior to any of the following:

1. Requesting military equipment made available pursuant to Section 2576a of Title of the United States Code. This section is also commonly referred to as the Defense Logistics Agency 1033 Program. The Police Department does not participate in the 1033 Program.
2. Seeking funds for military equipment, including, but not limited to, applying for a grant, soliciting or accepting private, local, state, or federal funds, in-kind donations, or other donations or transfers.
3. Acquiring military equipment either permanently or temporarily, including by borrowing or leasing.
4. Collaborating with another law enforcement agency in the deployment or other use of military equipment within the territorial jurisdiction of the governing body.
5. Using any new or existing military equipment for a purpose, in a manner, or by a person not previously approved by the governing body.
6. Soliciting or responding to a proposal for, or entering into an agreement with, any other person or entity to seek funds for, apply to receive, acquire, use, or collaborate in the use of, military equipment.
7. Acquiring military equipment through any other means.

B. In seeking approval of the government body for any specified military equipment, the Department shall submit a proposed military equipment use policy to the governing body and make those documents available on the Department's internet website at least 30 days prior to any public hearing concerning the military equipment at issue.

1. The proposed or final military equipment use policy shall be made publicly available on the Department's internet website for as long as the military equipment is available for use.

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VII. ANNUAL MILITARY EQUIPMENT REPORT

A. Pursuant to AB-481, the Department shall submit to the City Council an annual military equipment report for each type of military equipment approved by the governing body within one year of approval, and annually thereafter for as long as the military equipment is available for use. The Department shall also make each annual military equipment report required by this section publicly available on its internet website for as long as the military equipment is available for use. The Commanding Officer or their designee shall be responsible for the preparation and submission of the annual military equipment report. The annual military equipment report shall, at a minimum, include the following information for the immediate previous calendar year for each type of military equipment:

1. A summary of how the military equipment was used and the purpose of its use.
2. A summary of any complaints or concerns received concerning the military equipment.
3. The results of any internal audits, any information about violations of the military equipment use policy, and any actions taken in response, consistent with state law employee privacy restrictions.
4. The total annual cost for each type of military equipment, including acquisition, personnel, training, transportation, maintenance, storage, upgrade, and other ongoing costs, and from what source funds will be provided for the military equipment in the calendar year following submission of the annual military equipment report.
5. The quantity possessed for each type of military equipment.
6. If the Department intends to acquire additional military equipment in the next year, the quantity sought for each type of military equipment.

B. Within 30 days of submitting and publicly releasing the annual military equipment report, the Department shall hold at least one community engagement meeting, at which the general public may discuss and ask questions regarding the annual military equipment report and the Department's funding, acquisition, or use of military equipment.

C. The City Council will determine, based on the annual military equipment report, whether each type of military equipment identified in the report has complied with the standards for approval as set forth by AB 481. If the City Council determines that a type of military equipment identified in the annual military equipment report has not complied with the standards as set forth by AB 481, it may either disapprove a renewal of the authorization for that type of military equipment or require modifications to this military equipment use procedure in a manner that will resolve lack of compliance.

VIII. MILITARY EQUIPMENT USAGE ACCOUNTABILITY

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A. The use of military equipment is subject to individual Department Policies and Procedures, and is restricted for use only in certain instances and in some cases, only by certain units. It is incumbent upon incident commanders, supervisors, and individual officers to recognize the specific circumstances wherein military equipment should be employed to enhance the safety of the public and officers and to bring a critical incident to a safe resolution.

B. Department members are bound to adhere to Department Policies and Procedures, in addition to state and local laws and ordinances when employing the use of the military equipment at any time. Violations of the law or Department Policies or Procedures may result in criminal or administrative investigations and/or actions.

C. Administrative Investigations concerning complaints related to military equipment will be conducted in accordance with department policy. These investigations may be subject to review by the Office of the Chief of Police to ensure that compliance with this military equipment procedure is maintained.

D. Any corrective action or discipline imposed as a result of a violation of this Department Procedure will be administered in accordance with the department policy, relevant employee organization memorandum of understanding (MOU), Civil Service Rules, and state law.

IX. MILITARY EQUIPMENT MAINTENANCE AND INVENTORY

All military equipment shall be maintained and inventoried in accordance with department policy.

X. MILITARY EQUIPMENT COMPLAINTS AND INQUIRIES

In some instances, the application and use of military equipment can cause questions and/or concerns for members of the community. It is of vital importance that community members' questions regarding the application and use of military equipment are addressed.

The Police Department is committed to full and fair investigation of citizen complaints. As such, the Department has sound internal procedures for thorough and impartial investigations of citizen complaints. Resolving complaints in a fair, impartial, and expeditious manner will ensure the consistent high level of integrity and efficiency maintained by the Department.

A. Complaints directly related to the application or use of military equipment shall be handled in accordance with department policy.

B. The Police Department values open communication and transparency. Community questions and/or concerns regarding the application and use of specified military equipment should be addressed in the following manner:

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1. Via the Department internet website where the public can email specific military equipment related questions to the Department.
2. At pre-determined Community Engagement Meetings related to military equipment.
3. At City-Council Meetings related to military equipment.
4. In all other circumstances, the public should be directed to the Department Military Equipment Procedure and Annual Military Equipment Report available on the Department's internet website.

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MILITARY PROCEDURE APPENDIX – A
FISCAL IMPACT – Fiscal Year 2025 (July 2024 – June 2025)

Equipment Name and Model / Manufacturer	Initial Cost	Ongoing Annual Cost FY25 (approximate)
Loki I	$13,600	Varies on Usage
Anafi Thermal	$7,439	Varies on Usage
Evo II	$1,825	Varies on Usage

Equipment Name and Model / Manufacturer	Initial Cost	Ongoing Annual Cost FY25 (approximate)
Dragon Runner	$46,000	Varies on Usage

Equipment Name and Model / Manufacturer	Initial Cost	Ongoing Annual Cost FY25 (approximate)
Bearcat G2 (2 Door)	$205,568	Varies on Usage
Bearcat G3 (4 Door)	$315,835	Varies on Usage
Bearcat G3 (Ramp)	$302,609	Varies on Usage
Rook	$570,000	Varies on Usage

Equipment Name and Model / Manufacturer	Initial Unit Cost	Ongoing Annual Cost FY25 (approximate)
SWAT Equipment Vehicle	$271,715	Varies on Usage
CP131	$124,708	Varies on Usage

Equipment Name and Model / Manufacturer	Initial Cost	Ongoing Annual Cost FY25 (approximate)
Explosive Breaching Kit	$3,850	$202,010 (total SWAT equipment budget)

Equipment Name and Model / Manufacturer	Initial Cost	Ongoing Annual Cost FY25 (approximate)
Remington 870 Breaching Shotgun	$800 Each	$121,390 (total ammo budget)
TKO 12 Gauge Breaching Shotgun Rounds	$8.15 Per Box (6)	$121,390 (total ammo budget)

Equipment Name and Model / Manufacturer	Initial Cost	Ongoing Annual Cost FY25 (approximate)
Windrunner .50 cal	$7,144	Varies on Usage
Match Ammunition - .50 BMG .510" 750 grain	$59 Per Box (10)	$121,390 (total ammo budget)

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Equipment Name and Model / Manufacturer	Initial Cost	Ongoing Annual Cost FY25 (approximate)
AR-15 Colt LWRC	$1,949 Each	Varies on Usage
.308 Semi-auto HK91	$3,899 Each	Varies on Usage
.308 Tango 51	$7,999 Each	Varies on Usage
HK MP5	$3,275 Each	Varies on Usage
.380 Sig Sauer 716	$1,350 Each	Varies on Usage
Federal FMJ 55 grain	$179 Per Case	$121,390 (total ammo budget)
Gold Dot .223 62 grain	$287 Per Case	$121,390 (total ammo budget)
HSM 750g A-Max .308	$49 Per Box	$121,390 (total ammo budget)

Equipment Name and Model / Manufacturer	Initial Cost	Ongoing Annual Cost FY25 (approximate)
Def Tec Flashbang	$38.60 Each	$70,150 (total SWAT equipment budget)
Def Tec Multi-bang	$70.00 Each	$70,150 (total SWAT equipment budget)
Training Flash Bang	$58.50 Each	$70,150 (total SWAT equipment budget)
Liberty Dynamics Flash Bang	$18,694 Total	$70,150 (total SWAT equipment budget)
SPEDE Heat	$33.05 Each	$70,150 (total SWAT equipment budget)
40mm CS Ferret	$26.15 Each	$70,150 (total SWAT equipment budget)
Pocket Tactical CS	$28.00 Each	$70,150 (total SWAT equipment budget)
Maximum HC Smoke	$32.60 Each	$70,150 (total SWAT equipment budget)
37mm Foam Baton	$24.50 Each	$70,150 (total SWAT equipment budget)
40mm Skat Shell	$40.65 Each	$70,150 (total SWAT equipment budget)
Instantaneous Blast CS	$54.60 Each	$70,150 (total SWAT equipment budget)
Pocket Tactical Smoke	$32.60 Each	$70,150 (total SWAT equipment budget)
CS Flameless Tri Chamber	$46.25 Each	$70,150 (total SWAT equipment budget)
CS Triple Chaser	$46.25 Each	$70,150 (total SWAT equipment budget)
40mm Muzzle Blast CS	$26.75 Each	$70,150 (total SWAT equipment budget)
Gas Ram	$3,250 Each	$70,150 (total SWAT equipment budget)
Burn Safe	$155.40 Each	$70,150 (total SWAT equipment budget)
Tippman FTC	$499 Each	$14,127 (Department equipment budget)
PepperBall Live	$899 Box	$14,127 (Department equipment budget)
PepperBall Glass Breaker	$3.00 Per Round	$14,127 (Department equipment budget)
PepperBall Inert	$300 Per Case	$14,127 (Department equipment budget)

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Equipment Name and Model / Manufacturer	Initial Cost	Ongoing Annual Cost FY25 (approximate)
Def-Tec 40mm Launcher	$985 Each	$14,127 (Department equipment budget)
LMT 40mm Launcher	$985 Each	$14,127 (Department equipment budget)
LMT – Model 203	$3,299 Each	$14,127 (Department equipment budget)
Def-Tec 37mm Launcher	$884.50 Each	$14,127 (Department equipment budget)
Def-Tec 40mm Multi-Launcher	$2,369 Each	$14,127 (Department equipment budget)
eXact iMpact 40mm Sponge Round	$30 Each	$14,127 (Department equipment budget)

Equipment Name and Model / Manufacturer	Initial Cost	Ongoing Annual Cost FY25 (approximate)
Pinnacle Gen3 NODs	$6,995 Each	Varies on Usage
L3 Warrior Optic	$7,999 Each	Varies on Usage
MAWL Designator	$2,999 Each	Varies on Usage

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CITY OF ONTARIO *Agenda Report* **December 17, 2024**	**SECTION:** **CONSENT CALENDAR**
Department: Management Services Prepared By: Jordan T Villwock Staff Member Presenting: Jordan Villwock, Management Services Director Reviewed By: Vanny Khu Approved By:	Submitted To: Council/OHA Approved: _____ Continued To: _____ Denied: _____ Item No: 4

SUBJECT: DESIGNATION OF VOTING DELEGATE FOR THE WEST VALLEY MOSQUITO AND VECTOR CONTROL DISTRICT

RECOMMENDATION: That the City Council appoint Mayor Leon to serve as a Board of Trustee on the West Valley Mosquito and Vector Control District for a two-year term.

THE FOLLOWING COUNCIL GOALS ARE BEING ACHIEVED:
Pursue City's Goals and Objectives by Working with Other Governmental Agencies

FISCAL IMPACT: There is no direct fiscal impact by taking this action. However, representation and participation in West Valley Mosquito and Vector Control District will help guide policy on matters that may have an impact on the City.

BACKGROUND & ANALYSIS: The West Valley Mosquito and Vector Control District was founded on December 5, 1983, by the San Bernardino County Board of Supervisors to address mosquito abatement issues. This District is responsible for habitat modification for vector reduction, inspection of swimming pools, pre-construction vector surveys, inspection for mosquitos, honeybee hive removal in vegetation and non-structural areas, and inspection for rodents.

Each City has an appointed person serving on the Board of Trustees while the County has an at-large representative. The Board of Trustees are officials appointed by their respective city councils to govern the West Valley Mosquito and Vector Control District. Mayor Paul Leon is the Ontario representative to this Board and his term is set to expire on January 1, 2025. Mayor Leon has been a conscientious Board member, and it is requested by the West Valley Mosquito and Vector Control District that he be reappointed to a two-year term.

CITY OF ONTARIO *Agenda Report* **December 17, 2024**	**SECTION:** **CONSENT CALENDAR**
Department: Planning Prepared By: Diane Ayala Staff Member Presenting: Rudy Zeledon, Executive Director Community Development Approved By:	Submitted To: Council/OHA Approved: _____ Continued To: _____ Denied: _____ Item No: 5

SUBJECT: **AN ORDINANCE ADOPTING AN AMENDMENT TO CHAPTER 14, TITLE 8 OF THE ONTARIO MUNICIPAL CODE TITLED HISTORIC BUILDING CODE, EXISTING BUILDING CODE AND REFERENCED STANDARDS ESTABLISHING SECTION 8-14.04 ALTERNATIVE BUILDING STANDARDS FOR ADAPTIVE REUSE PROJECTS**

RECOMMENDATION: That the City Council consider and adopt the Ordinance approving an amendment to Chapter 14, Title 8 of the Ontario Municipal Code establishing alternative building standards for adaptive reuse projects.

THE FOLLOWING COUNCIL GOALS ARE BEING ACHIEVED:
Invest in the Growth and Evolution of the City's Economy
Operate in a Businesslike Manner

FISCAL IMPACT: There is not a direct fiscal impact associated with this action.

BACKGROUND & ANALYSIS: On December 3, 2024, the City Council introduced and waived further reading of an Ordinance Approving the Development Code Amendment. On June 18, 2024, the City Council adopted an Ordinance approving a Development Code Amendment which established the Historic Preservation- Adaptive Reuse Plan. To work in concert with the approved Development Code Amendment, staff has initiated a Municipal Code Amendment to allow for the establishment of alternative building standards for adaptive reuse projects (or change of building classification/occupancy). The proposed amendment will further target adaptive reuse of designated historic buildings to multiple-family residential, office, commercial, work/live, or retail while removing construction barriers related to zoning, building, and fire code compliance. In turn, the adaptive reuse program will further incentivize preservation of historically significant resources, streamline the review and approval process by waiving the development plan review, reduce underutilized sites, reduce demolition, and foster sustainable community development.

Adaptive reuse programs rely upon the California Historic Building Code, California Existing Building Code, and California Health and Safety Code to provide the authority for the Building Official and Fire Marshal to consider alternative building standards and methods of construction while ensuring adequate health and safety protections for the new use.

The following Amendment is described as follows:

8-14.04.01 Purpose.
The Historic Preservation- Adaptive Reuse Plan in Title 9 Development Code expanded the scope of eligible and underutilized buildings or structures that have great potential to be converted into new uses or occupancy that can benefit from relief of parking standards, setbacks and zoning height limitations. However, key to the success of the Adaptive Reuse Plan relies on the ability of the Building Official and Fire Marshal to effectively use their authority to grant code modification or alternative materials, design and methods of construction and equipment to address practical difficulties involved in complying with the strict provisions of the code or consider alternative design or methods not specifically prescribed in the code. Other statutory regulations such as the California Historic Building Code adopted in Chapter 14, Section 8-14.01 and the California Existing Building Code adopted in Section 8-14.02, including Government Code Sections 17958.11 and 19957 of the California Health and Safety Code, provides the Building Official and Fire Marshal with the ability to consider other alternative building standards. Therefore, the purpose of this chapter is to amend, expand, establish and clarify alternative building standards for the conversion of existing buildings or structures to accommodate new uses or occupancy for other purposes than what it was originally designed for and still provide reasonable use and safety to the building occupants.

8-14.04.02 Applicability.
Projects that meet the definition and applicable requirements of an adaptive reuse project pursuant to Title 9 Development Code may be permitted to use the alternative building standards of this chapter.

8-14.04.03 Adaptive Reuse Technical Manual.
A. Although other chapters or sections of the Ontario Municipal Code and the most recently adopted edition of the California Building Standards Codes are applicable to new construction or a change of use or occupancy, the use of the Adaptive Reuse Technical Manual, which includes Alternative Building Materials and Methods, may be permitted to provide alternative regulations for adaptive reuse projects that meet the applicability requirement of Section 8-14.04.02.

B. The Building Official and Fire Marshal shall prepare, maintain, and update, as deemed necessary and appropriate, the Adaptive Reuse Technical Manual (Exhibit A) and shall include technical information and implementation parameters, alternative compliance for technical infeasibility, as well as other rules, requirements and procedures as the City deems necessary, for implementing the provisions of this chapter.

C. The Building Official and Fire Marshal shall develop, as deemed necessary and appropriate, in cooperation with other City departments and stakeholders, informational bulletins, training manuals and educational materials to assist in the implementation of this chapter.

ORDINANCE NO. _____

AN ORDINANCE OF THE CITY COUNCIL OF THE CITY OF ONTARIO, CALIFORNIA, AMENDING CHAPTER 14 OF TITLE 8 OF THE ONTARIO MUNICIPAL CODE, ADDING SECTION 8-14.04, ALTERNATIVE BUILDING STANDARDS FOR ADAPTIVE REUSE PROJECTS, AND MAKING FINDINGS IN SUPPORT THEREOF.

WHEREAS, the California Historic Building Code (CHBC), the California Building Code (CBC) Chapter 34, the California Existing Building Code (CEBC) Part 10, and the California Health and Safety Code (CHSC) Section 17958.11 and Section 19957 provide the Building Official and Fire Marshal with the ability to consider alternative building standards while ensuring adequate health and safety protections; and

WHEREAS, the City desires to target adaptive reuse (or change of building classification/occupancy) of designated historic buildings to multiple-family residential, office, commercial, work/live, or retail while removing construction barriers related to zoning, building, and fire code compliance; and

WHEREAS, adaptive reuse will further incentivize preservation of historically significant resources, streamline the review and approval process by waiving the development plan review, reduce underutilized sites, reduce demolition, and foster sustainable community development; and

WHEREAS, adaptive reuse relies upon the California Historic Building Code, International Existing Building Code, and California Health and Safety Code to provide the authority for the Building Official and Fire Marshal to consider alternative building standards and methods of construction while ensuring adequate health and safety protections for the new use; and

WHEREAS, the Fire Marshal, Building Official and Planning Director may approve alternative materials and methods finding that special difficulties observed in an existing building make the strict letter of the local codes impractical and the alternative is in compliance with the intent and purpose of the local codes and that such modification does not lessen health, life and safety requirements; and

WHEREAS, the City held a public hearing on December 3, 2024, at which time all interested persons had the opportunity to appear and be heard on the matter of adopting the Codes as amended herein; and

WHEREAS, all legal prerequisites to the adoption of this Ordinance have occurred.

NOW, THEREFORE, THE CITY COUNCIL OF THE CITY OF ONTARIO, CALIFORNIA, DOES ORDAIN AS FOLLOWS:

SECTION 1. **Findings.** The City Council hereby finds that the proposed Amendment is necessary to expand, establish, and clarify alternative building standards for the conversion of existing buildings or structures to accommodate new uses or occupancy for other purposes than what it was originally designed for and still provide reasonable use and safety to the building occupants.

SECTION 2. **Amendment**. Chapter 14, Historic Building Code, Existing Building Code and Referenced Standards, of Title 8 of the Ontario Municipal Code is hereby amended to add Section 8-14.04, Alternative Building Standards for Adaptive Reuse Projects, to read as follows:

8-14.04.01 – Purpose. The Historic Preservation- Adaptive Reuse Plan in Title 9 Development Code expanded the scope of eligible and underutilized buildings or structures that have great potential to be converted into new uses or occupancy that can benefit from relief of parking standards, setbacks and zoning height limitations. However, key to the success of the Adaptive Reuse Plan relies on the ability of the Building Official and Fire Marshal to effectively use their authority to grant code modification or alternative materials, design and methods of construction and equipment to address practical difficulties involved in complying with the strict provisions of the code or consider alternative design or methods not specifically prescribed in the code. Other statutory regulations such as the California Historic Building Code adopted in Chapter 14, Section 8-14.01 and the California Existing Building Code adopted in Section 8-14.02, including Government Code Sections 17958.11 and 19957 of the California Health and Safety Code, provides the Building Official and Fire Marshal with the ability to consider other alternative building standards. Therefore, the purpose of this chapter is to amend, expand, establish and clarify alternative building standards for the conversion of existing buildings or structures to accommodate new uses or occupancy for other purposes than what it was originally designed for and still provide reasonable use and safety to the building occupants.

8-14.04.02 – Applicability. Projects that meet the definition and applicable requirements of an adaptive reuse project pursuant to Title 9 Development Code may be permitted to use the alternative building standards of this chapter.

8-14.04.03- Adaptive Reuse Technical Manual.

(A) Although other chapters or sections of the Ontario Municipal Code and the most recently adopted edition of the California Building Standards Code are applicable to new construction or a change of use or occupancy, the use of the Adaptive Reuse Technical Manual, which includes Alternative Building Materials and Methods, may be permitted to provide alternative regulations for adaptive reuse projects that meet the applicability requirement of Section 8-14.04.02.

(B) The Building Official and Fire Marshal shall prepare, maintain, and update, as deemed necessary and appropriate, the Adaptive Reuse

Technical Manual and shall include technical information and implementation parameters, alternative compliance for technical infeasibility, as well as other rules, requirements and procedures as the City deems necessary, for implementing the provisions of this chapter.

(C) The Building Official and Fire Marshal shall develop, as deemed necessary and appropriate, in cooperation with other City departments and stakeholders, informational bulletins, training manuals and educational materials to assist in the implementation of this chapter.

SECTION 3. **Filing of Ordinance.** The Building Official shall transmit a copy of this Ordinance for filing to the State of California Building Standards Commission, pursuant to Health and Safety Code Section 17958.7. One copy of the Ontario Building Code shall be placed on file in the Office of the City Clerk and is hereby adopted and made a part of this Chapter as if fully set forth at length herein.

SECTION 4. **Severability.** If any section, subsection, subdivision, paragraph, sentence, clause, or phrase added by this Ordinance, or any part thereof, is for any reason held to be unconstitutional or invalid or in effective by any court of competent jurisdiction, such decision shall not affect the validity or effectiveness of the remaining portions of this Ordinance or any part thereof. The City Council hereby declares that it would have passed each section, subsection, subdivision, paragraph, sentence, clause or phrase thereof irrespective of the fact that any one or more subsections, subdivisions, paragraphs, sentences, clauses or phrases are declared unconstitutional, invalid or ineffective.

SECTION 5. **CEQA.** The City Council finds that the changes made to the California Building Code and the International Building Code are enacted to mitigate threats to public peace, health and safety from earthquakes, high winds and fire. Moreover, the amendments are substantially similar to those provisions previously enacted and contained in the current version of the City's Building Code. Therefore, it can be seen with certainty that the adoption of this Ordinance will not have a significant adverse effect on the environment and is therefore exempt from the California Environmental Quality Act (CEQA) pursuant to section 15061(b)(3) of the CEQA Guidelines. Staff is directed to file a Notice of Exemption within five (5) days of the adopting of this Ordinance.

SECTION 6. **Publication and Posting.** The Mayor shall sign this Ordinance and the City Clerk shall certify as to the adoption and shall cause a summary thereof to be published at least once, in a newspaper of general circulation in the City of Ontario, California within fifteen (15) days of the adoption. The City Clerk shall post a certified copy of this ordinance, including the vote for and against the same, in the Office of the City Clerk, in accordance with Government Code Section 36933.

PASSED, APPROVED, AND ADOPTED this 17th day of December 2024.

_____
PAUL S. LEON, MAYOR

ATTEST:

_____
SHEILA MAUTZ, CITY CLERK

APPROVED AS TO FORM:

_____
BEST BEST & KRIEGER LLP
CITY ATTORNEY

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

I, SHEILA MAUTZ, City Clerk of the City of Ontario, DO HEREBY CERTIFY that foregoing Ordinance No. _____ was duly introduced at a regular meeting of the City Council of the City of Ontario held December 3, 2024 and adopted at the regular meeting held December 17, 2024 by the following roll call vote, to wit:

AYES: COUNCIL MEMBERS:

NOES: COUNCIL MEMBERS:

ABSENT: COUNCIL MEMBERS:

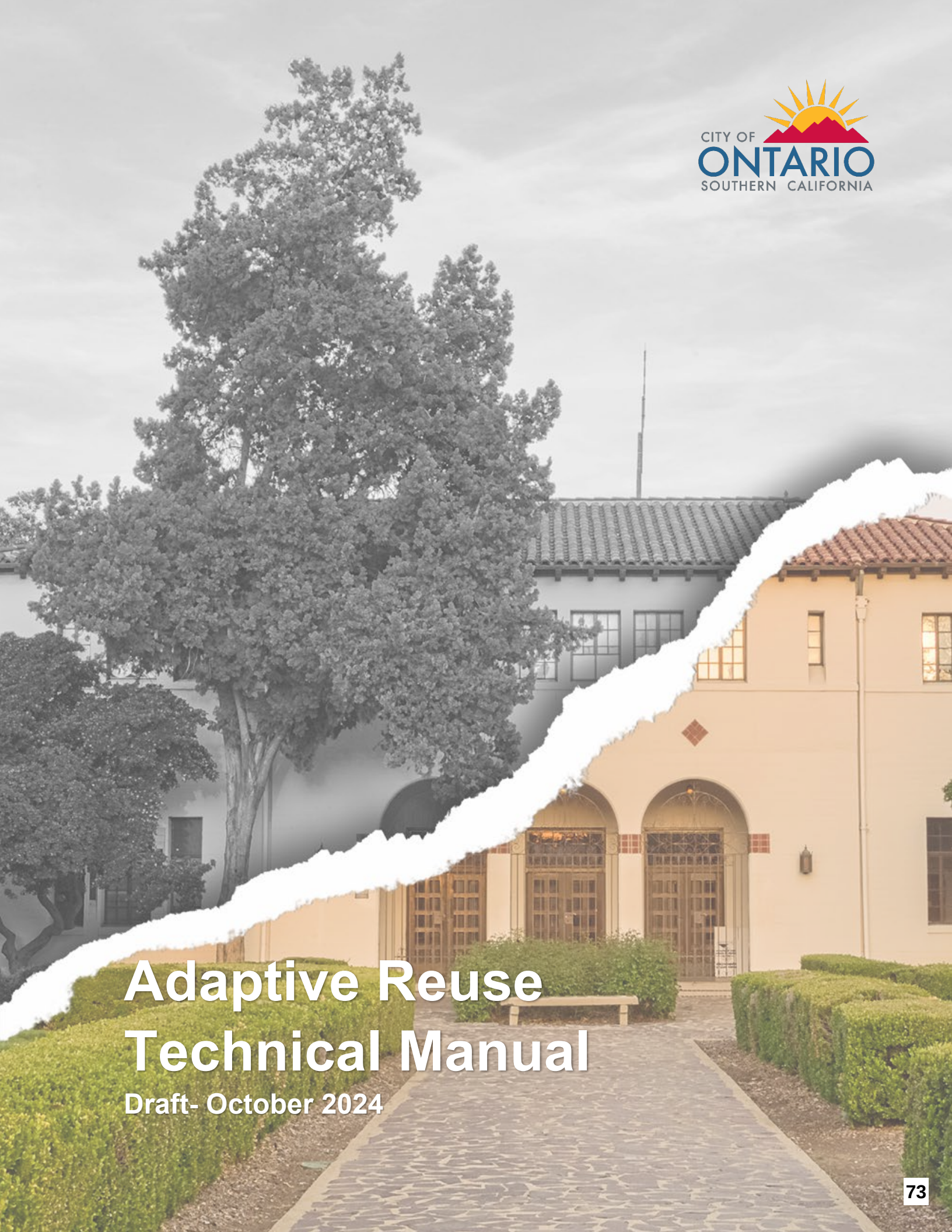
_____
SHEILA MAUTZ, CITY CLERK

(SEAL)

I hereby certify that the foregoing is the original of Ordinance No. _____ duly passed and adopted by the Ontario City Council at their regular meeting held December 17, 2024 and that Summaries of the Ordinance were published on _____ and _____, in the Inland Valley Daily Bulletin newspaper.

_____
SHEILA MAUTZ, CITY CLERK

(SEAL)



CITY OF ONTARIO SOUTHERN CALIFORNIA

Adaptive Reuse Technical Manual

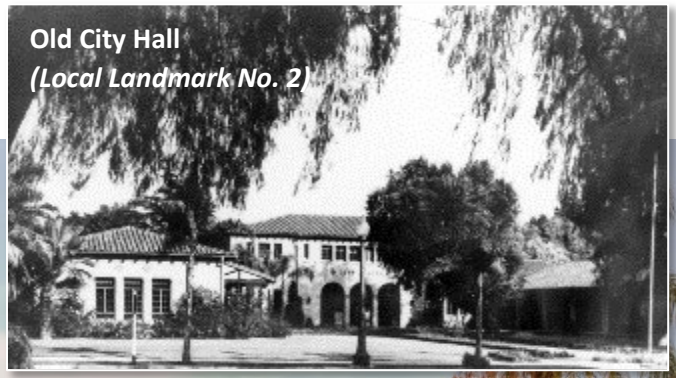
Draft- October 2024

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Old City Hall
(Local Landmark No. 2)

Ontario Museum of History & Art
(Local Landmark No. 2)

Section 1
Introduction

Adaptive reuse is the process of reconfiguring or remodeling a building or site to accommodate a new use or a purpose other than for what it was originally designed, thereby reducing environmental impacts.

An Adaptive Reuse Plan recognizes the economic, environmental, and cultural value of preserving historic landmark buildings and structures; provides a framework for sustainable development; and offers a clear process to review a variety of projects resulting in a range of new uses. The City seeks to encourage adaptive reuse by streamlining the plan check process and allowing greater flexibility to better serve the needs of the evolving community.

By reusing an existing building, the energy required to create these spaces, the material waste generated from the tenant improvement, and the use of new materials are lessened. The revitalization of buildings through reuse or repurposing also helps to stabilize neighborhoods and preserve the City's historic character and architecture, reduce the environmental impacts and costs associated with new construction, and enhance economic growth with new housing and employment opportunities. Communities further benefit from the added values of context, culture, history, and ambiance resulting in true community redevelopment and sustainability.

This Adaptive Reuse Plan Technical Manual (Manual) is based on interpretations of the California Building Standard Codes and serves as a guideline to clarify certain aspects of adaptive reuse projects. It is not intended to be an all-inclusive Handbook. Further, the provisions of this Manual are only applicable to adaptive reuse projects identified by the Planning Director, Building Official, and Fire Marshal, and do not reduce the applicability of the California Building Standards Codes for new projects.

The City reserves the right to update this Manual as deemed necessary.



Bank of Italy Building
(*Local Landmark No. 86*)



Restaurant (*2024*)

Section 2
General Applicability

Qualification for adaptive reuse is determined on an individual basis with the understanding that each project is unique and requires specific attention.

The Alternative Building Standards contained in the Ontario Building Standards Code (or City of Ontario Municipal Code, Volume II, Title 8, Building Regulations) support the goals of the Adaptive Reuse Plans and were incorporated into the triennial building code update under Ordinance ORD XXX, as approved by the City Council on XXX, and effective on XXX.

The Ontario Development Codes standards were incorporated to define land use and provide guidance for the use of existing building setbacks and height, as well as parking and other development standards (detailed in Section 5 of this Manual). These Development Standards were incorporated into Chapters 2, 4 and 7 under of the Ontario Development Code (or City of Ontario Municipal Code, Volume II, Title 9, Development Code) Ordinance 03278, as approved by the City Council on June 18, 2024.

Key to the success of an Adaptive Reuse Plan is the ability of the Planning Director, Building Official, and Fire Marshal to effectively use their authority to grant code modifications or the use of alternate materials, design and methods of construction, and equipment to address practical difficulties involved in complying with the strict provisions of the Code. Other statutory regulations, such as the California Historic Building Code (CHBC), the California Building Code (CBC) Chapter 34, the California Existing Building Code (CEBC), and the California Health and Safety Code (CHSC) provide the Building Official and Fire Marshal with the ability to consider alternative building standards while ensuring adequate health and safety protections. In addition, the ability of the Planning Director to grant relief from parking standards, setbacks, and height limitations on existing buildings and structures further contributes to this goal.

INTENT

Although the California Building Standards Code and the Ontario Building Standards Code are applicable to new construction, or change of use or occupancy, it is the intent of this Manual to provide alternative approaches to mandated Codes that will permit adaptive reuse and still provide minimum requirements to safeguard the public health, safety, and welfare of the building occupants.

APPLICABILITY

Nothing in this Manual shall be construed to allow an existing building, or portion thereof, to be altered such that the building becomes less safe than its existing condition. Where such existing elements, seismic or life safety, provide a greater level of protection than the minimum requirement of the Code or this Manual, those elements shall not be reduced.

New construction, addition, repair, or maintenance not associated with a change of use or occupancy classification and projects that do not qualify as an adaptive reuse project are beyond the scope of this Manual. Other Titles, Chapters or Sections of the Ontario Municipal Code, and the most recently adopted edition of the California Building Standards Code, shall apply, where applicable.

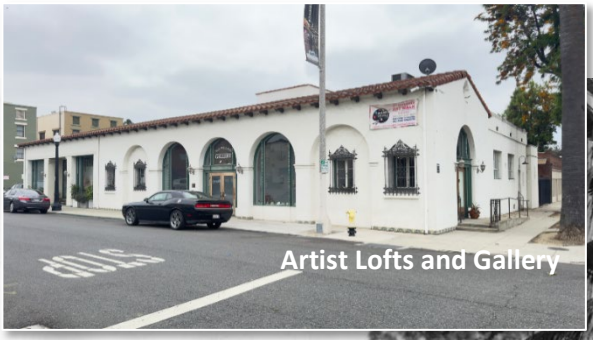
Projects that qualify as an adaptive reuse project, pursuant to Section 5 of this Manual, may also be permitted to use Section 6 of this Manual. In addition, the alteration, addition or

change of use or occupancy, or portions thereof, shall comply or be made to comply with all the applicable requirements for the construction of a new building of the same use or occupancy, except as provided for in this Manual.

The State of California Department of Housing and Community Development has interpreted that for private multi-family dwellings built and occupied before March 13, 1991, adaptive reuse alterations in such buildings (including change of use) shall be maintained in compliance with the accessibility standards in effect at the time of construction. This means existing floors of a multi-family dwelling that goes through non-structural upgrades are not considered "newly constructed covered multi-family dwellings" and may not have to comply with the accessibility requirements for new construction.

BUILDING INFRASTRUCTURE (ELECTRICAL, PLUMBING AND MECHANICAL)

Upgrading a building's electrical, plumbing, and mechanical system as part of an adaptive reuse project may be necessary since a building's infrastructure life span is normally 30 years. Electrical, plumbing, and mechanical system changes shall meet the new code unless the Building Official approves a code modification or if the building is a qualified historical building or property.



Artist Lofts and Gallery



Old Post Office
(Local Landmark No. 38)

Ford Citrus Motors (*Circa 1980s)*

Retail & Office *(2023)*

Section 3
Adaptive Reuse Plan Area

The purpose of this section is to provide a general overview of the area within the City that allows adaptive reuse.

Adaptive Reuse Plan approval shall allow for those land uses identified in Table 5.02-1 (Land Use Matrix) of the Ontario Development Code (ODC) which allows for a broad range of land uses of the underlying zoning district in which the site is located. However, no new uses that emit noxious odors or excessive noise shall be allowed, unless it can be demonstrated to the satisfaction of the Planning Director that the use will not cause adverse impacts to nearby residential land uses.

Qualifying buildings include those listed on the National Register of Historic Places, the California Register of Historic Resources, or the Ontario Register of Historic Resources, as designated local landmarks, or contributors to designated local historic districts located within the Adaptive Reuse Plan Area.

Adaptive Reuse Plan Area (Figure 3.1) consists of the City's original downtown, and extends north to include the historic districts adjacent to Euclid Avenue, the boundary of which is as follows:

Beginning at the intersection of the centerlines of State Street and San Antonio Avenue, thence north to the northernmost city boundary, thence east to the centerline of Sultana Avenue, thence south to the centerline of I Street, thence east to the centerline of Campus Avenue, thence south to the centerline of State Street, thence west to the point of beginning.

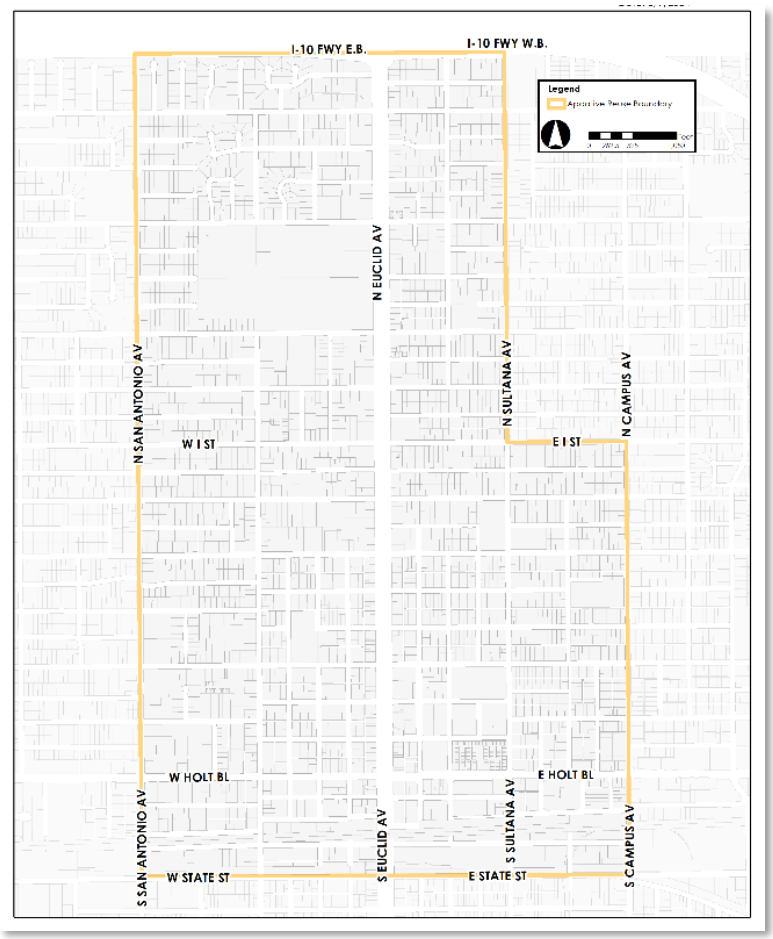


Figure 3.1 – Adaptive Reuse Plan Area

Section 4
Process

Adaptive reuse projects can be rewarding and serve many useful purposes. These projects require a comprehensive review and are not to be undertaken lightly.

Ontario Development services staff examines the qualification for adaptive reuse on an individual basis with the understanding that each project is unique and requires specific attention. To qualify, a project must involve a substantial change of use from a building perspective. Specifically, projects will require a change of use and building classification (occupancy) from office or commercial to residential, industrial to work/live, residential to office or commercial, or assembly to residential, office or commercial. Adaptive reuse does not pertain to minor alterations to an existing structure or the use of a current building or facility for a similar purpose.

Each project is also required to conform to Section 4.03.010: Historic Preservation Adaptive Reuse Plan of the ODC which identifies existing development standards and addresses all further policies and procedures for adaptive reuse projects.

The primary purpose of this Manual is to provide guidance to architects, engineers, and designers to aid in developing creative mitigation measures based on the building deficiencies and/or structural performance levels; therefore, it is to be expected that the plan check process will require more iterations of review than new construction projects. In addition, it is to be expected that new or unusual issues might come up during the plan check process.

PROCESS OVERVIEW

Adaptive reuse projects can be rewarding and serve many useful purposes. These projects are not to be undertaken lightly and require a higher level of expertise to be successful. The effective adaptive reuse of buildings requires:

- *Code expertise* – to take advantage of proper provisions of the Ontario Municipal Code and Building Codes where applicable.

- *Structural background* – to evaluate existing building conditions, strengths, and weaknesses, and use the opportunity to propose structural strengthening that meets the codes.

- *Specific working expertise* – Adaptive reuse projects require special expertise by architectural historians, architects, and design professionals that meet the minimum qualifications standards of The Secretary of the interior Professional Qualifications (Code of Federal Regulations, 36 CFR Part 61).

- The Planning Director, Building Official, and Fire Marshal shall also be flexible and allow creative solutions to building codes that do not waive or relax fire and life safety issues.

The following steps have been designed to help applicants navigate through the adaptive reuse process:

1. Due Diligence

It is crucial to complete a comprehensive review before purchasing or making any modifications to an existing building when it pertains to an adaptive reuse project. This investigative phase is critical and typically requires a detailed inspection by trained and licensed professionals.

Property Ownership - Existing buildings sometimes demonstrate complicated issues such as addressing, property line, and ownership issues that must be addressed prior to any new project permitting.

Utilities and Existing Building Infrastructure - Existing buildings may also be limited as far as the capacity of the electrical, water, gas, and sewer services. Upgrading of water, sewer, gas, and electrical services are normally costly items and can impact an adaptive reuse project.

2. Preliminary Review Discussion

After the building has been thoroughly assessed, it is time to develop conceptual designs, narrative descriptions about the project, pro forma financial analysis, and other similar evaluations for the site. Looking at the project from various perspectives will eventually help shape the successful proposal.

While most of this effort will be undertaken by the developer, City staff are available to discuss options, identify possible concerns or limitations, and the best use for the proposed project. Establishing contact with the Planning Department early in the conceptual development is highly encouraged.

3. Determination of Adaptive Reuse

The determination of adaptive reuse is at the discretion of the Planning Director, Building Official, and Fire Marshal. For instance, the conversion of a commercial building to another form of commercial use or the conversion from retail to restaurant are examples of project types that typically would not qualify as adaptive reuse projects and would not be able to take advantage of the provisions in this Manual. Determination that the proposed project in conceptual review is an adaptive reuse plan shall be provided by the City in writing in the form of a letter to the applicant. This letter shall be included in subsequent plan sets and review process submittals, along with any conditions of approval that may result from the Site Plan Review or plan check process.

4. Conceptual Plan Review

Upon submittal of a complete Adaptive Reuse Plan application to the Planning Department, the City will review the adaptive reuse project for overall design, exterior materials, internal flow, zoning requirements, and many other factors to ensure that the project meets the requirements and will result in a functional and attractive addition to the City.

The review may require preparation of a Historic Structure Report by an architect, structural engineer, and historian to identify existing conditions, constraints, and opportunities to develop a framework for design strategies. Plans for review shall include a structural analysis of building components, MEP and HVAC systems, clear lanes of egress, sprinkler alarm systems, and hood system, if a kitchen is proposed. Alternative Materials and Method requests shall be made at this time to the Building Official and Fire Marshal, if necessary, to achieved desired outcome. Additionally, the City may require a site visit with the project team and owner.

5. Plan Check

Once the Adaptive Reuse Plan has been approved, the project is ready to be submitted for Plan Check. The review at this stage focuses on compliance with the Ontario Building Standards Code.

6. Construction and Inspection

Adaptive reuse projects are complex and challenging. Even if all the above steps are completed, given the nature of existing buildings, especially historic structures, unforeseen complexities are to be expected during construction. Because of this, a more involved and frequent inspection process, field

changes, or modification to construction drawings are likely.

Regular communication with the building inspector during construction will be vital to ensure that potential delays are minimized or reduced.

7. Certificate of Occupancy

At the completion of construction, the Building Department will issue a Certificate of Occupancy allowing the adaptively reused building to be used for its new purpose.



Ontario Laundry Company *(Local Landmark No. 6)*



Restaurant *(2017)*

Adaptive reuse projects involve thorough planning considerations and are subject to Special Development Standards.

Adaptive Reuse Plans will be evaluated and is subject to the following pursuant to Chapter 4 (Permits, Actions and Decisions) of the Ontario Development Code:

Land Use. The intent of adaptive reuse is to allow conversion of existing structures into new land uses that maintain or enhance the character of a neighborhood or district, extend the life of the building, reduce use of new construction materials, reduce construction waste generated, and provide additional employment or housing opportunities in appropriate and compatible locations.

Adaptive Reuse projects permitted pursuant to this subdivision shall be developed in compliance with the following standards:

Minimum Dwelling Units. Adaptive reuse projects that propose residential shall develop no less than 3 units. The minimum floor area for new dwelling units and joint living and work quarters shall be 450 square feet. Floor area shall not include hallways or other common areas, rooftops, balconies, terraces, fire escapes, or other projections or surfaces exterior to the walls of the building. The floor area of both the living space and the workspace shall be combined to determine the size of joint living and work quarters. The average floor area, as defined above, of all the dwelling units and joint living and work quarters in the building, including those that existed prior to the effective date of this ordinance, shall be a minimum of 750 square feet. That minimum average size shall be maintained and not reduced.

Storefront. The ground floor of an existing multiple level commercial building shall contain street frontage and shall be used as a commercial storefront. Residential on grade may occur at the rear of the building behind the storefront.

Exterior or Interior (Public Space) Alterations. A Certificate of Appropriateness pursuant to Section 4.02.050: Historic Preservation—Certificates of Appropriateness and Demolition of Historic Resources is required for any alteration, addition, restoration, rehabilitation, remodeling, relocation, repainting, and/or resurfacing of an historic resource.

Other Provisions. Floor Area Ratio (FAR), Landscaping, Lot Coverage, and any other development standard of the underlying zone may be waived.

The Planning Director may grant the following departures from certain development standards and requirements to incentivize qualified Adaptive Reuse Plans:

Development Plan Waived. Approved Adaptive Reuse Plans, which may allow for new additions up to 25 percent of the existing building floor area and is not visible from the public right-of-way, shall be exempt for the requirements for Development Plan review set forth in Section 4.02.025.

Mezzanines. Loft spaces in joint living and work quarters, dwelling units and guest rooms which do not exceed more than 33 percent of the floor area of the space below shall not be considered new floor area. Mezzanines may be included in the calculation of floor area for the purpose of determining compliance with the standards.

Parking Reduction. New parking spaces shall not be required for any converted use within the

existing footprint of the building, but expansions of floor area shall require one parking space per bedroom or 1 parking space per 250 square feet of gross floor area for office or commercial.

Setbacks. Existing building setbacks may remain and shall be considered legally nonconforming, but no further encroachments shall be permitted into any nonconforming setback.

Increases in Maximum Building Height. The height of the structure, if it exceeds the maximum height of the zoning district, may remain, and shall be considered legally nonconforming. Any rooftop construction needed for drainage, ventilation, utilities, or passive recreation shall be included within the height exemption. This height exemption does not include new residential or commercial floor area.

Open Space. Private open space for residential adaptive reuse projects may be waived when it is determined by the Approving Authority that the requirement would result in exterior alterations to the existing building that would result in an adverse impact to a historic resource. A minimum of 100 square feet of common open space per residential unit or 25 percent of the building square footage, whichever is less, shall be required and may be provided on the rooftop of the building or within the building and include various type of indoor amenities such as fitness center, workstations, playrooms, etc.

Loading Zone. A new loading zone shall not be required if the existing building does not have an existing loading zone.

Environmental. Environmental issues can introduce daunting challenges in adaptive reuse projects. Existing buildings can sometimes demonstrate complicated or deficient building configurations or involve property contamination, such as asbestos, lead, or underground tanks or utilities, that limit certain types or prohibit all types of occupancy. Preparation of CEQA/NEPA clearances, such as an Environmental Impact Report or Historic Structures Report, and some project-specific mitigation measures may be required before any adaptive reuse can be contemplated.

In approving an Adaptive Reuse Plan, the Planning Director may impose certain safeguards and standards to ensure that the purposes of the Ontario Development Code are maintained; ensure that the permit will not endanger the public health, safety or general welfare; ensure that the permit will not result in any significant environmental impacts; ensure that the permit will be in harmony with the area in which it is located; and ensure that the permit will be in conformity with The Ontario Plan (general plan) and any applicable specific and/or area plan(s).

An Adaptive Reuse Plan, or any amendment thereto, shall be acted upon by the Approving Authority based upon the information provided in the submitted application, evidence presented in the Planning Department's written report, only after considering and clearly establishing all the below-listed findings, and giving supporting reasons for each finding. The application shall be denied if one or more of the below-listed findings cannot be clearly established:

1. That the use(s) of the property will not be detrimental to the public health, safety and general welfare surrounding the project location;

2. That the Adaptive Reuse Project complies with the standards set forth in Section 4.03.010, Historic Preservation — Adaptive Reuse Plan; and

3. A Certificate of Appropriateness has been approved or Waived for the Adaptive Reuse Plan.

Section 6
Design Consideration

The purpose of this section is to provide alternative building standards pursuant to building and fire regulations.

The following alternatives may be applied to all existing buildings eligible as adaptive reuse projects.

BUILDING STRUCTURE

The California Building Codes (CBC) requires an existing building that undergoes a change of use or occupancy that results in it being reclassified to a higher risk category, as defined in CBC Table 1604.5, to meet the seismic requirements of the CBC. Where additions or alterations to an existing building cause an increase in design gravity load of more than five percent (5%) or a decrease in gravity load-carrying capacity, the existing gravity load-carrying structural elements shall be designed to meet the structural requirements for new construction. Where additions or alterations to an existing building cause an increase in design lateral load of more than ten percent (10%) demand- capacity ratio or a decrease in lateral load-carrying capacity, the existing lateral load-carrying structural elements shall be designed to meet the seismic requirements for new construction. Whenever any of the conditions above are not applicable, then a required seismic or structural upgrade of the existing structural elements will not be mandated to comply with the requirements for new construction.

All voluntary (non-mandated) seismic improvements are permitted to be evaluated under the provisions of the CBC for the design of strengthening existing structural elements. Alternatively, the Building Official may permit the use of other structural design standards, such as the ASCE/SEI 7-16 Seismic Rehabilitation of Existing Buildings, to evaluate an existing building and the design of strengthening existing structural elements. All new structural elements shall meet the requirements for new construction.

Any structural or seismic upgrades to existing buildings mandated by City ordinances, or State laws, or statutes shall apply.

Performance-based engineering analysis and design procedures may be used to evaluate an Existing Building and the design of strengthening elements when approved by the Building Official. All existing structural elements of an Existing Building shall be strengthened to meet the minimum design analysis as specified in the CBC Chapters 16 or new structural elements shall be added when required.

BUILDING ARCHITECTUAL ELEMENTS & MATERIALS

Exterior Wall Construction. The existing exterior wall construction of an existing building may be maintained without complying with the fire-resistance rating requirements of the CBC Chapter 6 if approved by the Building Official and Fire Marshal. Any addition or alteration to the existing exterior wall construction of an existing building shall be made to comply with the requirements for new construction.

Exterior Opening Protection. Existing unprotected openings in the exterior walls of an existing building based on fire separation distance where a change of use or occupancy occurs shall comply with the requirements for new construction.

Existing openings in the exterior walls of an existing building that are not allowed by the CBC §705.8 due to their proximity to the property lines may not be used to satisfy other code requirements including, but not limited to, light and ventilation, smoke control, or emergency escape.

New unprotected openings or alteration of existing openings in the exterior walls of an existing building shall be made to comply with the requirements for new construction.

Exception: In lieu of Items above, a code modification to allow unprotected openings in the exterior walls of an existing building based on fire separation distance or proximity to an exit may be considered in the following cases:

a. Existing unprotected openings may be maintained without complying with the requirements of the CBC 705.8 provided the existing openings are protected with an approved water curtain designed to the satisfaction of the Building Official and Fire Marshal.

b. Unprotected openings within 10 feet of the fire escape or fire escape ladder may be maintained provided the openings are protected with an approved water curtain designed to the satisfaction of the Building Official and Fire Marshal.

c. Unprotected openings may be provided without complying with the requirements for new construction when equivalent materials or methods are provided to mitigate the potential fire-life safety hazard if approved by the Building Official and Fire Marshal.

MEANS OF EGRESS

Exit Stairways. Due to the fact that floor-to-floor height in buildings are established and modifying the rise and run of stairways may not be physically possible or make the project not feasible, the Building Official and Fire Marshal will consider suggestions by the design professionals to address the following: number, dimensions, clearances for the stairs ways, rise and runs, landing clearances, loading and other possible compliance deviations with the new codes. If reasonable upgrades are possible, they shall be implemented.

Existing stairwells that do not comply with today's requirements may be allowed to remain unaltered at the discretion of the Building Official and Fire Marshal.

Elevators. Depending upon the nature of the buildings, high-rise or low-rise elevator requirements and sizing are different. Existing building elevators may not need to meet the current code requirements except when required to comply with the California Code of Regulations Title 8, Division 1, Chapter 4, Sub-chapter 6 – State Elevator Safety Order. Elevators can be restricted as far as the numbers, size, capacity, and dimensions, however at a minimum, shall meet the fire rating and smoke protection requirements for the shaft. Existing freight elevators shall not be used as passenger elevators. In buildings where an existing elevator cannot meet the minimum dimensions for a gurney, the Fire Department may utilize a stair chair.

A new addition, such as an elevator, has the potential to change a historic property's appearance and destroy significant buildings and landscape features. Thus, all new additions should be compatible with the size, scale, and proportions of historic features and materials that characterize a property. New additions should be carefully located to minimize connection points with the historic building, such that if the addition were to be removed in the future, the essential form and integrity of the building would remain intact.

Fire Escapes. Maintenance of fire escapes is essential to assure their usability and safety. Fire escapes must be clear of obstructions, have clear access by means of doors and windows, and have fire resistive opening protective in place. In addition, the structural integrity of the fire escape and its anchors to the building structure must be maintained in good condition.

Exception: A code modification to allow for the use of an alternative exit may be considered for an existing fire escape used as one of the

required exits from the upper floor of an existing building if it is in good operating condition, structurally sound as certified by a structural engineer, complies with the CBC §3406, does not serve as an exit for an assembly use or occupancy, and is approved by the Building Official and Fire Marshal.

Rooftops. Newly occupied rooftops or an increase in the occupant load on an existing occupied rooftop shall be provided with exits in compliance with the CBC Chapter 10. At minimum, any new assembly use with an occupant load of 50 or more on an existing rooftop will require at least two means of egress that do not include the use of fire escapes.

Newly occupied rooftops located 75 feet or more above the lowest level of Fire Department vehicle access may be required to comply with the provisions of the CBC §403, as determined by the Fire Marshal.

FIRE PROTECTION AND LIFE SAFETY SYSTEMS

Smoke/Carbon Monoxide Alarms. As of January 1, 2013, multi-family dwellings, such as apartment or condominium buildings, are required by State law to install carbon monoxide (CO) alarms. Carbon monoxide alarms are not required in dwellings that do not contain fuel-burning appliances, and are totally electric, and lack an attached garage.

Sprinkler System. Building conversion to light or heavy industrial occupancy would more than likely result in changes to the sprinkler system design. In such conversions, quantity and storage of hazardous materials shall be considered in overall project and sprinkler system design.

The purpose of this section is to provide alternative building standards for the conversion of existing non-residential buildings, or portions thereof, to multi-family residential use.

SPECIAL USE OR OCCUPANCY (NON-RESIDENTIAL TO MULTI-FAMILY RESIDENTIAL)

The change of use or occupancy of an existing non-residential building, or portion thereof, to multi-family residential use shall be made to conform to all the requirements of the CBC Chapter 5 regarding the allowable building heights, floor areas, and number of stories.

Exception: A code modification to allow the change of use or occupancy to multi-family residential use to be made without conforming to all the requirements of the CBC Chapter 5 regarding the allowable building height, floor areas and number of stories may be considered under the following conditions:

No additional floor area is made to the existing building.

Additional fire-life safety features are provided to the satisfaction of the Building Official and Fire Marshal.

Joint Living and Work Quarters. Joint Living and Work Quarters (JLWQ) is a type of live/work use, for occupation by artists, artisans, and similarly situated individuals, as allowed by the California Health and Safety Code §17958.11. This section of the Manual shall be applicable only to existing buildings for which a building permit was issued prior to May 11, 1998 and located in zones where live/work use is permitted as an adaptive reuse project.

Structural Requirements. An existing building to be converted to JLWQ shall comply with the following:

a. Occupancy. The change of use or occupancy of an Existing Building, or portion thereof, to a JLWQ may be analyzed for seventy-five percent (75%) of the Design Earthquake Ground Motion, as defined in the CBC §1613.2, and as specified in the CBC §1613 or ASCE 7, but in no event shall there be a reduction in the capacity of the existing seismic force-resisting

system where that system provides a greater level of protection than the minimum requirements established herein.

b. Mezzanine. The ceiling height above a mezzanine within each individual JLWQ shall be permitted to have a height of six (6) feet, six (6) inches to any existing structural beams or girders spaced not less than four (4) feet on center. Mezzanines, lofts, their supports, access, guardrails and/or enclosures may be of wood construction in an Existing Building classified as a Type or Type of Construction.

In addition, an existing building to be converted to JLWQ shall:

- Post a sign in a conspicuous location at each entrance to the building. The sign shall be constructed of durable weatherproof material.

- Conform to the requirements of the Ontario Municipal Code Chapter 8.80 – Noise for Residential Use for noise levels generated by the residential units.

- Not contain a use that is hazardous, based on fire and life safety risk, as determined by the Building Official/Fire Marshal, in the non-residential portion.

MEANS OF EGRESS

Exit. Each floor where a change of use or occupancy occurs shall have access to a minimum number of exit stairways that comply with the CBC Chapter 10 requirements for new construction.

Exceptions: Each residential unit on the second floor of an existing building may utilize a folding or collapsible ladder, listed by a nationally recognized agency approved by the Building Official, as a second required exit to the ground from the window, provided the vertical distance from the windowsill to the ground is 35 feet or less. The window shall comply with the emergency escape and rescue opening requirements of CBC 1031.

Corridors. Any new corridor shall comply with the requirements for new construction. Existing corridor construction may be utilized as an exit without complying as required for new construction under the following conditions:

a. Transoms and other glazed openings fixed in the closed position that are in good condition may be maintained in an existing corridor.

b. Existing penetrations or openings in the existing corridor shall conform to the requirements of the CBC 714 or 716, as applicable.

c. Existing doors that are in good condition and installed with approved smoke gaskets, self-closing, and latching devices to prevent smoke penetration into each individual JLWQ may be maintained in the existing corridor.

d. No more than thirty-three percent (33%) of the existing corridor construction may be repaired or replaced with the same materials as the existing corridor.

Existing nonconforming fire-resistive walls and ceiling of an existing corridor constructed of wood lath and plaster that are in good condition may be acceptable as equivalent to the required one-hour fire-resistance rated construction.

Exceptions: Within multi-family residential buildings, up to and including four stories in height, a fire sprinkler system may be combined with the domestic system if approved by the Fire Marshal where all of the following conditions are met:

a. The use of a combined system shall require the approval of the Ontario Water Department.

b. A single two-inch domestic service and meter shall be installed.

c. A backflow preventer shall be installed on the domestic water line after the meter.

d. The fire sprinkler demand, including inside hose, as required by the NFPA 13 standard, shall be less than 150 GPM.

A residential shut-off valve shall be installed to automatically close the flow of domestic water in the event of a fire sprinkler activation. The valve shall be listed by a nationally recognized agency approved by the Fire Marshal for use with fire sprinkler systems.

RESIDENTIAL USE TO NON-RESIDENTIAL USE

The purpose of this section is to provide alternative building standards for the conversion of existing residential buildings, or portions thereof, to non-residential use.

SPECIAL USE OR OCCUPANCY

The change of use or occupancy of an existing residential building, or portion thereof, to non-residential use shall be made to conform to all the requirements of the CBC Chapter 5 regarding the allowable building heights, floor areas and number of stories.

Exceptions: A code modification to allow the change of use or occupancy to non-residential uses to be made without conforming to all the requirements of the CBC Chapter 5 regarding the allowable building height, floor areas and number of stories may be considered under the following conditions:

a. No additional floor area is made to the existing building.

b. Additional fire-life safety features are provided to the satisfaction of the Building Official and Fire Marshal.

MEANS OF EGRESS

Exit. Each floor where a change of use or occupancy occurs shall have access to a minimum number of exit stairways that comply with CBC Chapter 10 requirements for new construction.

FIRE PROTECTION AND LIFE SAFETY SYSTEMS

Fire protection and life safety systems shall be provided and designed to comply with the CBC Chapter 9 requirements for new construction.

FIRE PROTECTION AND LIFE SAFETY SYSTEMS

Smoke Control System. A smoke control system shall be provided.

Fire Alarm System. The fire alarm system shall be designed as required for a new high-rise building.

Water Storage Tanks. A secondary water storage tank is required for existing high-rise buildings.

Standpipe System. The Standpipe system shall be designed as an automatic wet combined standpipe supplied from the fire pump.

Emergency Responder Radio. Emergency responder radio coverage shall be provided for the building if a test by the Fire Department determines that portable radio communication is ineffective.

Areas of Refuge. Existing high-rises that cannot accommodate areas of refuge will not be required to provide them, as well as new vestibules, however, luminous egress path markings may be required, based upon the occupancy.

Emergency Power System. An emergency power system shall be provided to supply all fire life safety systems.

Fire Command Center. A fire command center shall be provided at a location approved by the Fire Marshal.

A code modification to allow other existing nonconforming high-rise building elements or materials may be obtained if approved by the Building Official and Fire Marshal.

MIXED-USE BUILDINGS

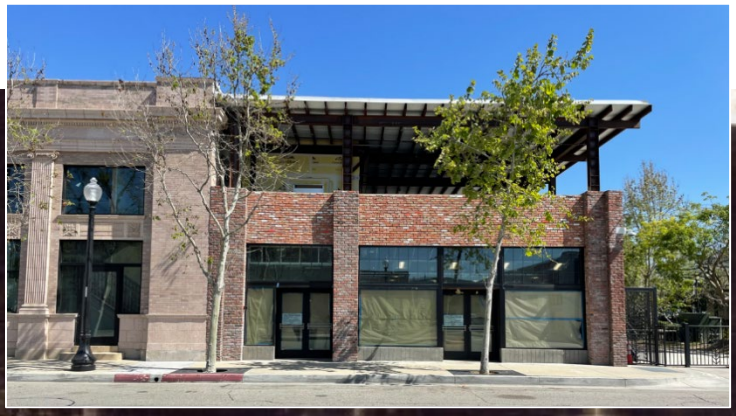
FIRE PROTECTION AND LIFE SAFETY SYSTEMS

Partially Sprinklered Buildings. When fire sprinklers are required, they shall be extended through all new construction areas.

Occupancies. Less intensive use occupancies typically will not have as many architectural or structural issues; however, intensive use occupancies will require more evaluation of the building and its necessary mitigations. More intensive uses are the most complicated scenarios that a design team and jurisdictional Officials may face. Both parties need to work very closely from the inception of a project and develop the necessary improvements for the project. Examples:

- Conversion of an office building to a residential building is easier than vice versa.

- Conversion of an office use to a "B-occupancy" restaurant is less complicated than converting an office space to an "A-occupancy" restaurant from a fire, life safety, and hazard standpoint.





Bumstead Bicycles Building (Local Landmark No. 87)

Ontario Power Co. (*Built in 1907*)



Chaffey Community
Museum of Arts (*2013*)

Appendix A
Definitions

GENERAL

Scope. Unless otherwise expressly stated, the following words and terms shall, for the purpose of this title, have meanings shown in this chapter.

Interchangeability. Words used in the present tense include the future; words stated in the masculine gender include the feminine and neuter; the singular number includes the plural and the plural, the singular.

Terms defined in other titles, chapters, or codes. Where terms are not defined in this title and are defined in other titles, chapters or codes, such terms shall have the meanings ascribed to them as in those titles, chapters, or codes.

Terms not defined. Where terms are not defined through the methods authorized by this section, such terms shall have ordinarily accepted meanings such as the context implies. Webster's Third New International Dictionary of the English Language, Unabridged shall be considered as providing ordinarily accepted meanings.

DEFINITIONS

"ADAPTIVE REUSE" means a construction or remodeling project that reconfigures existing spaces, structures, or buildings to accommodate a new use or to accommodate another purpose than what it was originally designed for as defined in Ontario Municipal Code.

"ARTIST" or "ARTISAN" is a person regularly engaged in the arts that require a large amount of space for the pursuit of their artistic endeavors and for the storage of materials therefore, and the products thereof, than are regularly found in a dwelling. Such a person engaged in the following activities, including but not limited to, drawing, painting, sculpture, filmmaking, new media, photography, and music may be considered as an artist or artisan as determined by the Building Official.

"ASCE 7-16" is a referenced standard in the CBC Chapter 35 titled "Minimum Design Loads for Buildings and Other Structures" published by the American Society of Civil Engineers Structural Engineering Institute.

"CALIFORNIA BUILDING CODE" or "CBC" is the code in Title 24 of the California Code of Regulations, Part 2, as adopted in the Ontario Municipal Code Volume II Title 8, Chapter 1.

"CALIFORNIA BUILDING ENERGY EFFICIENCY STANDARDS CODE" or "CBEESC" is the code in Title 24 of the California Code of Regulations, Part 6, as adopted in the Ontario Municipal Code Volume II, Title 8, Chapter10.

"CALIFORNIA ELECTRICAL CODE" or "CEC" is the code in Title 24 of the California Code of Regulations, Part 3, as adopted in the Ontario Municipal Code Volume II, Title 8, Chapter 4.

"CALIFORNIA EXISTING BUILDING CODE" or "CEBC" is the code in Title 24 of the California Code of Regulations, Part 10 as adopted in the Ontario Municipal Code Volume II, Title 8, Chapter 14.

"CALIFORNIA FIRE CODE" or "CFC" is the code in Title 24 of the California Code of Regulations, Part 9, as adopted in the Ontario Municipal Code Volume I Title 4 Chapter 4.

"CALIFORNIA GREEN BUILDING STANDARDS CODE" or "CGBSC" is the code in Title 24 of the California Code of Regulations, Part 11, as adopted in the Ontario Municipal Code Volume II, Title 8, Chapter 12

"CALIFORNIA HISTORIC BUILDING CODE" or

"CHBC" is the code in Title 24 of the California Code of Regulations, Part 8, Ontario Municipal Code Volume II, Title 8, Chapter 14.

"CALIFORNIA MECHANICAL CODE" or "CMC" is the code in Title 24 of the California Code of Regulations, Part 4, as adopted in the Ontario Municipal Code Volume II, Title 8, Chapter 2.

"CALIFORNIA PLUMBING CODE" or "CPC" is the code in Title 24 of the California Code of Regulations, Part 5, as adopted in the Ontario Municipal Code Volume II, Title 8, Chapter 7

"CITY" means the City of Ontario California.
"JOINT LIVING AND WORK QUARTERS" or

"JLWQ" is a residential occupancy of one or more rooms or floors used as a dwelling unit that must contain or be altered to include:
(1) cooking space, (2) sanitary facilities (water closet, lavatory, and tub or shower), (3) sleeping room or area, and (4) adequate workspace for artistic working purposes reserved for, and regularly used by, one or more artist, artisan or similarly situated individual residing therein pursuant to the California Health and Safety Code §17958.11(a).

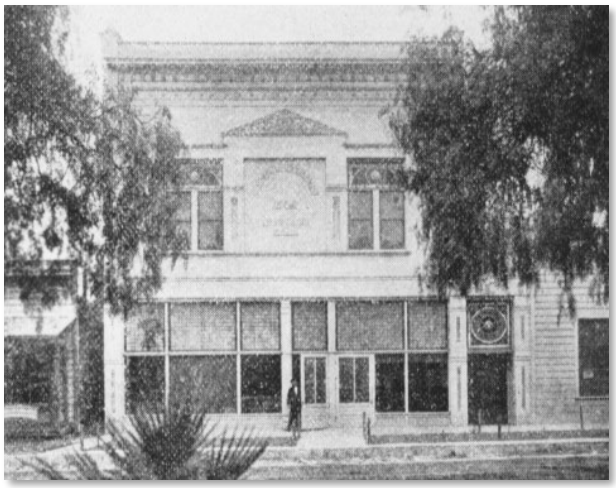
"ONTARIO BUILDING STANDARDS CODE" or "LBBSC" is the code adopted in Volume II, Title 8 of the Ontario Municipal Code.

"ONTARIO MUNICIPAL CODE" means the Ontario Municipal Code.

"ONTARIO DEVELOPMENT CODE" is the code adopted in Title 9 of the Ontario Municipal Code.

"NFPA 13" is the National Fire Protection Association standard reference number for the Installation of Sprinkler Systems as adopted and amended in Title 24 of the California Code of Regulations.

"QUALIFIED HISTORICAL BUILDING OR PROPERTY" as defined in the California Health and Safety Code §18955 and in Title 24 of the California Code of Regulations, Part 8, means any building, site, object, place, location, district or collection of structures, and their associated sites, deemed of importance to the history, architecture, or culture of any area by an appropriate local, state, or federal governmental jurisdiction. This shall include historical buildings or properties on, or determined eligible for, national, state, or local historical registers or inventories, such as the National Register of Historic Places, California Register of Historical Resources, State Historical Landmarks, State Points of Historical Interest, and city or county registers, inventories, or surveys of historical or architecturally significant sites, places, or landmarks.



Masonic Hall *(Local Landmark No. 21)*



Restaurant *(2023)*

Appendix B
Empowering Legislation and Codes

CALIFORNIA HEALTH AND SAFETY CODE §17958.11

Any city or county may adopt alternative building regulations for the conversion of commercial or industrial buildings, or portions thereof, to joint living and work quarters. As used in this section, "joint living and work quarters" means residential occupancy by a family maintaining a common household, or by not more than four unrelated persons, of one or more rooms or floors in a building originally designed for industrial or commercial occupancy which include (1) cooking space and sanitary facilities in conformance with local building standards adopted pursuant to §17958 or 17958.5 and (2) adequate working space reserved for, and regularly used by, one or more persons residing therein.

The alternative building regulations adopted pursuant to this section shall be applicable in those geographic areas specifically designated for such occupancy, or as expressly permitted by a redevelopment plan with respect to a redevelopment project area. The alternative building regulations need not impose the same requirements as regulations adopted pursuant to §17922, except as otherwise provided in this section, but in permitting repairs, alterations, and additions necessary to accommodate joint living and work quarters, the alternative building regulations shall impose such requirements as will, in the determination of the local governing body, protect the public health, safety, and welfare.

The Legislature hereby finds and declares that a substantial number of manufacturing and commercial buildings in urban areas have lost manufacturing and commercial tenants to more modern manufacturing and commercial premises, and that the untenanted portions of such buildings constitute a potential resource capable, when appropriately altered, of accommodating joint living and work quarters which would be physically and economically suitable particularly for use by artists, artisans, and similarly- situated individuals. The Legislature further finds that the public will benefit by making such buildings available for joint living and work quarters for artists, artisans, and similarly-situated individuals because (1) conversion of space to joint living and work quarters provides a new use for such buildings contributing to the revitalization of central city areas, (2) such conversion results in building improvements and rehabilitation, and (3) the cultural life of cities and of the state as a whole is enhanced by the residence in such cities of large numbers of persons regularly engaged in the arts.

The Legislature further finds and declares that (1) persons regularly engaged in the arts require larger amounts of space for the pursuit of their artistic endeavors and for the storage of materials therefor, and of the products thereof, than are regularly found in dwellings, (2) the financial remunerations to be obtained from a career in the arts are generally small, (3) persons regularly engaged in the arts generally find it financially difficult to maintain quarters for their artistic endeavors separate and apart from their places of residence, (4) high property values and resulting rental costs make it particularly difficult for persons regularly engaged in the arts to obtain the use of the amount of space required for their work, and (5) the residential use of such space is accessory to the primary use of such space as a place of work.

It is the intent of the Legislature that local governments have discretion to define geographic areas which may be utilized for joint living and work quarters and to establish standards for such occupancy, consistent with the needs and conditions peculiar to the local environment. The Legislature recognizes that building code regulations applicable to

residential housing may have to be relaxed to provide joint living and work quarters in buildings previously used for commercial or industrial purposes.

ONTARIO MUNICIPAL CODE

A. General. Whenever there are practical difficulties involved in carrying out the provisions of this title, the Building Official and Fire Marshal shall have the authority to grant modifications for individual cases, upon the application of the owner or owner's representative, provided the Building Official and Fire Marshal shall first find that special individual reason makes the strict letter of this title impractical and the modification is in compliance with the intent and purpose of this title and that such modification does not lessen health, accessibility, life fire, safety, or structural requirements. The details of the action granting modifications shall be recorded and entered in the building record. A written application shall be submitted pursuant to ODC §4.03.01, Historic Preservation Plan- Adaptive Reuse Plan.

Expiration. The rights and privileges granted by the Building Official and Fire Marshal shall be voided if the permit is not secured within 12 months of the date the approval was granted.

Exceptions: The Building Official may grant extensions of time if a permit applicant submits in writing substantial evidence that unusual condition or circumstances precluded the securing of the permit within the allocated time or caused the permit to expire.

A. General. The provisions of this title are not intended to prevent the installation of any materials or to prohibit any design or method of construction, any such alternative has been approved. An alternative material, design or method of construction shall be approved where the Building Official finds that the proposed design is satisfactory and complies with the intent of the provisions of this title, and that the material, method or work offered is, for the purpose intended, at least the equivalent of that prescribed in this title in quality, strength, effectiveness, fire resistance, durability, and safety. The Building Official shall require that sufficient evidence or proof be submitted to substantiate any claims that may be made regarding its use. The details of the action granting modifications shall be recorded and entered in the building record. A written application shall be submitted pursuant to ODC §4.03.01, Historic Preservation Plan- Adaptive Reuse Plan.

B. Research reports. Supporting data, where necessary to assist in the approval of materials or assemblies not specifically provided for in this title, shall consist of valid research reports from approved sources.

C. Test. Whenever there is insufficient evidence of compliance with the provisions of this title, or evidence that a material or method does not conform to the requirements of this title, or in order to substantiate claims for alternative materials or methods, the Building Official shall have the authority to require tests as evidence of compliance to be made at no expense to the City. Test methods shall be as specified by this title or by other recognized test standards. In the absence of recognized and accepted test methods, the Building Official shall approve the test procedures. Tests shall be performed by an approved agency. Reports of such test shall be retained by the Building Official for the period required for retention of public records.

D. Expiration. The rights and privileges granted by the Building Official shall be voided if the permit is not secured within 12 months of the date the approval was granted or if the permit or plans examination expires.

Exceptions: The Building Official may grant extensions of time if a permit applicant submits in writing substantial evidence that unusual conditions or circumstances precluded the

securing of the permit within the allocated time or caused the permit to expire.

Ontario Municipal Code, Section 4.03.01 Historic Preservation Plan- Adaptive Reuse Plan.

The Adaptive Reuse Plan in Title 9, Development Code expanded the scope of eligible and underutilized buildings or structures that have great potential to be converted into new uses or occupancy that can benefit from relief of parking standards, setbacks, height limitations, etc. However, key to the success of the Adaptive Reuse Plan relies on the ability of the Building Official and Fire Marshal to effectively use their authority to grant code modification or alternative materials, design and methods of construction and equipment to address practical difficulties involved in complying with the strict provisions of the code or consider alternative design or methods not specifically prescribed in the code. Other statutory regulations such as the most recently adopted edition of the California Historic Building Code and the California Existing Building Code part 10, including the California Health and Safety Code §17958.11 and §19957, provides the Building Official and Fire Marshal with the ability to consider other alternative building standards. Therefore, the purpose of this Section is to amend, expand, establish, and clarify alternative building standards for the conversion of existing buildings or structures to accommodate new uses or occupancy for other purposes than what it was originally designed for and still provide reasonable use and safety to the building occupants.

Applicability. Projects that meet the definition and applicable requirements of an adaptive reuse project pursuant to Section 4.03.01 may be permitted to use the alternative building standards of this chapter.

Adaptive Reuse projects are construction and remodeling projects that reconfigure existing spaces within existing buildings to accommodate a new use or purpose than what it was originally designed for. Adaptive Reuse projects require a change of use and building occupancy from office or commercial to residential, industrial to work/live, residential to office or commercial, or assembly to residential, office or commercial.

Ontario Municipal Code §8-14.04 Alternative Building Standards for Adaptive Reuse Projects.

Although other chapters or sections of the Ontario Municipal Code and the most recently adopted edition of the California Building Standards Code are applicable to new construction or a change of use or occupancy, the use of the Alternative Building Standards for Adaptive Reuse Projects may be permitted to provide alternative regulations for adaptive reuse projects that meet the applicability requirement of §8-14.04.02.

The Building Official and Fire Marshal shall prepare, maintain, and update, as deemed necessary and appropriate, the Alternative Building Standards for Adaptive Reuse Projects and shall include technical information and implementation parameters, alternative compliance for technical infeasibility, as well as other rules, requirements and procedures as the City deem necessary, for implementing the provisions of this chapter.

The Building Official and Fire Marshal shall develop, as deemed necessary and appropriate, in cooperation with other City departments and stakeholders, informational bulletins, training manuals and educational materials to assist in the implementation of this chapter.

CALIFORNIA EXISTING BUILDING CODE, Part 10 (AMENDED BY Ontario Municipal Code §8-14.02)

CBC Part 10 Conformance. No change shall be made in the use or occupancy of any building that would place the building in a different division of the same group of occupancies or in

a different group of occupancies, unless such building is made to comply with the requirements of this code for such division or group of occupancies. Subject to the approval of the Building Official, the use or occupancy of existing buildings shall be permitted to be changed and the building is allowed to be occupied for purposes in other groups without conforming to all the requirements of this code for those groups, provided the new or proposed use is less hazardous, based on life and ire risk, than the existing use.

Except for groups A, E and I occupancies, which were constructed prior to January 9, 1934, and are not within the scope of the Ontario Municipal Code Chapter, Volume II, Title 8, a change of occupancy group or division may be made to another equal or lesser hazard as listed herein. For the purpose of this section, the order of least hazardous group to highest hazardous group is as follows:

Group U (least hazardous group)
Groups R-3 and R-3.1
Group S-2
Groups B, F, L, M, H and S-1 Groups R-1, R-2, R-2.1 and R-4
Groups A, E and I (highest hazardous group)

Every change of use or increased occupant load within the same division of an occupancy group shall require compliance with the provisions of Chapters 3, 10 and 16 of this code applicable to the proposed use or increased occupant load if the Building Official determine that there is an overall increase in hazard to life, limb, health, property, or public welfare.

Exceptions:

1. Specific seismic detailing requirements of CBC §1613 for a new structure shall not be required to be met where the seismic performance is shown to be equivalent to that of a new structure. A demonstration of equivalence shall consider the regularity, overstrength, redundancy and ductility of the structure.

2. When a change of use results in a structure being reclassified from Risk Category I or II to Risk Category III and the structure is located where the seismic coefficient, SDS, is less than 0.33, compliance with the seismic requirements of CBC §1613 are not required.



Emporia Artist Lofts *(2004)*

ADAPTIVE REUSE OF HISTORIC BUILDINGS

A list of completed adaptive reuse projects located within the City are shown below.

Buildings		Designation		Address
01	Ontario Laundry Company	06	06 / 06 / 1995	401 N. Euclid Ave.
02	Frankish Building	12	01 / 20 / 1998	200 S. Euclid Ave.
03	Emmon's Building & Granada Theater	23	01 / 20 / 1998	303 N. Euclid Ave.
04	McCann Block	26	01 / 20 / 1998	108 S. Euclid Ave.
05	Ontario Power Co. Building	36	06 / 02 / 1998	217 S. Lemon Ave.
06	Pacific Electric Bus Depot	37	06 / 02 / 1998	211/215 S. Laurel Ave.
07	United States Post Office	67	01 / 16 / 2001	Euclid Ave.
08	Bank of Italy Building	86	02 / 02 / 2010	200 N. Euclid Ave.
09	Bumstead Bicycles Building	87	02 / 02 / 2010	109 E. B St.
10	Retail/Office	-	-	115 S. Palm Ave.
11	Oscar Arnold House	31	06 / 02 / 1998	747 N. Euclid Ave.
12	James Bradford House	-	06 / 04 / 2013	813 N. Euclid Ave.
13	W. A. Freemire House	-	06 / 04 / 2013	825 N. Euclid Ave.
14	Office	-	-	209 E I St.
15	Dentist Office		-	712 N. Euclid Ave.
16	Emporia Artist Lofts	-	-	211 W. Emporia St.
17	Albert D. Moore House	25	01 / 20 / 1998	625 N. Euclid Ave.



CITY OF ONTARIO SOUTHERN CALIFORNIA

Ontario City Hall
Community Development Agency
303 East B Street
Ontario, California 91764

Visit us at www.ontarioca.gov
Contact us at 909.395.2000

City of Ontario
Fire and Building Departments

Community Risk Reduction

Alternative Materials & Methods Requests Guidelines

Alternative Materials & Methods Requests

Purpose:

This guideline is intended to provide direction for submitting requests for use of an alternative material or method of construction (AM&M) in accordance with the 2022 California Building Code (CBC), Chapter 1, Section 104.11 and 2022 California Fire Code (CFC), Chapter 1, Section 104.10.

Scope:

AM&M requests shall be evaluated by the Building Official and Fire Marshal to ensure the proposed material, method of construction, design, use, or operation satisfactorily complies with the intent of the CBC & CFC. Additionally, the alternatives that are being proposed will be evaluated to determine that they are equivalent to or exceed what is prescribed in the CBC & CFC in terms of quality, strength, effectiveness, fire resistance, durability, and/or safety.

It is important to keep in mind that an AM&M is NOT a waiver. It does not excuse a project from meeting the level of safety or performance required by the code, only to achieve it in a way that may not meet the method described in the code.

Requirements:

1. AM&M Request: The applicant shall complete and submit the appropriate request for a project with the required plans and other documentation, including an Adaptive Reuse Plan pursuant to Section 4.03.010 of the Ontario Development Code, necessary to evaluate the proposed AM&M. Use of “Alternate Materials, Design & Methods” (AM&M)

1.1 **AM&M for Projects**

The owner or the owner’s authorized representative shall complete Sections A, B, and C at the top of the AM&M form.

1.1.1. Section A—Applicant Information: Provide the owner’s name and name and contact information for the person applying for the AM&M on behalf of the owner. If the contact for technical questions is different than the applicant, provide the contact information for that person as well.

1.1.2. Section B—Project Information: Provide the project name and address and indicate the occupancy classification, construction type, number of stories, and total floor area of the building(s) impacted by the AM&M.

1.1.3. Section C—Project Requirements & Proposals: This section provides information related to the applicable code requirements and proposed alternatives.

1.1.3.1. Code Requirement: List the code section(s) or requirement(s) that the project does not comply with or that you are proposing an alternative to. A single code section can include multiple requirements or methods of compliance, so be specific in terms of which part of the code section is being addressed by the alternative. Briefly describe the intent of the code section or requirement as it pertains to fire and life safety, emergency response, and/or firefighting, as appropriate.

1.1.3.2. Code Deficiency: Indicate how the project does not comply with code and why compliance with the standard requirements is not possible, feasible, or desirable.

1.1.3.3. Alternative Proposal: Describe the alternatives that are being proposed to mitigate the deficiency or code requirement. This section should include only those features or measures that are provided to offset or mitigate the deficiency. Do not include any features that are otherwise already required by the code here.

1.1.3.4. Justification: In this section, you must justify how the project or design approach utilizing the proposed alterative material or method is as safe or effective as if the project were built in the manner detailed in the code. Describe how the proposed alternative offsets the standard requirement. Whenever possible, the alternative should directly offset the deficiency. For example, if project deficiencies would delay emergency response to a building fire, the alternative should provide early notification to the fire department, slow the rate of the fire's growth, contain the spread of fire to one part of building, or otherwise mitigate the negative effects of a delayed response.

You can also provide any other relevant information related to the project or proposal in this section. For instance, if the proposed alternative further enhances the effectiveness of other features already required by code in some particular way, this information could be included as additional support.

1.1.3.5. Signature: The owner or the owner's authorized representative shall provide their signature, job title, company name, and date the form was signed at the bottom of Section C.

2. **Submittal and Review Process**

2.1. Fee Code: The AM&M request will be processed using the standard plan check fee which is based on valuation and time.

2.2. Submittal Format, Timing, and Location: Where the AM&M is included as part of the initial plan submittal, or apart of the Adaptive Reuse Plan, provide one hard copy of the form and any supporting documentation. Submit the AM&M form as part of the plan package submitted to the Planning Department for Adaptive Reuse Plans or directly to Building Department or the Fire Department, if not part of an Adaptive Reuse Plan proposal.

Should evaluation of the AM&M proposal require time and resources beyond the standard allotted for this activity, additional time and materials fees may also be applied.

2.3. Evaluation: All AM&M requests are evaluated on a case-by-case basis in the context of the specific project being reviewed. Approval of the request is based upon several factors, including, but not limited to, the level of equivalency achieved, the effect of the AM&M on fire and emergency response, and site conditions.

2.3.1. Approved AM&M: If reviewing department determines that the AM&M proposal provides an equivalent level of protection considering all related factors pertaining to the project, the Building Official or Fire Marshal will complete the approval section at the bottom of the request form. Such approval may be conditional upon implementation of additional requirements that were not part of the original AM&M proposal. If additional conditions are required, the Building Official or Fire Marshal will either:

a) ask that the AM&M form be updated to include the additional items; or,

b) indicate additional conditions or requirements in the “Comments” area at the bottom of the form.

Approval is granted only for the specific project under review and the conditions for approval shall not be construed as applicable to any other project.

2.3.2. Denied AM&M: In the event that the reviewing departments determines that the AM&M proposal does not provide an equivalent level of protection, the request will be denied and a response issued to this effect. Should the applicant submit a different AM&M request for this project or choose to revise and resubmit the previously denied request, additional AM&M fees may apply. To facilitate the evaluation process, include any previously denied AM&M proposals when submitting a revised AM&M request.

2.4. Other Plans: Once the AM&M request is approved, the completed AM&M form shall be incorporated into the plan that the deficiency is related to as well as all subsequent plans submitted to Fire Department and the Building Department that may be impacted by the approved alternative(s). In some cases, this may require revision and resubmittal of previously approved plans. Failure to incorporate the AM&M into other plans may result in return of those plans as incomplete and/or delay plan approval or interrupt progress during construction. It is the responsibility of the owner or owner’s authorized agent to provide copies of approved AM&M documentation for this purpose and to ensure that all affected parties are aware of the approved alternatives.

3. Engineering Evaluation: If the Building Official or the Fire Marshal deems an engineering evaluation necessary, it shall be performed and reported by a firm or individual that meets the Adaptive Reuse Plan professional qualification standard in conjunction with Adaptive Reuse Plan. The applicant is responsible for all costs associated with the preparation of the AM&M or associated analysis.

CITY OF ONTARIO *Agenda Report* **December 17, 2024**	**SECTION:** **CONSENT CALENDAR**
Department: Fire Department Prepared By: Joseph Ramos Department: Prepared By: Joseph Ramos Staff Member Presenting: Mike Gerken, Fire Chief Approved By:	Submitted To: Council/OHA Approved: _____ Continued To: _____ Denied: _____ Item No: 6

SUBJECT: AN ORDINANCE AMENDING CHAPTER 3, TITLE 4, OF THE ONTARIO MUNICIPAL CODE RELATING TO THE CITY'S EMERGENCY ORGANIZATION

RECOMMENDATION: That the City Council adopt an ordinance amending Chapter 3, Title 4, of the Ontario Municipal Code related to the City' s Emergency Organization.

THE FOLLOWING COUNCIL GOALS ARE BEING ACHIEVED:
Maintain the Current High Level of Public Safety
Operate in a Businesslike Manner

FISCAL IMPACT: There is no direct fiscal impact associated with this action. However, the proposed amendments to the Emergency Organization within the Municipal Code will ensure the City complies with California's Standard Emergency Management System (SEMS) and the National Incident Management System (NIMS), thus supporting the City's eligibility to receive State and Federal funding when available.

BACKGROUND & ANALYSIS: On December 3, 2024, the City Council introduced an ordinance amending Chapter 3, Title 4, of the Ontario Municipal Code (OMC) relating to the City's Emergency Organization. In an effort to implement lessons learned from recent proclaimed emergencies in the City of Ontario including the Covid-19 pandemic and the Francis Incident, the Office of Emergency Management recommends amending Chapter 4, Title 4 of the OMC to reflect current practices at local, state, and federal levels of government. The Emergency Organization for the City of Ontario is detailed in Chapter 3, Title 4, of the OMC and was last amended in 2014. This OMC chapter provides requirements for the preparation and implementation of disaster protocols for the protection of persons and property within the City. The chapter also specifies the membership and associated responsibilities of the City of Ontario Disaster Council, creates a structure for oversight of the emergency organization, supports the Emergency Management Working Committee, and empowers the elected body to enact various actions and enforcement protocols during emergencies.

The proposed amendment includes the addition of the Deputy City Manager to possibly serve as

the Assistant Director of Emergency Services and potentially as the Director of Emergency Services under certain circumstances as a line of succession. Additionally, the proposed amendment aligns the frequency of local proclamation review by the City Council with the standards provided by the California Government Code section 8630. With this alignment, the review period would be modified to 60 days instead of 30 days as written into the current OMC. Additionally, the requirements and expectations of the Emergency Management Working Committee have been updated to reflect language that would enhance the Committee's ability to operate more effectively and be more inclusive of key stakeholders outside of City agencies.

The proposed amendments will ensure consistency between the recently approved (May 5, 2024) and updated Emergency Operations Plan and the legal parameters within which the Ontario City Council and Emergency Organization must operate. Furthermore, amending the OMC will satisfy the requirements of the California SEMS and the NIMS ensuring the City's eligibility to receive Emergency Assistance funds and Department of Homeland Security related grant funding. As such, Staff recommends the City Council adopt an ordinance amending Chapter 3, Title 4, of the Ontario Municipal Code related to the City's Emergency Organization.

ORDINANCE NO. _____

AN ORDINANCE OF THE CITY COUNCIL OF THE CITY OF ONTARIO, CALIFORNIA, AMENDING CHAPTER 3 OF TITLE 4 OF THE ONTARIO MUNICIPAL CODE RELATING TO EMERGENCY ORGANIZATION.

WHEREAS, the City Council of the City of Ontario has adopted provisions regarding the City's Emergency Organization, codified at Chapter 3, Title 4 of the City of Ontario Municipal Code; and

WHEREAS, those provisions were most recently updated through Ordinance 2990 in June 2014; and

WHEREAS, since 2014, there have been advancements in emergency planning and amendments to the California Emergency Services Act; and WHEREAS, the City Council now desires to update its provisions relating to the City's Emergency Organization to ensure that they comply with the law, the California Emergency Services Act, Standardized Emergency Management System (SEMS), and National Incident Management System (NIMS) and better account for current circumstances.

NOW, THEREFORE, IT IS HEREBY FOUND, DETERMINED, AND ORDAINED by the City Council of the City of Ontario as follows:

SECTION 1. Findings. The above recitals are true and correct and are incorporated herein by this reference.

SECTION 2. Chapter 3 of Title 4 of the Ontario Municipal Code is hereby amended, in its entirety, to read as follows:

CHAPTER 3: EMERGENCY ORGANIZATION

4-3.01 Purpose
4-3.02 Definition
4-3.03 Disaster Council: Membership
4-3.04 Disaster Council: Powers, duties, meetings
4-3.05 Director and Assistant Director of Emergency Services, Emergency Manager
4-3.06 Powers of the Director of Emergency Services, Assistant Director of Emergency Services, and Emergency Manager
4-3.07 Emergency Management Working Committee
4-3.08 Emergency Organization
4-3.09 Emergency Operations Plan
4-3.10 Expenditures
4-3.11 Violations of provisions: Penalties

Sec. 4-3.01. Purpose.

The declared purpose of this chapter is to provide for the preparation and carrying out of plans for the protection of persons and property within the City of Ontario in the event of an emergency. This chapter shall provide for the direction of the emergency organization and the coordination of the emergency functions with all other public agencies, corporations, organizations, and affected private persons.

Sec. 4-3.02. Definition.

As used in this chapter, “emergency” shall mean the actual or threatened existence of conditions of disaster or of extreme peril to the safety of persons and property within the City’s jurisdiction caused by such hazards as identified in the most current edition of the Local Hazard Mitigation Plan or other conditions, which are, or are likely to be, beyond the control of the services, personnel, equipment, and facilities of the City, requiring the combined forces of other political subdivisions to combat.

Sec. 4-3.03. Disaster Council: Membership.

The City of Ontario Disaster Council is hereby created and shall consist of the following:

(a) The Mayor, who shall be Chair.

(b) The Mayor Pro Tem, who shall be Vice Chair.

(c) All members of the Ontario City Council.

(d) Staff, technical advisors, and community representatives as may be appointed by the Disaster Council chair with the concurrence of a majority of the above Disaster Council members.

Sec. 4-3.04. Disaster Council: Powers, duties, meetings.

It shall be the duty of the City of Ontario Disaster Council, and it is hereby empowered, to develop and recommend for adoption by the City Council, emergency and mutual aid plans and agreements and such ordinances and resolutions and rules and regulations as are necessary to implement such plans and agreements. The Disaster Council shall meet upon call of the Disaster Council Chair or upon call of the Disaster Council Vice Chair in the absence of the Chair.

Sec. 4-3.05. Director and Assistant Director of Emergency Services, Emergency Manager.

(a) There is hereby created the office of Director of Emergency Services. The City Manager of the City of Ontario shall be the Director of Emergency Services.

(b) There is hereby created the office of Assistant Director of Emergency Services, who shall be appointed by the Director of Emergency Services. The Director of Emergency Services may appoint either the Assistant City Manager, Deputy City Manager, Fire Chief, Police Chief, or Emergency Manager as the Assistant Director of Emergency Services.

(c) There is hereby created the office of Emergency Manager, who shall act at the will of the Director of Emergency Services. The Emergency Manager of the City of Ontario shall manage day-to-day affairs of the emergency management program and have certain other emergency management functions as specified.

Sec. 4-3.06. Emergency Powers of the Director of Emergency Services, Assistant Director of Emergency Services, and Emergency Manager.

(a) The Director of Emergency Services is hereby empowered to:

(1) Request the City Council to proclaim the existence or threatened existence of a “local emergency” if the City Council is in session, or to issue such proclamation if the City Council is not in session. Whenever a local emergency is proclaimed by the Director of Emergency Services, the City Council shall take action to ratify the proclamation within seven (7) days thereafter or the proclamation shall have no further force or effect; and

(2) Request the City Council to review the need for continuing the local emergency at the interval specified in the California Government Code section 8630(c) until the City Council terminates the local emergency; and

(3) Request the Governor to proclaim a “state of emergency” when, in the opinion of the Director of Emergency Services, the locally available resources are inadequate to cope with the emergency; and

(4) Control and direct the effort of the Emergency Organization of the City for the accomplishment of the purposes of this chapter; and

(5) Direct cooperation between and coordination of services and staff of the Emergency Organization of the City and resolve questions of authority and responsibility that may arise between them; and

(6) Represent the City in all dealings with public or private agencies on matters pertaining to emergencies as defined in this chapter; and

(7) In the event of the proclamation of a “local emergency,” the proclamation of a “state of emergency” by the California Governor or California Office of Emergency Services Director, or the existence of a “state of war emergency,” the Director of Emergency Services is hereby empowered to:

(i) Promulgate written orders and regulations necessary to provide for the protection of life and property as affected by such emergency, including orders or regulations imposing a curfew within designated boundaries where necessary to preserve the public order and safety; provided, however, such rules and regulations shall be widely publicized and noticed and shall be confirmed at the earliest practicable time by the City Council; and

(ii) Obtain vital supplies, equipment, and such other properties found lacking and needed for the protection of life and property and to bind the City for the fair value thereof and, if required immediately, to commandeer the same for public use; and

(iii) Require emergency services of any City officer or employee and, in the event of the proclamation of a “state of emergency” in the County of San Bernardino or the existence of a “state of war emergency,” to command the aid of as many citizens of the community as deemed necessary in the execution of duties; such persons shall be entitled to all privileges, benefits, and immunities as are provided by state law for registered disaster services workers; and

(iv) Requisition necessary personnel or material of any City departments or agencies; and

(v) Execute all ordinary powers; all special powers conferred by this chapter, by resolution, and by an adopted Emergency Operations Plan; and all other powers conferred by statute, agreement approved by the City Council, or by any other lawful authority; and

(vi) Approve contracts as necessary to support the Emergency Organization and to protect the life and property of the citizens of Ontario.

(b) In the absence of the Director of Emergency Services, the Assistant Director of Emergency Services is empowered to take on the powers of the Director of Emergency Services under Section 4-3.06(a). In the absence of both the Director of Emergency Services and the Assistant Director of Emergency Services, the Emergency Manager is empowered to take on the powers of the Director of Emergency Services under Section 4-3.06(a). The Director of Emergency Services shall be deemed absent where he or she is unavailable to participate in meetings or otherwise is unable to perform his or her duties during an emergency.

(c) The Director of Emergency Services may supplement the order of succession to that office identified in Section 4-3.06(b), to take effect in the event the Director is absent. Such order of succession shall be approved by the governing body.

(d) The Assistant Director of Emergency Services shall, under the supervision of the Director of Emergency Services, supervise the activities of the Emergency Manager and shall have such other powers and duties as may be assigned by the Director of Emergency Services.

Sec. 4-3.07. Emergency Management Working Committee.

(a) There is also created the Emergency Management Working Committee (EMWC) which shall consist of the following:

(1) The Emergency Manager who shall serve as chair and shall schedule meetings and projects as necessary.

(2) Two supervisory level or above representatives from each agency or department with a position assigned to the Emergency Operations Center (EOC) under the City of Ontario Emergency Operations Plan.

(b) The Emergency Management Working Committee shall:

(1) Develop plans and procedures for the effective accomplishment of emergency management objectives, including the review and update of the City of Ontario Emergency Operations Plan.

(2) Review and keep current emergency management automated systems so that they meet the needs of all organizations that may be represented in the Ontario EOC.

(3) Achieve a high level of knowledge about specific emergency management functions assigned to the various City departments.

(4) Train an adequate number of staff members from each department so as to ensure that personnel are available to respond to and perform in an EOC, Department Operations Center (DOC), or field-environment.

(5) Design and call emergency management exercises to test various components of the City of Ontario Emergency Operations Plan as necessary; provided, however, that with respect to any such test exercise no one shall have the power to command the assistance of any private citizen, and the failure of a citizen to follow any orders or regulations pertaining to a test exercise shall not constitute a violation of this chapter.

(6) Serve as a resource for trained exercise simulators and observers so that the learning value of such activities is maximized.

(7) Serve as a department contact for all emergency management issues such as the gathering of information for disaster assistance claims, circulation of pertinent legislation, notification of events and activities, and liaison with executive level managers.

(8) Ensure that each of the five mission areas of the National Preparedness Goal (prevention, protection, mitigation, response, and recovery) are addressed in a systematic fashion so as to provide a comprehensive, integrated, and effective emergency management program for the City of Ontario.

(9) Conduct a preparedness meeting with City and regional partners, including, but not limited to; utilities, special districts, non-profits organizations, faith-based organizations, hospitals, and business partners who have play a critical role within the City of Ontario Emergency Operations Plan.

Sec. 4-3.08. Emergency Organization.

All officers and employees, together with those volunteer forces enrolled to aid them during an emergency, and all groups, organizations, and persons who may by agreement or operation of law, including persons impressed into service under the provisions of Section 4-3.06(a)(7)(iii), be charged with duties incident to the protection of life and property during such emergency, shall constitute the Emergency Organization of the City of Ontario.

Sec. 4-3.09. Emergency Operations Plan.

The City of Ontario Disaster Council shall be responsible for the development of the Emergency Operations Plan, which shall provide for the effective mobilization of all of the resources of this jurisdiction, both public and private, to meet any condition constituting a local emergency, state of emergency, or state of war emergency; and shall provide for the organization, powers and duties, services, and staff of the emergency organization. Such plan shall take effect upon adoption by resolution of the City Council.

Sec. 4-3.10. Expenditures.

Any expenditure made in connection with emergency activities, including mutual aid activities, shall be deemed conclusively to be for the direct protection and benefit of the inhabitants and property of the City of Ontario. Under certain emergency conditions the Disaster Council, or any City staff member of the Emergency Organization, may enact conditional changes in procurement processes, spending limits, approval authorities, and allocation of City resources in order to support the City's required response activities.

Sec. 4-3.11. Violations of provisions: Penalties.

It shall be a misdemeanor, punishable by fine of not to exceed five hundred dollars ($500.00), or by imprisonment in the County Jail for a period of time not to exceed six (6) months, or both, for any person, during an emergency to:

(a) Willfully obstruct, hinder, or delay any member of the Emergency Organization in the enforcement of any lawful rule or regulation issued pursuant to the provisions of this chapter or in the performance of any duty imposed upon him by virtue of said provisions; and

(b) Do any act forbidden by any lawful rule or regulation issued pursuant to the provisions of this chapter if such act is of such a nature as to give, or be likely to give, assistance to the enemy or imperil the lives or property of inhabitants of the City, or to prevent, hinder, or delay the defense or protection thereof; or

(c) Wear, carry, or display, without authority, any means of identification specified by the emergency agency of the State.

SECTION 3. The Mayor shall sign this Ordinance and the City Clerk shall certify as to the adoption and shall cause a summary thereof to be published at least once, in a newspaper of general circulation in the City of Ontario, California within fifteen (15) days of the adoption. The City Clerk shall post a certified copy of this ordinance, including the vote for and against the same, in the Office of the City Clerk, in accordance with Government Code Section 36933.

PASSED, APPROVED, AND ADOPTED this 17th day of December 2024.

_____
PAUL S. LEON, MAYOR

ATTEST:

_____
SHEILA MAUTZ, CITY CLERK

APPROVED AS TO FORM:

_____
BEST BEST & KRIEGER LLP
CITY ATTORNEY

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

I, SHEILA MAUTZ, City Clerk of the City of Ontario, DO HEREBY CERTIFY that foregoing Ordinance No. _____ was duly introduced at a regular meeting of the City Council of the City of Ontario held December 3, 2024 and adopted at the regular meeting held December 17, 2024 by the following roll call vote, to wit:

AYES: COUNCIL MEMBERS:

NOES: COUNCIL MEMBERS:

ABSENT: COUNCIL MEMBERS:

_____
SHEILA MAUTZ, CITY CLERK

(SEAL)

I hereby certify that the foregoing is the original of Ordinance No. _____ duly passed and adopted by the Ontario City Council at their regular meeting held December 3, 2024 and that Summaries of the Ordinance were published on _____ and _____, in the Inland Valley Daily Bulletin newspaper.

_____
SHEILA MAUTZ, CITY CLERK

(SEAL)

CITY OF ONTARIO *Agenda Report* **December 17, 2024**	**SECTION:** **CONSENT CALENDAR**
Department: Communications and Community Relations Prepared By: Tricia Almiron Department: Management Services Prepared By: Tricia Almiron Staff Member Presenting: Dan Bell, Communications and Community Relations Director Approved By: 	Submitted To: Council/OHA Approved: _____ Continued To: _____ Denied: _____ Item No: 7

SUBJECT: UPDATED LEGISLATIVE PLATFORMS

RECOMMENDATION: That the Council approve the 2025-2026 State and Federal Legislative Platforms.

THE FOLLOWING COUNCIL GOALS ARE BEING ACHIEVED:
Invest in the Growth and Evolution of the City's Economy
Maintain the Current High Level of Public Safety
Operate in a Businesslike Manner
Focus Resources in Ontario's Commercial and Residential Neighborhoods
Invest in the City's Infrastructure (Water, Streets, Sewers, Parks, Storm Drains and Public Facilities)

FISCAL IMPACT: There is no direct fiscal impact associated with receiving and filing of this report.

BACKGROUND & ANALYSIS: The proposed 2025-2026 Legislative Platforms serve as the basis to engage in policy and legislative initiatives that will enable the City of Ontario to deliver projects and programs that meet the needs of its residents. The document also guides Staff recommendations to the City Council on state and federal legislative, regulatory, and administrative matters that are anticipated to be addressed in the upcoming year. The staff-recommended changes are mostly minor, with an emphasis on upcoming infrastructure programs and adding current policy guidance. The suggested updates are a result of collaboration between City departments. Examples of priority issues are: transportation, housing, homelessness and local control. Staff anticipates another robust year in Sacramento and Washington D.C. By adopting the updated platforms, Staff and advocates can pursue policy and funding opportunities proactively. The City will continue to partner with public and private sector entities to support common objectives in and foster relationships within the region.



STATE LEGISLATIVE PLATFORM

CITY • OF • ONTARIO • 2025-2026

ABOUT ONTARIO

Founded as a Model Colony, based on innovation, planned development, community service and family values, the City of Ontario has become the economic heart of the region. The City Council is committed to maintaining Ontario's leadership role in the Inland Empire by continuing to invest in the growth and evolution of the area's economy while providing a balance of jobs, housing, educational and recreational opportunities for our residents in a safe, well-maintained community.

Incorporated December 10, 1891, the City of Ontario covers an area of 50 miles within San Bernardino County. It is located 35 miles east of Los Angeles.

The primary objective of the Legislative Platform is to establish official City positions on clearly stated legislative issues. The Legislative Platform is developed and maintained using the goals and objectives of the City Council. The central theme adopted by the City Council is a sustained, community-wide prosperity which continuously adds value and yields benefits. Adding value encompasses a range of applications, including adding value to prosperity as well as to people, making Ontario truly a premier community of choice. Adding value is expressed in land, revenues, infrastructure, businesses, as well as in education, employment, health, community services and recreation.

By aligning investment and policy goals, the City can create systems that improve quality of life, foster economic prosperity and contribute to a more sustainable future.

1. Local Control & Governance
    a. Retain local control over all aspects of municipal land use.
    b. Oppose legislation seeking to reallocate revenue obtained from the Bradley-Burns Uniform Local Sales and Use Tax.
    c. Oppose unfunded mandates.
    d. Oppose legislation that would eliminate the tax exemption for municipal bonds.
    e. Support legislation that holds the State accountable to the same governance laws and regulations for local elected bodies and the State legislature.

2. Economic Investment
    a. Funding for “Smart Growth” and transit-oriented multimodal development.
    b. Reinstate options for tax increment financing to cities, either as infrastructure finance districts, redevelopment agencies or new funding programs.
    c. Funding for adaptive reuse and/or historic preservation.
    d. Funding for workforce development, veterans job opportunities and job readiness.
    e. Increase funding for trade corridors, gateways, intermodal connectors and freight facilities in the region.
    f. Assist with additional revenue streams to support freight movement investment adequate to address the local and regional impacts of national freight flows.
    g. Advocate for direct federal funding to local jurisdictions without unnecessary distribution though the State and County.
    h. Invest in transportation networks to enable businesses to efficiently move goods and services, fostering economic development.

3. Public Safety
    a. Invest in the security of the City and public safety officers.
    b. Invest in training and equipment for all first responders.
    c. Increase funding for disaster preparedness, prevention, recovery and response for all-hazard threats.

4. Collaboration with Other Governmental Agencies
    a. Regional homelessness program and mental health epidemic.
    b. Regional wastewater & recycled water services.
    c. Support local authority to contract emergency and medical transport services.
    d. Advocate for accountability and reciprocal transparency with State Boards

5. Commercial & Residential Neighborhoods
    a. Support funding for Regional Housing Needs Assessment requirements.
    b. New funding for homelessness services and the construction of high quality, fully serviced transitional housing facilities.
    c. Support reform of SCAQMD policies to mitigate negative impacts on the local and regional economy.
    d. Explore cutting-edge freight conveyance systems for on and off-airport freight movement.
    e. Allow local jurisdictions to plan and develop affordable housing on a City-wide basis.
    f. Encourage State investment in affordable housing.
    g. Allow Cities to pay other Cities for affordable housing units.
    h. Implement California Environmental Quality Act (CEQA) reform to its original intent.

6. Infrastructure
    a. Investment in water, streets, sewers, parks, storm drains and public facilities.
    b. Support the reduction and dependence on imported water from the State Water Project.
    c. Expand economic options for Ontario logistics projects/investments.
    d. Oppose further restrictions on Surplus Land Act requirements.
    e. Oppose efforts to divert transportation infrastructure revenues for non-transportation purposes.
    f. Invest in local transit connectivity and multi-modal solutions.

7. Quality of Life
    a. Provide Care Act resources to San Bernardino County.
    b. Increase railroad funding for grade separations.

c. Support streamlined environmental revisions that remove duplication of State and Federal processes.

d. Support increased funding for historic preservation and retrofit, and community centers.

8. Technological Innovation and Efficiency

a. Support efforts to expand municipal broadband and cooperation of service delivery with the private sector, such as OntarioNet.

b. Support funding for wireless solutions and promote smart city options and high-quality broadband services.

c. Support cities who have invested local funding to broadband expansion efforts.

d. Advocate for funding towards zero emission municipal fleets.

e. Expand necessary cellular service and providers.

f. Advance the streamlining of electric energy infrastructure.



Federal

LEGISLATIVE

PLATFORM

CITY • OF • ONTARIO • 2025-2026

ABOUT ONTARIO

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Incorporated December 10, 1891, the City of Ontario covers an area of 50 miles within San Bernardino County. It is located 35 miles east of Los Angeles.

The primary objective of the Legislative Platform is to establish official City positions on clearly stated legislative issues. The Legislative Platform is developed and maintained using the goals and objectives of the City Council. The central theme adopted by the City Council is a sustained, community-wide prosperity which continuously adds value and yields benefits. Adding value encompasses a range of applications, including adding value to prosperity as well as to people, making Ontario truly a premier community of choice. Adding value is expressed in land, revenues, infrastructure, businesses, as well as in education, employment, health, community services, and recreation.

By aligning investment and policy goals, the City can create systems that improve quality of life, foster economic prosperity, and contribute to a more sustainable future.

1. Economic Investment
    a. Funding for "Smart Growth" and transit-oriented multimodal development.
    b. Reinstate/reinstitute some form of practical tax increment financing.
    c. Funding for adaptive reuse and/or historic preservation.
    d. Funding for workforce development, veterans job opportunities, and job readiness.
    e. Advocate for funding for trade corridors, gateways, intermodal connectors, and freight facilities in the region.
    f. Assist with additional revenue streams to support freight movement investment adequate to address the local and regional impacts of national freight flows.
    g. Support strong funding for Community Development Block Grants.
    h. Advocate for funding to come to local jurisdictions without having to be distributed though the State and County level.

2. Infrastructure
    a. Surface Transportation Reauthorization – Provide funding for trade corridors, gateways, intermodal connectors and freight facilities.
    b. Increase federal investment in goods movement corridors.
    c. Develop policies that allow for the improvement of strategic freight bottlenecks to accommodate the growing logistics industry in our region.
    d. Recognize the importance of inland ports to overall goods movement systems as part of any investment plan and ground access funding.
    e. Investment in water, streets, sewers, parks, storm drains, and public facilities.
    f. Support the reduction and dependence on imported water from the State Water Project.
    g. Expand economic options for Ontario Logistics Projects/Investments.
    h. Restore incremental tax funding options to cities, either as infrastructure finance districts, redevelopment agencies, or new funding programs.

3. Public Safety
    a. Invest in training and equipment for all first responders.
    b. Increase funding for disaster preparedness, prevention, recovery, and response for all-hazard threats.

4. Collaboration with other Governmental Agencies
    a. Regional homelessness program and mental health epidemic.
    b. Regional wastewater & recycled water services.

5. Local Control
    a. Maximize federal funding by developing reforms that will accelerate project procurement, promote flexibility and innovation, and respect local control.
    b. Support direct funding to Cities and Counties.
    c. Retain local control over all aspects of municipal land use.
    d. Oppose unfunded mandates.
    e. Oppose legislation that would eliminate the tax exemption for municipal bonds.

6. Commercial & Residential Neighborhoods
    a. Explore cutting-edge freight conveyance systems for on and off-airport freight movement.
    b. Encourage private investment in affordable housing.

7. Quality of Life
    a. Increase the private match for grade separations.
    b. Support streamlined environmental revisions that remove duplication of state and federal processes.
    c. Support increased funding for historic preservation and retrofit, and community centers.

8. Technology
    a. Support efforts to expand municipal broadband and cooperation of service delivery with the private sector, such as OntarioNet.
    b. Support funding for wireless solutions and promote smart city options and high-quality broadband services.
    c. Support cities who have invested local funding to broadband efforts.
    d. Advocate for funding towards zero emission municipal fleets.

CITY OF ONTARIO *Agenda Report* **December 17, 2024**	**SECTION:** **CONSENT CALENDAR**
Department: Public Works Prepared By: Bonnie Tam Staff Member Presenting: Tito Haes, Executive Director Public Works Approved By:	Submitted To: Council/OHA Approved: _____ Continued To: _____ Denied: _____ Item No: 8

SUBJECT: ACCEPTANCE OF SOLID WASTE INFRASTRUCTURE FOR RECYCLING GRANTS PROGRAM FUNDING FROM THE U.S. ENVIRONMENTAL PROTECTION AGENCY

RECOMMENDATION: That the City Council Authorize the City Manager, or his designee, to execute all documents necessary to accept grant award funds in the amount of $3,571,064 from the U.S. Environmental Protection Agency (EPA) for the Solid Waste Infrastructure for Recycling (SWIFR) Grants Program.

THE FOLLOWING COUNCIL GOALS ARE BEING ACHIEVED:
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 City has been awarded $3,571,064 from the EPA for the SWIFR Grants Program. No cost sharing is required. If approved, appropriations in the Integrated Waste Fund will be included in future quarterly budget updates to the City Council for approval.

BACKGROUND & ANALYSIS: The SWIFR Grants Program is funded through the Bipartisan Infrastructure Law. The funding supports improvements to waste management systems and programs, allowing resources to be used more efficiently and reducing the impact on the climate. This grant funding can be used to establish or optimize collection of materials, fund infrastructure, technology or other improvements, support and enhance end-markets for the use of recycled commodities, and increase the diversion, recycling rate and quality of materials collected for municipal solid waste.

The Public Works Agency will utilize this grant funding to establish new recycling collection routes and optimize materials management infrastructure through the purchase of recycling equipment such as electric trucks, electric vehicle charging stations, bins and carts, a power steam wash machine to clean bins and carts, and software to enhance zero waste strategies. The project will also create a digital food donation marketplace for businesses and nearby nonprofits and expand the source separation of organic food waste and mixed recyclables by distributing carts and bins to residents and businesses. The proposed project facilitates the City's compliance with California Senate Bill (SB) 1383 which requires California to reduce organic waste sent to landfills by 75% and send 20% of edible food that would otherwise be landfilled to Californians by 2025.

U.S. ENVIRONMENTAL PROTECTION AGENCY

Cooperative Agreement

GRANT NUMBER (FAIN): 98T89101 **MODIFICATION NUMBER:** 0 **PROGRAM CODE:** 4Z	**DATE OF AWARD** 07/31/2024
TYPE OF ACTION New	**MAILING DATE** 08/05/2024
PAYMENT METHOD: ASAP	**ACH#** PEND

RECIPIENT TYPE:
Municipal

Send Payment Request to:
Contact EPA RTPFC at: rtpfc-grants@epa.gov

RECIPIENT:
CITY OF ONTARIO
303 East B Street
Ontario, CA 91764-4105
EIN: 95-6000754

PAYEE:
CITY OF ONTARIO
303 East B Street
Ontario, CA 91764-4105

PROJECT MANAGER	EPA PROJECT OFFICER	EPA GRANT SPECIALIST
Porscha Gatewood 303 EAST B STREET ONTARIO, CA 91764-4105 **Email:** pgatewood@ontarioca.gov **Phone:** 909-395-2776	Andre Villasenor 600 Wilshire Boulevard, LND-2-3 Los Angeles, CA 90017 **Email:** villasenor.andre@epa.gov **Phone:** 213-244-1813	Fareed Ali Grants Branch, MSD-6 75 Hawthorne Street San Francisco, CA 94105 **Email:** ali.fareed@epa.gov **Phone:** 415-972-3665

PROJECT TITLE AND DESCRIPTION

BIL - Solid Waste Infrastructure Financing

See Attachment 1 for project description.

BUDGET PERIOD	PROJECT PERIOD	TOTAL BUDGET PERIOD COST	TOTAL PROJECT PERIOD COST
08/01/2024 - 05/31/2027	08/01/2024 - 05/31/2027	$ 3,571,064.00	$ 3,571,064.00

NOTICE OF AWARD

Based on your Application dated 02/15/2023 including all modifications and amendments, the United States acting by and through the US Environmental Protection Agency (EPA) hereby awards $ 3,571,064.00. EPA agrees to cost-share 100.00% of all approved budget period costs incurred, up to and not exceeding total federal funding of $ 3,571,064.00. Recipient's signature is not required on this agreement. The recipient demonstrates its commitment to carry out this award by either: 1) drawing down funds within 21 days after the EPA award or amendment mailing date; or 2) not filing a notice of disagreement with the award terms and conditions within 21 days after the EPA award or amendment mailing date. If the recipient disagrees with the terms and conditions specified in this award, the authorized representative of the recipient must furnish a notice of disagreement to the EPA Award Official within 21 days after the EPA award or amendment mailing date. In case of disagreement, and until the disagreement is resolved, the recipient should not draw down on the funds provided by this award/amendment, and any costs incurred by the recipient are at its own risk. This agreement is subject to applicable EPA regulatory and statutory provisions, all terms and conditions of this agreement and any attachments.

ISSUING OFFICE (GRANTS MANAGEMENT OFFICE)	AWARD APPROVAL OFFICE
ORGANIZATION / ADDRESS	**ORGANIZATION / ADDRESS**
U.S. EPA, Region 9, U.S. EPA, Region 9 Grants Branch, MSD-6 75 Hawthorne Street San Francisco, CA 94105	U.S. EPA, Region 9, Land, Chemicals and Redevelopment, LND-1 R9 - Region 9 75 Hawthorne Street San Francisco, CA 94105

THE UNITED STATES OF AMERICA BY THE U.S. ENVIRONMENTAL PROTECTION AGENCY

Digital signature applied by EPA Award Official Carolyn Truong - Grants Management Officer	**DATE** 07/31/2024

EPA Funding Information

FUNDS	FORMER AWARD	THIS ACTION	AMENDED TOTAL
EPA Amount This Action	$ 0	$ 3,571,064	$ 3,571,064
EPA In-Kind Amount	$ 0	$ 0	$ 0
Unexpended Prior Year Balance	$ 0	$ 0	$ 0
Other Federal Funds	$ 0	$ 0	$ 0
Recipient Contribution	$ 0	$ 0	$ 0
State Contribution	$ 0	$ 0	$ 0
Local Contribution	$ 0	$ 0	$ 0
Other Contribution	$ 0	$ 0	$ 0
Allowable Project Cost	$ 0	$ 3,571,064	$ 3,571,064

Assistance Program (CFDA)	Statutory Authority	Regulatory Authority
66.920 - Solid Waste Infrastructure Financing - Save Our Seas Act Grants	33 USC 4282 & Infrastructure Investment and Jobs Act (IIJA) (PL 117-58)	2 CFR 200, 2 CFR 1500 and 40 CFR 33

Fiscal									
Site Name	Req No	FY	Approp. Code	Budget Organization	PRC	Object Class	Site/Project	Cost Organization	Obligation / Deobligation
-	2409QE0042	24	E1SD	09Q	000D11X81	4108	-	-	$ 3,571,064
									$ 3,571,064

Budget Summary Page

Table A - Object Class Category (Non-Construction)	Total Approved Allowable Budget Period Cost
1. Personnel	$ 335,920
2. Fringe Benefits	$ 235,144
3. Travel	$ 0
4. Equipment	$ 3,000,000
5. Supplies	$ 0
6. Contractual	$ 0
7. Construction	$ 0
8. Other	$ 0
9. Total Direct Charges	$ 3,571,064
10. Indirect Costs: 0.00 % Base	$ 0
11. Total (Share: Recipient 0.00 % Federal 100.00 %)	$ 3,571,064
12. Total Approved Assistance Amount	$ 3,571,064
13. Program Income	$ 0
14. Total EPA Amount Awarded This Action	$ 3,571,064
15. Total EPA Amount Awarded To Date	$ 3,571,064

Attachment 1 - Project Description

This agreement provides funding from the Infrastructure Investment and Jobs Act (IIJA). EPA's Solid Waste Infrastructure for Recycling (SWIFR) grants for political subdivisions of states and territories will fund activities that will result in a significant decrease in the generation of Municipal Solid Waste (MSW) and/or an increase in the diversion of MSW from landfills and incineration, as well as fund innovative solutions and programs that provide or increase access to prevention, reuse, mechanical recycling, anaerobic digestion, and composting. The purpose of this award is to enhance the City of Ontario's efforts to meet the SWIFR grants elements.

Specifically, the grantee will establish new recycling collection routes and optimize materials management infrastructure through the purchase of recycling equipment such as electric trucks, EV charging stations, bins and carts, a power steam wash machine, and software to enhance zero waste strategies. The project will also create a digital food donation marketplace for businesses and nearby nonprofits and expand source separation of organic food waste and mixed recyclables by distributing carts and bins to residents and businesses in the City. The proposed project facilitates the City’s compliance with California Senate Bill 1383.

The primary goal and objective of the project is to comply with California Senate Bill 1383 and reduce emissions of short-lived climate pollutants. Additionally, the recipient aims to increase, expand, and optimize collection; improve materials management infrastructure; fund the creation of technology to reduce contamination in the recycled materials stream; Increase, expand, and optimize capacity for materials management; and demonstrate a significant and measurable increase in the diversion, recycling rate, and quality of materials collected for municipal solid waste.

This assistance agreement provides full Federal funding in the amount of $3,571,064.The activities to be performed are: 1) Kickoff Meeting - SWIFR Grant; 2) Demo of EV Trucks prior to issuing RFP; 3) Issue RFP for purchase of EV Trucks and Charging Station; 4) Issue RFP for purchase of Commercial Bins and Residential Cans for Compliance; 5) Select Bidder for purchase of EV Trucks and Charging Station; 6) Select Bidder for purchase of Commercial Bins and Residential Cans for Compliance; 7) Schedule outreach workshops/events to increase diversion; 8) Purchase and launch software for digital food, donation marketplace and zero waste strategies; 9) Implement tracking system for full compliance; 10) Place order for power steam washer; 11) Place order for cameras/video tech to track contamination; 12) Place order for EV trucks and charging station; 13) Place order for Commercial Bins and Residential Cans for compliance; 14) Create or allocate personnel resources for implementation; 15) Delivery of Commercial Bins and Residential Cans for full compliance; 16) Delivery/Training on new EV trucks and Charging Station; 17) Track increased diversion through additional resources and efforts.The anticipated deliverables include: The infrastructure investments/enhancements will result in three electric refuse trucks purchased, four charging stations and three extra batteries purchased, miscellaneous accessories, 400 commercial recycle/organic waste bins purchased, 800 residential organic waste carts purchased, and a software purchase to access a digital food donation marketplace that matches any type of business with extra edible food to a nearby nonprofit. Three new permanent jobs will be created to drive and operate the new trucks.

The expected outcomes include: GHG reductions from collection, recycling, composting or management via other management pathways; percentage of political subdivision served as a result of expanding or optimizing collection; and serving a disadvantaged community as a result of expanding and optimizing collection. The Department is targeting a yearly 5% decrease in GHG emissions as a result of collection, recycling, composting, and managing solid waste. The project will serve 100% of the political subdivision

as a result of expanding collection. Project improvements will be implemented citywide. Nearly half of Ontario's census tracts meet the solicitation's definition of a disadvantaged community.

Intended beneficiaries include: disadvantaged communities in the city of Ontario including residents and businesses who will receive collection bins and service from electric trucks and increased waste diversion. No subawards are included in this assistance agreement.

Administrative Conditions

Administrative Conditions "A" thru "E" below apply. Please reference the paragraph below for General Terms and Conditions.

General Terms and Conditions

The recipient agrees to comply with the current EPA general terms and conditions available at: https://www.epa.gov/grants/epa-general-terms-and-conditions-effective-october-1-2023-or-later.

These terms and conditions are in addition to the assurances and certifications made as a part of the award and the terms, conditions, or restrictions cited throughout the award.

The EPA repository for the general terms and conditions by year can be found at: https://www.epa.gov/grants/grant-terms-and-conditions#general.

A. Federal Financial Reporting (FFR)

For awards with cumulative project and budget periods greater than 12 months, the recipient will submit an annual FFR (SF 425) covering the period from "project/budget period start date" to **September 30** of each calendar year to the EPA Finance Center in Research Triangle Park, NC. The annual FFR will be submitted electronically to rtpfc-grants@epa.gov no later than **December 30** of the same calendar year. Find additional information at https://www.epa.gov/financial/grants. (NOTE: The grantee must submit the Final FFR to rtpfc-grants@epa.gov within 120 days after the end of the project period.)

B. Procurement

The recipient will ensure all procurement transactions will be conducted in a manner providing full and open competition consistent with 2 CFR Part 200.319. In accordance with 2 CFR Part 200.324, the grantee and subgrantee(s) must perform a cost or price analysis in connection with applicable procurement actions, including contract modifications.

State recipients must follow procurement procedures as outlined in 2 CFR Part 200.317.

C. MBE/WBE Reporting, 40 CFR, Part 33, Subpart E (EPA Form 5700-52A)

The recipient agrees to submit a “MBE/WBE Utilization Under Federal Grants and Cooperative Agreements” report (EPA Form 5700-52A) annually for the duration of the project period. The current EPA Form 5700-52A with instructions is located at https://www.epa.gov/grants/epa-grantee-forms

This provision represents an approved exception from the MBE/WBE reporting requirements as described in 40 CFR Section 33.502.

Reporting is required for assistance agreements where funds are budgeted for procuring construction, equipment, services and supplies (including funds budgeted for direct procurement by the recipient or procurement under subawards or loans in the “Other” category) with a cumulative total that exceed the **Simplified Acquisition Threshold (SAT) currently set at $250,000** (the dollar threshold will be automatically revised whenever the SAT is adjusted; See 2 CFR Section 200.1), including amendments and/or modifications. All procurement actions are reportable when reporting is required, not just the portion which exceeds the SAT.

Recipients with expended and/or budgeted funds for procurement are required to report annually whether the planned procurements take place during the reporting period or not. If no budgeted procurements take place during the reporting

period, the recipient should check the box in section 4A when completing the form.

When completing the annual report, recipients are instructed to check the box titled “annual” in section 1B of the form. For the final report, recipients are instructed to check the box indicated for the “Final Report (project completed)” in section 1B of the form.

The annual reports are due by October 30th of each calendar year and the final report is due within 120 days after the end of the project period, whichever comes first. The recipient will submit the MBE/WBE report(s) and/or questions to GrantsRegion9@epa.gov and the EPA Grants Specialist identified on page 1 of the award document.

D. Indirect Costs

The Cost Principles under 2 CFR Part 200, Subpart E apply to this award. Since there are no indirect costs included in the assistance budget, they are not allowable under this Assistance Agreement.

E. New Recipient Training Requirement

The recipient agrees to complete the EPA Grants Management Training for Applicants and Recipients and the How to Develop a Budget training within 90 calendar days of the date of award of this agreement. The recipient must notify the Grant Specialist via email when the required training is complete. For additional information on this training requirement, the recipient should refer to RAIN-2024-G01.

The recipient is precluded from drawing down funds under this assistance agreement until such time the recipient receives from EPA written confirmation of completing the required online courses. Please note, any costs incurred prior to receiving EPA confirmation are at the City of Ontartio's own risk. If City of Ontario fails to respond or is unable to satisfactorily address all identified deficiencies within 90 days of the award date of this assistance agreement or within any extension of time granted by EPA, the agreement may be terminated. Noncompliance with this term and condition may result in adverse action by EPA per 2 CFR 200.339.

Programmatic Conditions

Programmatic Conditions "a" thru "f" below apply.

a. Performance Reporting and Final Performance Report

Performance Reports – Content

In accordance with 2 CFR 200.329, the recipient agrees to submit performance reports that include brief information on each of the following areas: 1) A comparison of actual accomplishments to the outputs/outcomes established in the assistance agreement work plan for the period; 2) The reasons why established outputs/outcomes were not met; and 3) Additional pertinent information, including, when appropriate, analysis and explanation of cost overruns or high-unit costs.

Additionally, the recipient agrees to inform EPA as soon as problems, delays, or adverse conditions which will materially impair the ability to meet the outputs/outcomes specified in the assistance agreement work plan are known.

Performance Reports - Frequency

The recipient agrees to submit **quarterly** performance reports electronically to the EPA Project Officer within 30 days after each quarterly reporting period ends. The recipient must submit the final performance report no later than 120 calendar days after the end date of the period of performance.

Quarterly performance reports are required and they are to be submitted electronically to the EPA Project Officer within 30 days after the reporting period (every three-month period). The reporting periods are 2/1/24-4/30/24, 5/1/24-7/31/24, 8/1/24-10/31/24, 11/1/24-1/31/25, 2/1/25-4/30/25, 5/1/25-7/31/25, 8/1/24-10/31/25, 11/1/24-1/31/26, 2/1/26-4/30/26, 5/1/26-7/31/26, 8/1/26-10/31/26. The final report shall include the month of November 2026.

b. Cybersecurity Condition

Cybersecurity Grant Condition for Other Recipients, Including Intertribal Consortia

(a) The recipient agrees that when collecting and managing environmental data under this assistance agreement, it will protect the data by following all applicable State or Tribal law cybersecurity requirements.

(b) (1) EPA must ensure that any connections between the recipient's network or information system and EPA networks used by the recipient to transfer data under this agreement, are secure. For purposes of this Section, a connection is defined as a dedicated persistent interface between an Agency IT system and an external IT system for the purpose of transferring information. Transitory, user-controlled connections such as website browsing are excluded from this definition.

If the recipient's connections as defined above do not go through the Environmental Information Exchange Network or EPA's Central Data Exchange, the recipient agrees to contact the EPA Project Officer (PO) no later than 90 days after the date of this award and work with the designated Regional/Headquarters Information Security Officer to ensure that the connections meet EPA security requirements, including entering into Interconnection Service Agreements as appropriate. This condition does not apply to manual entry of data by the recipient into systems operated and used by EPA's regulatory programs for the submission of reporting and/or compliance data.

(2) The recipient agrees that any subawards it makes under this agreement will require the subrecipient to comply with the requirements in (b)(1) if the subrecipient's network or information system is connected to EPA networks to transfer data to the Agency using systems other than the Environmental Information Exchange Network or EPA's Central Data Exchange. The recipient will be in compliance with this condition: by including this requirement in subaward agreements; and during subrecipient monitoring deemed necessary by the recipient under 2 CFR 200.332(d), by inquiring whether the subrecipient has contacted the EPA Project Officer. Nothing in this condition requires the recipient to contact the EPA Project Officer on behalf of a subrecipient or to be involved in the negotiation of an Interconnection Service Agreement between the subrecipient and EPA.

c. Quality Assurance

Authority: Quality Assurance applies to all assistance agreements involving environmental information as defined in 2 C.F.R. § 1500.12 Quality Assurance.

1. Quality Assurance Project Plan (QAPP)

a. Prior to beginning environmental information operations, the recipient must:

i. Develop a QAPP,

ii. Prepare QAPP in accordance with the current version of EPA's Quality Assurance Project Plan (QAPP) Standard,

iii. Submit the document for EPA review, and

iv. Obtain EPA Quality Assurance Manager or designee (hereafter referred to as QAM) approval.

b. The recipient must submit the QAPP 60 days before collecting and analyzing environmental information data..

c. The recipient shall notify the PO and QAM when substantive changes are needed to the QAPP. EPA may require the QAPP be updated and re-submitted for approval.

d. The recipient must review their approved QAPP at least annually. The results of the QAPP review and any revisions must be submitted to the PO and the QAM at least annually, via the 4th quarter performance report, and must also be submitted when changes occur.

For Reference:

• Quality Management Plan (QMP) Standard and EPA's Quality Assurance Project Plan (QAPP) Standard; contain quality specifications for EPA and non-EPA organizations and definitions applicable to these terms and conditions.

• EPA QA/G-5: *Guidance for Quality Assurance Project Plans*.

• (QAM and/or PO may insert QA references that inform or assist the recipient here).

• EPA's Quality Program website has a list of QA managers, and Non-EPA Organizations Quality Specifications.

• The Office of Grants and Debarment Implementation of Quality Assurance Requirements for Organizations Receiving EPA Financial Assistance.

d. Use of Logos

If the EPA logo is appearing along with logos from other participating entities on websites, outreach materials, or reports, it must **not** be prominently displayed to imply that any of the recipient or subrecipient's activities are being conducted by the EPA. Instead, the EPA logo should be accompanied with a statement indicating that the City of Ontario received financial support from the EPA under an Assistance Agreement. More information is available at: https://www.epa.gov/stylebook/using-epa-seal-and-logo#policy

e. Paperwork Reduction Act

Notwithstanding any references to collection of information in the recipient's application or proposal for EPA funding, the scope of work for this cooperative agreement does not include a survey or other information collection of identical information from 10 or more parties. No EPA funds (directly paid by EPA or from the recipient's cost share) may be used for the design or administration of such an information collection, and EPA personnel may not participate in such activities. Reasonable costs for analyzing independently collected information and publishing the results of such information collections are allowable to the extent authorized in the EPA approved budget for this agreement.

f. Substantial Involvement

EPA will be substantially involved in this agreement. Substantial involvement by the EPA Project Officer may include:

1) quarterly telephone calls and other monitoring (or meeting on an alternate schedule suggested by EPA's Project Officer),

2) reviewing project phases and providing approval to continue to the next phase,

3) reviewing and commenting on any documents, web content, or other materials developed under this agreement (the recipient will make final decisions on these matters),

4) approving substantive terms included in contracts or subawards (EPA's Project Officer will not suggest, recommend or direct the recipient to select any particular contractor or subrecipient except to the extent permitted in Section 10 of EPA's Subaward Policy).

5) reviewing and commenting on the programmatic progress reports

6) consultation with EPA regarding the selection of key personnel (EPA's involvement is limited to reviewing the technical qualifications of key personnel and the recipient will make the final decisions on selection. EPA's Project Officer will not suggest, recommend or direct the recipient to select any individual).

7) joint operational involvement, participation, and/or collaboration between EPA and the recipient. EPA's Project Officer or designee may provide data, advice, and information that will help the grantee carry out the agreement effectively.

**** END OF ASSISTANCE AGREEMENT ****

CITY OF ONTARIO *Agenda Report* **December 17, 2024**	**SECTION:** **CONSENT CALENDAR**
Department: Public Works Prepared By: Daniel P Beers Staff Member Presenting: Tito Haes, Executive Director Public Works Reviewed By: Andrea Ampig, Bonnie Tam Approved By:	Submitted To: Council/OHA Approved: _____ Continued To: _____ Denied: _____ Item No: 9

SUBJECT: AUTHORIZE THE PURCHASE AND INSTALLATION OF FURNITURE WITH INFO-COM BUSINESS PRODUCTS FOR FIRE STATION NO. 1

RECOMMENDATION: That the City Council take the following actions:

A. Authorize a cooperative purchase agreement for D&C21-001 New Fire Station No. 1 with Margaret C. Pett, Inc. DBA Info-Com Business Products (Info-Com), of Altadena, California, for the purchase and installation of furniture in the amount of $358,372, consistent with the terms and conditions of the National Cooperative Purchasing Alliance Contract Number 07-97; and
B. Authorize the City Manager, or his designee, to execute all documents required for the completion of the project including, but not limited to agreements, assessments, easements, reduction of retention accounts, contracts amendments within the authorization limits, and filing a notice of completion at the conclusion of all construction related activities.

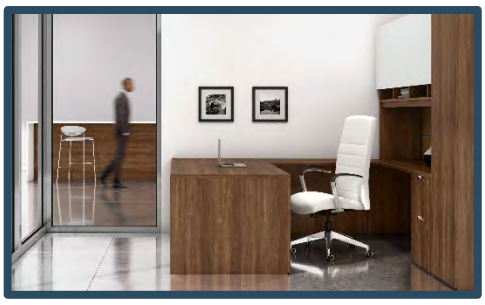
THE FOLLOWING COUNCIL GOALS ARE BEING ACHIEVED:
Invest in the City's Infrastructure (Water, Streets, Sewers, Parks, Storm Drains and Public Facilities)

FISCAL IMPACT: The Fiscal Year 2024-25 Adopted Budget and 5-Year Capital Improvement Program includes appropriations in the Capital Projects Fund for these services. The recommended contract amount with Info-Com shall not-to-exceed $358,372.

BACKGROUND & ANALYSIS: The Civic Center Expansion Project includes a new Fire Station No. 1, Fire Administration Building, new City Services Building, and Parking Structure. On August 15, 2023, the City Council approved a Construction Contract with R.C. Construction to build a new Fire Station No. 1. The new Fire Station No. 1 is currently being constructed and has an estimated completion date of June 2025. If approved, Info-Com will furnish the new Fire Station No.1, including the offices, conference rooms, lobby, and communal areas.







Flex the Function of your Space.







National Cooperative Purchasing Alliance

Request for Proposal (RFP) for Furniture

Solicitation Number: 24-22

Indiana FURNITURE

Indiana
FURNITURE

Tab 1 – Master Agreement / Signature Form

1224 Mill Street
PO Box 270
Jasper, Indiana 47546-0270
800.422.5727
www.IndianaFurniture.com

Tab 1 – Master Agreement
General Terms and Conditions

- Customer Support
  - The vendor shall provide timely and accurate technical advice and sales support. The vendor shall respond to such requests within one (1) working day after receipt of the request.

- Disclosures
  - Respondent affirms that he/she has not given, offered to give, nor intends to give at any time hereafter any economic opportunity, future employment, gift, loan, gratuity, special discount, trip, favor or service to a public servant in connection with this contract.
  - The respondent affirms that, to the best of his/her knowledge, the offer has been arrived at independently, and is submitted without collusion with anyone to obtain information or gain any favoritism that would in any way limit competition or give an unfair advantage over other vendors in the award of this contract.

- Renewal of Contract
  - Unless otherwise stated, all contracts are for a period of three (3) years with an option to renew for up to five (5) additional one-year terms or any combination of time equally not more than 5 years if agreed to by Region 14 ESC and the vendor.

- Funding Out Clause
  - Any/all contracts exceeding one (1) year shall include a standard "funding out" clause. A contract for the acquisition, including lease, of real or personal property is a commitment of the entity's current revenue only, provided the contract contains either or both of the following provisions:
  - Retains to the entity the continuing right to terminate the contract at the expiration of each budget period during the term of the contract and is conditioned on a best efforts attempt by the entity to obtain appropriate funds for payment of the contract.

- Shipments (if applicable)
  - The awarded vendor shall ship ordered products within seven (7) working days for goods available and within four (4) to six (6) weeks for specialty items after the receipt of the order unless modified. If a product cannot be shipped within that time, the awarded vendor shall notify the entity placing the order as to why the product has not shipped and shall provide an estimated shipping date. At this point the participating entity may cancel the order if estimated shipping time is not acceptable.
- Tax Exempt Status
  - Since this is a national contract, knowing the tax laws in each state is the sole responsibility of the vendor.

- Payments
  - The entity using the contract will make payments directly to the awarded vendor or their affiliates (distributors/business partners/resellers) as long as written request and approval by NCPA is provided to the awarded vendor.

- Adding authorized distributors/dealers

  - Awarded vendors may submit a list of distributors/partners/resellers to sell under their contract throughout the life of the contract. Vendor must receive written approval from NCPA before such distributors/partners/resellers considered authorized.
  - Purchase orders and payment can only be made to awarded vendor or distributors/business partners/resellers previously approved by NCPA.
  - Pricing provided to members by added distributors or dealers must also be less than or equal to the pricing offered by the awarded contract holder.
  - All distributors/partners/resellers are required to abide by the Terms and Conditions of the vendor's agreement with NCPA.

- Pricing

  - <u>All pricing submitted shall include the administrative fee to be remitted to NCPA by the awarded vendor.</u> It is the awarded vendor's responsibility to keep all pricing up to date and on file with NCPA.
  - All deliveries shall be freight prepaid, F.O.B. destination and shall be included in all pricing offered unless otherwise clearly stated in writing

- Warranty
  - Proposal should address the following warranty information:
    - Applicable warranty and/or guarantees of equipment and installations including any conditions and response time for repair and/or replacement of any components during the warranty period.
    - Availability of replacement parts
    - Life expectancy of equipment under normal use
    - Detailed information as to proposed return policy on all equipment
  - Products
    - Vendor shall provide equipment, materials and products that are new unless otherwise specified, of good quality and free of defects
  - Construction
    - Vendor shall perform services in a good and workmanlike manner and in accordance with industry standards for the service provided.

- Safety
  - Vendors performing services shall comply with occupational safety and health rules and regulations. Also all vendors and subcontractors shall be held responsible for the safety of their employees and any conditions that may cause injury or damage to persons or property.

- Permits
  - Since this is a national contract, knowing the permit laws in each state is the sole responsibility of the vendor.
- Indemnity
  - The awarded vendor shall protect, indemnify, and hold harmless Region 14 ESC and its participants, administrators, employees and agents against all claims, damages, losses and expenses arising out of or resulting from the actions of the vendor, vendor employees or vendor subcontractors in the preparation of the solicitation and the later execution of the contract.

- Franchise Tax
  - The respondent hereby certifies that he/she is not currently delinquent in the payment of any franchise taxes.

- Supplemental Agreements
  - The entity participating in this contract and awarded vendor may enter into a separate supplemental agreement to further define the level of service requirements over and above the minimum defined in this contract i.e. invoice requirements, ordering requirements, specialized delivery, etc. Any supplemental agreement developed as a result of this contract is exclusively between the participating entity and awarded vendor.

- Certificates of Insurance
  - Certificates of insurance shall be delivered to the Public Agency prior to commencement of work. The insurance company shall be licensed in the applicable state in which work is being conducted. The awarded vendor shall give the participating entity a minimum of ten (10) days notice prior to any modifications or cancellation of policies. The awarded vendor shall require all subcontractors performing any work to maintain coverage as specified.

- Legal Obligations
  - It is the Respondent's responsibility to be aware of and comply with all local, state, and federal laws governing the sale of products/services identified in this RFP and any awarded contract and shall comply with all while fulfilling the RFP. Applicable laws and regulation must be followed even if not specifically identified herein.
- Protest
  - A protest of an award or proposed award must be filed in writing within ten (10) days from the date of the official award notification and must be received by 5:00 pm CST. Protests shall be filed with Region 14 ESC and shall include the following:
    - Name, address and telephone number of protester
    - Original signature of protester or its representative
    - Identification of the solicitation by RFP number
    - Detailed statement of legal and factual grounds including copies of relevant documents and the form of relief requested

- Any protest review and action shall be considered final with no further formalities being considered.

- Force Majeure

  - If by reason of Force Majeure, either party hereto shall be rendered unable wholly or in part to carry out its obligations under this Agreement then such party shall give notice and full particulars of Force Majeure in writing to the other party within a reasonable time after occurrence of the event or cause relied upon, and the obligation of the party giving such notice, so far as it is affected by such Force Majeure, shall be suspended during the continuance of the inability then claimed, except as hereinafter provided, but for no longer period, and such party shall endeavor to remove or overcome such inability with all reasonable dispatch.
  - The term Force Majeure as employed herein, shall mean acts of God, strikes, lockouts, or other industrial disturbances, act of public enemy, orders and regulation of any kind of government of the United States or any civil or military authority; insurrections; riots; epidemics; pandemics; landslides; lighting; earthquake; fires; hurricanes; storms; floods; washouts; droughts; arrests; restraint of government and people; civil disturbances; explosions, breakage or accidents to machinery, pipelines or canals, or other causes not reasonably within the control of the party claiming such inability. It is understood and agreed that the settlement of strikes and lockouts shall be entirely within the discretion of the party having the difficulty, and that the above requirement that any Force Majeure shall be remedied with all reasonable dispatch shall not require the settlement of strikes and lockouts by acceding to the demands of the opposing party or parties when such settlement is unfavorable in the judgment of the party having the difficulty

- Prevailing Wage

  - It shall be the responsibility of the Vendor to comply, when applicable, with the prevailing wage legislation in effect in the jurisdiction of the purchaser. It shall further be the responsibility of the Vendor to monitor the prevailing wage rates as established by the appropriate department of labor for any increase in rates during the term of this contract and adjust wage rates accordingly.

- Termination

  - Either party may cancel this contract in whole or in part by providing written notice. The cancellation will take effect 30 business days after the other party receives the notice of cancellation. After the 30th business day all work will cease following completion of final purchase order.

- Open Records Policy
  - Because Region 14 ESC is a governmental entity responses submitted are subject to release as public information after contracts are executed. If a vendor believes that its response, or parts of its response, may be exempted from disclosure, the vendor must specify page-by-page and line-by-line the parts of the response, which it believes, are exempt. In addition,

the respondent must specify which exception(s) are applicable and provide detailed reasons to substantiate the exception(s).

- The determination of whether information is confidential and not subject to disclosure is the duty of the Office of Attorney General (OAG). Region 14 ESC must provide the OAG sufficient information to render an opinion and therefore, vague and general claims to confidentiality by the respondent are not acceptable. Region 14 ESC must comply with the opinions of the OAG. Region14 ESC assumes no responsibility for asserting legal arguments on behalf of any vendor. Respondent are advised to consult with their legal counsel concerning disclosure issues resulting from this procurement process and to take precautions to safeguard trade secrets and other proprietary information.

Process

Region 14 ESC will evaluate proposals in accordance with, and subject to, the relevant statutes, ordinances, rules, and regulations that govern its procurement practices. NCPA will assist Region 14 ESC in evaluating proposals. Award(s) will be made to the prospective vendor whose response is determined to be the most advantageous to Region 14 ESC, NCPA, and its participating agencies. To qualify for evaluation, response must have been submitted on time, and satisfy all mandatory requirements identified in this document.

- Contract Administration
  - The contract will be administered by Region 14 ESC. The National Program will be administered by NCPA on behalf of Region 14 ESC.
- Contract Term
  - The contract term will be for three (3) year starting from the date of the award. The contract may be renewed for up to five (5) additional one-year terms or any combination of time equally not more than 5 years.
  - It should be noted that maintenance/service agreements may be issued for up to (5) years under this contract even if the contract only lasts for the initial term of the contract. NCPA will monitor any maintenance agreements for the term of the agreement provided they are signed prior to the termination or expiration of this contract.
- Contract Waiver
  - Any waiver of any provision of this contract shall be in writing and shall be signed by the duly authorized agent of Region 14 ESC. The waiver by either party of any term or condition of this contract shall not be deemed to constitute waiver thereof nor a waiver of any further or additional right that such party may hold under this contract.
- Price Increases
  - Should it become necessary, price increase requests may be submitted at any point during the term of the contract by written amendment. Included with the request must be documentation and/or formal cost justification for these changes. Requests will be formally reviewed, and if justified, the amendment will be approved.
- Products and Services Additions
  - New Products and/or Services may be added to the resulting contract at any time during the term by written amendment, to the extent that those products and/or services are within the scope of this RFP.
- Competitive Range
  - It may be necessary for Region 14 ESC to establish a competitive range. Responses not in the competitive range are unacceptable and do not receive further award consideration.
- Deviations and Exceptions
  - Deviations or exceptions stipulated in response may result in disqualification. It is the intent of Region 14 ESC to award a vendor's complete line of products and/or services, when possible.
- Estimated Quantities

- While no minimum volume is guaranteed, the estimated (but not limited to) annual volume for Products and Services purchased under the proposed Master Agreement is $150 million dollars annually. This estimate is based on the anticipated volume of Region 14 ESC and current sales within the NCPA program.

- Evaluation
  - Region 14 ESC will review and evaluate all responses in accordance with, and subject to, the relevant statutes, ordinances, rules and regulations that govern its procurement practices. NCPA will assist the lead agency in evaluating proposals. Recommendations for contract awards will be based on multiple factors, each factor being assigned a point value based on its importance.
- Formation of Contract
  - A response to this solicitation is an offer to contract with Region 14 ESC based upon the terms, conditions, scope of work, and specifications contained in this request. A solicitation does not become a contract until it is accepted by Region 14 ESC. The prospective vendor must submit a signed Signature Form with the response thus, eliminating the need for a formal signing process. Contract award letter issued by Region 14 ESC is the counter-signature document establishing acceptance of the contract.
- NCPA Administrative Agreement
  - The vendor will be required to enter and execute the National Cooperative Purchasing Alliance Administration Agreement with NCPA upon award with Region 14 ESC. The agreement establishes the requirements of the vendor with respect to a nationwide contract effort.
- Clarifications / Discussions
  - Region 14 ESC may request additional information or clarification from any of the respondents after review of the proposals received for the sole purpose of elimination minor irregularities, informalities, or apparent clerical mistakes in the proposal. Clarification does not give respondent an opportunity to revise or modify its proposal, except to the extent that correction of apparent clerical mistakes results in a revision. After the initial receipt of proposals, Region 14 ESC reserves the right to conduct discussions with those respondent's whose proposals are determined to be reasonably susceptible of being selected for award. Discussions occur when oral or written communications between Region 14 ESC and respondent's are conducted for the purpose clarifications involving information essential for determining the acceptability of a proposal or that provides respondent an opportunity to revise or modify its proposal. Region 14 ESC will not assist respondent bring its proposal up to the level of other proposals through discussions. Region 14 ESC will not indicate to respondent a cost or price that it must meet to neither obtain further consideration nor will it provide any information about other respondents' proposals or prices.

- Multiple Awards
  - Multiple Contracts may be awarded as a result of the solicitation. Multiple Awards will ensure that any ensuing contracts fulfill current and future requirements of the diverse and large number of participating public agencies.

- Past Performance
  - Past performance is relevant information regarding a vendor's actions under previously awarded contracts; including the administrative aspects of performance; the vendor's history of reasonable and cooperative behavior and commitment to customer satisfaction; and generally, the vendor's businesslike concern for the interests of the customer.

Evaluation Criteria

- Pricing (40 points)
  - Electronic Price Lists
    - Products, Services, Warranties, etc. price list
    - Prices listed will be used to establish both the extent of a vendor's product lines, services, warranties, etc. available from a particular bidder and the pricing per item.

- Ability to Provide and Perform the Required Services for the Contract (25 points)
  - Product Delivery within participating entities specified parameters
  - Number of line items delivered complete within the normal delivery time as a percentage of line items ordered.
  - Vendor's ability to perform towards above requirements and desired specifications.
  - Past Cooperative Program Performance
  - Quantity of line items available that are commonly purchased by the entity.
  - Quality of line items available compared to normal participating entity standards.

- References and Experience (15 points)
  - A minimum of ten (10) public sector references for product and/or services of similar scope dating within past 3 years
  - Respondent Reputation in marketplace
  - Past Experience working with public sector.
  - Exhibited understanding of cooperative purchasing

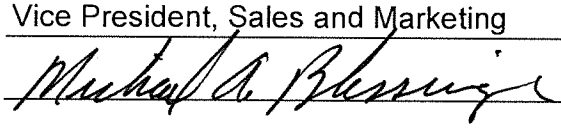
- Value Added Products/Services Description, (10 points)
  - Additional Products/Services related to the scope of RFP
  - Marketing and Training
  - Minority and Women Business Enterprise (MWBE) and (HUB) Participation
  - Customer Service

- Innovation (10 points)
  - Past Innovation, how it affected sales
  - Future Innovation in the pipeline

Signature Form

The undersigned hereby proposes and agrees to furnish goods and/or services in strict compliance with the terms, specifications and conditions at the prices proposed within response unless noted in writing. The undersigned further certifies that he/she is an officer of the company and has authority to negotiate and bind the company named below and has not prepared this bid in collusion with any other Respondent and that the contents of this proposal as to prices, terms or conditions of said bid have not been communicated by the undersigned nor by any employee or agent to any person engaged in this type of business prior to the official opening of this proposal.

Prices are guaranteed: **120 days**

Company name	Indiana Furniture Industries, Inc.
Address	1224 Mill Street, PO Box 270
City/State/Zip	Jasper, IN 47547-0270
Telephone No.	812-482-5727
Fax No.	812-482-9035
Email address	mike.blessinger@indianafurniture.com
Printed name	Michael A. Blessinger
Position with company	Vice President, Sales and Marketing
Authorized signature	

Indiana
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Tab 2 – NCPA Administration Agreement

1224 Mill Street
PO Box 270
Jasper, Indiana 47546-0270
800.422.5727
www.IndianaFurniture.com

Tab 2 – NCPA Administration Agreement

This Administration Agreement is made as of September 1, 2022, by and between National Cooperative Purchasing Alliance ("NCPA") and Indiana Furniture Industries, Inc. ("Vendor").

Recitals

WHEREAS, Region 14 ESC has entered into a certain Master Agreement dated September 1, 2022, referenced as Contract Number 07-97, by and between Region 14 ESC and Vendor, as may be amended from time to time in accordance with the terms thereof (the "Master Agreement"), for the purchase of Furniture;

WHEREAS, said Master Agreement provides that any state, city, special district, local government, school district, private K-12 school, technical or vocational school, higher education institution, other government agency or nonprofit organization (hereinafter referred to as "public agency" or collectively, "public agencies") may purchase products and services at the prices indicated in the Master Agreement;

WHEREAS, NCPA has the administrative and legal capacity to administer purchases under the Master Agreement to public agencies;

WHEREAS, NCPA serves as the administrative agent for Region 14 ESC in connection with other master agreements offered by NCPA

WHEREAS, Region 14 ESC desires NCPA to proceed with administration of the Master Agreement;

WHEREAS, NCPA and Vendor desire to enter into this Agreement to make available the Master Agreement to public agencies on a national basis;

NOW, THEREFORE, in consideration of the payments to be made hereunder and the mutual covenants contained in this Agreement, NCPA and Vendor hereby agree as follows:

- General Terms and Conditions
  - The Master Agreement, attached hereto as Tab 1 and incorporated herein by reference as though fully set forth herein, and the terms and conditions contained therein shall apply to this Agreement except as expressly changed or modified by this Agreement.
  - NCPA shall be afforded all of the rights, privileges and indemnifications afforded to Region 14 ESC under the Master Agreement, and such rights, privileges and indemnifications shall accrue and apply with equal effect to NCPA under this Agreement including, but not limited to, the Vendor's obligation to provide appropriate insurance and certain indemnifications to Region 14 ESC.
  - Vendor shall perform all duties, responsibilities and obligations required under the Master Agreement in the time and manner specified by the Master Agreement.
  - NCPA shall perform all of its duties, responsibilities, and obligations as administrator of purchases under the Master Agreement as set forth herein, and Vendor acknowledges that NCPA shall act in the capacity of administrator of purchases under the Master Agreement.
  - With respect to any purchases made by Region 14 ESC or any Public Agency pursuant to the Master Agreement, NCPA (a) shall not be construed as a dealer, re-marketer, representative, partner, or agent of any type of Vendor, Region 14 ESC, or such Public Agency, (b) shall not be obligated, liable or responsible (i) for any orders made by Region

14 ESC, any Public Agency or any employee of Region 14 ESC or Public Agency under the Master Agreement, or (ii) for any payments required to be made with respect to such order, and (c) shall not be obligated, liable or responsible for any failure by the Public Agency to (i) comply with procedures or requirements of applicable law, or (ii) obtain the due authorization and approval necessary to purchase under the Master Agreement. NCPA makes no representations or guaranties with respect to any minimum purchases required to be made by Region 14 ESC, any Public Agency, or any employee of Region 14 ESC or Public Agency under this Agreement or the Master Agreement.

- The Public Agency participating in the NCPA contract and Vendor may enter into a separate supplemental agreement to further define the level of service requirements over and above the minimum defined in this contract i.e. invoice requirements, ordering requirements, specialized delivery, etc. Any supplemental agreement developed as a result of this contract is exclusively between the Public Agency and Vendor. NCPA, its agents, members and employees shall not be made party to any claim for breach of such agreement.

- Term of Agreement
  - This Agreement shall be in effect so long as the Master Agreement remains in effect, provided, however, that the obligation to pay all amounts owed by Vendor to NCPA through the termination of this Agreement and all indemnifications afforded by Vendor to NCPA shall survive the term of this Agreement.

- Fees and Reporting
  - The awarded vendor shall electronically provide NCPA with a detailed quarterly report showing the dollar volume of all sales under the contract for the previous quarter. Reports are due on the fifteenth (15th) day after the close of the previous quarter. It is the responsibility of the awarded vendor to collect and compile all sales under the contract from participating members and submit one (1) report. The report shall include at least the following information as listed in the example below:

Entity Name	Zip Code	State	PO or Job #	Sale Amount

Total _____

  - Each quarter NCPA will invoice the vendor based on the total of sale amount(s) reported. From the invoice the vendor shall pay to NCPA an administrative fee based upon the tiered fee schedule below. Vendor's annual sales shall be measured on a calendar year basis. Deadline for term of payment will be included in the invoice NCPA provides.

Annual Sales Through Contract	Administrative Fee
0 - $30,000,000	2%
$30,000,001 - $50,000,000	1.5%
$50,000,001+	1%

- Supplier shall maintain an accounting of all purchases made by Public Agencies under the Master Agreement. NCPA and Region 14 ESC reserve the right to audit the accounting for a period of four (4) years from the date NCPA receives the accounting. In the event of such an audit, the requested materials shall be provided at the location designated by Region 14 ESC or NCPA. In the event such audit reveals an under reporting of Contract Sales and a resulting underpayment of administrative fees, Vendor shall promptly pay NCPA the amount of such underpayment, together with interest on such amount and shall be obligated to reimburse NCPA's costs and expenses for such audit.

- General Provisions
  - This Agreement supersedes any and all other agreements, either oral or in writing, between the parties hereto with respect to the subject matter hereof, and no other agreement, statement, or promise relating to the subject matter of this Agreement which is not contained herein shall be valid or binding.
  - Awarded vendor agrees to allow NCPA to use their name and logo within website, marketing materials and advertisement. Any use of NCPA name and logo or any form of publicity regarding this contract by awarded vendor must have prior approval from NCPA.
  - If any action at law or in equity is brought to enforce or interpret the provisions of this Agreement or to recover any administrative fee and accrued interest, the prevailing party shall be entitled to reasonable attorney's fees and costs in addition to any other relief to which such party may be entitled.
  - Neither this Agreement nor any rights or obligations hereunder shall be assignable by Vendor without prior written consent of NCPA, provided, however, that the Vendor may, without such written consent, assign this Agreement and its rights and delegate its obligations hereunder in connection with the transfer or sale of all or substantially all of its assets or business related to this Agreement, or in the event of its merger, consolidation, change in control or similar transaction. Any permitted assignee shall assume all assigned obligations of its assignor under this Agreement.
  - This Agreement and NCPA's rights and obligations hereunder may be assigned at NCPA's sole discretion, to an existing or newly established legal entity that has the authority and capacity to perform NCPA's obligations hereunder
  - All written communications given hereunder shall be delivered to the addresses as set forth below.

National Cooperative Purchasing Alliance:		**Vendor:**	Indiana Furniture Industries, Inc.
Name:	Matthew Mackel	Name:	Michael A. Blessinger
Title:	Director, Business Development	Title:	Vice President, Sales and Marketing
Address:	PO Box 701273	Address:	1224 Mill Street, PO Box 270
	Houston, TX 77270		Jasper, IN 47547-0270
Signature:		Signature:	
Date:	September 1, 2022	Date:	7/19/2022

Indiana
FURNITURE

Tab 3 – Vendor Questionnaire

1224 Mill Street
PO Box 270
Jasper, Indiana 47546-0270
800.422.5727
www.IndianaFurniture.com

Tab 3 – Vendor Questionnaire

Please provide responses to the following questions that address your company's operations, organization, structure, and processes for providing products and services.

- States Covered
  - Bidder must indicate any and all states where products and services can be offered.
  - Please indicate the price co-efficient for each state if it varies.

☒ **50 States & District of Columbia** (Selecting this box is equal to checking all boxes below)

☐ Alabama	☐ Maryland	☐ South Carolina
☐ Alaska	☐ Massachusetts	☐ South Dakota
☐ Arizona	☐ Michigan	☐ Tennessee
☐ Arkansas	☐ Minnesota	☐ Texas
☐ California	☐ Mississippi	☐ Utah
☐ Colorado	☐ Missouri	☐ Vermont
☐ Connecticut	☐ Montana	☐ Virginia
☐ Delaware	☐ Nebraska	☐ Washington
☐ District of Columbia	☐ Nevada	☐ West Virginia
☐ Florida	☐ New Hampshire	☐ Wisconsin
☐ Georgia	☐ New Jersey	☐ Wyoming
☐ Hawaii	☐ New Mexico	
☐ Idaho	☐ New York	
☐ Illinois	☐ North Carolina	
☐ Indiana	☐ North Dakota	
☐ Iowa	☐ Ohio	
☐ Kansas	☐ Oklahoma	
☐ Kentucky	☐ Oregon	
☐ Louisiana	☐ Pennsylvania	
☐ Maine	☐ Rhode Island	

☐ **All US Territories and Outlying Areas** (Selecting this box is equal to checking all boxes below)

☐ American Somoa	☐ Northern Marina Islands
☐ Federated States of Micronesia	☒ Puerto Rico
☒ Guam	☒ U.S. Virgin Islands
☐ Midway Islands	

- Minority and Women Business Enterprise (MWBE) and (HUB) Participation
  - It is the policy of some entities participating in NCPA to involve minority and women business enterprises (MWBE) and historically underutilized businesses (HUB) in the purchase of goods and services. Respondents shall indicate below whether or not they are an M/WBE or HUB certified.
    - Minority / Women Business Enterprise
      - Respondent Certifies that this firm is a M/WBE ☐
    - Historically Underutilized Business
      - Respondent Certifies that this firm is a HUB ☐
- Residency
  - Responding Company's principal place of business is in the city of Jasper, State of Indiana
- Felony Conviction Notice
  - Please Check Applicable Box;
    - ☐ A publically held corporation; therefore, this reporting requirement is not applicable.
    - ☒ Is not owned or operated by anyone who has been convicted of a felony.
    - ☐ Is owned or operated by the following individual(s) who has/have been convicted of a felony
  - If the 3rd box is checked, a detailed explanation of the names and convictions must be attached.
- Distribution Channel
  - Which best describes your company's position in the distribution channel:

☐ Manufacturer Direct	☐ Certified education/government reseller
☐ Authorized Distributor	☒ Manufacturer marketing through reseller
☐ Value-added reseller	☐ Other: _____

- Processing Information
  - Provide company contact information for the following:
    - Sales Reports / Accounts Payable

Contact Person: Angie Kleiser
Title: Manager, Contract and Support Services
Company: Indiana Furniture Industries, Inc.
Address: 1224 Mill Street, PO Box 270
City: Jasper State: Indiana Zip: 47547-0270
Phone: 812-482-5727 X143 Email: angie.kleiser@indianafurniture.com

- Purchase Orders

  Contact Person: Christine Brinkman
  Title: Customer Service Supervisor
  Company: Indiana Furniture Industries, Inc.
  Address: 1224 Mill Street, PO Box 270
  City: Jasper State: Indiana Zip: 47547-0270
  Phone: 812-482-5727 X138 Email: christine.brinkman@indianafurniture.com

- Sales and Marketing

  Contact Person: Michael A. Blessinger
  Title: Vice President, Sales and Marketing
  Company: Indiana Furniture Industries, Inc.
  Address: 1224 Mill Street, PO Box 270
  City: Jasper State: Indiana Zip: 47547-0270
  Phone: 812-482-5727 X107 Email: mike.blessinger@indianafurniture.com

♦ Pricing Information

➢ In addition to the current typical unit pricing furnished herein, the Vendor agrees to offer all future product introductions at prices that are proportionate to Contract Pricing.

- If answer is no, attach a statement detailing how pricing for NCPA participants would be calculated for future product introductions.

☒ Yes ☐ No

➢ Pricing submitted includes the required NCPA administrative fee. The NCPA fee is calculated based on the invoice price to the customer.

☒ Yes ☐ No

Indiana
FURNITURE

Tab 4 – Vendor Profile

1224 Mill Street
PO Box 270
Jasper, Indiana 47546-0270
800.422.5727
www.IndianaFurniture.com

Tab 4 – Vendor Profile

- **Company's official registered name.**

  Indiana Furniture Industries, Inc.

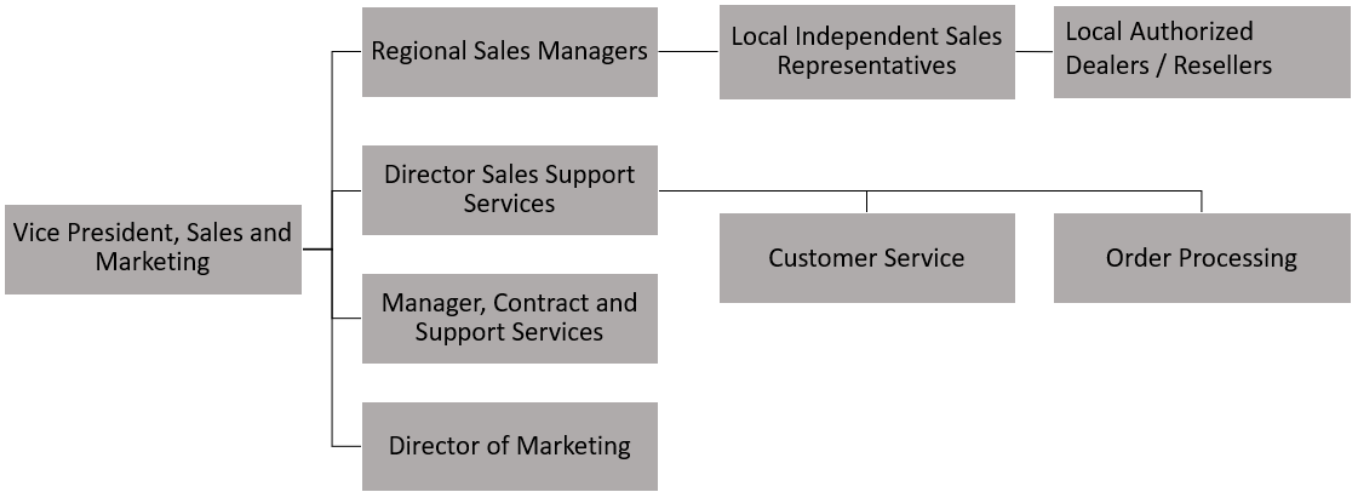
- **Brief history of your company, including the year it was established.**

  Indiana Furniture, headquartered in Jasper, Indiana since 1905, is committed to providing our customers with office furnishings of the highest standards in quality and craftsmanship. Through advanced information systems and state-of-the-art technology, we design and engineer office furniture casegoods, conference tables, reception, space division and seating. Our company delivers a wide range of environmentally conscious products, styles, and sizes at competitive prices while continually introducing new product lines of office and commercial furniture.

- **Company's Dun & Bradstreet (D&B) number.**

  DUNS# 00-636-6108

- **Company's organizational chart of those individuals that would be involved in the contract.**



- **Corporate office location.**

  Indiana Furniture
  1224 Mill Street, PO Box 270
  Jasper, IN 47547-0270

- **List the number of sales and services offices for states being bid in solicitation.**

Indiana Furniture's main Sales & Service Office is located in Jasper, Indiana. Our Independent Representatives have Sales and Service offices throughout the U.S.

Sales and Services Offices
Birmingham, AL
Mesa, AZ
Oro Valley, AZ
San Ramon, CA
Sante Fe Springs, CA
Valencia, CA
Arvada, CO
Moodus, CT
Lithia, FL
Ponte Vedra, FL
Atlanta, GA
Cumming, GA
Kailua, HI
Coeur d'Alene, ID
Mt. Prospect, IL
Riverton, IL
Jasper, IN
Westfield, IN
Boston, MA
Grand Rapids, MI
Kansas City, MO
Excelsior, MN
Richland, MS
Chapel Hill, NC
New York, NY
Lewis Center, OH
Beaverton, OR
Norristown, PA
Columbia, SC
Franklin, TN
Goodlettsville, TN
Austin, TX
Plano, TX
Houston, TX
Fairfax, VA

Showrooms
Jasper, IN
Atlanta, GA
Coeur d'Alene, ID
Chicago, IL
Kansas City, MO
Columbus, OH
Norristown, PA
Dallas, TX
Houston, TX
McLean, VA
Seattle, WA

- **List the names of key contacts at each with title, address, phone and e-mail address.**

Tammy Wessel
Director of Sales Support Services, Regional Sales
1224 Mill Street, PO Box 270
Jasper, IN 47547-0270
Phone: 800-422-5727 X134
Email: tammy.wessel@indianafurniture.com

Christine Brinkman
Customer Service Supervisor
1224 Mill Street, PO Box 270
Jasper, IN 47547-0270
Phone: 800-422-5727 X138
Email: christine.brinkman@indianafurniture.com

Patty Streiner
Eastern Regional Sales Manager
1425 Kirkwood Hill Way
Wake Forest, NC 27587
Phone: 610-329-4869
Email: patty.streiner@indianafurniture.com

Mike Blessinger
Vice President, Sales and Marketing
1224 Mill Street, PO Box 270
Jasper, IN 47547-0270
Phone: 800-422-5727 X138
Email: mike.blessinger@indianafurniture.com

- **Define your standard terms of payment.**

Standard payment terms are 2% 20 Days, Net 45 Days.

- **Who is your competition in the marketplace?**

Indiana Furniture potentially competes against any office furniture manufacturer that provides furnishings for private offices. Most often we compete against manufacturers that specialize in veneer and laminate casegoods. Our key competitors are National, OFS/ First Office, Darran, JSI, Kimball, and Krug.

- **What differentiates your company from competitors?**

  - Award-Winning Customer Service
  - Flexibility to Make Things Happen
  - Reliability in Doing What We Say We're Going to Do
  - Competent & Responsible Dealer Support
  - Custom Products!
  - On-Site Installation Assistance
  - The Most Durable UV Finish in the Industry!

- **Describe how your company will market this contract if awarded.**

  Indiana Furniture will create co-branded marketing pieces to promote the NCPA contract. These marketing pieces will highlight the details and benefits of the NCPA contract. As part of our marketing plan, these pieces will be distributed via email, to and through our authorized dealer/reseller network and independent sales representatives.

- **Describe how you intend to introduce NCPA to your company.**

  Indiana Furniture's national sales force will be trained via web communication software and documents supporting the training will be made available in a cloud-sharing database. In addition, Indiana Furniture will provide in house training for all employees involved with the NCPA contract.

- **Describe your firm's capabilities and functionality of your on-line catalog / ordering website.**

  Indiana Furniture's Price Lists are published on our website at www.indianafurniture.com. Our website also contains a wealth of information regarding our company, our products, our environmental initiatives, our customer service, as well as a library of beautiful images.

- **Describe your company's Customer Service Department (hours of operation, number of service centers, etc.).**

  At Indiana Furniture we strive to provide our clients with superior customer care and service with a friendly, knowledgeable, and responsive staff that exceeds our clients' expectations. This responsiveness is instilled in our corporate culture and part of our entire company philosophy. We understand the importance of good customer service and the positive impact it can have on our customers' business. We have therefore made the commitment to provide our customers with unequalled service.

  Customer Service is available weekdays from 8 am to 4:45 pm EST.

  Phone: 1-812-482-5727
  1-800-422-5727 Toll-free USA

  Facsimile: 1-812-482-9035

  Email: custserv@indianafurniture.com

- **Green Initiatives (if applicable)**
  - **As our business grows, we want to make sure we minimize our impact on the Earth's climate. We are taking every step we can to implement innovative and responsible environmental practices throughout NCPA to reduce our carbon footprint, reduce waste, energy conservation, ensure efficient computing, and much more. To that effort, we ask respondents to provide their companies environmental policy and/or green initiative.**

Indiana Furniture's Environmental Story is attached – See Attachment 1

Indiana Furniture's products are tested to meet ANSI/BIFMA standards. All Indiana Furniture casegoods and seating are BIFMA level™ Certified. In addition, all of Indiana Furniture's products meet ANSI/BIFMA Indoor Air Quality standards.

- **Anti-Discrimination Policy (if applicable)**
  - **Describe your organizations' anti-discrimination policy.**

Indiana Furniture's Anti-Discrimination Policy is attached – See Attachment 2

- **Vendor Certifications (if applicable)**
  - **Provide a copy of all current licenses, registrations and certifications issued by federal, state and local agencies, and any other licenses, registrations, or certifications from any other governmental entity with jurisdiction, allowing respondent to perform the covered services including, but not limited to, licenses, registrations, or certifications. Certifications can include M/WBE, HUB and manufacturer certifications for sales and service**

Indiana Furniture is classified as a GSA Small Business – See Attachment 3

A World Where We Can All Thrive.

We've been making wood furniture longer than just about anyone...and we want to be doing so for a long time to come. That's a large part of why we take a stewardship approach to our resources. We believe that environmental sustainability and business profits need not be mutually exclusive. They can and should exist side-by-side in a beneficial relationship. And for more than a century, we've been showing how it's done.

Social Responsibility

We are proud to be a supporter of many local, regional, state, and nationwide organizations and are always looking for opportunities to give back. Annually, we contribute to over 75 worthy organizations. We do this by donating time, financial contributions, and our products depending upon the support needed.

A LEVEL® Portfolio

level®, BIFMA's sustainability certification program for furniture, is a comprehensive and transparent third-party certification program. The level mark attests that the product, the manufacturing facility, and the company responsible for the product brand, have been evaluated against the multi-attribute criteria of the ANSI/BIFMA e3 Furniture Sustainability Standard. All of Indiana Furniture's solutions are BIFMA level® Certified.

Specify With Confidence

When you choose Indiana Furniture, you choose an expansive portfolio of style and options that can be specified with complete confidence. All of Indiana Furniture's solutions are BIFMA Compliant Certified.

This program is designed to provide members of the design community, dealers, buyers, and others who participate in the specification of commercial furniture greater ease in identifying products they can trust.

LEED Contribution

As a member of the U.S. Green Building Council, one important extension of our commitment to the environment is our work to support the Council's LEED Program.

The LEED program is a voluntary certification system designed to promote buildings that are environmentally responsible, profitable, and healthy places for people to live and work. The U.S. Green Building Council also encourages companies to identify opportunities to salvage and reuse furniture in project design and research potential material suppliers.

Indiana Furniture can help customers seeking LEED-certification through products that can contribute to specific criteria.

UVAdvantage Plus Finish

Our UVAdvantage finish does not emit irritable toxins, formaldehyde, or solvents into the air, contributing to safer and healthier work environments by meeting Indoor Air Quality Certification requirements.

UVAdvantage exceeds the performance of other UV topcoats available on durability and reduces the likelihood of damage from abrasions, scratches, and common chemicals, all while magnifying the beauty of wood and lessening the darkening, aging, and yellowing process that naturally occurs over time.

Indoor Air Quality Certified

All of Indiana Furniture's products have achieved Intertek's ETL Environmental VOC Certification and are recognized as products that safeguard indoor air quality.

The certification demonstrates that Indiana Furniture's products conform to the ANSI/BIFMA Furniture Emissions Standards (M7.1/X7.1-2011) for Office Furniture Systems and Components. They also earn points for US Green Building Council's LEED Credits.

TSCA Title VI (CARB)

EPA's TSCA Title VI (formerly CARB), the Formaldehyde Standards for Composite Wood Products Act, establishes the most stringent standards for composite wood. These products include but are not limited to Particleboard, MDF, Hardwood Plywood, and Laminated products. All of Indiana Furniture's products meet the TSCA Title VI regulations.

BE Well

Health and safety is a top priority at Indiana Furniture and we want to assist in the physical and mental well-being of anyone working with or using our products. Whether it's driving safety procedures, implementing wellness programs, or reducing contaminants, being well is a part of every decision we make at Indiana Furniture.

Indiana FURNITURE

EQUAL EMPLOYMENT OPPORTUNITY & NON-DISCRIMINATION

Policy Statement

Indiana Furniture is committed to a policy of equal employment opportunity, and functions under an Affirmative Action Plan for all applicants and employees. Under this policy, applicants and employees shall be treated fairly and equally, and employment decisions shall comply with all applicable state and federal employment discrimination laws. All employment decisions will be made without regard to race, color, gender, sex, sexual orientation, gender identity or expression, religion, religious creed, marital status, ancestry, national origin, age, disability (developmental, intellectual, mental, and/or physical – including, but not limited to blindness, unless it is shown that such disability prevents performance of the work involved), genetic information, veteran status, or (in the case of U.S. citizens or intending citizens) citizenship, and/or any other class protected by law. In addition, Indiana Furniture will not tolerate any discriminatory employment practice or procedure by anyone, including co-workers, supervisors, associates, partners, clients, and visitors. This policy applies to all employment practices and procedures including, but not limited to, recruiting, hiring, compensation, training, selection for training including apprenticeship, promotion, demotion, termination, transfer, layoff, and all other terms and conditions of employment.

The Vice President-Human Resources, Safety & Environmental is responsible for planning and implementing our Affirmative Action Program as well as for its day-to-day monitoring of affirmative action-related decisions and activities. All personnel, including but not limited to supervisors, superintendents, and other leadership, who are responsible for hiring and promoting employees and for the development and implementation of programs or activities, are charged with supporting this program. They should provide direction and leadership in implementing affirmative action goals and initiatives. Indiana Furniture remains committed to all plans, policies, and practices in employment programs that work toward achieving and maintaining a balanced work force.

Should any employee wish to review Indiana Furniture's Affirmative Action Program, they should contact the Vice President-Human Resources, Safety & Environmental. Any complaints regarding Indiana Furniture's Affirmative Action Program may be filed with the appropriate state agency.

Definition of Discriminatory Conduct

Discriminatory conduct is generally defined as conduct which shows disrespect, hostility or aversion to an employee because of race, color, gender, sex, sexual orientation, gender identity or expression, religion, religious creed, marital status, ancestry, national origin, age, disability (developmental, intellectual, mental, and/or physical), genetic information, veteran status, or (in the case of U.S. citizens or intending citizens) citizenship, and/or any other class protected by law. Discriminatory conduct involves verbal, visual, or physical conduct relating to race, color, gender, sex, sexual orientation, gender identity or expression, religion, religious creed, marital status, ancestry, national origin, age, disability (developmental, intellectual, mental, and/or physical), genetic information, veteran status, or (in the case of U.S. citizens or intending citizens) citizenship, and/or any other class protected by law, which makes an employee feel uncomfortable in the workplace and which interferes with an employee's ability to work.

For more detailed information concerning what type of conduct constitutes sexual harassment and what an employee should do if they either witness or are subjected to sexual harassment, see Indiana Furniture's Policy on Sexual Harassment.

Computer & Voicemail System

Employees may not use the computer or voicemail systems to create, send or receive any information which could be defined as discriminatory conduct. For more detailed information concerning prohibited computer and voice mail communications, see Indiana Furniture's Communications Policy.

Reporting Discriminatory Conduct

Any employee who believes that they have either witnessed or been subjected to discriminatory conduct must immediately report the discriminatory conduct to Indiana Furniture. Employees have a duty to report discriminatory conduct to Indiana Furniture in order to protect themselves, their colleagues, and Indiana Furniture.

In order to ensure that a report of discriminatory conduct is properly documented and investigated, an employee must report the conduct directly to the Vice President-Human Resources, Safety & Environmental at (812) 481-5727 or dial extension 161. If the Vice President-Human Resources, Safety & Environmental is not available or the employee is uncomfortable in reporting the conduct to the Vice President-Human Resources, Safety & Environmental the employee may report the discriminatory conduct directly to the President & CEO at (812) 482-5727 or dial extension 106.

Employees who believe they have either witnessed or been subjected to sexual harassment should report the discriminatory conduct in accordance with Indiana Furniture's Policy on Sexual Harassment.

Investigation and Resolution of Complaint

All reports of discriminatory conduct will be investigated. To the extent feasible, the investigation will be conducted in a confidential manner to the extent possible in order to protect the rights of all parties involved. Indiana Furniture will not tolerate any retaliation against an employee who makes a good faith report of discrimination. If the investigation reveals that the report has merit, disciplinary action, up to and including termination will be taken to remedy the situation. However, it is also important to understand that accusing an employee of discriminatory conduct is a serious matter. Consequently, Indiana Furniture reserves the right to discipline any employee who intentionally makes a false report of discriminatory conduct. False reports have the potential to cause harm to innocent parties and waste internal time and resources.

Disabled Employees

Any employee who wishes to discuss their needs as a disabled employee should contact the Vice President-Human Resources, Safety & Environmental.

Attachment 3

GSA eLibrary

GSA Federal Acquisition Service

Home | eBuy - quotes | GSA Advantage - online shopping | Help

Search: all the words Go

Contractor Information

(Vendors) How to change your company information

Contract #: 47QSCA19D000A
Contractor: INDIANA FURNITURE INDUSTRIES, INC.
Address: 1224 MILL ST
JASPER, IN 47546-2852
Phone: 800-422-5727
E-Mail: Angie.Kleiser@indianafurniture.com
Web Address: http://www.indianafurniture.com
SAM UEI: EYB2S42WZ971
NAICS: 337214

Socio-Economic : Small business

EPLS : Contractor not found on the Excluded Parties List System

Govt. Point of Contact:
Portland L. Jones
Phone: 703-605-9218
E-Mail: portland.jones@gsa.gov

Contract Clauses/Exceptions:
View the specifics for this contract

Source	Title	Contract Number	Contractor T&Cs /Pricelist	Current Option Period End Date	Ultimate Contract End Date	Category		View Catalog
MAS	Multiple Award Schedule	47QSCA19D000A		Feb 27, 2024	Feb 27, 2039	33721	DISAST PURCH	GSA Advantage!
						NEW	COOP PURCH DISAST PURCH	GSA Advantage!
						OLM	COOP PURCH DISAST PURCH	GSA Advantage!

Indiana
FURNITURE

Tab 5 – Products and Services / Scope

Tab 5 – Products and Services

From seating to casegoods, tables to space division, our lineup of products allows you to flex the function of your space…but we've always been more than just selling office furniture.

Our passionate pursuit of excellence along with a dedicated sales and service team, technical expertise, and a genuine collaborative spirit allow us to solve clients' challenges and transcend concept into reality.

And we make it easy to specify what you need with comprehensive tools and programs like finding our entire portfolio on a broad range of specification and ordering tools, in-house drawing services and customs teams, a holistic palette of surface materials, and so much more.

Indiana Furniture's product offering includes products in the following categories:

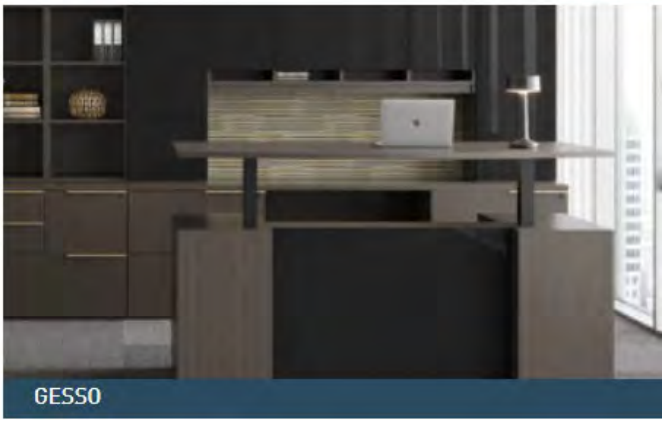
- Ancillary Furniture Products
- Cafeteria
- Conference or Breakroom / Training
- Healthcare / Medical / Therapy Practices
- Lounge / Reception
- Office
- Seating / Chairs
- Tables / Meeting Conference Room
- Workstations

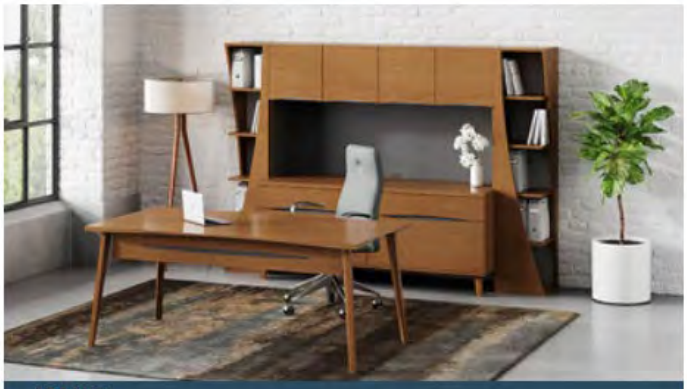
Casegoods


ALLEGIANCE

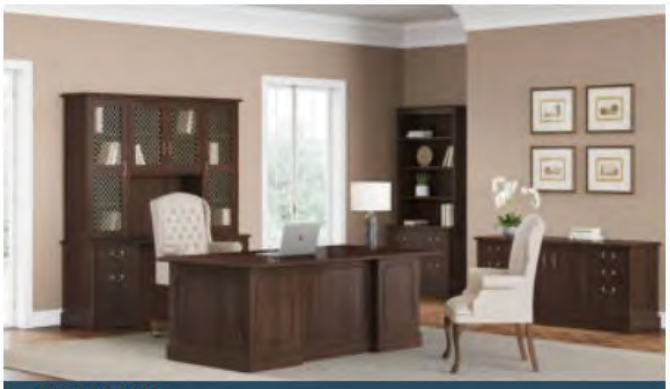

ARLINGTON


CANVAS LAMINATE


GESSO



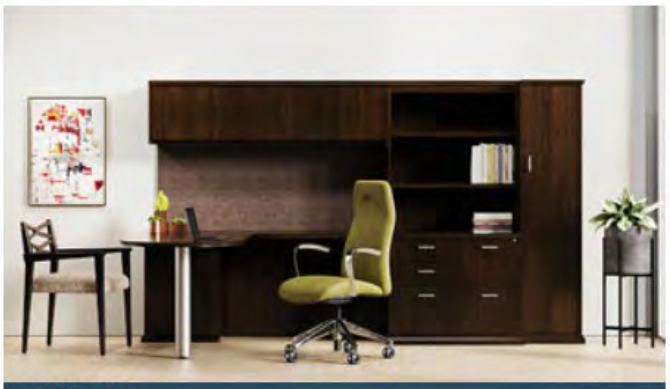
ICONIC



JEFFERSON

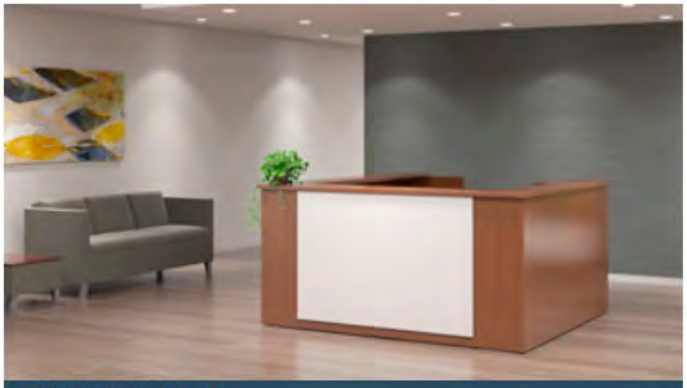


MADERA

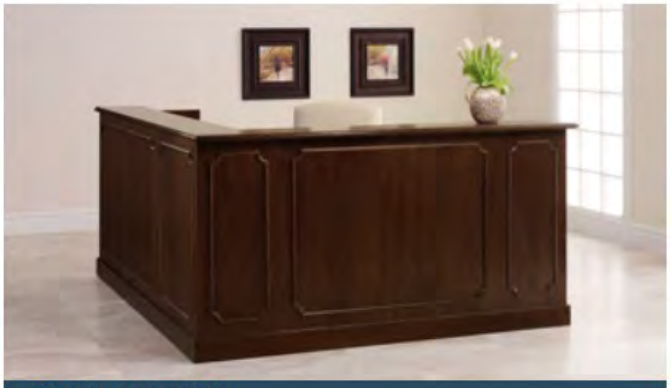


PHOENIX

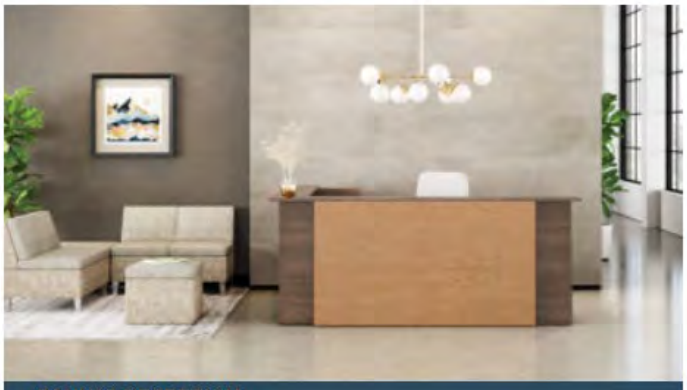
Reception



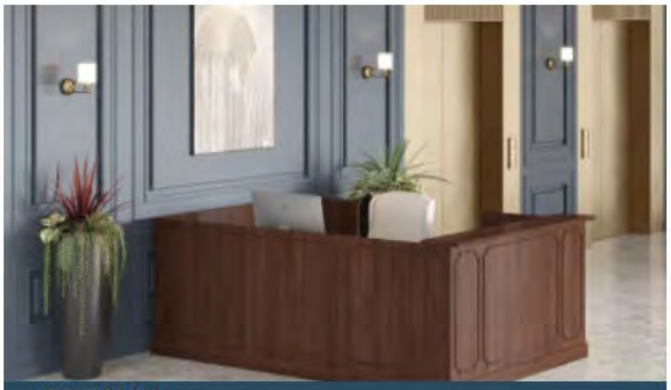
AURA RECEPTION



CAMEO RECEPTION



CANVAS RECEPTION



JEFFERSON

Swivel Seating



AMERY



BAILEY



BREMAN



CLUTCH



JOY



KENNERLY



REMINISCE



ROCKSTAR



SPIRIT

Stools



BOW TIE



JOY STOOLS



NATTA

Guest Seating



AMERY



BAILEY



BOW TIE



BREA



BREMAN



BRITTA



CIRKA



DELPHI



GLEEM



HALSTED



INSPIRATION



KENNERLY



MARQUEE



ME, MYSELF AND I



REMINISCE



SPIRIT



TRIFT



VIVE

Lounge Seating



BAILEY



BAKERSTREET



BLISS



BRITTA



CARRETA



FIFTEEN LOUNGE



FIFTEEN PODS



INSPIRATION



ISLA



KICKSTART



ME, MYSELF AND I



PLUSH



POLKA



PORTIA



SPIRIT



TRIPLE PLAY

Impromptu Seating



ISLA



KICKSTART



NATTA



POLKA



RUNNA



TRIPLE PLAY

Benches



CARRETA



INSPIRATION



ISLA



KICKSTART



NATTA



POLKA



TRIPLE PLAY

Occasional Tables



ARLINGTON OCCASIONAL TABLES



BAILEY OCCASIONAL TABLES



BRITTA OCCASIONAL TABLES



CANVAS OCCASIONAL TABLES



CICERO OCCASIONAL TABLES



GESSO OCCASIONAL TABLES



INSPIRATION OCCASIONAL TABLES



ISLA OCCASIONAL TABLES



JEFFERSON OCCASIONAL TABLES



JOT OCCASIONAL TABLES



MADERA OCCASIONAL TABLES



ME, MYSELF AND I OCCASIONAL TABLES



PHOENIX OCCASIONAL TABLES



PLUSH



SPIRIT OCCASIONAL TABLES

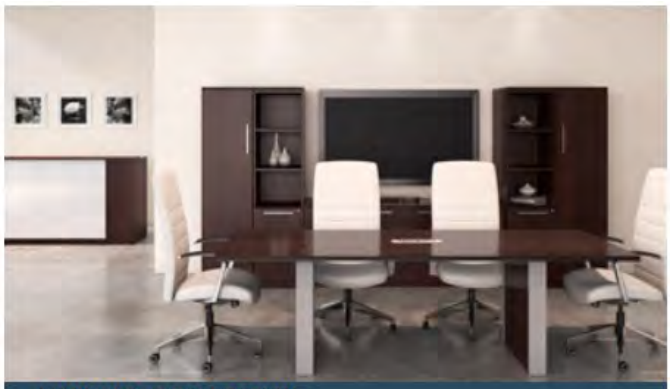


TOPSY TURVY OCCASIONAL TABLES

Conference Tables



ARLINGTON



AURA TABLE COLLECTION



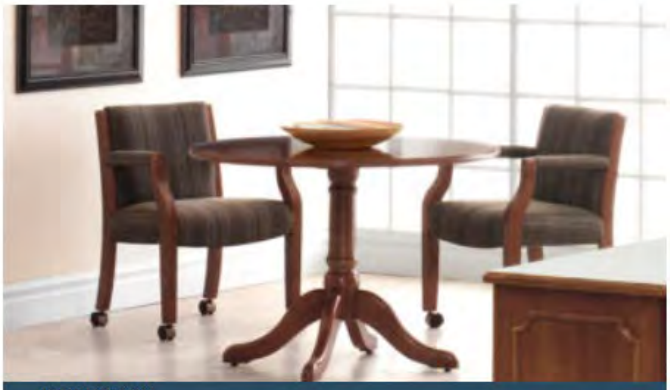
CAMEO TABLE COLLECTION



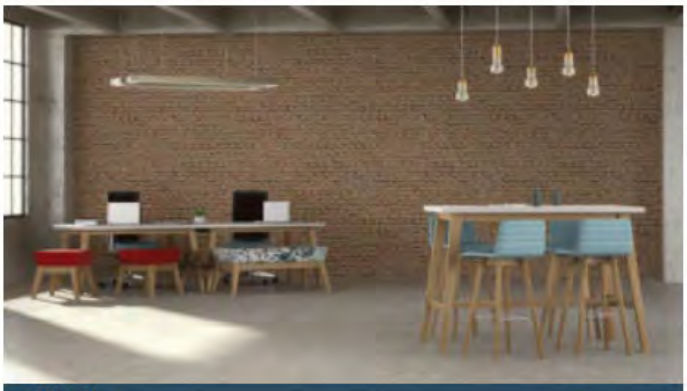
CANVAS TABLE COLLECTION



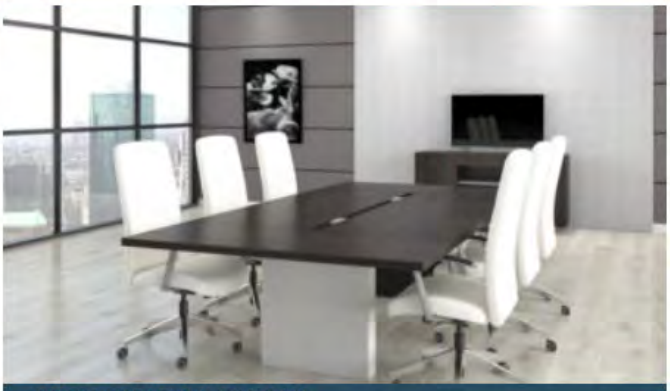
GESSO TABLE COLLECTION



JEFFERSON



NATTA



ONE10 TABLE COLLECTION



PHOENIX



TRI-ONE MULTI-USE TABLE COLLECTION

Space Division



SCREENS+DIVIDERS



SQUARE ONE

- **Respondent shall perform and provide these products and/or services under the terms of this agreement. The supplier shall assist the end user with making a determination of their individual needs.**

  Indiana Furniture has 78 Independent Sales Representatives nationwide providing sales coverage throughout the United States. These Independent Sales Representatives provide support to over 650 Indiana Furniture authorized dealers/resellers nationwide.

  Indiana Furniture's authorized dealers/resellers along with our Customer Service Representatives will provide product support to NCPA members. They can help assist NCPA members with product choices and answer any questions. All Indiana Furniture authorized dealers/resellers are authorized to provide products through the NCPA contract.

- **Warranty**
  - **Proposal should address the following warranty information:**
    - **Applicable warranty and/or guarantees of equipment and installations including any conditions and response time for repair and/or replacement of any components during the warranty period.**
    - **Availability of replacement parts**
    - **Life expectancy of equipment under normal use**
    - **Detailed information as to proposed return policy on all equipment**

  Indiana Furniture's Warranty - See Attachment 1
  Indiana Furniture's Non-Obsolescence Statement – See Attachment 2
  Indiana Furniture's Return Policy – See Attachment 3

  - **Products**
    - **Vendor shall provide equipment, materials and products that are new unless otherwise specified, of good quality and free of defects**

  Indiana Furniture products provided will be new, in good quality and free of defects.

  - **Construction**
    - **Vendor shall perform services in a good and workmanlike manner and in accordance with industry standards for the service provided.**

  Indiana Furniture products have been tested by an independent verifying body and meet or exceed applicable BIFMA and ANSI standards.

Indiana
FURNITURE

Warranty

Subject to the limitations set forth in this warranty, Indiana Furniture Industries, Inc. ("**Indiana Furniture**") warrants to the original purchaser all product in this price list ("**Product**") to be free from defects in material and workmanship given normal use for a 12-year period from the date of manufacture. During the applicable warranty period, Indiana Furniture, as its sole obligation, will repair or replace (in Indiana Furniture's sole discretion) any Product, part, or component covered by this warranty and sold after April 25, 2022, which fails under normal use as a result of a defect in material or workmanship. Normal use is defined as the equivalent of a single shift, 40-hour work week. Indiana Furniture will repair or replace the defective Product, part, or component with a comparable Product, part, or component.

Warranty periods are limited for certain Products and parts as follows:

12-year Warranty (from the date of manufacture)
- Seating Mechanisms
- Veneers
- Laminates
- Casters and Glides

7-year Warranty (from the date of shipment)
- Pneumatic Table Lift
- Electric Table Lift

5-year Warranty (from the date of manufacture)
- Triple Play Series
- Electrical Components
- Pneumatic Cylinders
- Textiles, Foam, and Decorative Trim
- Swivel Arm Pads
- Keyboard Kits
- Lighting
- All Height Adjustable Mechanisms

3-year Warranty (from date of shipment)
- Dock 950 Wireless Charger
- Dock 150 Wireless and USB Charger

THIS WARRANTY DOES NOT COVER:
- Damage caused by a carrier or third party
- Normal or routine wear and tear
- Appearance, durability, quality, behavior, colorfastness, or any other attribute of customer's own materials or any non-standard Indiana Furniture material (including CF Stinson, Maharam, Momentum, Mayer, UltraFabrics, Architex, and other alliance programs) specified by the customer and applied to a Product
- Color, grain or texture of wood, laminate and other covering materials
- Changes in wood or fabric color due to aging or exposure to light

As the manufacturer of the Product, Indiana Furniture stands behind its craftsmanship and pledges to do everything it can to reasonably resolve, as quickly as possible, any problems you may have with the Product within the terms and conditions of this warranty.

If you encounter a defect covered by the foregoing warranty, contact the dealer from whom you purchased the Product. If the dealer is unable to resolve your warranty issues, you should contact Indiana Furniture. Please ensure that you have all of the pertinent facts when contacting the dealer or Indiana Furniture, including the model number and factory order number from the inspection label attached to the Product.

INDIANA FURNITURE IS NOT PROVIDING, AND SPECIFICALLY DISCLAIMS, ANY OTHER WARRANTIES FOR THE PRODUCTS, EXPRESS OR IMPLIED, INCLUDING ANY IMPLIED WARRANTY OF MERCHANTABILITY OR FITNESS FOR A PARTICULAR PURPOSE. INDIANA FURNITURE SHALL NOT BE LIABLE TO THE PURCHASER OR ANY THIRD PARTY FOR CONSEQUENTIAL, INCIDENTAL, INDIRECT, OR SPECIAL DAMAGES, INCLUDING, WITHOUT LIMITATION, DAMAGES ARISING OUT OF OR RESULTING IN ANY MALFUNCTIONS, DELAYS, LOSS OF PROFIT, INTERRUPTION OF BUSINESS, PERSONAL INJURY, BODILY INJURY, DEATH, DISMEMBERMENT, OR PROPERTY DAMAGE.

Indiana Furniture Industries, Inc.
Attn: Customer Service
1224 Mill Street, P.O. Box 270
Jasper, Indiana 47547-0270
800.422.5727
Fax 812.482.9035
custserv@indianafurniture.com

Indiana
FURNITURE

Non-Obsolescence Statement

Indiana Furniture ensures that product we produce today will be supported with "like" product in years to come. Indiana Furniture has been manufacturing product in the USA since 1905 and has a commitment to serve our clients long-term needs. Our non-obsolescence strategy has always been an integral part of our business plan.

If a product or finish becomes obsolete in function, environmental sustainability or economic feasibility it is Indiana Furniture's responsibility to make the appropriate changes to that product or finish. Should this occur, we will strive to provide replacement alternatives to our customers.

1224 Mill Street
PO Box 270
Jasper, Indiana 47546-0270
800.422.5727
www.IndianaFurniture.com

Indiana FURNITURE

Return Policy

Merchandise will not be accepted for return without an RGA (Return Goods Authorization) issued by Indiana Furniture. RGA's will be considered for the following reasons:

1. Manufacturing defect (inspected by Indiana Furniture Representative)
2. Indiana Furniture order processing error
3. Shipping error
4. Mis-marked cartons
5. Duplicated shipments

Merchandise must be returned within 60 days of the RGA issued date, or within 60 days upon receipt of replacement product to receive credit. Returns due to mis-marked cartons must also be returned in the original carton, with shipping labels intact, to receive credit.

All merchandise being returned must be properly packed and protected to ensure no further damage is incurred during transportation back to an Indiana Furniture facility. Upon receipt, all returned merchandise will be thoroughly inspected and the results compared to the reason for return stated on the RGA. Any discrepancies, such as additional damage, signs of usage, missing parts, etc., will result in an adjustment to the amount of credit issued.

1224 Mill Street
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Jasper, Indiana 47546-0270
800.422.5727
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Indiana
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Tab 8 – Value Added Products and Services

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800.422.5727
www.IndianaFurniture.com

Tab 8 – Value Added Products and Services

Indiana Furniture provides the following Everyday Added Value:

- All products are Indoor Air Quality and BIFMA level® certified, and are tested to Comply with ANSI/BIFMA Standards
- An offering of Task and Guest Seating rated up to 400lbs
- Factory-Installed Task Lights and Tack Boards
- Grommets standard in the Backs of Bridges, Returns, and Credenzas
- Lateral File Drawers Feature 1/4” thick drawer bottoms, have a 200lb Capacity, and ship with Anti-Tilt Systems
- 5-Sided Drawer Boxes for Easy Change out If Damaged
- Drawers and Doors are Always Veneer Matched for Continuous Grain
- Custom Finish Matches Available
- Flexible Top Sizes in Tri-One Meeting Tables
- Square One: one-of-a-kind Space Division and Reconfigurability
- Integrated Height Adjustable solutions in both Traditional and Contemporary styling
- Key Alike at Time of Order; Removable Lock Cores for Re-Keying
- Dedicated Customer Service Representatives assigned to each account
- Extended Service Agreements for Qualifying Projects
- Continuous New Product Introductions and Updates
- Design Services & Support
- No-Cost Literature and Finish Samples
- 12-Year Limited Warranty (see complete warranty)

Indiana
FURNITURE

Tab 9 – Innovation

1224 Mill Street
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Jasper, Indiana 47546-0270
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www.IndianaFurniture.com

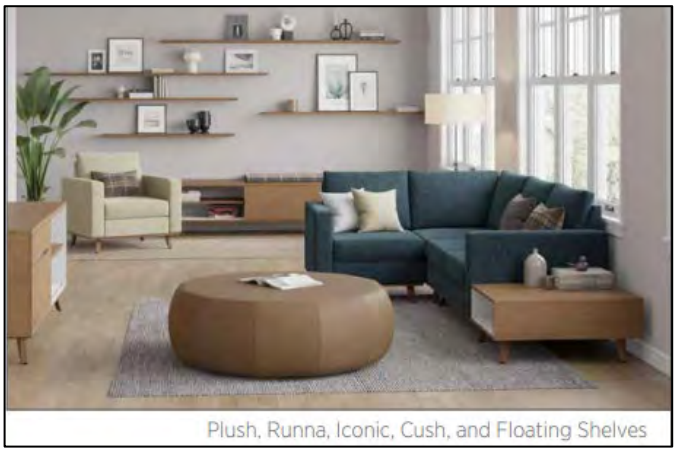
Tab 9 – Innovation

Indiana Furniture's Product Development team's mission is to ensure the furniture we manufacture is a relevant solution in the office furniture industry. This means continuously offering new products and refreshing existing products to meet the needs of our customers. Indiana Furniture uses a Product Roadmap process to develop, implement and launch new product introductions as well as updates to our existing product offering. The current product roadmap includes a list of twenty-nine items. The target completion date ranges from the second half of 2022 through 2023, and some yet to be assigned. Examples of new product introductions include, but are not limited to, hip chairs, metal guest chairs, desktop height adjustable workstations and much more. Example of updates to existing products include, but are not limited to, expanding our existing conference table offering, refreshing our surface materials offering, and adding items in our existing product lines to expand the series offering. The Product Roadmap process is flexible and allows new introductions to be added at any time to meet market conditions, such as adding privacy screens to our offering in response to the Covid 19 pandemic.

Below is a showcase of some recent product introductions. These new additions expand our offering in multiple areas of the office and allow our customers to accommodate hybrid working models, flexible, more relaxed spaces, spaces for private moments, spaces for taking a break and allows spaces to have seamless connectivity.



KickStart, Tri-One, Spirit, and Cush



Plush, Runna, Iconic, Cush, and Floating Shelves



Plush, Runna, Iconic, Cush, and Floating Shelves



Fifteen Pods, One10, and Triple Play



Natta, Fifteen Lounge, and Spirit



Gleem, Canvas/Gesso, and Disc Base







DUO Clamp



Dock950



Integrated Power



Integrated Power

Indiana
FURNITURE

Tab 10 – Required Documents

Tab 10 – Required Documents

- Federal Funds Certifications
- Clean Air and Water Act & Debarment Notice
- Contractors Requirements
- Antitrust Certification Statements
- Required Clauses for Federal Assistance by FTA
- State Notice Addendum

Federal Funds Certifications

Participating Agencies may elect to use federal funds to purchase under the Master Agreement. The following certifications and provisions may be required and apply when a Participating Agency expends federal funds for any purchase resulting from this procurement process. Pursuant to 2 C.F.R. § 200.326, all contracts, including small purchases, awarded by the Participating Agency and the Participating Agency's subcontractors shall contain the procurement provisions of Appendix II to Part 200, as applicable.

APPENDIX II TO 2 CFR PART 200

(A) Contracts for more than the simplified acquisition threshold currently set at $250,000, which is the inflation adjusted amount determined by the Civilian Agency Acquisition Council and the Defense Acquisition Regulations Council (Councils) as authorized by 41 U.S.C. 1908, must address administrative, contractual, or legal remedies in instances where contractors violate or breach contract terms, and provide for such sanctions and penalties as appropriate.

- Pursuant to Federal Rule (A) above, when a Participating Agency expends federal funds, the Participating Agency and Offeror reserves all rights and privileges under the applicable laws and regulations with respect to this procurement in the event of breach of contract by either party.

(B) Termination for cause and for convenience by the grantee or subgrantee including the manner by which it will be effected and the basis for settlement. (All contracts in excess of $10,000)

- Pursuant to Federal Rule (B) above, when a Participating Agency expends federal funds, the Participating Agency reserves the right to terminate any agreement in excess of $10,000 resulting from this procurement process in the event of a breach or default of the agreement by Offeror as detailed in the terms of the contract

(C) Equal Employment Opportunity. Except as otherwise provided under 41 CFR Part 60, all contracts that meet the definition of "federally assisted construction contract" in 41 CFR Part 60-1.3 must include the equal opportunity clause provided under 41 CFR 60-1.4(b), in accordance with Executive Order 11246, "Equal Employment Opportunity" (30 CFR 12319, 12935, 3 CFR Part, 1964-1965 Comp., p. 339), as amended by Executive Order 11375, "Amending Executive Order 11246 Relating to Equal Employment Opportunity," and implementing regulations at 41 CFR part 60, "Office of Federal Contract Compliance Programs, Equal Employment Opportunity, Department of Labor."

- Pursuant to Federal Rule (C) above, when a Participating Agency expends federal funds on any federally assisted construction contract, the equal opportunity clause is incorporated by reference herein.

(D) Davis-Bacon Act, as amended (40 U.S.C. 3141-3148). When required by Federal program legislation, all prime construction contracts in excess of $2,000 awarded by non-Federal entities must include a provision for compliance with the Davis-Bacon Act (40 U.S.C. 3141-3144, and 3146-3148) as supplemented by Department of Labor regulations (29 CFR Part 5, "Labor Standards Provisions Applicable to Contracts Covering Federally Financed and Assisted Construction"). In accordance with the statute, contractors must be required to pay wages to laborers and mechanics at a rate not less than the prevailing wages specified in a wage determination made by the Secretary of Labor. In addition, contractors must be required to pay wages not less than once a week. The non-Federal entity must place a copy of the current prevailing wage determination issued by the Department of Labor in each solicitation. The decision to award a contract or subcontract must be conditioned upon the acceptance of the wage determination. The non- Federal entity must report all suspected or reported violations to the Federal awarding agency. The contracts must also include a provision for compliance with the Copeland "Anti-Kickback" Act (40 U.S.C. 3145), as supplemented by Department of Labor regulations (29 CFR Part 3, "Contractors and Subcontractors on Public Building or Public Work Financed in Whole or in Part by Loans or Grants from the United States"). The Act provides that each contractor or subrecipient must be prohibited from inducing, by any means, any person employed in the construction, completion, or repair of public work, to give up any part of the compensation to which he or she is otherwise entitled. The non-Federal entity must report all suspected or reported violations to the Federal awarding agency.

- Pursuant to Federal Rule (D) above, when a Participating Agency expends federal funds during the term of an award for all contracts and subgrants for construction or repair, offeror will be in compliance with all applicable Davis-Bacon Act provisions
- Any Participating Agency will include any current and applicable prevailing wage determination in each issued solicitation and provide Offeror with any required documentation and/or forms that must be completed by Offeror to remain in compliance the applicable Davis-Bacon Act provisions.

(E) Contract Work Hours and Safety Standards Act (40 U.S.C. 3701-3708). Where applicable, all contracts awarded by the non-Federal entity in excess of $100,000 that involve the employment of mechanics or laborers must include a provision for compliance with 40 U.S.C. 3702 and 3704, as supplemented by Department of Labor regulations (29 CFR Part 5). Under 40 U.S.C. 3702 of the Act, each contractor must be required to compute the wages of every mechanic and laborer on the basis of a standard work week of 40 hours. Work in excess of the standard work week is permissible provided that the worker is compensated at a rate of not less than one and a half times the basic rate of pay for all hours worked in excess of 40 hours in the work week. The requirements of 40 U.S.C. 3704 are applicable to construction work and provide that no laborer or mechanic must be required to work in surroundings or under working conditions which are unsanitary, hazardous or dangerous. These requirements do not apply to the purchases of supplies or materials or articles ordinarily available on the open market, or contracts for transportation or transmission of intelligence.

- Pursuant to Federal Rule (E) above, when a Participating Agency expends federal funds, offeror certifies that offeror will be in compliance with all applicable provisions of the Contract Work Hours and Safety Standards Act during the term of an award for all contracts by Participating Agency resulting from this procurement process.

(F) Rights to Inventions Made Under a Contract or Agreement. If the Federal award meets the definition of "funding agreement" under 37 CFR §401.2 (a) and the recipient or subrecipient wishes to enter into a contract with a small business firm or nonprofit organization regarding the substitution of parties, assignment or performance of experimental, developmental, or research work under that "funding agreement," the recipient or subrecipient must comply with the requirements of 37 CFR Part 401, "Rights to Inventions Made by Nonprofit Organizations and Small Business Firms Under Government Grants,

Contracts and Cooperative Agreements," and any implementing regulations issued by the awarding agency.

- Pursuant to Federal Rule (F) above, when federal funds are expended by Participating Agency, the offeror certifies that during the term of an award for all contracts by Participating Agency resulting from this procurement process, the offeror agrees to comply with all applicable requirements as referenced in Federal Rule (F) above

(G) Clean Air Act (42 U.S.C. 7401-7671q.) and the Federal Water Pollution Control Act (33 U.S.C. 1251-1387), as amended— Contracts and subgrants of amounts in excess of $150,000 must contain a provision that requires the non- Federal award to agree to comply with all applicable standards, orders or regulations issued pursuant to the Clean Air Act (42 U.S.C. 7401- 7671q) and the Federal Water Pollution Control Act as amended (33 U.S.C. 1251- 1387). Violations must be reported to the Federal awarding agency and the Regional Office of the Environmental Protection Agency (EPA).

- Pursuant to Federal Rule (G) above, when federal funds are expended by Participating Agency, the offeror certifies that during the term of an award for all contracts by Participating Agency member resulting from this procurement process, the offeror agrees to comply with all applicable requirements as referenced in Federal Rule (G) above

(H) Debarment and Suspension (Executive Orders 12549 and 12689)—A contract award (see 2 CFR 180.220) must not be made to parties listed on the government wide exclusions in the System for Award Management (SAM), in accordance with the OMB guidelines at 2 CFR 180 that implement Executive Orders 12549 (3 CFR part 1986 Comp., p. 189) and 12689 (3 CFR part 1989 Comp., p. 235), "Debarment and Suspension." SAM Exclusions contains the names of parties debarred, suspended, or otherwise excluded by agencies, as well as parties declared ineligible under statutory or regulatory authority other than Executive Order 12549.

- Pursuant to Federal Rule (H) above, when federal funds are expended by Participating Agency, the offeror certifies that during the term of an award for all contracts by Participating Agency resulting from this procurement process, the offeror certifies that neither it nor its principals is presently debarred, suspended, proposed for debarment, declared ineligible, or voluntarily excluded from participation by any federal department or agency. If at any time during the term of an award the offeror or its principals becomes debarred, suspended, proposed for debarment, declared ineligible, or voluntarily excluded from participation by any federal department or agency, the offeror will notify the Participating Agency

(I) Byrd Anti-Lobbying Amendment (31 U.S.C. 1352)—Contractors that apply or bid for an award exceeding $100,000 must file the required certification. Each tier certifies to the tier above that it will not and has not used Federal appropriated funds to pay any person or organization for influencing or attempting to influence an officer or employee of any agency, a member of Congress, officer or employee of Congress, or an employee of a member of Congress in connection with obtaining any Federal contract, grant or any other award covered by 31 U.S.C. 1352. Each tier must also disclose any lobbying with non-Federal funds that takes place in connection with obtaining any Federal award. Such disclosures are forwarded from tier to tier up to the non-Federal award.

- Pursuant to Federal Rule (I) above, when federal funds are expended by Participating Agency, the offeror certifies that during the term and after the awarded term of an award for all contracts by Participating Agency resulting from this procurement process, the offeror certifies that it is in

compliance with all applicable provisions of the Byrd Anti-Lobbying Amendment (31 U.S.C. 1352). The undersigned further certifies that:

- No Federal appropriated funds have been paid or will be paid for on behalf of the undersigned, to any person for influencing or attempting to influence an officer or employee of any agency, a Member of Congress, an officer or employee of congress, or an employee of a Member of Congress in connection with the awarding of a Federal contract, the making of a Federal grant, the making of a Federal loan, the entering into a cooperative agreement, and the extension, continuation, renewal, amendment, or modification of a Federal contract, grant, loan, or cooperative agreement.
- If any funds other than Federal appropriated funds have been paid or will be paid to any person for influencing or attempting to influence an officer or employee of any agency, a Member of Congress, an officer or employee of congress, or an employee of a Member of Congress in connection with this Federal grant or cooperative agreement, the undersigned shall complete and submit Standard Form-LLL, "Disclosure Form to Report Lobbying", in accordance with its instructions.
- The undersigned shall require that the language of this certification be included in the award documents for all covered sub-awards exceeding $100,000 in Federal funds at all appropriate tiers and all subrecipients shall certify and disclose accordingly.

RECORD RETENTION REQUIREMENTS FOR CONTRACTS INVOLVING FEDERAL FUNDS

When federal funds are expended by Participating Agency for any contract resulting from this procurement process, offeror certifies that it will comply with the record retention requirements detailed in 2 CFR § 200.334. The offeror further certifies that offeror will retain all records as required by 2 CFR § 200.334 for a period of three years after grantees or subgrantees submit final expenditure reports or quarterly or annual financial reports, as applicable, and all other pending matters are closed.

CERTIFICATION OF COMPLIANCE WITH THE ENERGY POLICY AND CONSERVATION ACT

When Participating Agency expends federal funds for any contract resulting from this procurement process, offeror certifies that it will comply with the mandatory standards and policies relating to energy efficiency which are contained in the state energy conservation plan issued in compliance with the Energy Policy and Conservation Act (42 U.S.C. 6321 et seq.; 49 C.F.R. Part 18).

CERTIFICATION OF COMPLIANCE WITH BUY AMERICA PROVISIONS

To the extent purchases are made with Federal Highway Administration, Federal Railroad Administration, or Federal Transit Administration funds, offeror certifies that its products comply with all applicable provisions of the Buy America Act and agrees to provide such certification or applicable waiver with respect to specific products to any Participating Agency upon request. Participating Agencies will clearly identify whether Buy America Provisions apply in any issued solicitation. Purchases made in accordance with the Buy America Act must still follow the applicable procurement rules calling for free and open competition.

CERTIFICATION OF ACCESS TO RECORDS

Offeror agrees that the Inspector General of the Agency or any of their duly authorized representatives shall have access to any non-financial documents, papers, or other records of offeror that are pertinent to offeror's discharge of its obligations under the Contract for the purpose of making audits, examinations, excerpts, and transcriptions. The right also includes timely and reasonable access to offeror's personnel for the purpose of interview and discussion relating to such documents. This right of access will last only as long as the records are retained.

CERTIFICATION OF APPLICABILITY TO SUBCONTRACTORS

Offeror agrees that all contracts it awards pursuant to the Contract shall be bound by the foregoing terms and conditions.

Offeror certifies compliance with all provisions, laws, acts, regulations, etc. as specifically noted in the pages above. It is further acknowledged that offeror agrees to comply with all federal, state, and local laws, rules, regulations and ordinances as applicable.

Offeror:	Indiana Furniture Industries, Inc.
Address:	1224 Mill Street, PO Box 270
City, State, Zip:	Jasper, IN 47547-0270
Authorized Signature:	
Date:	7/19/2022

Clean Air and Water Act & Debarment Notice

I, the Vendor, am in compliance with all applicable standards, orders or regulations issued pursuant to the Clean Air Act of 1970, as Amended (42 U.S. C. 1857 (h), Section 508 of the Clean Water Act, as amended (33 U.S.C. 1368), Executive Order 117389 and Environmental Protection Agency Regulation, 40 CFR Part 15 as required under OMB Circular A-102, Attachment O, Paragraph 14 (1) regarding reporting violations to the grantor agency and to the United States Environment Protection Agency Assistant Administrator for the Enforcement.

I hereby further certify that my company has not been debarred, suspended or otherwise ineligible for participation in Federal Assistance programs under Executive Order 12549, "Debarment and Suspension", as described in the Federal Register and Rules and Regulations

Potential Vendor	Indiana Furniture Industries, Inc.
Print Name	Michael A. Blessinger, Vice President, Sales & Marketing
Address	1224 Mill Street, PO Box 270
City, Sate, Zip	Jasper, IN 47547-0270
Authorized signature	Michael A. Blessinger
Date	7/19/2022

Contractor Requirements

Contractor Certification
Contractor's Employment Eligibility

By entering the contract, Contractor warrants compliance with the Federal Immigration and Nationality Act (FINA), and all other federal and state immigration laws and regulations. The Contractor further warrants that it is in compliance with the various state statues of the states it is will operate this contract in.

Participating Government Entities including School Districts may request verification of compliance from any Contractor or subcontractor performing work under this Contract. These Entities reserve the right to confirm compliance in accordance with applicable laws.

Should the Participating Entities suspect or find that the Contractor or any of its subcontractors are not in compliance, they may pursue any and all remedies allowed by law, including, but not limited to: suspension of work, termination of the Contract for default, and suspension and/or debarment of the Contractor. All costs necessary to verify compliance are the responsibility of the Contractor.

The offeror complies and maintains compliance with the appropriate statutes which requires compliance with federal immigration laws by State employers, State contractors and State subcontractors in accordance with the E-Verify Employee Eligibility Verification Program.

Contractor shall comply with governing board policy of the NCPA Participating entities in which work is being performed

Fingerprint & Background Checks

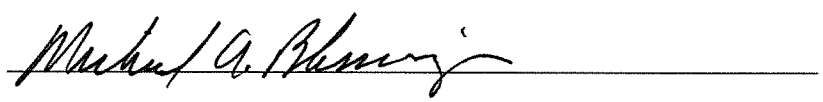
If required to provide services on school district property at least five (5) times during a month, contractor shall submit a full set of fingerprints to the school district if requested of each person or employee who may provide such service. Alternately, the school district may fingerprint those persons or employees. An exception to this requirement may be made as authorized in Governing Board policy. The district shall conduct a fingerprint check in accordance with the appropriate state and federal laws of all contractors, subcontractors or vendors and their employees for which fingerprints are submitted to the district. Contractor, subcontractors, vendors and their employees shall not provide services on school district properties until authorized by the District.

The offeror shall comply with fingerprinting requirements in accordance with appropriate statutes in the state in which the work is being performed unless otherwise exempted.

Contractor shall comply with governing board policy in the school district or Participating Entity in which work is being performed

Business Operations in Sudan, Iran

In accordance with A.R.S. 35-391 and A.R.S. 35-393, the Contractor hereby certifies that the contractor does not have scrutinized business operations in Sudan and/or Iran.

Authorized signature 

Date 7/19/2022

Antitrust Certification Statements (Tex. Government Code § 2155.005)

I affirm under penalty of perjury of the laws of the State of Texas that:

(1) I am duly authorized to execute this contract on my own behalf or on behalf of the company, corporation, firm, partnership or individual (Company) listed below;

(2) In connection with this bid, neither I nor any representative of the Company has violated any provision of the Texas Free Enterprise and Antitrust Act, Tex. Bus. & Comm. Code Chapter 15;

(3) In connection with this bid, neither I nor any representative of the Company has violated any federal antitrust law; and

(4) Neither I nor any representative of the Company has directly or indirectly communicated any of the contents of this bid to a competitor of the Company or any other company, corporation, firm, partnership or individual engaged in the same line of business as the Company.

Company name	Indiana Furniture Industries, Inc.
Address	1224 Mill Street, PO Box 270
City/State/Zip	Jasper, IN 47547-0270
Telephone No.	812-482-5727
Fax No.	812-482-9035
Email address	mike.blessinger@indianafurniture.com
Printed name	Michael A. Blessinger
Position with company	Vice President, Sales and Marketing
Authorized signature	Michael A. Blessinger

Required Clauses for Federal Assistance provided by FTA

ACCESS TO RECORDS AND REPORTS

Contractor agrees to:

a) Maintain all non-financial books, records, accounts and reports required under this Contract for a period of not less than two (2) years after the date of termination or expiration of this Contract or any extensions thereof except in the event of litigation or settlement of claims arising from the performance of this Contract, in which case Contractor agrees to maintain same until the FTA Administrator, the U.S. DOT Office of the Inspector General, the Comptroller General, or any of their duly authorized representatives, have disposed of all such litigation, appeals, claims or exceptions related thereto.

b) Permit any of the foregoing parties to inspect all non-financial work, materials, and other data and records that pertain to the Project, and to audit the non-financial books, records, and accounts that pertain to the Project and to reproduce by any means whatsoever or to copy excerpts and transcriptions as reasonably needed for the purpose of audit and examination. The right of access detailed in this section continues only as long as the records are retained.

FTA does not require the inclusion of these requirements of Article 1.01 in subcontracts.

CIVIL RIGHTS / TITLE VI REQUIREMENTS

1) Non-discrimination. In accordance with Title VI of the Civil Rights Act of 1964, as amended, 42 U.S.C. § 2000d, Section 303 of the Age Discrimination Act of 1975, as amended, 42 U.S.C. § 6102, Section 202 of the Americans with Disabilities Act of 1990, as amended, 42 U.S.C. § 12132, and Federal Transit Law at 49 U.S.C. § 5332, Contractor or subcontractor agrees that it will not discriminate against any employee or applicant for employment because of race, color, creed, national origin, sex, marital status age, or disability. In addition, Contractor agrees to comply with applicable Federal implementing regulations and other applicable implementing requirements FTA may issue that are flowed to Contractor from Awarding Participating Agency.

2) Equal Employment Opportunity. The following Equal Employment Opportunity requirements apply to this Contract:

   a. Race, Color, Creed, National Origin, Sex. In accordance with Title VII of the Civil Rights Act, as amended, 42 U.S.C. § 2000e, and Federal Transit Law at 49 U.S.C. § 5332, the Contractor agrees to comply with all applicable Equal Employment Opportunity requirements of U.S. Dept. of Labor regulations, "Office of Federal Contract Compliance Programs, Equal Employment Opportunity, Department of Labor, 41 CFR, Parts 60 et seq., and with any applicable Federal statutes, executive orders, regulations, and Federal policies that may affect construction activities undertaken in the course of this Project. Contractor agrees to take affirmative action to ensure that applicants are employed, and that employees are treated during employment, without regard to their race, color, creed, national origin, sex, marital status, or age. Such action shall include, but not be limited to, the following: employment, upgrading, demotion or transfer, recruitment or recruitment advertising, layoff or termination, rates of pay or other forms of compensation; and selection for training, including apprenticeship. In addition, Contractor agrees to comply with any implementing requirements FTA may issue that are flowed to Contractor from Awarding Participating Agency.

   b. Age. In accordance with the Age Discrimination in Employment Act (ADEA) of 1967, as amended, 29 U.S.C. Sections 621 through 634, and Equal Employment Opportunity Commission (EEOC)

implementing regulations, "Age Discrimination in Employment Act", 29 CFR Part 1625, prohibit employment discrimination by Contractor against individuals on the basis of age, including present and prospective employees. In addition, Contractor agrees to comply with any implementing requirements FTA may issue that are flowed to Contractor from Awarding Participating Agency.

c. Disabilities. In accordance with Section 102 of the Americans with Disabilities Act of 1990, as amended (ADA), 42 U.S.C. Sections 12101 *et seq.*, prohibits discrimination against qualified individuals with disabilities in programs, activities, and services, and imposes specific requirements on public and private entities. Contractor agrees that it will comply with the requirements of the Equal Employment Opportunity Commission (EEOC), "Regulations to Implement the Equal Employment Provisions of the Americans with Disabilities Act," 29 CFR, Part 1630, pertaining to employment of persons with disabilities and with their responsibilities under Titles I through V of the ADA in employment, public services, public accommodations, telecommunications, and other provisions.

d. Segregated Facilities. Contractor certifies that their company does not and will not maintain or provide for their employees any segregated facilities at any of their establishments, and that they do not and will not permit their employees to perform their services at any location under the Contractor's control where segregated facilities are maintained. As used in this certification the term "segregated facilities" means any waiting rooms, work areas, restrooms and washrooms, restaurants and other eating areas, parking lots, drinking fountains, recreation or entertainment areas, transportation, and housing facilities provided for employees which are segregated by explicit directive or are in fact segregated on the basis of race, color, religion or national origin because of habit, local custom, or otherwise. Contractor agrees that a breach of this certification will be a violation of this Civil Rights clause.

3) Solicitations for Subcontracts, Including Procurements of Materials and Equipment. In all solicitations, either by competitive bidding or negotiation, made by Contractor for work to be performed under a subcontract, including procurements of materials or leases of equipment, each potential subcontractor or supplier shall be notified by Contractor of Contractor's obligations under this Contract and the regulations relative to non-discrimination on the grounds of race, color, creed, sex, disability, age or national origin.

4) Sanctions of Non-Compliance. In the event of Contractor's non-compliance with the non-discrimination provisions of this Contract, Public Agency shall impose such Contract sanctions as it or the FTA may determine to be appropriate, including, but not limited to: 1) Withholding of payments to Contractor under the Contract until Contractor complies, and/or; 2) Cancellation, termination or suspension of the Contract, in whole or in part.

Contractor agrees to include the requirements of this clause in each subcontract financed in whole or in part with Federal assistance provided by FTA, modified only if necessary to identify the affected parties.

DISADVANTAGED BUSINESS PARTICIPATION

This Contract is subject to the requirements of Title 49, Code of Federal Regulations, Part 26, "*Participation by Disadvantaged Business Enterprises in Department of Transportation Financial Assistance Programs*", therefore, it is the policy of the Department of Transportation (DOT) to ensure that Disadvantaged Business Enterprises (DBEs), as defined in 49 CFR Part 26, have an equal opportunity to receive and participate in the performance of DOT-assisted contracts.

1) Non-Discrimination Assurances. Contractor or subcontractor shall not discriminate on the basis of race, color, national origin, or sex in the performance of this Contract. Contractor shall carry out all

applicable requirements of 49 CFR Part 26 in the award and administration of DOT-assisted contracts. Failure by Contractor to carry out these requirements is a material breach of this Contract, which may result in the termination of this Contract or other such remedy as public agency deems appropriate. Each subcontract Contractor signs with a subcontractor must include the assurance in this paragraph. (See 49 CFR 26.13(b)).

2) Prompt Payment. Contractor is required to pay each subcontractor performing Work under this prime Contract for satisfactory performance of that work no later than thirty (30) days after Contractor's receipt of payment for that Work from public agency. In addition, Contractor is required to return any retainage payments to those subcontractors within thirty (30) days after the subcontractor's work related to this Contract is satisfactorily completed and any liens have been secured. Any delay or postponement of payment from the above time frames may occur only for good cause following written approval of public agency. This clause applies to both DBE and non-DBE subcontractors. Contractor must promptly notify public agency whenever a DBE subcontractor performing Work related to this Contract is terminated or fails to complete its Work, and must make good faith efforts to engage another DBE subcontractor to perform at least the same amount of work. Contractor may not terminate any DBE subcontractor and perform that Work through its own forces, or those of an affiliate, without prior written consent of public agency.

3) DBE Program. In connection with the performance of this Contract, Contractor will cooperate with public agency in meeting its commitments and goals to ensure that DBEs shall have the maximum practicable opportunity to compete for subcontract work, regardless of whether a contract goal is set for this Contract. Contractor agrees to use good faith efforts to carry out a policy in the award of its subcontracts, agent agreements, and procurement contracts which will, to the fullest extent, utilize DBEs consistent with the efficient performance of the Contract.

ENERGY CONSERVATION REQUIREMENTS

Contractor agrees to comply with mandatory standards and policies relating to energy efficiency which are contained in the State energy conservation plans issued under the Energy Policy and Conservation Act, as amended, 42 U.S.C. Sections 6321 *et seq.* and 41 CFR Part 301-10.

FEDERAL CHANGES

Contractor shall at all times comply with all applicable FTA regulations, policies, procedures and directives, listed directly or by reference in the Contract between Public Agency and the FTA, and those applicable regulatory and procedural updates that are communicated to Contractor by Public Agency, as they may be amended or promulgated from time to time during the term of this contract. Contractor's failure to so comply shall constitute a material breach of this Contract.

INCORPORATION OF FEDERAL TRANSIT ADMINISTRATION (FTA) TERMS

The provisions include, in part, certain Standard Terms and Conditions required by the U.S. Department of Transportation (DOT), whether or not expressly set forth in the preceding Contract provisions. All contractual provisions required by the DOT and applicable to the scope of a particular Contract awarded to Contractor by a Public Agency as a result of solicitation, as set forth in the most current FTA Circular 4220.1F, published February 8th, 2016, are hereby incorporated by reference. Anything to the contrary herein notwithstanding, all FTA mandated terms shall be deemed to control in the event of a conflict with other provisions contained in this Contract. Contractor agrees not to knowingly perform any act, knowingly fail to perform any act, or refuse to comply with any reasonable public agency requests that would directly cause public agency to be in violation of the FTA terms and conditions.

NO FEDERAL GOVERNMENT OBLIGATIONS TO THIRD PARTIES

Agency and Contractor acknowledge and agree that, absent the Federal Government's express written consent and notwithstanding any concurrence by the Federal Government in or approval of the solicitation or award of the underlying Contract, the Federal Government is not a party to this Contract and shall not be subject to any obligations or liabilities to agency, Contractor, or any other party (whether or not a party to that contract) pertaining to any matter resulting from the underlying Contract.

Contractor agrees to include the above clause in each subcontract financed in whole or in part with federal assistance provided by the FTA. It is further agreed that the clause shall not be modified, except to identify the subcontractor who will be subject to its provisions.

PROGRAM FRAUD AND FALSE OR FRAUDULENT STATEMENTS

Contractor acknowledges that the provisions of the Program Fraud Civil Remedies Act of 1986, as amended, 31 U.S.C. §§ 3801 et seq. and U.S. DOT regulations, "Program Fraud Civil Remedies," 49 CFR Part 31, apply to its actions pertaining to this Contract. Upon execution of the underlying Contract, Contractor certifies or affirms, to the best of its knowledge, the truthfulness and accuracy of any statement it has made, it makes, it may make, or causes to me made, pertaining to the underlying Contract or the FTA assisted project for which this Contract Work is being performed.

In addition to other penalties that may be applicable, Contractor further acknowledges that if it makes, or causes to be made, a false, fictitious, or fraudulent claim, statement, submission, or certification, the Federal Government reserves the right to impose the penalties of the Program Fraud Civil Remedies Act of 1986 on Contractor to the extent the Federal Government deems appropriate.

Contractor also acknowledges that if it makes, or causes to me made, a false, fictitious, or fraudulent claim, statement, submission, or certification to the Federal Government under a contract connected with a project that is financed in whole or in part with Federal assistance originally awarded by FTA under the authority of 49 U.S.C. § 5307, the Government reserves the right to impose the penalties of 18 U.S.C. § 1001 and 49 U.S.C. § 5307 (n)(1) on the Contractor, to the extent the Federal Government deems appropriate.

Contractor agrees to include the above clauses in each subcontract financed in whole or in part with Federal assistance provided by FTA. It is further agreed that the clauses shall not be modified, except to identify the subcontractor who will be subject to the provisions.

State Notice Addendum

The National Cooperative Purchasing Alliance (NCPA), on behalf of NCPA and its current and potential participants to include all county, city, special district, local government, school district, private K-12 school, higher education institution, state, tribal government, other government agency, healthcare organization, nonprofit organization and all other Public Agencies located nationally in all fifty states, issues this Request for Proposal (RFP) to result in a national contract.

For your reference, the links below include some, but not all, of the entities included in this proposal:

http://www.usa.gov/Agencies/State_and_Territories.shtml

https://www.usa.gov/local-governments

CITY OF ONTARIO
303 EAST B STREET | ONTARIO, CALIFORNIA 91764
(909) 395-2000 FAX (909) 395-2070 OntarioCA.gov

PAUL S. LEON
MAYOR

DEBRA PORADA
MAYOR PRO TEM

ALAN D. WAPNER
JIM W. BOWMAN
RUBEN VALENCIA
COUNCIL MEMBERS

SHEILA MAUTZ
CITY CLERK

JAMES R. MILHISER
TREASURER

SCOTT OCHOA
CITY MANAGER

CITY OF ONTARIO
GOODS & SERVICES AGREEMENT

This Agreement is made and entered into as of _____, by and between the City of Ontario, a municipal corporation organized under the laws of the State of California with its principal place of business at 303 East "B" Street, Ontario, California 91764-4196, County of San Bernardino, State of California ("City") and **Margaret C. Pett, Inc. DBA Info-Com Business Products**, a Corporation with its principal place of business at 1472 Morada Place, Altadena, CA 91001 ("Vendor"). City and Vendor are sometimes individually referred to as "Party" and collectively as "Parties" in this Agreement.

RECITALS

A. Vendor desires to perform and assume responsibility for the provision of certain services and goods required by the City on the terms and conditions set forth in this Agreement. Vendor represents that it is experienced in providing similar services and goods to public clients, that it and its employees or subcontractors have all necessary licenses and permits to perform the services in the State of California and that is familiar with and understands the needs of City.

B. City desires to engage Vendor to sell to City the materials and/or equipment and/or render such services as more particularly described in this Agreement.

TERMS

1. SCOPE OF SERVICES.

1.1 General Scope of Services. Vendor promises and agrees to furnish to the City all labor, materials, tools, equipment, services, and incidental and customary work necessary to fully and adequately supply the New Fire Station 01 with Furniture Planning Services and all Furniture ("Services") which are more particularly described in Exhibit "A" attached hereto and incorporated herein by reference. All Services shall be subject to, and performed in accordance with, this Agreement, the exhibits attached hereto and incorporated herein by reference, and all applicable local, state and federal laws, rules and regulations.

1.2 Goods. Vendor agrees to sell to City and City agrees to purchase the materials and/or equipment ("Goods") as specified and per the specifications attached hereto and incorporated herein as Exhibit "A." Unless specifically stated otherwise, the Goods shall be new and unused and of the current production year.

2. TERM.

2.1 The term of this Agreement shall be from **December 17, 2024, to June 24, 2025,** unless earlier terminated as provided herein. Vendor shall provide all Goods and complete the Services within the term of this Agreement, and shall meet any other established schedules and deadlines. The Parties may, by mutual, written consent, extend the term of this Agreement if necessary to complete the work.

3. FEES AND PAYMENTS.

3.1 Compensation. Vendor shall receive compensation, including authorized reimbursements, for all Goods provided and Services rendered under this Agreement at the rates set forth in Exhibit "C" attached hereto and incorporated herein by reference. The total compensation shall not exceed **Three Hundred Fifty-Eight Thousand Three Hundred Seventy-Two Dollars ($358,372)** without written approval of City's Manager or designee. Extra Work may be authorized, as described below, and if authorized, will be compensated at the rates and manner set forth in this Agreement.

3.2 Payment of Compensation. Vendor shall submit to City a monthly itemized statement which indicates work completed and hours of Services rendered by Vendor and Goods provided. The statement shall describe the amount of Services and Goods provided since the initial commencement date, or since the start of the subsequent billing periods, as appropriate, through the date of the statement. City shall, within 45 days of receiving such statement, review the statement and pay all non-disputed and approved charges thereon.

3.3 Reimbursement for Expenses. Vendor shall not be reimbursed for any expenses unless authorized in writing by City.

3.4 Extra Work. At any time during the term of this Agreement, City may request that Vendor perform Extra Work. As used herein, "Extra Work" means any work which is determined by City to be necessary for the proper completion of the Goods and Services, but which the parties did not reasonably anticipate would be necessary at the execution of this Agreement. Vendor shall not perform, nor be compensated for, Extra Work without written authorization from City's Representative.

4. RESPONSIBILITIES OF VENDOR.

4.1 Control and Payment of Subordinates; Independent Contractor. The Services shall be performed by Vendor or under its supervision. Vendor will determine the means, methods and details of performing the Services subject to the requirements of this Agreement. City retains Vendor on an independent contractor basis and not as an employee. Vendor retains the right to perform similar or different services for others during the term of this Agreement. Any additional personnel performing the Services under this Agreement on behalf of Vendor shall also not be employees of City and shall at all times be under Vendor's exclusive direction and control. Neither City, or any of its officials, officers, directors, employees or agents shall have control over the conduct of Vendor or any of Vendor's officers, employees or agents, except as set forth in this Agreement. Vendor shall pay all wages, salaries, and other amounts due such personnel in connection with their performance of providing Goods and Services under this Agreement and as required by law. Vendor shall be responsible for all reports and obligations respecting such additional personnel, including, but not limited to: social security taxes, income tax withholding, unemployment insurance, disability insurance, and workers' compensation insurance.

4.2 Schedule of Services.

4.2.1 Vendor shall perform the Services and provide Goods expeditiously, within the term of this Agreement, and in accordance with the Schedule of Goods and Services set forth in Exhibit "B" attached hereto and incorporated herein by reference ("Performance time"). Upon request of City, Vendor shall provide a more detailed schedule of anticipated performance to meet the Schedule of Goods and Services. Vendor agrees that if the Goods are not provided and/or the Services are not completed within the Performance Time, it is understood, acknowledged and agreed that the City will suffer damage.

4.2.2 Neither City nor Vendor shall be considered in default of this Agreement for delays in performance caused by circumstances beyond the reasonable control of the non-performing Party. For purposes of this Agreement, such circumstances include a Force Majeure Event. A Force Majeure Event shall mean an event that materially affects a Party's performance and is one or more of the following: (1) Acts of God or other natural disasters; (2) terrorism or other acts of a public enemy; (3) orders of governmental authorities (including, without limitation, unreasonable and unforeseeable delay in the issuance of permits or approvals by governmental authorities that are required for the services); (4) strikes and other organized labor action occurring at the site and the effects thereof on the services, only to the extent such strikes and other organized labor action are beyond the control of Vendor and its subcontractors, and to the extent the effects thereof cannot be avoided by use of replacement workers; and (5) pandemics, epidemics or quarantine restrictions. For purposes of this Section, "orders of governmental authorities," includes ordinances, emergency proclamations and orders, rules to protect the public health, welfare and safety, and other actions of a public agency applicable to the Agreement.

4.2.3 Should a Force Majeure Event occur, the non-performing Party shall, within a reasonable time of being prevented from performing, give written notice to the other Party describing the circumstances preventing continued performance and the efforts being made to resume performance of this Agreement. Force Majeure Events and/or delays, regardless of the Party responsible for the delay, shall not entitle Vendor to any additional compensation. Notwithstanding the foregoing in this section, the City may still terminate this Agreement in accordance with the termination provisions of this Agreement.

4.3 Conformance to Applicable Requirements. All work prepared by Vendor shall be subject to the approval of City.

4.4 Acceptance. The Goods shall be received subject to City's inspection and right of rejection. The Goods shall not be considered accepted until inspection, testing and/or use of the Goods is found to be in accordance with the City's specifications. Final inspection of the Goods shall be at the location specified herein, unless otherwise agreed in writing. If the Goods are found at any time to be defective in material or workmanship, or otherwise not in conformance with specifications, City shall have the right, in addition to any other rights which it may have under warranties or otherwise, to reject such Goods in whole or in part. Rejected Goods shall be held at Vendor's risk for a reasonable time thereafter and shall be returned or disposed of at Vendor's expense. No rejected Goods shall be replaced by Vendor without written instruction or authorization from City.

4.5 Coordination of Services. Vendor agrees to work closely with City staff in the performance of Services and shall be available to City's staff, consultants and other staff at all reasonable times.

4.6 Standard of Care; Performance of Employees. Vendor shall perform all Services under this Agreement in a skillful and competent manner, consistent with the standards generally recognized as being employed by professionals in the same discipline in the State of California. Vendor represents and maintains that it is skilled in the professional calling necessary to perform the Services. Vendor warrants that all employees and subcontractors shall have sufficient skill and experience to perform the Services assigned to them. Vendor represents that it, its employees and subcontractors have all licenses, permits, qualifications and approvals of whatever nature that are legally required to perform the Services, including a City business license, and that such licenses and approvals shall be maintained throughout the term of this Agreement. As provided for in the indemnification provisions of this Agreement, Vendor shall perform, at its own cost and expense and without reimbursement from the City, any services necessary to correct errors or omissions which are caused by the Vendor's failure to comply with the standard of care provided for herein. Any employee of the Vendor or its sub-Vendors who is determined by the City to be uncooperative, incompetent, a threat to the adequate or timely completion of the Services, a threat to the safety of persons or property, or any employee who fails or refuses to perform the Services in a manner acceptable to the City, shall be promptly removed by the Vendor and shall not be re-employed to perform any of the Services provided under this Agreement.

4.7 Warranty. In addition to all warranties which may be provided by law, Vendor warrants that the Goods delivered hereunder shall, (a) be free from defect of material or workmanship and conform strictly to the specifications, drawings, or sample specified or furnished; (b) conform to drawings, plans, specifications, samples or other descriptions furnished, specified, accepted or approved by City; and (c) be merchantable and fit for the purposes intended. The warranty shall be for a period of one (1) year, or such longer period as provided by a manufacturer's warranty or as agreed to by Vendor and City, from the date of final written acceptance of the Goods by City. This warranty shall survive any inspection, delivery, acceptance, or payment by City of the Goods. Vendor, at its own expense, shall repair or replace, at the option of City, any defective Goods within two (2) business days after receipt of notice from City or within four (4) hours in case of emergency, as determined by City. Vendor also warrants that the Goods are free and clear of all liens and encumbrances whatsoever, that Vendor is conveying good and marketable title to same, and that Vendor owns or has a valid license for all of the proprietary technology and intellectual property incorporated within the Goods. Vendor agrees to indemnify, defend and hold City harmless against any and all third party claims resulting from the breach or inaccuracy of any of the foregoing warranties.

4.8 Reserved.

4.9 Disputes. Should any dispute arise respecting the true value of any work done, of any work omitted, or of any extra work which Vendor may be required to do, or respecting the size of any payment to Vendor during the performance of this Contract, Vendor shall continue to perform the Work while said dispute is decided by the City. If Vendor disputes the City's decision, Vendor shall have such remedies as may be provided by law.

4.10 Laws and Regulations; Employee/Labor Certifications. Vendor shall keep itself fully informed of and in compliance with all local, state and federal laws, rules and regulations in any manner affecting its performance under this Agreement, including all Cal/OSHA requirements, and shall give all notices required by law. Vendor shall be liable for all violations of such laws and regulations in connection with this Agreement. If the Vendor performs any work knowing it to be contrary to such laws, rules and regulations and without giving written notice to the City, Vendor shall be solely responsible for all costs arising therefrom. City is a public entity

of the State of California subject to certain provisions of the Health & Safety Code, Government Code, Public Contract Code, and Labor Code of the State. It is stipulated and agreed that all provisions of the law applicable to the public contracts of a municipality are a part of this Agreement to the same extent as though set forth herein and will be complied with. These include but are not limited to the payment of prevailing wages, the stipulation that eight (8) hours' labor shall constitute a legal day's work and that no worker shall be permitted to work in excess of eight (8) hours during any one calendar day except as permitted by law. Vendor shall defend, indemnify and hold City, its officials, directors, officers, employees and agents free and harmless, pursuant to the indemnification provisions of this Agreement, from any claim or liability arising out of any failure or alleged failure to comply with such laws, rules or regulations.

4.10.1 Employment Eligibility; Vendor. By executing this Agreement, Vendor verifies that it fully complies with all requirements and restrictions of state and federal law respecting the employment of undocumented aliens, including, but not limited to, the Immigration Reform and Control Act of 1986, as may be amended from time to time. Such requirements and restrictions include, but are not limited to, examination and retention of documentation confirming the identity and immigration status of each employee of the Vendor. Vendor also verifies that it has not committed a violation of any such law within the five (5) years immediately preceding the date of execution of this Agreement, and shall not violate any such law at any time during the term of the Agreement. Vendor shall avoid any violation of any such law during the term of this Agreement by participating in an electronic verification of work authorization program operated by the United States Department of Homeland Security, by participating in an equivalent federal work authorization program operated by the United States Department of Homeland Security to verify information of newly hired employees, or by some other legally acceptable method. Vendor shall maintain records of each such verification, and shall make them available to the City or its representatives for inspection and copy at any time during normal business hours. The City shall not be responsible for any costs or expenses related to Vendor's compliance with the requirements provided for in Section 4.10 or any of its sub-sections.

4.10.2 Employment Eligibility; Subcontractors, and Consultants. To the same extent and under the same conditions as Vendor, Vendor shall require all of its subcontractors, and consultants performing any work relating to this Agreement to make the same verifications and comply with all requirements and restrictions provided for herein.

4.10.3 Employment Eligibility; Failure to Comply. Each person executing this Agreement on behalf of Vendor verifies that they are a duly authorized officer of Vendor, and understands that any of the following shall be grounds for the City to terminate the Agreement for cause: (1) failure of Vendor or its subcontractors, or consultants to meet any of the requirements provided for in Sections 4.10.1 or 4.10.2; (2) any misrepresentation or material omission concerning compliance with such requirements (including in those verifications provided to the Vendor under Section 4.10.2); or (3) failure to immediately remove from this contract any person found not to be in compliance with such requirements.

4.10.4 Labor Certification. By its signature hereunder, Vendor certifies that it is aware of the provisions of Section 3700 of the California Labor Code which require every employer to be insured against liability for Workers' Compensation or to undertake self-insurance in accordance with the provisions of that Code, and agrees to comply with such provisions before commencing the performance of the Services.

4.10.5 Equal Opportunity Employment. Vendor represents that it is an equal opportunity employer and it shall not discriminate against any subcontractor, employee or

applicant for employment because of race, religion, color, national origin, handicap, ancestry, sex or age. Such non-discrimination shall include, but not be limited to, all activities related to initial employment, upgrading, demotion, transfer, recruitment or recruitment advertising, layoff or termination. Vendor shall also comply with all relevant provisions of City's Minority Business Enterprise program, Affirmative Action Plan or other related programs or guidelines currently in effect or hereinafter enacted.

4.10.6 Air Quality. Vendor must fully comply with all applicable laws, rules and regulations in furnishing or using equipment and/or providing services, including, but not limited to, emissions limits and permitting requirements imposed by the California Air Resources Board (CARB). Vendor shall specifically be aware of the CARB limits and requirements' application to "portable equipment", which definition is considered by CARB to include any item of equipment with a fuel-powered engine. Vendor shall indemnify City against any fines or penalties imposed by CARB or any other governmental or regulatory agency for violations of applicable laws, rules and/or regulations by Vendor, its subcontractors, or others for whom Vendor is responsible under its indemnity obligations provided for in this Agreement.

4.10.7 Water Quality.

4.10.7.1 Management and Compliance. To the extent applicable, Vendor's Services must account for, and fully comply with, all local, state and federal laws, rules and regulations that may impact water quality compliance, including, without limitation, all applicable provisions of the Federal Water Pollution Control Act (33 U.S.C. §§ 1300); the California Porter-Cologne Water Quality Control Act (Cal Water Code §§ 13000-14950); laws, rules and regulations of the Environmental Protection Agency, the State Water Resources Control Board and the Santa Ana Regional Water Quality Control Board; the City's ordinances regulating discharges of storm water; and any and all regulations, policies, or permits issued pursuant to any such authority regulating the discharge of pollutants, as that term is used in the Porter-Cologne Water Quality Control Act, to any ground or surface water in the State.

4.10.7.2 Liability for Non-Compliance. Failure to comply with the laws, regulations and policies described in this Section is a violation of law that may subject Vendor or City to penalties, fines, or additional regulatory requirements. Vendor shall defend, indemnify and hold the City, its directors, officials, officers, employees, volunteers and agents free and harmless, pursuant to the indemnification provisions of this Agreement, from and against any and all fines, penalties, claims or other regulatory requirements imposed as a result of Vendor's non-compliance with the laws, regulations and policies described in this Section, unless such non-compliance is the result of the sole negligence or willful misconduct of the City, its officials, officers, agents, employees or authorized volunteers.

4.10.7.3 Training. In addition to any other standard of care requirements set forth in this Agreement, Vendor warrants that all employees and subcontractors shall have sufficient skill and experience to perform the Services assigned to them without impacting water quality in violation of the laws, regulations and policies described in this Section. Vendor further warrants that it, its employees and subcontractors will receive adequate training, as determined by City, regarding the requirements of the laws, regulations and policies described in this Section as they may relate to the Services provided under this Agreement. Upon request, City will provide Vendor with a list of training programs that meet the requirements of this paragraph.

5. PROJECT MANAGEMENT

5.1 City's Representative. The City hereby designates Dan Beers, Design & Construction Principal Construction Project Manager, or his or her designee, to act as its representative for the performance of this Agreement ("City's Representative"). City's Representative shall have the power to act on behalf of the City for all purposes under this Agreement. Vendor shall not accept direction or orders from any person other than the City's Representative or his or her designee.

5.2 Vendor's Representative. Vendor hereby designates Margaret Pett, or her designee, to act as its representative for the performance of this Agreement ("Vendor's Representative"). Vendor's Representative shall have full authority to represent and act on behalf of the Vendor for all purposes under this Agreement. The Vendor's Representative shall supervise and direct the Services, using his best skill and attention, and shall be responsible for all means, methods, techniques, sequences and procedures and for the satisfactory coordination of all work required under this Agreement.

6. INSURANCE.

6.1 Time for Compliance. Vendor shall not commence work under this Agreement until it has provided evidence satisfactory to the City that it has secured all insurance required under this Section. In addition, Vendor shall not allow any subcontractor to commence work on any subcontract until it has provided evidence satisfactory to the City that the subcontractor has secured all insurance required under this Section.

6.2 Minimum Requirements. Vendor shall, at its expense, procure and maintain for the duration of the Agreement insurance against claims for injuries to persons or damages to property which may arise from or in connection with the performance of the Agreement by the Vendor, its agents, representatives, employees or subcontractors. Vendor shall also require all of its subcontractors to procure and maintain the same insurance for the duration of the Agreement. Such insurance shall meet at least the following minimum levels of coverage:

6.2.1 Minimum Scope of Insurance. Coverage shall be at least as broad as the latest version of the following: (1) *General Liability*: Insurance Services Office Commercial General Liability coverage (occurrence form CG 0001); (2) *Automobile Liability*: Insurance Services Office Business Auto Coverage form number CA 0001, code 1 (any auto); and (3) *Workers' Compensation and Employer's Liability*: Workers' Compensation insurance as required by the State of California and Employer's Liability Insurance. The policy shall not contain any exclusion contrary to the Agreement, including but not limited to endorsements or provisions limiting coverage for (1) contractual liability (including but not limited to ISO CG 24 26 or 21 29); or (2) cross liability for claims or suits by one insured against another.

6.2.2 Minimum Limits of Insurance. Vendor shall maintain limits no less than: (1) *General Liability:* $2,000,000 per occurrence for bodily injury, personal injury and property damage. If Commercial General Liability Insurance or other form with general aggregate limit is used including, but not limited to, form CG 2503, either the general aggregate limit shall apply separately to this Agreement/location or the general aggregate limit shall be twice the required occurrence limit; (2) *Automobile Liability:* $1,000,000 per accident for bodily injury and property damage; and (3) *Workers' Compensation and Employer's Liability:* Workers' Compensation limits as required by the Labor Code of the State of California. Employer's Liability limits of $1,000,000 per accident for bodily injury or disease. Defense costs shall be paid in addition to the limits.

6.2.3 Manufacturer of Goods. If Vendor is also the manufacturer of any equipment included in the Goods, Vendor shall carry Product Liability and/or Errors and Omissions Insurance which covers said equipment with limits of not less than $1,000,000.

6.2.4 Notices; Cancellation or Reduction of Coverage. At least fifteen (15) days prior to the expiration of any such policy, evidence showing that such insurance coverage has been renewed or extended shall be filed with the City. If such coverage is cancelled or materially reduced, Vendor shall, within ten (10) days after receipt of written notice of such cancellation or reduction of coverage, file with the City evidence of insurance showing that the required insurance has been reinstated or has been provided through another insurance company or companies. In the event any policy of insurance required under this Agreement does not comply with these specifications or is canceled and not replaced, the City has the right but not the duty to obtain the insurance it deems necessary and any premium paid by the City will be promptly reimbursed by Vendor or the City may withhold amounts sufficient to pay premium from Vendor payments. In the alternative, the City may suspend or terminate this Agreement.

6.2.5 Additional Insured. The City of Ontario, its directors, officials, officers, employees, agents, and volunteers shall be named as additional insureds on Vendor's and its subcontractors' policies of commercial general liability and automobile liability insurance using the endorsements and forms specified herein or exact equivalents.

6.3 Insurance Endorsements. The insurance policies shall contain the following provisions, or Vendor shall provide endorsements on forms supplied or approved by the City to add the following provisions to the insurance policies:

6.3.1 General Liability. The general liability policy shall include or be endorsed (amended) to state that: (1) using ISO CG forms 20 10 and 20 37, or endorsements providing the exact same coverage, the City of Ontario, its directors, officials, officers, employees, agents, and volunteers shall be covered as additional insured with respect to the Services or ongoing and complete operations performed by or on behalf of the Vendor, including materials, parts or equipment furnished in connection with such work; and (2) using ISO form 20 01, or endorsements providing the exact same coverage, the insurance coverage shall be primary insurance as respects the City, its directors, officials, officers, employees, agents, and volunteers, or if excess, shall stand in an unbroken chain of coverage excess of the Vendor's scheduled underlying coverage. Any excess insurance shall contain a provision that such coverage shall also apply on a primary and noncontributory basis for the benefit of the City, before the City's own primary insurance, deductible, or self-insurance shall be called upon to protect it as a named insured. Any insurance, deductible, or self-insurance maintained by the City, its directors, officials, officers, employees, agents, and volunteers shall be excess of the Vendor's insurance and shall not be called upon to contribute with it in any way. Notwithstanding the minimum limits set forth in Section 6.2.2, any available insurance proceeds in excess of the specified minimum limits of coverage shall be available to the parties required to be named as additional insureds pursuant to this Section 6.3.1.

6.3.2 Automobile Liability. The automobile liability policy shall include or be endorsed (amended) to state that: (1) the City, its directors, officials, officers, employees, agents, and volunteers shall be covered as additional insureds with respect to the ownership, operation, maintenance, use, loading or unloading of any auto owned, leased, hired or borrowed by the Vendor or for which the Vendor is responsible; and (2) the insurance coverage shall be primary insurance as respects the City, its directors, officials, officers, employees, agents, and volunteers, or if excess, shall stand in an unbroken chain of coverage excess of the Vendor's scheduled

underlying coverage. Any insurance, deductible, or self-insurance maintained by the City, its directors, officials, officers, employees, agents, and volunteers shall be excess of the Vendor's insurance and shall not be called upon to contribute with it in any way. Policy shall contain or be endorsed to contain such provisions. Notwithstanding the minimum limits set forth in Section 6.2.2, any available insurance proceeds in excess of the specified minimum limits of coverage shall be available to the parties required to be named as additional insureds pursuant to this Section 6.3.2.

6.3.3 Workers' Compensation and Employer's Liability Coverage. The insurer shall agree to waive all rights of subrogation against the City, its directors, officials, officers, employees, agents, and volunteers for losses paid under the terms of the insurance policy which arise from work performed by the Vendor.

6.3.4 All Coverages. Each insurance policy required by this Agreement shall be endorsed to state that: (A) coverage shall not be suspended, voided, reduced or canceled except after thirty (30) days (10 days for nonpayment of premium) prior written notice by certified mail, return receipt requested, has been given to the City; and (B) any failure to comply with reporting or other provisions of the policies, including breaches of warranties, shall not affect coverage provided to the City, its directors, officials, officers, employees, agents, and volunteers. Any failure to comply with reporting or other provisions of the policies including breaches of warranties shall not affect coverage provided to the City, its officials, officers, employees, agents and volunteers, or any other additional insureds.

6.4 Separation of Insureds; No Special Limitations; Waiver of Subrogation. All insurance required by this Section shall contain standard separation of insureds provisions. In addition, such insurance shall not contain any special limitations on the scope of protection afforded to the City, its directors, officials, officers, employees, agents, and volunteers. Requirement of specific coverage or minimum limits contained in this Section are not intended as a limitation on coverage, limits, or other requirement, or a waiver of any coverage normally provided by any insurance. All policies shall waive any right of subrogation of the insurer against the City, its officials, officers, employees, agents, and volunteers, or any other additional insureds, or shall specifically allow Vendor or others providing insurance evidence in compliance with these specifications to waive their right of recovery prior to a loss. Vendor hereby waives its own right of recovery against City, its officials, officers, employees, agents, and volunteers, or any other additional insureds, and shall require similar written express waivers and insurance clauses from each of its subcontractors.

6.5 Deductibles and Self-Insurance Retentions. Any deductibles or self-insured retentions must be declared to and approved by the City. Vendor shall guarantee that, at the option of the City, either: (1) the insurer shall reduce or eliminate such deductibles or self-insured retentions as respects the City, its directors, officials, officers, employees, agents, and volunteers; or (2) the Vendor shall procure a bond guaranteeing payment of losses and related investigation costs, claims and administrative and defense expenses.

6.6 Subcontractor Insurance Requirements. Vendor shall not allow any subcontractors to commence work on any subcontract relating to the work under the Agreement until they have provided evidence satisfactory to the City that they have secured all insurance required under this Section. If requested by Vendor, the City may approve different scopes or minimum limits of insurance for particular subcontractors. The Vendor and the City shall be named as additional insureds on all subcontractors' policies of Commercial General Liability using ISO form 20 38, or coverage at least as broad.

6.7 Acceptability of Insurers. Insurance is to be placed with insurers with a current A.M. Best's rating no less than A:VIII, licensed to do business in California, and satisfactory to the City.

6.8 Verification of Coverage. Vendor shall furnish City with original certificates of insurance and endorsements effecting coverage required by this Agreement on forms satisfactory to the City. The certificates and endorsements for each insurance policy shall be signed by a person authorized by that insurer to bind coverage on its behalf, and shall be on forms provided by the City if requested. All certificates and endorsements must be received and approved by the City before work commences. The City reserves the right to require complete, certified copies of all required insurance policies, at any time.

6.9 Reporting of Claims. Vendor shall report to the City, in addition to Vendor's insurer, any and all insurance claims submitted by Vendor in connection with the Services under this Agreement.

7. INDEMNIFICATION.

7.1 Scope of Indemnity. To the fullest extent permitted by law, Vendor shall defend, indemnify and hold the City, its officials, employees, agents and volunteers free and harmless from any and all claims, demands, causes of action, suits, actions, proceedings, costs, expenses, liability, judgments, awards, decrees, settlements, loss, damage or injury of any kind, in law or equity, regardless of whether the allegations are false, fraudulent, or groundless, to property or persons, including wrongful death, (collectively, "Claims") in any manner arising out of, pertaining to, or incident to any acts, errors or omissions, or willful misconduct of Vendor, its officials, officers, employees, subcontractors, consultants or agents arising out of or in connection with the Services, the Goods or this Agreement, including without limitation the payment of all expert witness fees, attorneys' fees and other related costs and expenses. Notwithstanding the foregoing, to the extent required by Civil Code section 2782, Vendor's indemnity obligation shall not apply to such loss or damage which is caused by the sole negligence or willful misconduct of the City.

7.2 Additional Indemnity Obligations. Vendor shall defend, with counsel of City's choosing and at Vendor's own cost, expense and risk, any and all Claims covered by this section that may be brought or instituted against City or its officials, employees, agents and volunteers. In addition, Vendor shall pay and satisfy any judgment, award or decree that may be rendered against City or its officials, employees, agents and volunteers as part of any such claim, suit, action or other proceeding. Vendor shall also reimburse City for the cost of any settlement paid by City or its officials, employees, agents and volunteers as part of any such claim, suit, action or other proceeding. Such reimbursement shall include payment for City's attorney's fees and costs, including expert witness fees. Vendor shall reimburse City and its officials, employees, agents and volunteers, for any and all legal expenses and costs incurred by each of them in connection therewith or in enforcing the indemnity herein provided. Vendor's obligation to indemnify shall survive expiration or termination of this Agreement, and shall not be restricted to insurance proceeds, if any, received by the City, its officials, employees, agents and volunteers.

8. CALIFORNIA LABOR CODE

8.1 Prevailing Wages. Vendor is aware of the requirements of California Labor Code Section 1720, et seq., and 1770, et seq., as well as California Code of Regulations, Title 8, Section 16000, et seq., ("Prevailing Wage Laws"), which require the payment of prevailing wage rates and

the performance of other requirements on "public works" and "maintenance" projects. Since the Services are being performed as part of an applicable "public works" or "maintenance" project, as defined by the Prevailing Wage Laws, and since the total compensation is $1,000 or more, Vendor agrees to fully comply with such Prevailing Wage Laws. City shall provide Vendor with a copy of the prevailing rates of per diem wages in effect at the commencement of this Agreement. Vendor shall make copies of the prevailing rates of per diem wages for each craft, classification or type of worker needed to execute the Services available to interested parties upon request, and shall post copies at the Vendor's principal place of business and at the project site. Vendor shall defend, indemnify and hold the City, its elected officials, officers, employees and agents free and harmless from any claim or liability arising out of any failure or alleged failure to comply with the Prevailing Wage Laws. It is the intent of the parties to effectuate the requirements of sections 1771, 1774, 1775, 1776, 1777.5, 1813, and 1815 of the Labor Code within this Agreement, and Vendor shall therefore comply with such Labor Code sections to the fullest extent required by law.

8.2 Registration. Since the Services are being performed as part of an applicable "public works" or "maintenance" project, pursuant to Labor Code Sections 1725.5 and 1771.1, the Vendor and all subcontractors must be registered with the Department of Industrial Relations. Vendor shall maintain registration for the duration of this Agreement and require the same of any subcontractor. Notwithstanding the foregoing, the contractor registration requirements mandated by Labor Code Sections 1725.5 and 1771.1 shall not apply to work performed on a public works project that is exempt pursuant to the small project exemption specified in Labor Code Sections 1725.5 and 1771.1.

8.3 Compliance Monitoring. This Agreement is also subject to compliance monitoring and enforcement by the Department of Industrial Relations. It shall be Vendor's sole responsibility to comply with all applicable registration and labor compliance requirements. Any stop orders issued by the Department of Industrial Relations against Vendor or any subcontractor that affect Vendor's performance of Services, including any delay, shall be Vendor's sole responsibility. Any delay arising out of or resulting from such stop orders shall be considered Vendor caused delay and shall not be compensable by the City. Vendor shall defend, indemnify and hold the City, its officials, officers, employees and agents free and harmless from any claim or liability arising out of stop orders issued by the Department of Industrial Relations against Vendor or any subcontractor.

9. SAFETY.

Vendor shall execute and maintain its work so as to avoid injury or damage to any person or property. In carrying out its services, the Vendor shall at all times be in compliance with all applicable local, state and federal laws, rules and regulations, and shall exercise all necessary precautions for the safety of employees appropriate to the nature of the work and the conditions under which the work is to be performed. Safety precautions as applicable shall include, but shall not be limited to: (A) adequate life protection and life saving equipment and procedures; (B) instructions in accident prevention for all employees and subcontractors, such as safe walkways, scaffolds, fall protection ladders, bridges, gang planks, confined space procedures, trenching and shoring, equipment and other safety devices, equipment and wearing apparel as are necessary or lawfully required to prevent accidents or injuries; and (C) adequate facilities for the proper inspection and maintenance of all safety measures.

10. ACCOUNTING RECORDS.

Vendor shall maintain complete and accurate records with respect to all costs and expenses incurred under this Agreement. All such records shall be clearly identifiable. Vendor shall allow a representative of City during normal business hours to examine, audit, and make transcripts or copies of such records and any other documents created pursuant to this Agreement. Vendor shall allow inspection of all work, data, documents, proceedings, and activities related to the Agreement for a period of three (3) years from the date of final payment under this Agreement.

11. TERMINATION OF AGREEMENT.

11.1 Grounds for Termination. City may, by written notice to Vendor, terminate the whole or any part of this Agreement at any time and without cause by giving written notice to Vendor of such termination, and specifying the effective date thereof, at least seven (7) days before the effective date of such termination. Upon termination, Vendor shall be compensated only for those Services and Goods which have been adequately rendered to City, and Vendor shall be entitled to no further compensation. If terminated for cause because the Vendor refused or failed to deliver the Goods, the City may obtain Goods by whatever method it may deem expedient. If City's cost of obtaining the Goods, including compensation for additional managerial and administrative services, will exceed the unpaid balance of the Goods, Vendor will be liable for and will pay the difference to City. Vendor may not terminate this Agreement except for cause. The rights and remedies of the City provided in this Section shall not be exclusive and are in addition to any other rights and remedies provided by law, equity or under this Agreement.

11.2 Effect of Termination. If this Agreement is terminated as provided herein, City may require Vendor to provide all finished or unfinished documents and data and other information of any kind prepared by Vendor in connection with the performance of the Services under this Agreement. Vendor shall be required to provide such document and other information within fifteen (15) days of the request.

11.3 Additional Services. In the event this Agreement is terminated in whole or in part as provided herein, City may procure, upon such terms and in such manner as it may determine appropriate, goods and services similar to those terminated.

12. GENERAL PROVISIONS.

12.1 Delivery of Notices. All notices permitted or required under this Agreement shall be given to the respective parties at the following address, or at such other address as the respective parties may provide in writing for this purpose:

Vendor:

Margaret C. Pett DBA Info-Com Business Products
Attn: Margaret Pett – ICB Rep
1472 Morada Place
Altadena, CA 91001

City:

City of Ontario

303 East "B" Street
Ontario, CA 91764-4196
Attn: Dan Beers, Design & Construction Principal Construction Project Manager

Such notice shall be deemed made when personally delivered or when mailed, forty-eight (48) hours after deposit in the U.S. Mail, first class postage prepaid and addressed to the party at its applicable address. Actual notice shall be deemed adequate notice on the date actual notice occurred, regardless of the method of service.

12.2 Subcontracting. Vendor shall not subcontract any portion of the work required by this Agreement, except as expressly stated herein, without prior written approval of City. Subcontracts, if any, shall contain a provision making them subject to all provisions stipulated in this Agreement.

12.3 Governing Law; Government Code Claim Compliance. This Agreement shall be governed by the laws of the State of California. Venue shall be in San Bernardino County. In addition to any and all contract requirements pertaining to notices of and requests for compensation or payment for extra work, disputed work, claims and/or changed conditions, Vendor must comply with the claim procedures set forth in Government Code sections 900 et seq. prior to filing any lawsuit against the City. Such Government Code claims and any subsequent lawsuit based upon the Government Code claims shall be limited to those matters that remain unresolved after all procedures pertaining to extra work, disputed work, claims, and/or changed conditions have been followed by Vendor. If no such Government Code claim is submitted, or if any prerequisite contractual requirements are not otherwise satisfied as specified herein, Vendor shall be barred from bringing and maintaining a valid lawsuit against the City.

12.4 Time of Essence. Time is of the essence for each and every provision of this Agreement.

12.5 City's Right to Employ Other Vendors. City reserves right to employ other Vendors in connection with the Goods and Services provided under this Agreement.

12.6 Successors and Assigns. This Agreement shall be binding on the successors and assigns of the parties.

12.7 Assignment or Transfer. Vendor shall not assign, hypothecate or transfer, either directly or by operation of law, this Agreement or any interest herein without the prior written consent of the City. Any attempt to do so shall be null and void, and any assignees, hypothecates or transferees shall acquire no right or interest by reason of such attempted assignment, hypothecation or transfer.

12.8 Construction; References; Captions. Since the Parties or their agents have participated fully in the preparation of this Agreement, the language of this Agreement shall be construed simply, according to its fair meaning, and not strictly for or against any Party. Any term referencing time, days or period for performance shall be deemed calendar days and not work days. All references to Vendor include all personnel, employees, agents, and subcontractors of Vendor, except as otherwise specified in this Agreement. All references to City include its elected officials, officers, employees, agents, and volunteers except as otherwise specified in this Agreement. The captions of the various articles and paragraphs are for convenience and ease

of reference only, and do not define, limit, augment, or describe the scope, content or intent of this Agreement.

12.9 Amendment; Modification. No supplement, modification or amendment of this Agreement shall be binding unless executed in writing and signed by both Parties.

12.10 Waiver. No waiver of any default shall constitute a waiver of any other default or breach, whether of the same or other covenant or condition. No waiver, benefit, privilege, or service voluntarily given or performed by a Party shall give the other Party any contractual rights by custom, estoppel or otherwise.

12.11 No Third Party Beneficiaries. Except to the extent expressly provided for in Section 12.7, there are no intended third party beneficiaries of any right or obligation assumed by the Parties.

12.12 Invalidity; Severability. If any portion of this Agreement is declared invalid, illegal, or otherwise unenforceable by a court of competent jurisdiction, the remaining provisions shall continue in full force and effect.

12.13 Prohibited Interests. Vendor maintains and warrants that it has not employed nor retained any company or person, other than a bona fide employee working solely for Vendor, to solicit or secure this Agreement. Further, Vendor warrants that it has not paid nor has it agreed to pay any company or person, other than a bona fide employee working solely for Vendor, any fee, commission, percentage, brokerage fee, gift or other consideration contingent upon or resulting from the award or making of this Agreement. Vendor further agrees to file, or shall cause its employees or subcontractors to file, a Statement of Economic Interest with the City's Filing Officer as required under state law in the performance of the Services. For breach or violation of this warranty, City shall have the right to rescind this Agreement without liability. For the term of this Agreement, no member, officer or employee of City, during the term of his or her service with City, shall have any direct interest in this Agreement, or obtain any present or anticipated material benefit arising therefrom.

12.14 Cooperation; Further Acts. The Parties shall fully cooperate with one another, and shall take any additional acts or sign any additional documents as may be necessary, appropriate or convenient to attain the purposes of this Agreement.

12.15 Authority to Enter Agreement. Vendor has all requisite power and authority to conduct its business and to execute, deliver, and perform the Agreement. Each Party warrants that the individuals who have signed this Agreement have the legal power, right, and authority to make this Agreement and bind each respective Party.

12.16 Counterparts. This Agreement may be signed in counterparts, each of which shall constitute an original.

12.17 Entire Agreement. This Agreement contains the entire Agreement of the parties with respect to the subject matter hereof, and supersedes all prior negotiations, understandings or agreements. This Agreement may only be modified by a writing signed by both parties.

SIGNATURES ON NEXT PAGE

SIGNATURE PAGE FOR GOODS & SERVICES AGREEMENT
BETWEEN THE CITY OF ONTARIO
AND MARGARET C. PETT, INC. DBA INFO-COM BUSINESS PRODUCTS

IN WITNESS WHEREOF, the Parties have entered into this Agreement as of the day and year first above written.

CITY OF ONTARIO

Approved By:

_____
Scott Ochoa
City Manager

Approved as to Form:

_____
Best Best & Krieger LLP
City Attorney

Attested By:

_____
Assistant City Clerk

Margaret C. Pett, Inc. DBA Info-Com Business Products

By: _____

Its: _____

Printed Name: _____

By: _____

Its: _____

Printed Name: _____

[If Corporation, TWO SIGNATURES, President OR Vice President AND Secretary OR Treasurer REQUIRED]

Project: Ontario Fire Station 1
Address: Ontario, CA

Prepared by: Margaret Pett
Phone: 626-818-2312
Email: Margaret@infocombp.com
Date: 10/21/24

Budgetary Estimate

Office	Item	Furniture Description	Quantity
Lobby	Table	Side tables	2
	Seating	Lounge/Guest chair	2
	Seating	Sofa	1
Office B	U Shaped desk	78"x102"x114" Desk Unit (per drawings)	1
	Table	48" D, knife edge, HPL with aluminum X base	1
	Monitor arm	Dual articulating	1
	Electrical	Power Unit - (1) USB A+C (1) Power outlet	1
	Electrical	Charging Dock	1
		Additional grommet cuts	1
	Seating	Task Chair	1
	Seating	Conf/Guest Chair	4
Office 1 - 3 Shifts	L Shaped desk	72"x78" Desk Unit (per drawings)	1
	Side Storage	24x48 - 3 pedestal cabinet with individual locks	1
	Monitor arm	Dual articulating	1
	Electrical	Power 440 - (1) USB A+C (1) Power outlet	1
	Electrical	Dock 150 - Wireless Fast charge and USB charger	1
	Seating	Task Chair	1
	Seating	Guest Chair	2
Office 2 - 3 Shifts	L Shaped desk	72"x78" Desk Unit (per drawings)	1
	Side Storage	24x48 - 3 pedestal cabinet with individual locks	1
	Monitor arm	Dual articulating	1
	Electrical	Power Unit - (1) USB A+C (1) Power outlet	1
	Electrical	Charging Dock	1
	Seating	Task Chair	1
	Seating	Guest Chair	2
Conference - First Floor	Table	48x120 table; knife edge; 2 power cutouts	1
		Power & data insert/port	1
	Storage	24x72 Credenza with 4 vents	1
		24x72 Credenza Quartz top	1
	Seating	Conference Chair	10
Office 3 - Captains Offices	L Shaped desk	72"x84" Desk Unit (per drawings)	1
	Side Storage	24x30 2 drawer lateral file	1
	Monitor arm	Dual articulating	1
	Electrical	Power Unit - (1) USB A+C (1) Power outlet	1
	Electrical	Charging Dock	1
	Seating	Task Chair	1
	Seating	Guest Chair	2
Office 3 - Captains Offices	L Shaped desk	72"x84" Desk Unit (per drawings)	1
	Side Storage	24x30 2 drawer lateral file	1
	Monitor arm	Dual articulating	1
	Electrical	Power Unit - (1) USB A+C (1) Power outlet	1
	Electrical	Charging Dock	1
	Seating	Task Chair	1
	Seating	Guest Chair	2
Conference - Second Floor	Table	48x144 table; knife edge; 2 power cutouts	1

Project: Ontario Fire Station 1
Address: Ontario, CA

Prepared by: Margaret Pett
Phone: 626-818-2312
Email: Margaret@infocombp.com
Date: 10/21/24

Budgetary Estimate

Office	Item	Furniture Description	Quantity
		Power & data insert/port	1
	Storage	24x72 Credenza with 4 vents	1
		24x72 Credenza Quartz top	1
	Seating	Conference Chair	12
Outside of workstations	Mail SLots	Mail Sorter	1
Workstation Seating	Seating	Task Chair	5
Dorm Seating	Seating	Task Chair	11
BC Dorm sreating	Seating	Task Chair	1
Dorms		Twin XL	24
Kitchen	Table	60x168	1
	Seating	Dining	14
	Logo	Embroidered Logo	14
Recliners	Seating	Trouper 724 - Leather	12
	Logo	Embroidered Logo	12
Misc	Receptacles	Indoor dual stream trash/recycling	14
Misc	Misc	Hardware	1

Furniture Total	$	282,640.65
Freight/Delivery/Installation	$	43,000.00
SUBTOTAL	$	325,640.65
SALES TAX 8.75%	$	24,731.06
Bonds	$	8,000.00
TOTAL:	$	358,371.71

TERMS: 50% deposit to initiate order;balance before delivery
ESTIMATED LEAD TIME:12-18 weeks after order entry and engineering signoff (lead times contingent on material availability at time of order)**

All lead times are estimated and are not to be construed as a guaranteed delivery date.
ICBP will make every effort to expedite delivery but will not be responsible
for any damages resulting from a delay in delivery.

All orders are final once entered -- no returns.

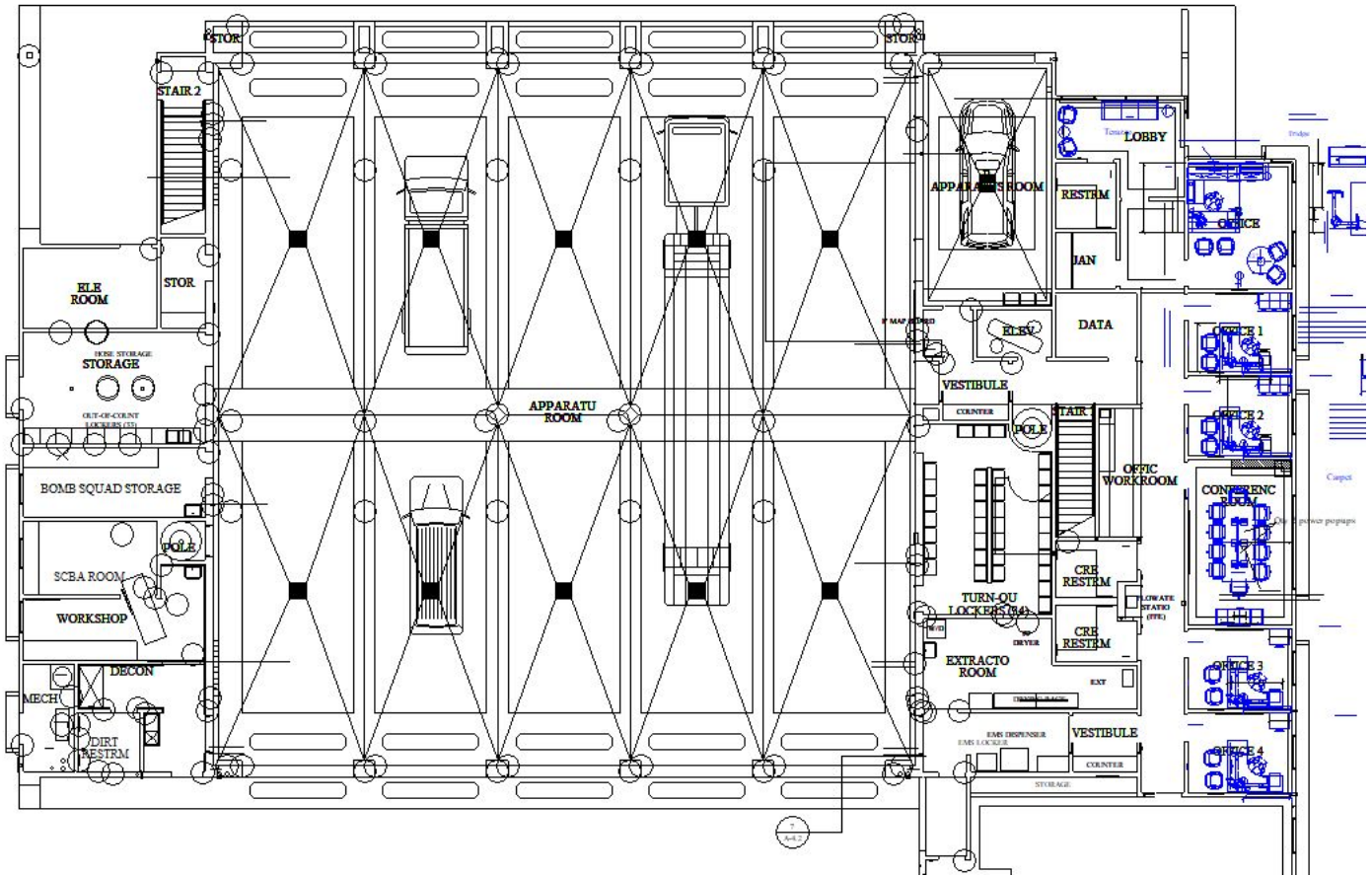
PLEASE ISSUE PURCHASE ORDER TO:
INFO-COM BUSINESS PRODUCTS
1472 MORADA PLACE
ALTADENA, CA 91001
MARGARET@INFOCOMBP.COM



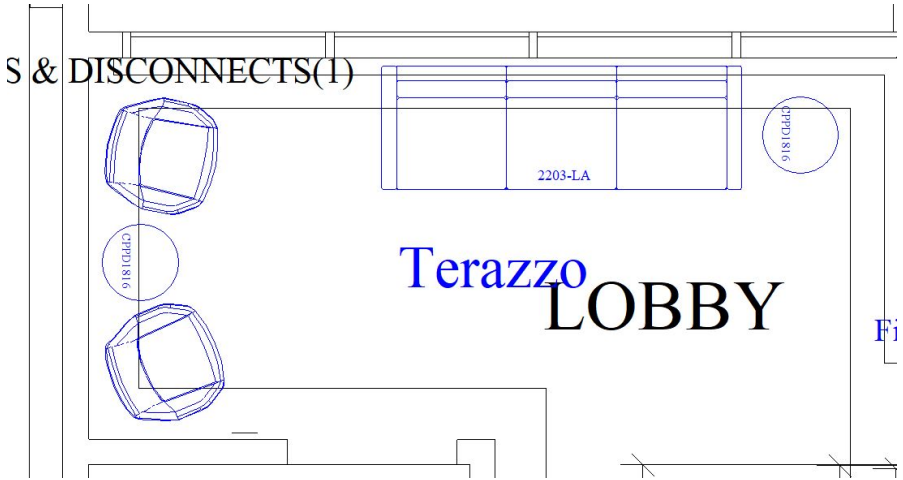
Ontario Fire Station #1
Furniture Overview
October 21, 2024

Info-Com Business Products
Margaret Pett
Margaret@infocombp.com
626-818-2312

1st Floor Plan



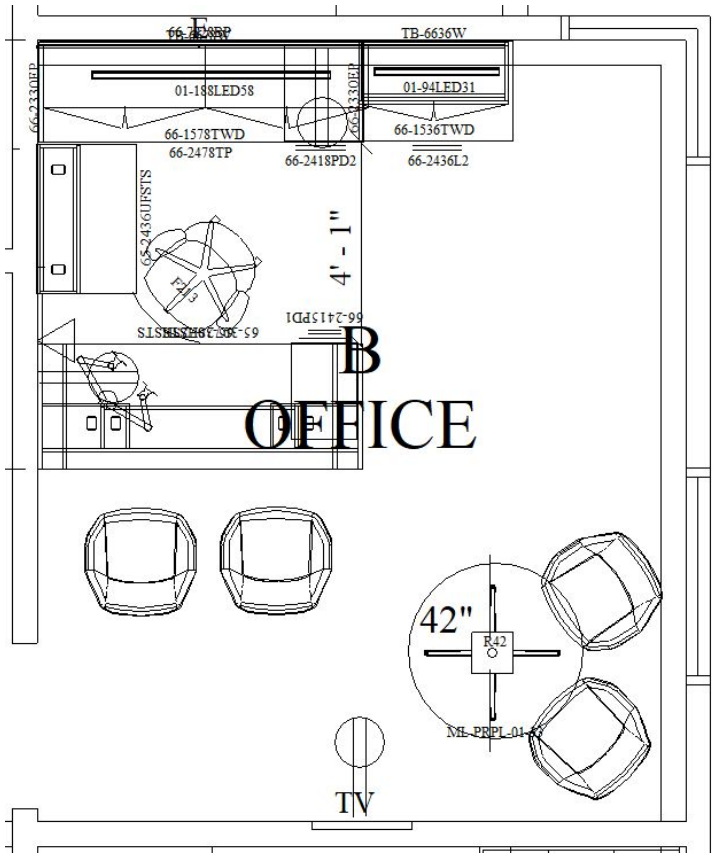
Lobby

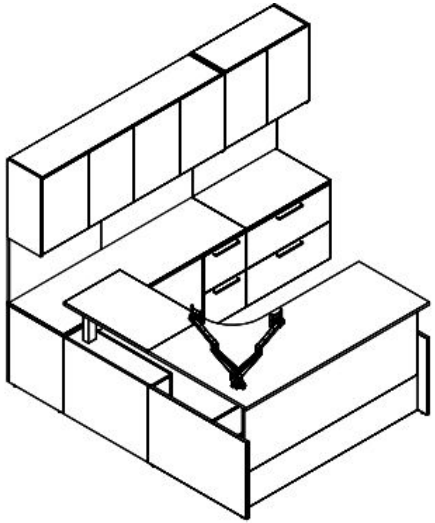






Office B


TB-6636W
01-188LED58
01-94LED31
66-1578TWD
66-2478TP
66-2418PD2
66-1536TWD
66-2436L2
4' - 1"
B
OFFICE
42"
R42
TV





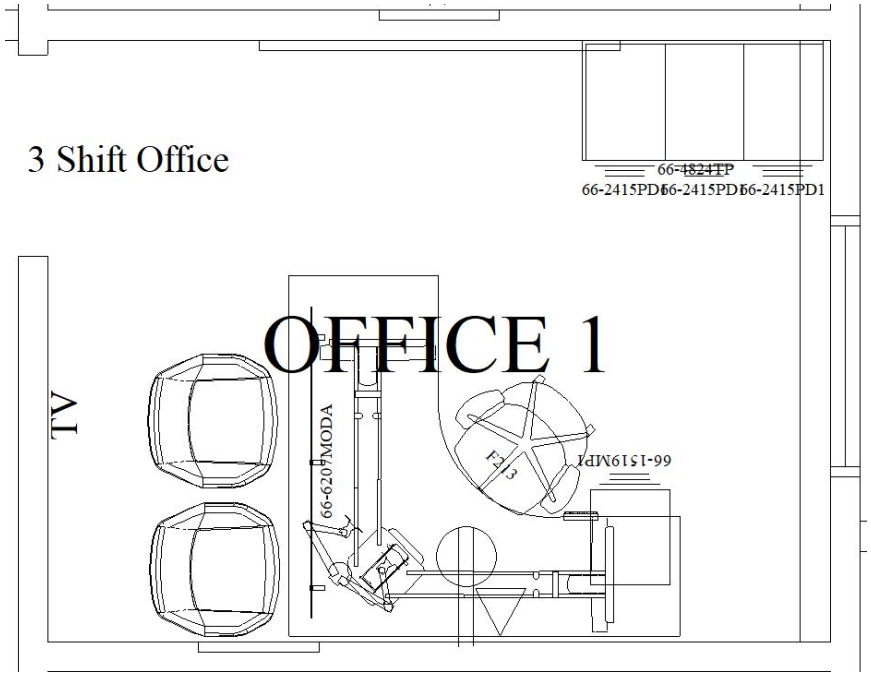


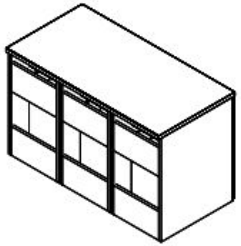


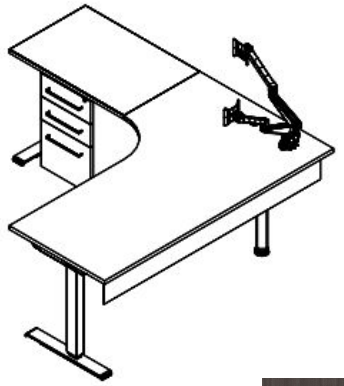




Office 1 - Three Shift Office







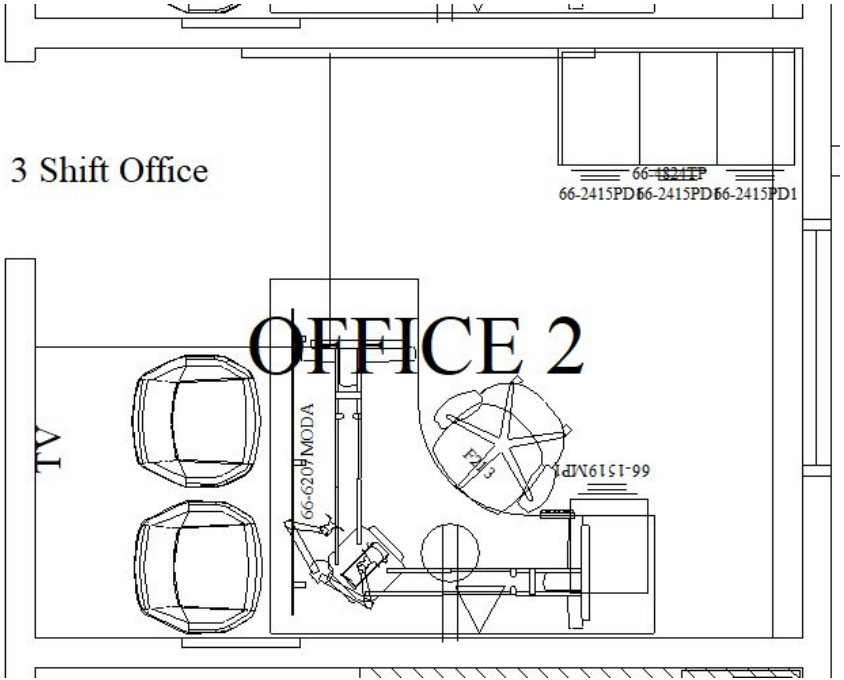


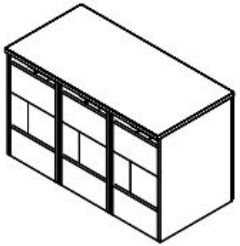


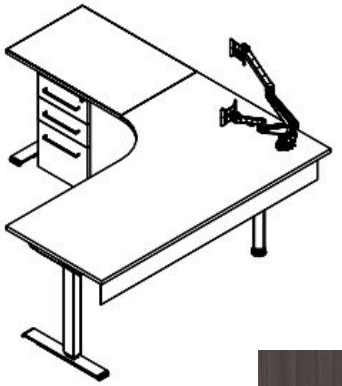




Office 2 - Three Shift Office







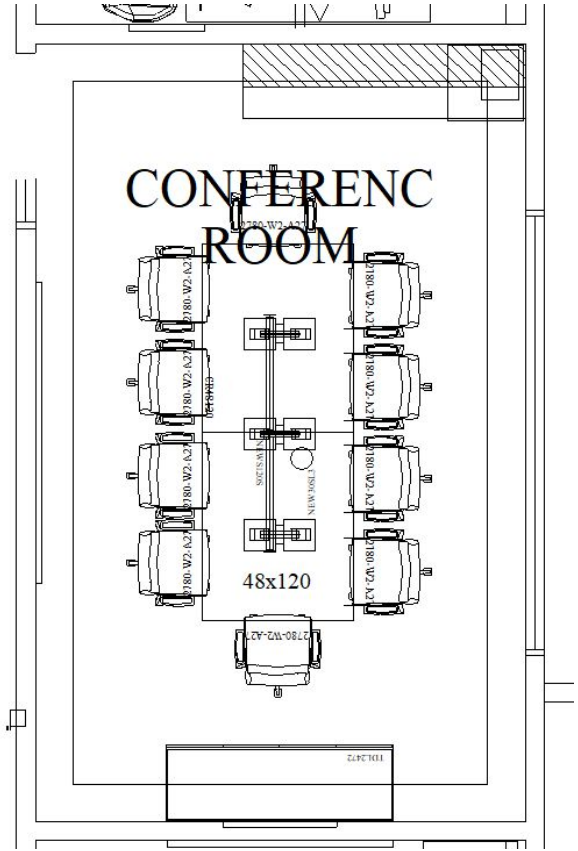








1st Floor Conference Room
48x120

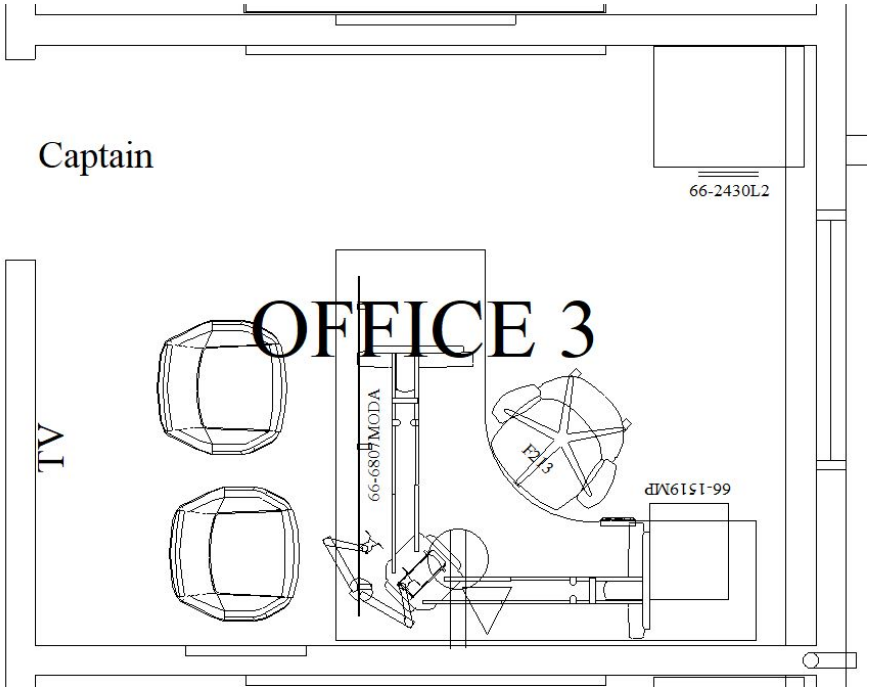


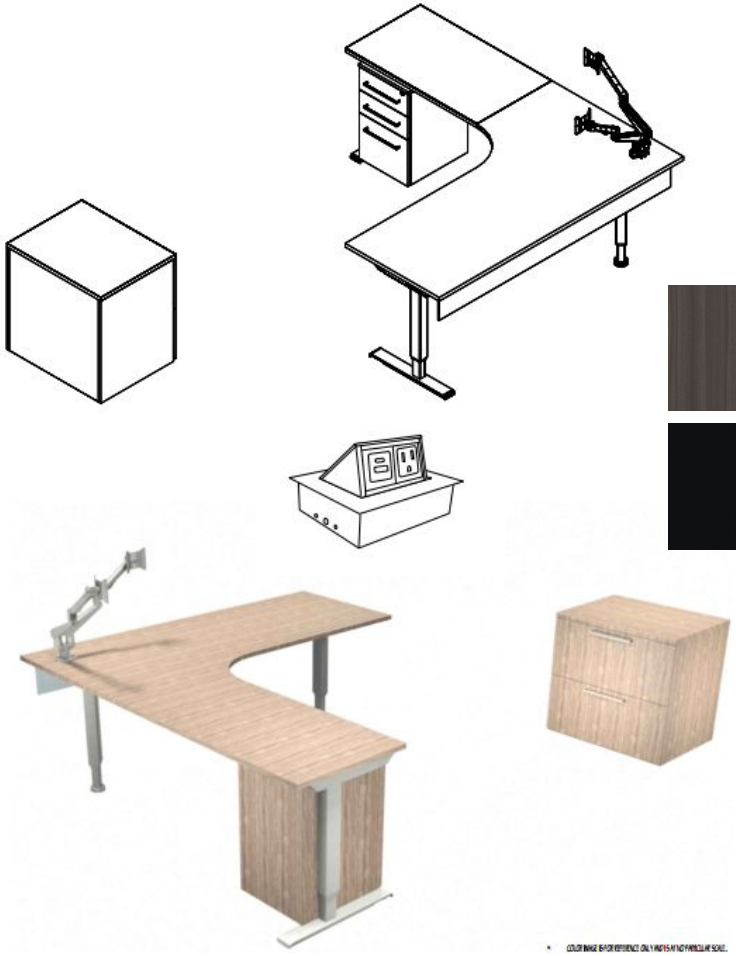




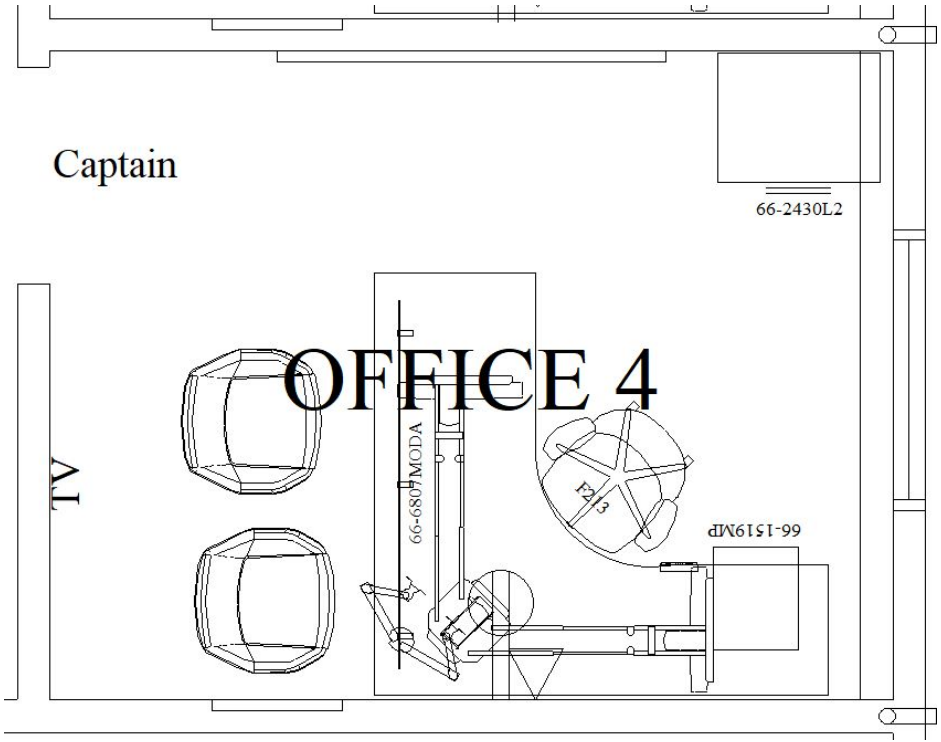


Office 3

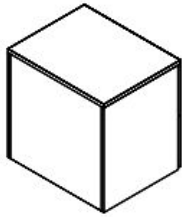


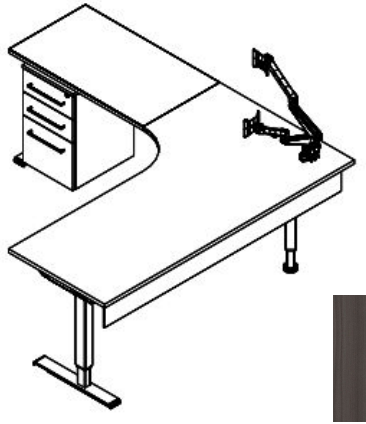


Office 4







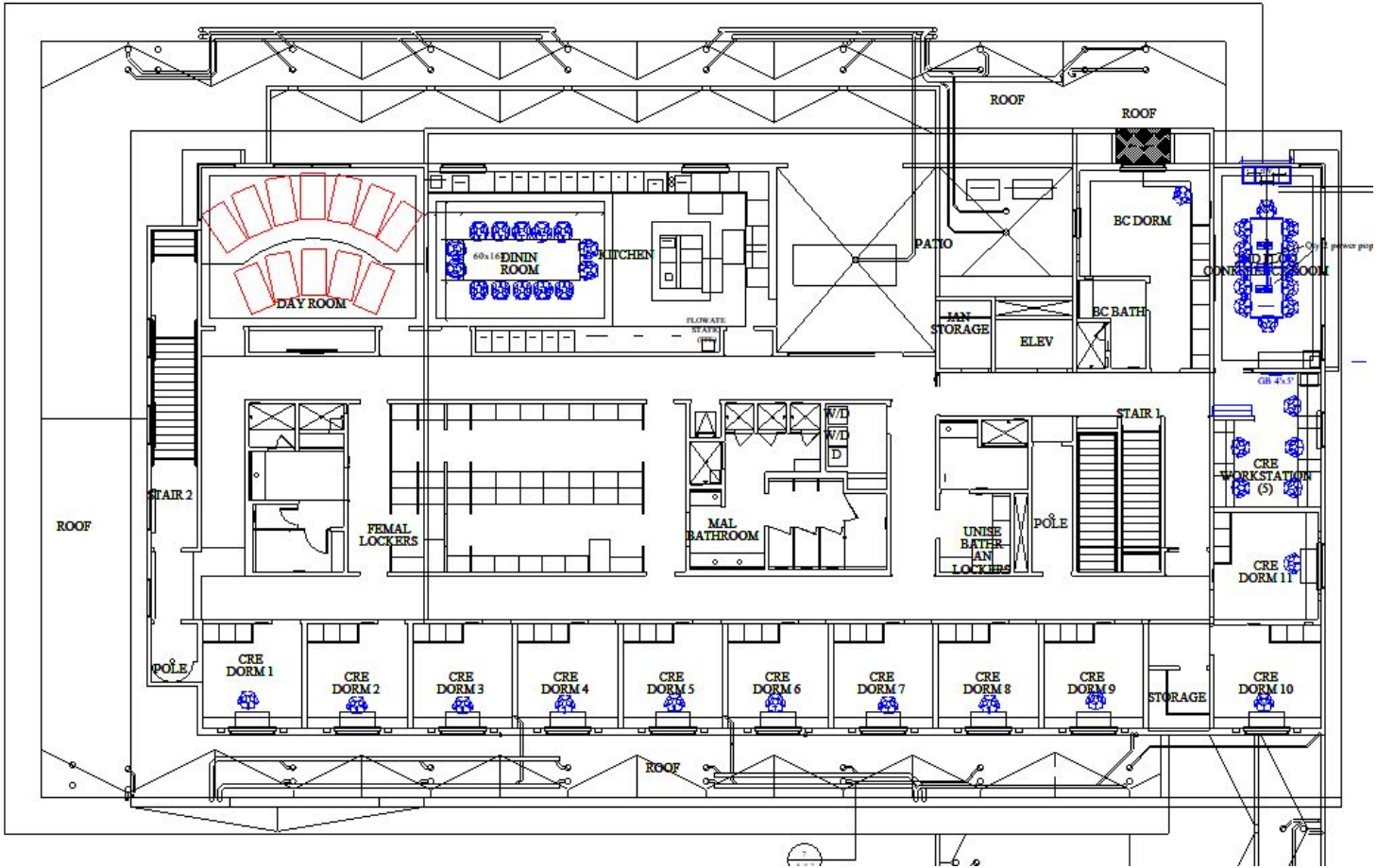




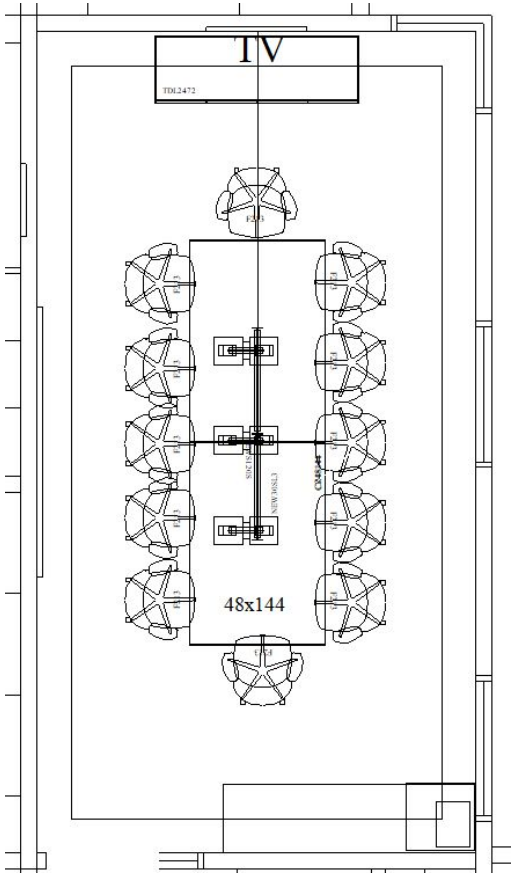




2nd Floor Plan



2nd Floor Conference Room
48x144

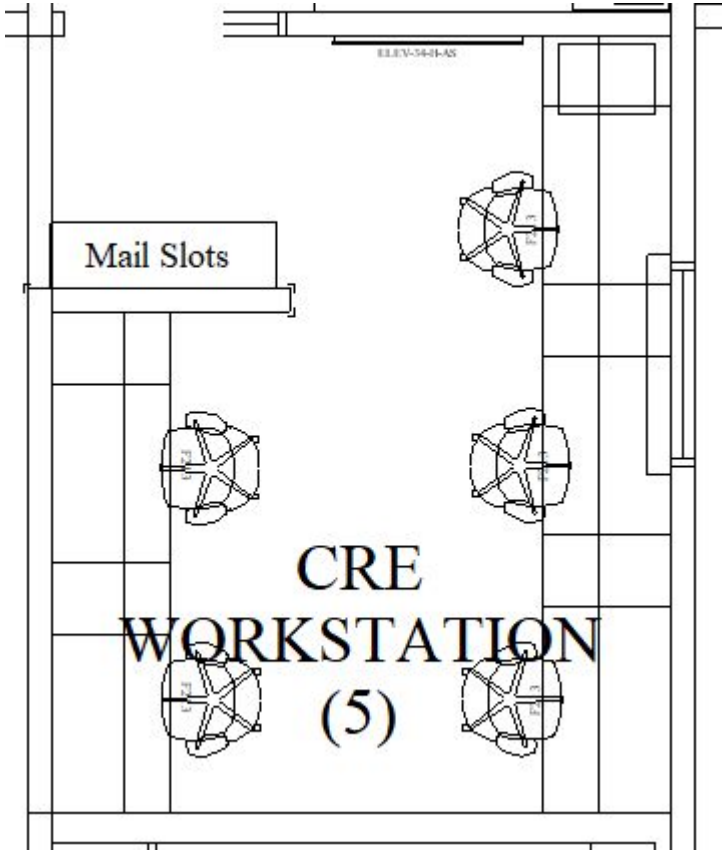




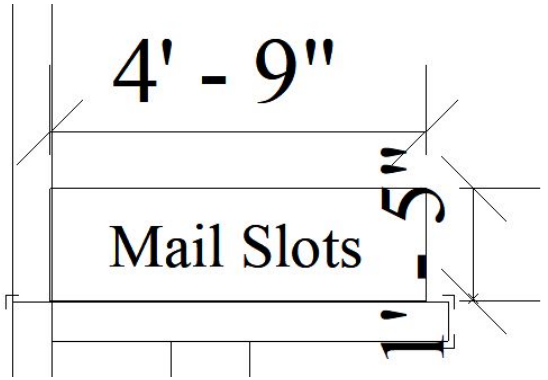




Workstation Mail Sorter



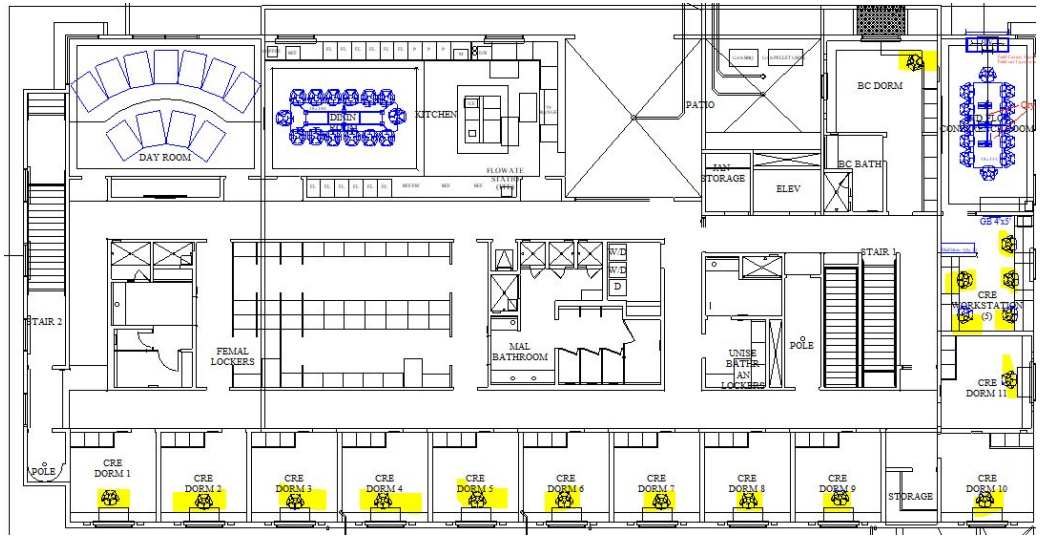




2nd Floor Dorm & Taks Seating

12 Dorm Rooms

5 Workstations











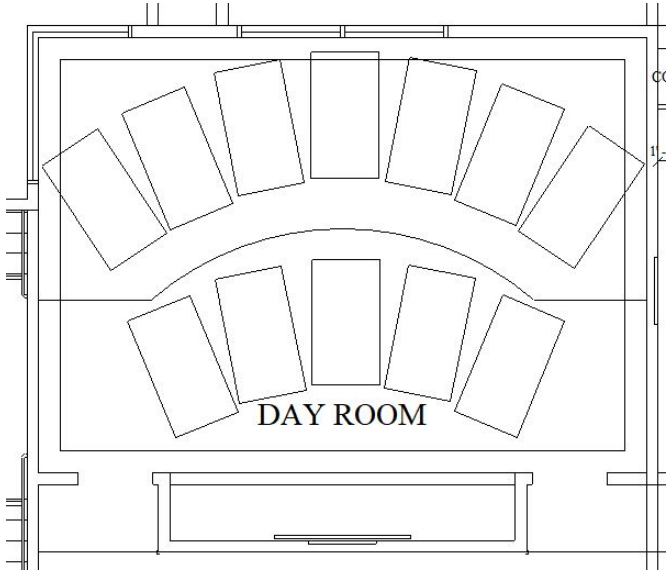
Day Room

12 Recliners Requested

Trouper 724 - Specs provided by Client

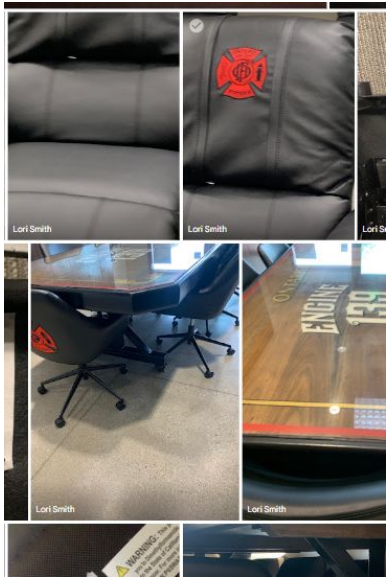
Embroidered Emblem TBD

LB1727 Leather- Intermingle

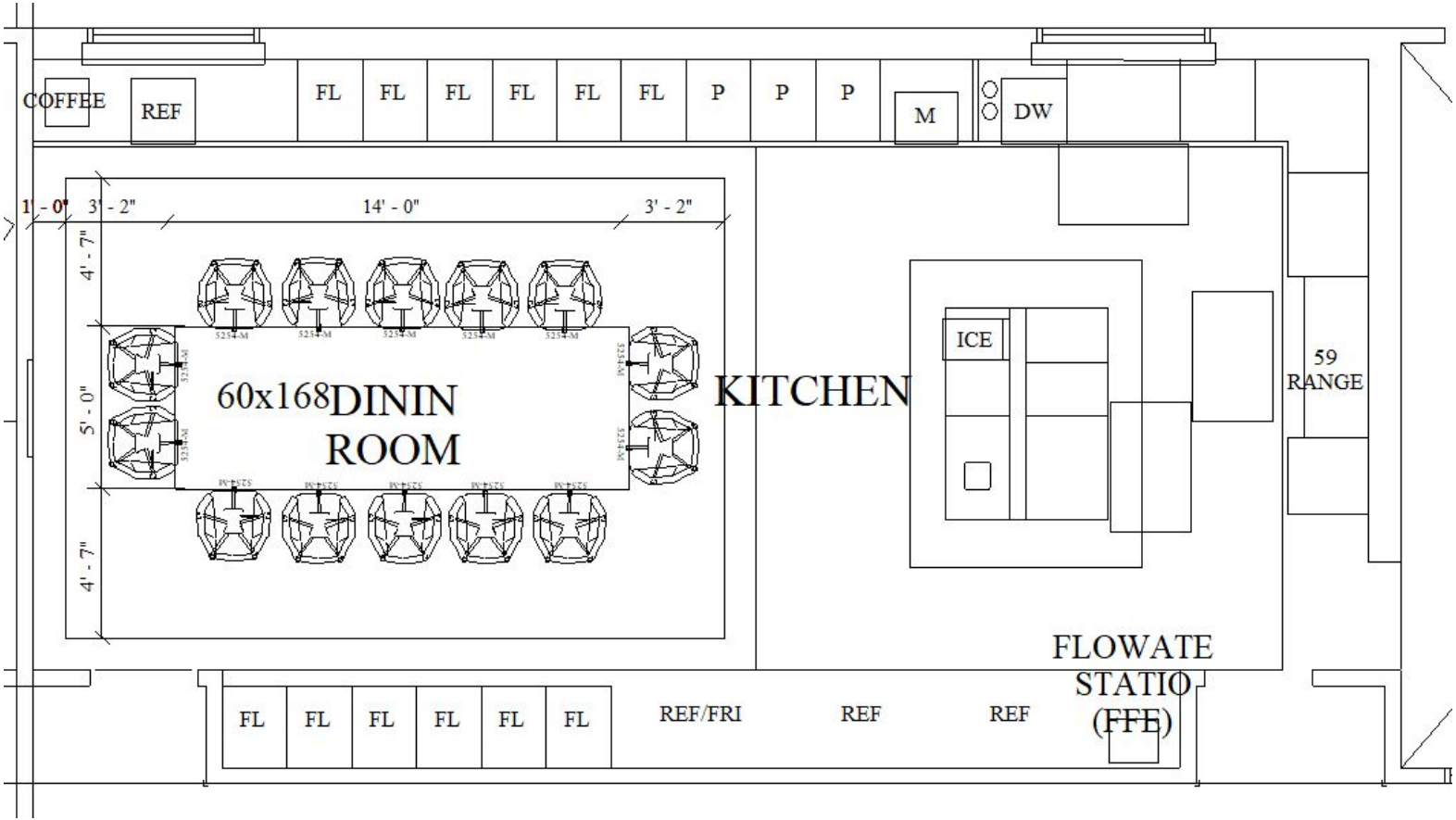








Dining Room


COFFEE
REF
FL
FL
FL
FL
FL
FL
P
P
P
M
DW
1' - 0"
3' - 2"
14' - 0"
3' - 2"
4' - 7"
5' - 0"
4' - 7"
60x168DININ
ROOM
KITCHEN
ICE
59
RANGE
FLOWATE
STATIO
(FFE)
FL
FL
FL
FL
FL
FL
REF/FRI
REF
REF

Dining Room
60x168 Custom B&B
General Design & Seating to match Station 9
Design to reworked for larger table







Seating









Seating











Seating





CITY OF ONTARIO *Agenda Report* **December 17, 2024**	**SECTION:** **CONSENT CALENDAR**
Department: Public Works Prepared By: Daniel P Beers Staff Member Presenting: Tito Haes, Executive Director Public Works Reviewed By: Andrea Ampig, Bonnie Tam Approved By:	Submitted To: Council/OHA Approved: _____ Continued To: _____ Denied: _____ Item No: 10

SUBJECT: AWARD OF TWO CONSTRUCTION CONTRACTS IN CONNECTION WITH THE CONSTRUCTION OF THE ONTARIO PROFESSIONAL BASEBALL STADIUM

RECOMMENDATION: That the City Council take the following actions:

A. Authorize the City Manager or his designee to execute two (2) Construction Contracts to provide various construction services for Bid No. 1856 - D&C23-011 – Professional Baseball Stadium in the amount of $11,758,970 and authorize a combined contingency of $1,175,897 for a total not-to-exceed contract amount of $12,934,867,
    1. 02 – Concrete: Site – Bogh Construction LLC.: $5,178,000
    2. 06 – Finish Carpentry – K&Z Cabinet Co., Inc.: $6,580,970, and
B. Reject all bids received for Bid No. 1856 Ontario Ballpark Section 20 - Signage and authorize Staff to solicit new bids for these trades in relation to the Professional Baseball Stadium; and
C. Authorize the City Manager, or his designee, to execute all documents required for the completion of the project including, but not limited to, contracts, agreements, assessments, easements, reduction of retention accounts, and filing a notice of completion at the conclusion of all construction related activities.

THE FOLLOWING COUNCIL GOALS ARE BEING ACHIEVED:
Invest in the City's Infrastructure (Water, Streets, Sewers, Parks, Storm Drains and Public Facilities)

FISCAL IMPACT: The Fiscal Year 2024-25 Adopted Budget and 5-Year Capital Improvement Plan includes current and planned appropriations in the Capital Projects-Measure Q Fund for the Regional Sports Complex-Professional Baseball Stadium project. The proposed contract award to the two (2) contractors for the construction of the D&C23-011- Professional Baseball Stadium is $11,758,970 and authorize a combined contingency of $1,175,897 for a total not-to-exceed contract amount of $12,934,867.

BACKGROUND & ANALYSIS: On August 6, 2024, the City Council approved the Environmental Impact Report for the Ontario Regional Sports Complex. The Ontario Regional Sports Complex

includes a new Professional Baseball Stadium located at the Northwest corner of Riverside Drive and Hellman Avenue. On September 17, 2024, the City Council awarded the Structural Steel and Grading Contracts for the Professional Baseball Stadium at the Ontario Regional Sports Complex. On October 15, 2024, the City Council awarded 24 Construction Contracts for the Professional Baseball Stadium and rejected all bids for three (3) of the construction trades. Bid packages 02-Site Concrete, 06-Finish Carpentry and 20-Signage had inconsistent bids, and several bidders were deemed non-responsive. To get a competitive and fair cost, Staff recommended rejecting all bids for these categories and re-bid. Bid No. 1856 is the re-bidding of those three (3) construction trades.

On November 11, 2024, fourteen (14) bids were received for Bid No. 1856 - D&C23-011 – Professional Baseball Stadium (Rebid of Bid Packages 02, 06, and 20). Below is a list of the lowest responsible/responsive bids received:

Bid Package No.	**Bidder**	**Location**	**Amount**
02 - Concrete, Site	Bogh Construction LLC	Beaumont, CA	$5,178,000
06 – Finish Carpentry	K&Z Cabinet Co., Inc.	Ontario, CA	$6,580,970

Bid package 20-Signage received inconsistent bids and were submitted with errors, and several bidders were deemed non-responsive. To get a competitive and fair cost, Staff recommends rejecting all bids for this category and re-bid.

Tilden – Coil Constructors, Inc., the City's Construction Management Company for the Sports Complex Project, and City Staff reviewed each bid and each company's qualifications and responsiveness to the bid requirements. Based on the credentials, pricing, and reference checks, Staff recommends awarding Construction Contract D&C23-011 Professional Baseball Stadium to Bogh Construction LLC for Bid Package No. 02 - Concrete, Site, and K&Z Cabinet Co., Inc. for Bid Package No. 06 – Finish Carpentry.

CITY OF ONTARIO
303 EAST B STREET | ONTARIO, CALIFORNIA 91764
(909) 395-2000 FAX (909) 395-2070 OntarioCA.gov

PAUL S. LEON
MAYOR

DEBRA PORADA
MAYOR PRO TEM

ALAN D. WAPNER
JIM W. BOWMAN
RUBEN VALENCIA
COUNCIL MEMBERS

SHEILA MAUTZ
CITY CLERK

JAMES R. MILHISER
TREASURER

SCOTT OCHOA
CITY MANAGER

SECTION 00500 – CONTRACT FOR CONSTRUCTION

This Contract for Construction ("Contract"), No. D&C23-011 is made and entered as of _____, by and between City of Ontario, with its principal place of business at 303 East "B" Street, Ontario, CA 91764, sometimes hereinafter called the "City" and **K & Z Cabinet Co., Inc.** sometimes hereinafter called "Contractor."

WITNESSETH: That the parties hereto have mutually covenanted and agreed, and by these presents do covenant and agree with each other as follows:

ARTICLE 1. SCOPE OF WORK.

The Contractor shall perform all Work within the time stipulated in the Contract, and shall provide all labor, materials, equipment, tools, utility services, and transportation to complete all of the Work required in strict compliance with the Contract Documents as specified in Article 5, below, for the following Project:

Ontario Ballpark – Finish Carpentry

Contractor is an independent contractor and not an agent of the City. The Contractor and its surety shall be liable to the City for any damages arising as a result of the Contractor's failure to comply with this obligation.

ARTICLE 2. TIME FOR COMPLETION.

Time is of the essence in the performance of the Work. The Work shall be commenced on the date stated in the City's Notice to Proceed. The Contractor shall complete all Work required by the Contract Documents **per the contract schedule and within 531 calendar days** from the commencement date stated in the Notice to Proceed. By its signature hereunder, Contractor agrees the time for completion set forth above is adequate and reasonable to complete the Work.

ARTICLE 3. CONTRACT PRICE.

The City shall pay to the Contractor as full compensation for the performance of the Contract, subject to any additions or deductions as provided in the Contract Documents, and including all applicable taxes and costs, the sum of **Six Million Five Hundred Eighty Thousand Nine Hundred Seventy Dollars ($6,580,970)**. Payment shall be made as set forth in the General Conditions. The City will pay to Contractor compensation based upon the prices set forth in the Bid Schedule.

ARTICLE 4. LIQUIDATED DAMAGES.

Contractor acknowledges that the City will sustain actual damages for each and every Day completion of the Project is delayed beyond the Contract Time. Because of the nature of the Project, it would be impracticable or extremely difficult to determine the City's actual damages. Accordingly, in accordance with Government Code section 53069.85, it is agreed that the Contractor will pay the City the sum of $15,000 for each and every calendar day of delay beyond the time prescribed in the Contract Documents for finishing the Work, as Liquidated Damages and not as a penalty or forfeiture. In the event this is not paid, the Contractor agrees the City may deduct that amount from any money due or that may become due the Contractor under the Contract. This Section does not exclude recovery of other damages specified in the Contract Documents. Liquidated damages may be deducted from progress payments due Contractor, Project retention or may be collected directly from Contractor, or from Contractor's surety. These provisions for liquidated damages shall not prevent the City, in case of Contractor's default, from terminating the Contractor.

ARTICLE 5. COMPONENT PARTS OF THE CONTRACT.

The "Contract Documents" include the following:

Notice Inviting Bids
Instructions to Bidders
Bid Forms
Bid Acknowledgement
Bid Schedule
Bid Guarantee
Designation of Subcontractors
Non-Collusion Declaration Form
Iran Contracting Act Certification
Public Works Contractor DIR Registration Certification
Performance Bond
Payment (Labor and Materials) Bond
Contract for Construction
General Conditions
Special Conditions
Specifications
Addenda
Construction Plans and Drawings
Standard Specifications for Public Works Construction "Greenbook", latest edition, Except Sections 1-9
Applicable Local Agency Standards and Specifications, as last revised
Reference Specifications
Approved and fully executed Change Orders
Permits
Scope of Work Summary
Any other documents contained in or incorporated into the Contract

The Contractor shall complete the Work in strict accordance with all of the Contract Documents.

All of the Contract Documents are intended to be complementary. Work required by one of the Contract Documents and not by others shall be done as if required by all. In the event of conflict,

the various Contract Documents will be given effect in the order set forth in the General Conditions. This Contract shall supersede any prior agreement of the parties.

ARTICLE 6. PROVISIONS REQUIRED BY LAW AND CONTRACTOR COMPLIANCE.

Each and every provision of law required to be included in these Contract Documents shall be deemed to be included in these Contract Documents. The Contractor shall comply with all requirements of applicable federal, state and local laws, rules and regulations, including, but not limited to, the provisions of the California Labor Code and California Public Contract Code which are applicable to this Work.

ARTICLE 7. INDEMNIFICATION.

Contractor shall provide indemnification and defense as set forth in the General Conditions.

ARTICLE 8. PREVAILING WAGES.

Contractor shall be required to pay the prevailing rate of wages in accordance with the Labor Code which such rates shall be made available at the City's Office or may be obtained online at http://www.dir.ca.gov and which must be posted at the job site.

ARTICLE 9. FALSE CLAIMS.

Contractor acknowledges that if a false claim is submitted to the City, it may be considered fraud and Contractor may be subject to criminal prosecution. Contractor acknowledges that the False Claims Act, California Government Code sections 12650, et seq., provides for civil penalties where a person knowingly submits a false claim to a public entity. These provisions include within their scope false claims made with deliberate ignorance of the false information or in reckless disregard of the truth or falsity of the information. In the event the City seeks to recover penalties pursuant to the False Claims Act, it is entitled to recover its litigation costs, including attorneys' fees. Contractor hereby acknowledges that the filing of a false claim may the Contractor to an administrative debarment proceeding wherein Contractor may be prevented from further bidding on public contracts for a period of up to five (5) years.

[REMAINDER OF PAGE LEFT INTENTIONALLY BLANK]

IN WITNESS WHEREOF, this Contract has been duly executed by the above-named parties, on the day and year above written.

CITY OF ONTARIO

By: _____
Scott Ochoa
City Manager

ATTEST:

By: _____
Sheila Mautz, City Clerk

APPROVED AS TO FORM:

By: _____
Best Best & Krieger LLP
City Attorney

K & Z Cabinet Co., Inc.

By: _____

Its: _____

Printed Name: _____

By: _____

Its: _____

Printed Name: _____

_____
Contractor's License Number and Classification

_____
DIR Registration Number

[IF CORPORATION, TWO SIGNATURES, PRESIDENT **OR** VICE PRESIDENT **AND** SECRETARY **OR** TREASURER **REQUIRED]**

END OF CONTRACT

Notary Acknowledgment

A notary public or other officer completing this certificate verifies only the identity of the individual who signed the document to which this certificate is attached, and not the truthfulness, accuracy, or validity of that document.

STATE OF CALIFORNIA
COUNTY OF _____

On _____, 20___, before me, _____, Notary Public, personally

appeared _____, who proved to me on the basis of satisfactory

evidence to be the person(s) whose name(s) is/are subscribed to the within instrument and acknowledged to me that he/she/they executed the same in his/her/their authorized capacity(ies), and that by his/her/their signature(s) on the instrument the person(s), or the entity upon behalf of which the person(s) acted, executed the instrument.

I certify under PENALTY OF PERJURY under the laws of the State of California that the foregoing paragraph is true and correct.

WITNESS my hand and official seal.

_____
Signature of Notary Public

OPTIONAL

Though the information below is not required by law, it may prove valuable to persons relying on the document and could prevent fraudulent removal and reattachment of this form to another document.

CAPACITY CLAIMED BY SIGNER

☐ Individual
☐ Corporate Officer

_____
Title(s)

☐ Partner(s) ☐ Limited ☐ General
☐ Attorney-In-Fact
☐ Trustee(s)
☐ Guardian/Conservator
☐ Other:

Signer is representing:
Name Of Person(s) Or Entity(ies)

_____

_____

DESCRIPTION OF ATTACHED DOCUMENT

_____
Title or Type of Document

_____
Number of Pages

_____
Date of Document

_____
Signer(s) Other Than Named Above

CITY OF ONTARIO
303 EAST B STREET | ONTARIO, CALIFORNIA 91764
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PAUL S. LEON
MAYOR

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RUBEN VALENCIA
COUNCIL MEMBERS

SHEILA MAUTZ
CITY CLERK

JAMES R. MILHISER
TREASURER

SCOTT OCHOA
CITY MANAGER

SECTION 00500 – CONTRACT FOR CONSTRUCTION

This Contract for Construction ("Contract"), No. D&C23-011 is made and entered as of _____, by and between City of Ontario, with its principal place of business at 303 East "B" Street, Ontario, CA 91764, sometimes hereinafter called the "City" and **Bogh Construction, LLC** sometimes hereinafter called "Contractor."

WITNESSETH: That the parties hereto have mutually covenanted and agreed, and by these presents do covenant and agree with each other as follows:

ARTICLE 1. SCOPE OF WORK.

The Contractor shall perform all Work within the time stipulated in the Contract, and shall provide all labor, materials, equipment, tools, utility services, and transportation to complete all of the Work required in strict compliance with the Contract Documents as specified in Article 5, below, for the following Project:

Ontario Ballpark – Concrete Site

Contractor is an independent contractor and not an agent of the City. The Contractor and its surety shall be liable to the City for any damages arising as a result of the Contractor's failure to comply with this obligation.

ARTICLE 2. TIME FOR COMPLETION.

Time is of the essence in the performance of the Work. The Work shall be commenced on the date stated in the City's Notice to Proceed. The Contractor shall complete all Work required by the Contract Documents **per the contract schedule and within 531 calendar days** from the commencement date stated in the Notice to Proceed. By its signature hereunder, Contractor agrees the time for completion set forth above is adequate and reasonable to complete the Work.

ARTICLE 3. CONTRACT PRICE.

The City shall pay to the Contractor as full compensation for the performance of the Contract, subject to any additions or deductions as provided in the Contract Documents, and including all applicable taxes and costs, the sum of **Five Million One Hundred Seventy-Eight Thousand Dollars ($5,178,000)**. Payment shall be made as set forth in the General Conditions. The City will pay to Contractor compensation based upon the prices set forth in the Bid Schedule.

ARTICLE 4. LIQUIDATED DAMAGES.

Contractor acknowledges that the City will sustain actual damages for each and every Day completion of the Project is delayed beyond the Contract Time. Because of the nature of the

Project, it would be impracticable or extremely difficult to determine the City's actual damages. Accordingly, in accordance with Government Code section 53069.85, it is agreed that the Contractor will pay the City the sum of $35,000 for each and every calendar day of delay beyond the time prescribed in the Contract Documents for finishing the Work, as Liquidated Damages and not as a penalty or forfeiture. In the event this is not paid, the Contractor agrees the City may deduct that amount from any money due or that may become due the Contractor under the Contract. This Section does not exclude recovery of other damages specified in the Contract Documents. Liquidated damages may be deducted from progress payments due Contractor, Project retention or may be collected directly from Contractor, or from Contractor's surety. These provisions for liquidated damages shall not prevent the City, in case of Contractor's default, from terminating the Contractor.

ARTICLE 5. COMPONENT PARTS OF THE CONTRACT.

The "Contract Documents" include the following:

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Instructions to Bidders
Bid Forms
Bid Acknowledgement
Bid Schedule
Bid Guarantee
Designation of Subcontractors
Non-Collusion Declaration Form
Iran Contracting Act Certification
Public Works Contractor DIR Registration Certification
Performance Bond
Payment (Labor and Materials) Bond
Contract for Construction
General Conditions
Special Conditions
Specifications
Addenda
Construction Plans and Drawings
Standard Specifications for Public Works Construction "Greenbook", latest edition, Except Sections 1-9
Applicable Local Agency Standards and Specifications, as last revised
Reference Specifications
Approved and fully executed Change Orders
Permits
Scope of Work Summary
Any other documents contained in or incorporated into the Contract

The Contractor shall complete the Work in strict accordance with all of the Contract Documents.

All of the Contract Documents are intended to be complementary. Work required by one of the Contract Documents and not by others shall be done as if required by all. In the event of conflict, the various Contract Documents will be given effect in the order set forth in the General Conditions. This Contract shall supersede any prior agreement of the parties.

ARTICLE 6. PROVISIONS REQUIRED BY LAW AND CONTRACTOR COMPLIANCE.

Each and every provision of law required to be included in these Contract Documents shall be deemed to be included in these Contract Documents. The Contractor shall comply with all requirements of applicable federal, state and local laws, rules and regulations, including, but not limited to, the provisions of the California Labor Code and California Public Contract Code which are applicable to this Work.

ARTICLE 7. INDEMNIFICATION.

Contractor shall provide indemnification and defense as set forth in the General Conditions.

ARTICLE 8. PREVAILING WAGES.

Contractor shall be required to pay the prevailing rate of wages in accordance with the Labor Code which such rates shall be made available at the City's Office or may be obtained online at http://www.dir.ca.gov and which must be posted at the job site.

ARTICLE 9. FALSE CLAIMS.

Contractor acknowledges that if a false claim is submitted to the City, it may be considered fraud and Contractor may be subject to criminal prosecution. Contractor acknowledges that the False Claims Act, California Government Code sections 12650, et seq., provides for civil penalties where a person knowingly submits a false claim to a public entity. These provisions include within their scope false claims made with deliberate ignorance of the false information or in reckless disregard of the truth or falsity of the information. In the event the City seeks to recover penalties pursuant to the False Claims Act, it is entitled to recover its litigation costs, including attorneys' fees. Contractor hereby acknowledges that the filing of a false claim may the Contractor to an administrative debarment proceeding wherein Contractor may be prevented from further bidding on public contracts for a period of up to five (5) years.

[REMAINDER OF PAGE LEFT INTENTIONALLY BLANK]

IN WITNESS WHEREOF, this Contract has been duly executed by the above-named parties, on the day and year above written.

CITY OF ONTARIO

By: _____
Scott Ochoa
City Manager

ATTEST:

By: _____
Sheila Mautz, City Clerk

APPROVED AS TO FORM:

By: _____
Best Best & Krieger LLP
City Attorney

Bogh Construction, LLC

By: _____

Its: _____

Printed Name: _____

By: _____

Its: _____

Printed Name: _____

_____
Contractor's License Number and Classification

_____
DIR Registration Number

[IF CORPORATION, TWO SIGNATURES, PRESIDENT **OR** VICE PRESIDENT **AND** SECRETARY **OR** TREASURER **REQUIRED]**

END OF CONTRACT

Notary Acknowledgment

A notary public or other officer completing this certificate verifies only the identity of the individual who signed the document to which this certificate is attached, and not the truthfulness, accuracy, or validity of that document.

STATE OF CALIFORNIA
COUNTY OF _____

On _____, 20___, before me, _____, Notary Public, personally

appeared _____, who proved to me on the basis of satisfactory

evidence to be the person(s) whose name(s) is/are subscribed to the within instrument and acknowledged to me that he/she/they executed the same in his/her/their authorized capacity(ies), and that by his/her/their signature(s) on the instrument the person(s), or the entity upon behalf of which the person(s) acted, executed the instrument.

I certify under PENALTY OF PERJURY under the laws of the State of California that the foregoing paragraph is true and correct.

WITNESS my hand and official seal.

_____
Signature of Notary Public

OPTIONAL

Though the information below is not required by law, it may prove valuable to persons relying on the document and could prevent fraudulent removal and reattachment of this form to another document.

CAPACITY CLAIMED BY SIGNER

□ Individual
□ Corporate Officer

_____
Title(s)

□ Partner(s) □ Limited □ General
□ Attorney-In-Fact
□ Trustee(s)
□ Guardian/Conservator
□ Other:

Signer is representing:
Name Of Person(s) Or Entity(ies)

_____

_____

DESCRIPTION OF ATTACHED DOCUMENT

_____
Title or Type of Document

_____
Number of Pages

_____
Date of Document

_____
Signer(s) Other Than Named Above

CITY OF ONTARIO *Agenda Report* **December 17, 2024**	**SECTION:** **CONSENT CALENDAR**
Department: Public Works Prepared By: Niles Boyer Staff Member Presenting: Tito Haes, Executive Director Public Works Reviewed By: Jacqueline Leon, Bonnie Tam Approved By:	Submitted To: Council/OHA Approved: _____ Continued To: _____ Denied: _____ Item No: 11

SUBJECT: A CHANGE ORDER TO THE CONSTRUCTION CONTRACT WITH MC ELECTRIC FOR THE PARKS POLE REPLACEMENT PROJECT

RECOMMENDATION: That the City Council authorize the City Manager, or his designee, to authorize Change Order No. 2 to the Construction Contract with MC Electric, of Chino, California, in the amount of $77,944 for a total not-to-exceed contract amount of $1,093,586 for the Parks Pole Replacement Project.

THE FOLLOWING COUNCIL GOALS ARE BEING ACHIEVED:
Invest in the City's Infrastructure (Water, Streets, Sewers, Parks, Storm Drains and Public Facilities)

FISCAL IMPACT: The recommended Change Order No. 2 to the Construction Contract with MC Electric is $77,944 for a total not-to-exceed contract amount of $1,093,586. If approved, additional appropriations in the Facilities Maintenance Fund will be included in future quarterly budget updates to the City Council as needed.

BACKGROUND & ANALYSIS: On December 5, 2023, the City Council approved a Construction Contract with MC Electric for the Parks Pole Replacement project. The project consisted of replacing light poles and fixtures at De Anza Park, Bon View Park, and Jay Littleton Ballpark at John Galvin Park. Change Order No. 1 was approved to replace the switchgear for the lighting at De Anza Park.

The proposed Change Order No. 2 is for the replacement of the entire outfield netting at Jay Littleton Ballpark. The original scope of work included the replacement of two outfield wooden netting poles, and re-installation of netting. However, upon assessment of the netting, Staff determined the entire outfield netting required replacement due to its deteriorated condition.

Commercial
Industrial
Tenant Improvements
New Construction
Remodels
Communications

PROPOSAL

To: City of Ontario **Job: Parks Pole Replacement NO. PA2201** **Date: 08/30/2024**

Attn: Niles Boyer **1076 North Grove Ave Ontario, CA 91764**

Scope of Work: Ballfield Netting Replacement

- **Remove existing ball field netting on existing 70' AGL wood poles.**
  - **Approximately 340 lf of 65' tall netting to be removed per Site Layout sketch provided by David Coote on 08/06/2024**
- **Old netting & hardware to be properly disposed of offsite.**
- **Furnish and install approximately 340 lf of 65' tall netting- UV treated polyester baseball #36 netting with sewn in perimeter, vertical, & horizontal rope border.**
- **Netting to begin at 5' AGL.**
- **New cable(s) to be extra high strength galvanized 5/16" and 3/8" and all new hardware will be ¾" heavy duty, along with galvanized attachment hardware.**
- **All existing ground anchors to remain in place.**
- **Remove existing light pole and fixture and transport to City PW Yard– to be disposed of/recycled by City.**
- **Price includes (2) 86' Manlifts to remove existing netting and replace with new netting & hardware.**
- **Provide pre and post photos of completed work to customer for record.**
- **Price is based upon Prevailing Wage Rates.**

TOTAL: $77,944.00

Exclusions:

1. Changes made by city, county, or property owner representative will be an additional cost to the client.
2. Project bid to be installed during normal business hours (M-F 7AM – 4PM)
3. Any design changes are by others
4. Changes to plans and CDs provided.
5. Lane closures and/or traffic control plans.
6. Permits, if required.
7. Temporary turf protection.
8. Removal and/or modifications to existing poles.
9. Tree trimming, stump grinding, grubbing, site clearing, or foundation removal.
10. Additional mobilizations will be an additional cost to the client.
11. Additional materials not specified at time of bid will be an additional cost, if required.
12. Anything not specifically described in the scope of work.

We propose hereby to furnish material, labor and equipment - complete in accordance with the above specifications, for the sum of: **$77,944.00**

Authorized signature _____ **Date** 08/30/2024

Acceptance of Contract - The above prices, specifications and conditions are satisfactory and are hereby accepted. You are authorized to do the work as specified. Payment will be made as outlined below.

Acceptance of Contract _____ **Date** _____

Payment to be made as follows: Net 45 days

MC CONTRACTING
MC CONTRACTING is a Non-Union Company
NMSDC Minority Certified Company

CITY OF ONTARIO
303 EAST B STREET | ONTARIO, CALIFORNIA 91764
(909) 395-2000 FAX (909) 395-2070 OntarioCA.gov

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CITY CLERK

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TREASURER

SCOTT OCHOA
CITY MANAGER

CITY OF ONTARIO
CHANGE ORDER

Project: Parks Pole Replacement Project

Change Order Number: **#2**

Contract Date: **January 25, 2024**

Change Order Date: October 22, 2024

To: MC Electric, Andrew Chavez Chief Operating Officer. 13619 12th Street Suite B, Chino, CA 91710

THIS CHANGE ORDER FORM SHALL BE USED FOR ALL CHANGE ORDERS ASSOCIATED WITH THE WORK. NO ADDITIONS OR DELETIONS TO THIS FORM SHALL BE ALLOWED, EXCEPT WITH THE PERMISSION OF THE CITY OF ONTARIO.

The Contract is changed as follows:

This change is required to replace all the outfield netting at Jay Littleton Baseball Field

Contractor agrees to furnish all labor, materials, equipment, and services to perform the Work, modified as described herein, in accordance with the Contract Documents as revised by this Change Order.

NOT VALID UNTIL SIGNED BY OWNER

In consideration of the change(s) described above, the Contract Price is adjusted as follows:

The original Contract Price was	$984,300.00
Net change by previously authorized Change Orders	$31,341.73
The Contract Price prior to this Change Order was	$1,015,641.73
The Contract Price will be changed by this Change Order in the amount of	$77,944.00
The new Contract Price including this Change Order will be	$1,093,585.73

In consideration of the change(s) described above, the Contract Time is adjusted as follows:

The Contract Time will be increased ☒ decreased ☐ unchanged ☐ by	30 Days
The Contract Time prior to this Change Order was	210 Days
The new Contract Time including this Change Order will be	240 Days

Attachments: See attachments
MC Electric Proposal for Full Outfield Netting Replacement

(BB&K 2020)
46700.00100\33457526.1

Contractor accepts the terms and conditions stated herein as full and final settlement of any and all claims arising from this Change Order. The adjustments to the Contract Price and Contract Time in this Change Order constitutes the entire compensation and/or adjustment thereto due to Contractor, including direct, indirect, consequential, and overhead (field and home office) costs, due to Contractor arising out of or related to the change in the Work covered by this Change Order. By signing this Change Order, Contractor agrees to accept the amount of the adjustment to the Contract Price, and the adjustment of the Contract Time, as payment in full for all costs, including direct, indirect, consequential, and overhead (field and home office) costs, related to the change in the Work covered by this Change Order.

Accepted:

(Signature) Andrew Chavez, Chief Operations Officer MC Electric	Date

Approved:

(Signature) Tito Haes, Executive Director Public Works	Date

Approved:

(Signature) Scott Ochoa, City Manager	Date

CITY OF ONTARIO *Agenda Report* **December 17, 2024**	**SECTION:** **CONSENT CALENDAR**
Department: Public Works Prepared By: Gil H Mars Staff Member Presenting: Tito Haes, Executive Director Public Works Reviewed By: Andrea Ampig, Bonnie Tam Approved By:	Submitted To: Council/OHA Approved: _____ Continued To: _____ Denied: _____ Item No: 12

SUBJECT: AN AMENDMENT TO THE PROFESSIONAL SERVICES AGREEMENT WITH TRANSTECH, INC. FOR ON-CALL CONSTRUCTION MANAGEMENT SERVICES

RECOMMENDATION: That the City Council authorize the City Manager or his designee to execute Amendment No. 5 to the on-call Professional Services Agreement with Transtech, Inc. (Transtech), of Chino, California, to provide the bridging document preparation and Construction Management for the D-Block Parking Structure in the amount of $1,361,750 for total not-to-exceed contract amount of $4,019,500.

THE FOLLOWING COUNCIL GOALS ARE BEING ACHIEVED:
Invest in the City's Infrastructure (Water, Streets, Sewers, Parks, Storm Drains and Public Facilities)

FISCAL IMPACT: The proposed Amendment No. 5 will increase the contract amount by $1,361,750 for a total not-to-exceed contract amount of $4,019,500. The total not-to-exceed contract amount includes on-call work performed for various citywide projects. Additional appropriations in the Capital Projects Fund will be included in future quarterly budget updates to the City Council for approval for on-call Construction Management Services for the D-Block Parking Structure.

BACKGROUND & ANALYSIS: On April 4, 2023, the City entered into the current Professional Services Agreement with Transtech for on-call Project Management Services after participating in a competitive Request for Proposals (RFP) process.

The proposed D-Block Parking Structure will be located at the Northeast corner of D Street and Euclid Avenue, and will provide parking stalls necessary for the future mixed-use building being constructed at that site. Transtech's services include the preparation of the bridging documents and cost management services. The bridging documents and plans will graphically convey necessary core parking structure requirements including, but not limited to, size, shape, circulation, parking space count, disabled access compliance, electric vehicle charging requirements, entrance/exit locations, stairs, elevator, site access, path of travel from right-of-way, and exterior façade improvements with the intent to create a RFP to design/build this structure. Transtech will also act as the construction management company for the design/build of the D-Block Parking Structure.

Based on the numerous projects Transtech has provided bridging documents and construction management services for in the past, Staff recommends awarding the Professional Services Agreement to Transtech for the D-Block Parking Structure.

CITY OF ONTARIO
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COUNCIL MEMBERS

SHEILA MAUTZ
CITY CLERK

JAMES R. MILHISER
TREASURER

SCOTT OCHOA
CITY MANAGER

AMENDMENT NO. 5 TO THE PROFESSIONAL SERVICES AGREEMENT BETWEEN THE CITY OF ONTARIO AND TRANSTECH ENGINEERS, INC.

1. Parties and Date.

This Amendment No. 5 to the Agreement (as defined herein) is made and entered as of _____, by and between the City of Ontario ("City") and **Transtech Engineers, Inc**., a Corporation ("Consultant"). City and Consultant are sometimes individually referred to as "Party" and collectively as "Parties."

2. Recitals.

2.1 Agreement. The City and Consultant have entered into an agreement entitled "Professional Services Agreement" dated April 4, 2023 ("Agreement").

2.2 Amendment Purpose. The City and Consultant desire to amend the Agreement to increase the contract amount by $1,361,750 to include the following services for the D-Block Parking Structure bridging document preparation. Please see Attachment "A". The parties have heretofore entered into Amendment No. 1 dated January 16, 2024, Amendment No. 2 dated March 5, 2024, Amendment No. 3 dated March 5, 2024, and Amendment No. 4 dated August 20, 2024.

2.3 Amendment Authority. This Amendment No. 5 is authorized pursuant to Section 3.7.14 of the Agreement.

3. Terms.

3.1 Amendment. Section 3.2.1 of the Agreement is hereby amended in its entirety to read as follows:

> "3.2.1 Compensation. Consultant shall receive compensation, including authorized reimbursements for all Services rendered under this Agreement in Exhibit "C" at the attached hereto and incorporated herein by reference. The total compensation shall not exceed **Four Million Nineteen Thousand Five Hundred Dollars ($4,019,500)** without City Manager's written approval. Extra work may be authorized, as described below, and if authorized, will be compensated at the rates and manner set forth in this Agreement."

Exhibit C is hereby deleted in its entirety and replaced with Attachment A attached hereto and incorporated herein by reference.

3.2 Continuing Effect of Agreement. Except as amended by this Amendment No. 5, all other provisions of the Agreement remain in full force and effect and shall govern the actions of the parties under this Amendment No. 5. From and after the date of this Amendment No. 5, whenever the term "Agreement" appears in the Agreement, it shall mean the Agreement as amended by this Amendment No. 5.

3.3 Adequate Consideration. The Parties hereto irrevocably stipulate and agree that they have each received adequate and independent consideration for the performance of the obligations they have undertaken pursuant to this Amendment No. 5.

3.4 Severability. If any portion of this Amendment No. 5 is declared invalid, illegal, or otherwise unenforceable by a court of competent jurisdiction, the remaining provisions shall continue in full force and effect.

3.5 Integration. This Amendment represents the entirety of the Parties' understanding relating to the subject of this Amendment, including written or verbal communications between the Parties, which shall have no relevance unless expressly incorporated herein. This is an integrated amendment.

[SIGNATURES ON FOLLOWING PAGE]

SIGNATURE PAGE FOR AMENDMENT NO. 5 TO THE PROFESSIONAL SERVICES AGREEMENT BETWEEN THE CITY OF ONTARIO AND TRANSTECH ENGINEERS, INC.

IN WITNESS WHEREOF, the Parties have entered into this Amendment No. 5 as of the day and year first above written.

CITY OF ONTARIO

Approved By:

_____
Scott Ochoa
City Manager

Approved as to Form:

_____
Best Best & Krieger LLP
City Attorney

Attested By:

_____
City Clerk

Transtech Engineers, Inc.

By:_____

Its:_____

Printed Name:_____

By:_____

Its:_____

Printed Name:_____

[If Corporation, TWO SIGNATURES, President OR Vice President AND Secretary OR Treasurer REQUIRED]

November 12, 2024

TRANSTECH
www.transtech.org
855.595.2495 (toll-free)

City of ONTARIO
1333 S. Bon View Ave
Ontario, CA 91761

Attention: Dan Beers, Design & Construction – Principal Project Manager

Project: **D Block, DB (Design-Build) Parking Structure**

Services: **Bridging document preparation**

DB RFPQ/RFP package preparation

Project management during selection of the DB team

Construction management/owner representative services during design and construction (design and construction by selected DB Team)

Dear Mr. Beers:

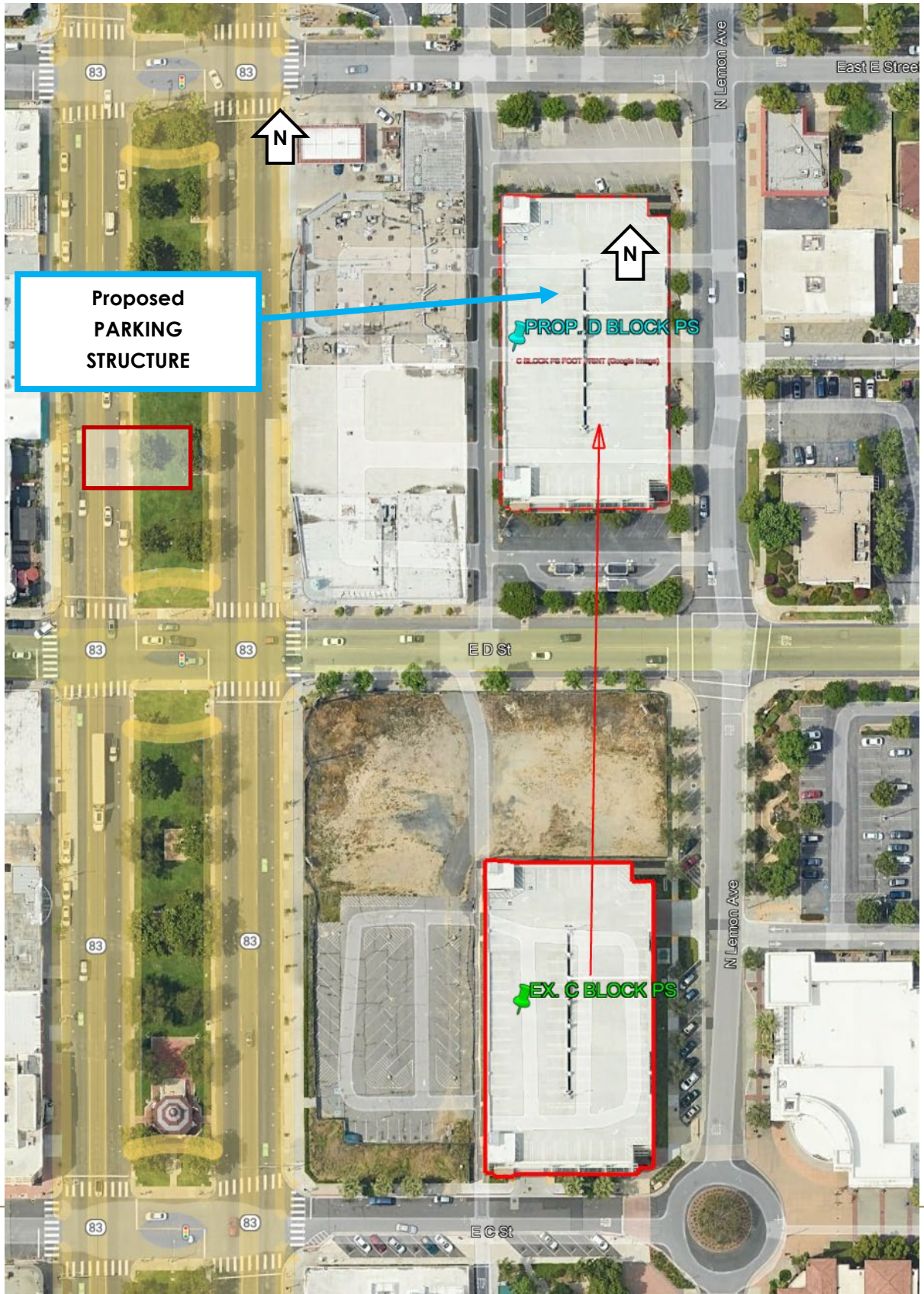
Transtech is pleased to submit this Task Order Proposal for the subject project under our Master Contract with the City.

This Task Order is submitted for the D Block, DB (Design-Build) Parking Structure to provide the following services.

- Bridging document preparation
- DB RFPQ/RFP package preparation
- Project management during selection of the DB team

- Construction management/owner representative services during design and construction (design and construction by selected DB Team)

Location of the proposed Parking Structure is shown below:



Proposed Services by Transtech:

SERVICES DURING SELECTION OF THE DB TEAM/ENTITY, INCLUDING PREPARATION OF DB BRIDGING DOCUMENTS, RFPQ/RFP PACKAGES

Preparation of bridging documents and plans. The bridging documents and plans will graphically convey necessary core parking structure requirements including, but not limited to, size, shape, circulation, parking space count, disabled access compliance, electric vehicle charging requirements, entrance/exit location, stairs, elevator, site access, path of travel from right-of-way, exterior façade improvements, etc.

SERVICES DURING DESIGN DEVELOPMENT AND CONSTRUCTION DOCUMENT PREPARATION BY THE SELECTED DB TEAM/ENTITY

Management services provided during design development and construction document preparation by the successful DB Team specifically include, but are not limited to, the following:

Overall project coordination between City [as Owner], City [as Authority Having Jurisdiction ('AHJ')], the successful DB Team, utility purveyors, and other vested stakeholders.

Project performance review, specifically including cost and schedule monitoring. This task assumes that the DB Team will be required to design to the budget.

Assistance with payment processing.

Assistance with utility coordination.

Coordination and approval monitoring from all AHJs having jurisdiction over any portion of this project.

Attendance as Owner's Representative at design related meetings.

Monitoring and filing of all Project Record Documents developed during design.

Review of the plans for conformance with the requirements of the City's RFP and the Contract Documents where not directly related to code compliance. (Transtech assumes that all AHJ services will be provided by others, but Transtech will identify observed deficiencies where appropriate during development of the design documents.)

Coordination assistance between DB Team and City during City review as AHJ. This scope includes both plan review and permit issuance.

Assistance during scoping, selection, and contract award for special inspection services.

Request for Information ('RFI') coordination between DB Team, the City (as Owner), the City (as AHJ), and identified stakeholders.

SERVICES DURING CONSTRUCTION AND PROJECT CLOSE OUT

Construction management and coordination between City (as Owner), City (as AHJ), the DB Team and other stakeholders.

Project performance review, specifically including cost and schedule monitoring.

Assistance with payment processing.

Assistance with utility coordination and issues involving closure and/or use of public right of way.

Coordination and approval monitoring from all AHJs having jurisdiction over any portion of this project.

Attendance as Owner's Representative at construction related meetings.

Monitoring and filing of all Project Record Documents developed during construction.

Verification of subcontractor compliance with State Contractor License Board and Department of Industrial Relations requirements for valid license and registration for each subcontract let during construction.

Assistance with special inspection and testing services and coordination of special inspection and testing efforts during construction. These services will be provided by a separate consultant under a separate contract to the City.

Transtech will monitor the construction for conformance with the requirements of the City's RFP and the Contract Documents where not directly related to code compliance.

Notes:

Transtech will not perform plan review or inspection in the capacity of 'Authority Having Jurisdiction' ('AHJ') over the work of this project, unless requested by the City. Transtech anticipates that AHJ services will be provided by various City Departments and/or Divisions or other City forces, which would include processing, plan review, permit issuance, and inspection by Building and Safety, Public Works, Engineering, OMUC, and Planning.

City will provide Phase 1 Environmental Site Assessment ('ESA').

City will provide Geological and Soils Investigation ('Soils Report').

The report shows that 2 borings were made within the proposed parking structure area (Boring B-15 and B-16).

City will provide any soils and existing conditions reports showing the site does not contain any hazardous materials.

City will provide plans for overall site, access, roads, traffic signals, adjacent areas improvements, main utility service lines and connection points (connection points assumed to be provided within approx. 20' of PS footprint), and all other site improvements plans, etc. The scope of DB will be limited to vertical construction within the foot print of the Parking Structure plus utility laterals to service connection points and sidewalk, landscape improvements within the 20' perimeter area of PS footprint, plus driveway connection to proposed Vineyard Ave being designed by City's design consultant (Vineyard Ave will be constructed by others.) City will provide any utility plans and any utility relocation plans.

City will provide survey and site plans.

Anticipated Compensation for Transtech's Proposed Services:

Tasks	Position	Av. Hrs/Month	Approx. Duration (Months)	Tot. Hrs	Av. Rate	Budget
SERVICES DURING SELECTION OF THE DB TEAM/ENTITY, INCLUDING PREPARATION OF DB BRIDGING DOCUMENTS, RFPQ/RFP PACKAGES	Staff Level: Sr. Eng/Sr. PM/Sr. CM	40	8	150	$225	$33,750
	Staff Level: Project Eng/CM/PM	30	8	240	$200	$48,000
	Staff Level: Associate Eng/Office Eng	20	8	160	$175	$28,000
	Budget Allocation for Bridging Document					$50,000
					Total:	**$159,750**
SERVICES DURING DESIGN DEVELOPMENT AND CONSTRUCTION DOCUMENT PREPARATION BY THE SELECTED DB TEAM/ENTITY	Staff Level: Sr. Eng/Sr. PM/Sr. CM	40	7	280	$225	$63,000
	Staff Level: Project Eng/CM/PM	30	7	210	$200	$42,000
	Staff Level: Associate Eng/Office Eng	20	7	140	$175	$24,500
					Total:	**$129,500**
SERVICES DURING CONSTRUCTION AND PROJECT CLOSE OUT	Staff Level: Sr. Eng/Sr. PM/Sr. CM	50	15	750	$225	$168,750
	Staff Level: Project Eng/CM/PM	170	15	2,550	$200	$510,000
	Staff Level: Associate Eng/Office Eng	150	15	2,250	$175	$393,750
					Total:	**$1,072,500**
	Anticipated Total Compensation for Transtech's Proposed Services					**$1,361,750**

The fee information presented above represent a best estimate of the Transtech effort anticipated to carry this project per the scope of services provided in this Task Order.

Actual hours and dollar amounts may flex and re-allocated within various tasks as needed. Staff Classifications,

Hourly Rates and Hours are average and may vary within the established total budget.

Billig is based on actual hours spent.

If you have any questions or need additional information, please contact us.

Respectfully submitted.

Ali Cayir

Ali Cayir, PE
Principal
E: ali.cayir@transtech.org
C: 714-883-8677
O: 909-595-8599

CITY OF ONTARIO *Agenda Report* **December 17, 2024**	**SECTION:** **CONSENT CALENDAR**
Department: Financial Services Prepared By: Stephanie Castro Department: Development Administration Prepared By: Matthew Hernandez Staff Member Presenting: Armen Harkalyan, Executive Director of Finance Reviewed By: Claudia Hernandez, Matthew Hernandez Approved By: 	Submitted To: Council/OHA Approved: _____ Continued To: _____ Denied: _____ Item No: 13

SUBJECT: **AB1600 DEVELOPMENT IMPACT FEE ANNUAL REPORT FOR FISCAL YEAR ENDED JUNE 30, 2024, AND SB165 LOCAL AGENCY SPECIAL TAX AND BOND ACCOUNTABILITY REPORT FOR FISCAL YEAR ENDED JUNE 30, 2024**

RECOMMENDATION: That the City Council accept the City of Ontario's AB1600 Development Impact Fee (DIF) Annual Report (unaudited) for Fiscal Year Ended June 30, 2024, and the City of Ontario's SB165 Local Agency Special Tax and Bond Accountability Report (unaudited) for Fiscal Year Ended June 30, 2024.

THE FOLLOWING COUNCIL GOALS ARE BEING ACHIEVED:
Operate in a Businesslike Manner
Invest in the City's Infrastructure (Water, Streets, Sewers, Parks, Storm Drains and Public Facilities)

FISCAL IMPACT: There is no direct fiscal impact associated with these actions. The AB1600 Development Impact Fee (DIF) Annual Report (unaudited) and the SB165 Local Agency Special Tax and Bond Accountability Report (unaudited) are required by California statue to be presented to the City Council for informational purposes only. The reports include a summary of the activities on the DIF and Community Facilities District (CFD) funds for the respective fiscal year.

BACKGROUND & ANALYSIS:
AB1600 Report:
On July 1, 2003, the City Council adopted Ordinance Nos. 2779 and 2780, approving the collection of Development Impact Fees (DIF) to mitigate the impacts of future development. In accordance with the provisions of Ordinances listed, the City began collecting DIF on September 1, 2003, and the impact fees have been updated periodically by Resolutions of the City Council. The fees that were used for the attached AB1600 DIF Annual Report for Fiscal Year Ended June 30, 2024, were authorized by the City Council on September 17, 2019 and August 16, 2022, by Resolution No. 2019-135 and No. 2022-133, respectively.

California Government Code Sections 66001 and 66006 require making certain Development Impact Fee information available to the public. The City of Ontario addresses these reporting requirements through issuance of the AB1600 DIF Annual Report along with the release of periodic updates to the City's development impact fee calculation and nexus schedules.

The AB1600 DIF Annual Report for Fiscal Year Ended June 30, 2024, is comprised of the following schedules:

- Development Impact Fee Annual Report Fees Schedule by Fund and Land Use
- Development Impact Fee Annual Report (Unaudited)
- Development Impact Fee Annual Report Project Expenditures
- Development Impact Fee Annual Report Five Year Summary
- Development Impact Fee Annual Report Estimated Project Completion Date
- Development Impact Fee Annual Report Five Year Holdings Report
- Development Impact Fee Annual Report Five Year By Fund

The City of Ontario's AB1600 DIF Annual Report for Fiscal Year Ended June 30, 2024 (unaudited), as well as the Fiscal Year 2021-22 Development Impact Fee Calculation and Nexus Report, and the Master Facilities Plan for FY 2021-22 are available for review and reference at the City's Records Management Department and on the City's website at: https://www.ontarioca.gov/government-departments-financial-services-development-impact-fees-dif/reports.

SB165 Report:

Senate Bill (SB) 165 enacted the Local Agency Special Tax and Bond Accountability Act (the "Act") which requires local agencies that have imposed special taxes or issued bond measures subject to voter approval report annually on the amount of funds collected and expended. This report must contain a statement indicating the specific purposes of the special tax, require that the proceeds of the special tax be applied to those purposes, require the creation of an account into which the proceeds shall be deposited, and require an annual report containing specified information concerning the use of the proceeds. The Act applies to special tax measures and bonds issued on or after January 1, 2001, in accordance with Sections §50075.1, §50075.3, §53410, and §53411 of the California Government Codes.

The SB165 Local Agency Special Tax and Bond Accountability Report for Fiscal Year Ended June 30, 2024, consists of three sections. The first section reports on all of the Services CFDs and provides the amounts of special taxes collected, actual administration costs, and special districts cost of services for the referenced year, per CFD. The second section reports on all the Facilities CFDs and provides the amounts of special taxes collected, actual administration costs, and any interest and principal payments for the referenced year, per CFD. In addition, this section also provides additional information regarding the original funding sources and usage of bond proceeds, ending balances at June 30, 2024, for improvement and other accounts held at the trustee, and project status, per CFD. The third and final section reports on each Services and Facilities Combination Districts, and provides all of the information listed in the above two sections per CFD.

Some of the requirements of the Act are handled at the formation of the Community Facilities

District or Bond Issuance and others are handled through annual reports. This report intends to comply with Sections 50075.3 and 53411 of the California Government Codes.

City of Ontario

SB165

Local Agency Special Tax and Bond Accountability Report

Fiscal Year Ended June 30, 2024

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SB165: Local Agency Special Tax and Bond Accountability Act

The Local Agency Special Tax Bond and Accountability Act (the "Act") requires that local agencies that have imposed special taxes or issued bond measures subject to voter approval report annually on the amount of funds collected and expended. This report must contain a statement indicating the specific purposes of the special tax, require that the proceeds of the special tax be applied to those purposes, require the creation of an account into which the proceeds shall be deposited, and require an annual report containing specified information concerning the use of the proceeds. The Act applies to special taxes and bonds issued on or after January 1, 2001 in accordance with Sections 50075.1 and 53410 of the California Government Code.

Some of the requirements of the Act are handled at the formation of the Community Facilities District or Bond Issuance and others are handled through annual reports. This report intends to comply with Sections 50075.3 and 53411 of the California Government Code which states:

The chief fiscal officer of the issuing local agency shall file a report with its governing body no later than January 1, 2002, and at least once a year thereafter. The Annual report shall contain all the following:

a) The amount of funds collected and expended.
b) The status of any project required or authorized to be funded as identified in subdivision (a) of Section 50075.1 or subdivision (a) of Section 53410.

For questions regarding this report, please contact the City of Ontario, Financial Services Agency at (909) 395-2015 or email CFD@ontarioca.gov.

The following table indicates which Section of the CA Government Code each district is required to comply with for Fiscal Year 2023-24.

Required SB 165 Reports for City of Ontario Community Facilities Districts

CFD No.	CFD Name	§50075.3 Required	§53411 Required
9	Edenglen	Yes	No
10	Ontario Airport Towers	Yes	No
13	California Commerce Center- Phase IV	Yes	Yes
19	Countryside Phase 1 - Services	Yes	No
20	Walmart	Yes	No
21	Parkside	Yes	No
23	Park Place Services	Yes	No
24	Park Place Facilities Phase 1	Yes	Yes
25	Park Place Facilities Phase II	Yes	Yes
26	Park Place Facilities Phase III	Yes	Yes
27	New Haven Services	Yes	No
28	New Haven Facilities - Area A	Yes	Yes
30	New Haven Facilities - Area B	Yes	Yes
31-A	Carriage House / Amberly Lane - A	Yes	Yes
31-B	Carriage House / Amberly Lane - B	Yes	No
32	Archibald/Schaefer - Services	Yes	No
33	Archibald/Schaefer - Facilities	Yes	Yes
34	Countryside Phase 1 North - Facilities	Yes	Yes
35	Countryside Phase II	Yes	Yes
37	Park & Turner NE Services	Yes	No
38	Park & Turner NE Facilities	Yes	Yes
39	New Haven Facilities - Area C	Yes	Yes
40	Emerald Park Facilities	Yes	Yes
41	Canvas Park Facilities	Yes	Yes
42	West Haven	Yes	Yes
43	Park Place Facilities Phase IV	Yes	Yes
44	Esperanza Services	Yes	No
45-A	Northpark and Countryside - A	Yes	Yes
45-B	Northpark and Countryside - B	Yes	No
46	Avenue 176 Facilities	Yes	Yes
47	Colony Commerce Center West I Services	Yes	No
48	Tevelde Services	Yes	No
49	Avenue 176 Services	Yes	No
50	West Ontario Logistics Center Services	Yes	No
51	Ontario Ranch Logistics Center Services	Yes	No
53	Tevelde Facilities	Yes	Yes
54	Esperanza Facilities	Yes	Yes
55-A	Parklane - A	Yes	Yes
55-B	Parklane - B	Yes	No
56-A	Parkside/La Avenida - A	Yes	Yes
56-B	Parkside/La Avenida - B	Yes	No
57-A	Neuhouse - A	Yes	Yes
57-B	Neuhouse - B	Yes	No
58	Colony Commerce Center East Services	Yes	No
59	Gateway	Yes	No
60	Ontario Ranch Business Park Services	Yes	No
61	Merrill Commerce Center Services	Yes	No
62	Ontario Commerce Center	Yes	No
64-A	Sunset Ranch	Yes	No
64-B	Sunset Ranch	Yes	No
66	Olive & Oleander	Yes	Yes

Ontario Services CFDs

Community Facilities District No. 9
Edenglen

Location

Community Facilities District No. 9 (Edenglen) is located south of Riverside Drive, east of Mill Creek Avenue, generally west of Hamner Avenue and north of Chino Avenue. CFD No. 9 is a Services CFD comprised of approximately 74 acres of residential development which provides for ongoing City Services.

Funds Collected and Expended

The table below shows the amount of special taxes collected and the expenditures made to fund authorized Special Districts Cost of Services and incidental expenses of CFD No. 9 (Edenglen) from July 1, 2023 through June 30, 2024.

Description	Amount
FY 2023-24 Special Tax	
Special Tax- Current	$ 615,511
Special Tax- Penalty	$ 884
Special Tax- Prior	$ 5,652
Total Special Tax Revenues	**$ 622,047**
FY 2023-24 Expenditures	
Special Districts Cost of Services	$ 567,933
Administrative Expenses	$ 51,125
Total Expenditures	**$ 619,059**

Project Status

Provides for ongoing City Services

Community Facilities District No. 10
Ontario Airport Towers

Location

Community Facilities District No. 10 (Ontario Airport Towers) is generally located on the south side of Interstate 10, north of Guasti Road, east of Archibald Avenue and west of Turner Avenue. CFD No. 10 is a Services CFD comprised of approximately 25 acres of office and retail space which provides for ongoing City Services.

Funds Collected and Expended

The table below shows the amount of special taxes collected and the expenditures made to fund authorized Special Districts Cost of Services and incidental expenses of CFD No. 10 (Ontario Airport Towers) from July 1, 2023 through June 30, 2024.

Description	**Amount**
FY 2023-24 Special Tax	
Special Tax- Current	$ 12,218
Total Special Tax Revenues	**$ 12,218**
FY 2023-24 Expenditures	
Administrative Expenses	$ 4,183
Total Expenditures	**$ 4,183**

Project Status

Provides for ongoing City Services.

Community Facilities District No. 19
Countryside Phase 1 – Services

Location

Community Facilities District No. 19 (Countryside Phase 1 – Services) is located north of Deer Creek Channel, south of Riverside Drive, east of Cucamonga Creek Channel and west of Archibald Avenue. CFD No. 19 is a Services CFD comprised of approximately 85 acres of residential development which provides for ongoing City Services.

Funds Collected and Expended

The table below shows the amount of special taxes collected and the expenditures made to fund authorized Special Districts Cost of Services and incidental expenses of CFD No. 19 (Countryside Phase 1 – Services) from July 1, 2023 through June 30, 2024.

Description	Amount
FY 2023-24 Special Tax	
Special Tax- Current	$ 427,248
Total Special Tax Revenues	**$ 427,248**
FY 2023-24 Expenditures	
Special Districts Cost of Services	$ 383,049
Administrative Expenses	$ 44,921
Total Expenditures	**$ 427,970**

Project Status

Provides for ongoing City Services.

Community Facilities District No. 20
Walmart

Location

Community Facilities District No. 20 (Walmart) is located west of Mountain Avenue, south of Sixth Street, east of Elderberry Avenue, and north of Fifth Street. CFD No. 20 is a Services CFD comprised of approximately 16 acres of commercial development which provides for ongoing City Services.

Funds Collected and Expended

The table below shows the amount of special taxes collected and the expenditures made to fund authorized Special Districts Cost of Services and incidental expenses of CFD No. 20 (Walmart) from July 1, 2023 through June 30, 2024.

Description	Amount
FY 2023-24 Special Tax	
Special Tax- Current	$ 33,024
Total Special Tax Revenues	**$ 33,024**
FY 2023-24 Expenditures	
Administrative Expenses	$ 4,863
Total Expenditures	**$ 4,863**

Project Status

Provides for ongoing City Services.

Community Facilities District No. 21
Parkside

Location

Community Facilities District No. 21 (Parkside) is located north of Inland Empire Boulevard, south of Fourth Street, east of Archibald Avenue and west of Turner Avenue. CFD No. 21 is a Services CFD comprised of approximately 20 acres of residential development which provides for ongoing City Services.

Funds Collected and Expended

The table below shows the amount of special taxes collected and the expenditures made to fund authorized Special Districts Cost of Services and incidental expenses of CFD No. 21 (Parkside) from July 1, 2023 through June 30, 2024.

Description	Amount
FY 2023-24 Special Tax	
Special Tax- Current	$ 66,244
Total Special Tax Revenues	**$ 66,244**
FY 2023-24 Expenditures	
Administrative Expenses	$ 5,972
Total Expenditures	**$ 5,972**

Project Status

Provides for ongoing City Services.

Community Facilities District No. 23
Park Place Services

Location

Community Facilities District No. 23 (Park Place Services) is located north of Bellegrave Avenue, south of Eucalyptus Avenue, east of Archibald Avenue and west of Haven Avenue. CFD No. 23 is a Services CFD comprised of approximately 344 acres of residential development which provides for ongoing City Services.

Funds Collected and Expended

The table below shows the amount of special taxes collected and the expenditures made to fund authorized Special Districts Cost of Services and incidental expenses of CFD No. 23 (Park Place Services) from July 1, 2023 through June 30, 2024.

Description	Amount
FY 2023-24 Special Tax	
Special Tax- Current	$ 1,901,929
Special Tax- Penalty	$ 11,503
Special Tax- Prior	$ 37,869
Total Special Tax Revenues	**$ 1,951,300**
FY 2023-24 Expenditures	
Special Districts Cost of Services	$ 1,996,084
Administrative Expenses	$ 93,586
Total Expenditures	**$ 2,089,670**

Project Status

Provides for ongoing City Services.

Community Facilities District No. 27
New Haven Services

Location

Community Facilities District No. 27 (New Haven Services) is located north of Edison Avenue, south of Riverside Drive, east of Turner Avenue and west of Hamner Avenue. CFD No. 27 is a Services CFD comprised of approximately 150 acres of residential development which provides for ongoing City Services.

Funds Collected and Expended

The table below shows the amount of special taxes collected and the expenditures made to fund authorized Special Districts Cost of Services and incidental expenses of CFD No. 27 (New Haven Services) from July 1, 2023 through June 30, 2024.

Description	Amount
FY 2023-24 Special Tax	
Special Tax- Current	$ 2,696,902
Special Tax- Penalty	$ 3,595
Special Tax- Prior	$ 17,685
Total Special Tax Revenues	**$ 2,718,182**
FY 2023-24 Expenditures	
Special Districts Cost of Services	$ 2,694,941
Administrative Expenses	$ 112,243
Total Expenditures	**$ 2,807,184**

Project Status

Provides for ongoing City Services.

Community Facilities District No. 32
Archibald/Schaefer - Services

Location

Community Facilities District No. 32 (Archibald/Schaefer – Services) is located south of Schaefer Avenue, north of La Avenida Drive, west of Turner Avenue and east of Archibald Avenue. CFD No. 32 is a Services CFD comprised of approximately 60 acres of residential development which provides for ongoing City Services.

Funds Collected and Expended

The table below shows the amount of special taxes collected and the expenditures made to fund authorized Special Districts Cost of Services and incidental expenses of CFD No. 32 (Archibald/Schaefer – Services) from July 1, 2023 through June 30, 2024.

Description	Amount
FY 2023-24 Special Tax	
Special Tax- Current	$ 480,655
Special Tax- Penalty	$ 816
Special Tax- Prior	$ 4,448
Total Special Tax Revenues	**$ 485,919**
FY 2023-24 Expenditures	
Special Districts Cost of Services	$ 438,576
Administrative Expenses	$ 46,621
Total Expenditures	**$ 485,197**

Project Status

Provides for ongoing City Services.

Community Facilities District No. 37
Park & Turner NE Services

Location

Community Facilities District No. 37 (Park & Turner NE Services) is located east of Turner Avenue, west of Haven Avenue, south of Edison Avenue and north of Eucalyptus Avenue. CFD No. 37 is a Services CFD comprised of approximately 80 acres of residential development which provides for ongoing City Services.

Funds Collected and Expended

The table below shows the amount of special taxes collected and the expenditures made to fund authorized Special Districts Cost of Services and incidental expenses of CFD No. 37 (Park & Turner NE Services) from July 1, 2023 through June 30, 2024.

Description	Amount
FY 2023-24 Special Tax	
Special Tax- Current	$ 473,438
Special Tax- Penalty	$ 462
Special Tax- Prior	$ 2,887
Total Special Tax Revenues	**$ 476,787**
FY 2023-24 Expenditures	
Special Districts Cost of Services	$ 431,124
Administrative Expenses	$ 46,385
Total Expenditures	**$ 477,509**

Project Status

Provides for ongoing City Services.

Community Facilities District No. 44
Esperanza Services

Location

Community Facilities District No. 44 (Esperanza Services) is located north of Bellegrave Avenue, south of Edison Avenue, east of Mill Creek Avenue and west of Hamner Avenue. CFD No. 44 is a Services CFD comprised of approximately 76 acres of residential development which provides for ongoing City Services.

Funds Collected and Expended

The table below shows the amount of special taxes collected and the expenditures made to fund authorized Special Districts Cost of Services and incidental expenses of CFD No. 44 (Esperanza Services) from July 1, 2023 through June 30, 2024.

Description	Amount	
FY 2023-24 Special Tax		
Special Tax- Current	$	810,728
Special Tax- Penalty	$	711
Special Tax- Prior	$	5,053
Total Special Tax Revenues	**$**	**816,492**
FY 2023-24 Expenditures		
Special Districts Cost of Services	$	753,943
Administrative Expenses	$	57,689
Total Expenditures	**$**	**811,632**

Project Status

Provides for ongoing City Services.

Community Facilities District No. 47
Colony Commerce Center West I Services

Location

Community Facilities District No. 47 (Colony Commerce Center West I Services) is located north of Remington Avenue, south of Merrill Avenue, east of Carpenter Avenue and west of Cucamonga Channel. CFD No. 47 is a Services CFD comprised of approximately 61 acres of non-residential development which provides for ongoing City Services.

Funds Collected and Expended

The table below shows the amount of special taxes collected and the expenditures made to fund authorized Special Districts Cost of Services and incidental expenses of CFD No. 47 (Colony Commerce Center West I Services) from July 1, 2023 through June 30, 2024.

Description	Amount
FY 2023-24 Special Tax	
Special Tax- Current	$ 339,430
Total Special Tax Revenues	**$ 339,430**
FY 2023-24 Expenditures	
Special Districts Cost of Services	$ 329,322
Administrative Expenses	$ 15,743
Total Expenditures	**$ 345,066**

Project Status

Provides for ongoing City Services.

Community Facilities District No. 48
Tevelde Services

Location

Community Facilities District No. 48 (Tevelde Services) is located north of Merrill Avenue, south of Eucalyptus Avenue, east of Cucamonga Channel and west of Archibald Avenue. CFD No. 48 is a Services CFD comprised of approximately 87 acres of residential development which provides for ongoing City Services.

Funds Collected and Expended

The table below shows the amount of special taxes collected and the expenditures made to fund authorized Special Districts Cost of Services and incidental expenses of CFD No. 48 (Tevelde Services) from July 1, 2023 through June 30, 2024.

Description	Amount
FY 2023-24 Special Tax	
Special Tax- Current	$ 619,222
Special Tax- Penalty	$ 494
Special Tax- Prior	$ 2,887
Total Special Tax Revenues	**$ 622,604**
FY 2023-24 Expenditures	
Special Districts Cost of Services	$ 572,847
Administrative Expenses	$ 51,201
Total Expenditures	**$ 624,048**

Project Status

Provides for ongoing City Services.

Community Facilities District No. 49
Avenue 176 Services

Location

Community Facilities District No. 49 (Avenue 176 Services) is located north of Ontario Ranch Road, south of La Avenida Drive, west of Turner Avenue and east of Archibald Avenue. CFD No. 49 is a Services CFD comprised of approximately 37 acres of residential development which provides for ongoing City Services.

Funds Collected and Expended

The table below shows the amount of special taxes collected and the expenditures made to fund authorized Special Districts Cost of Services and incidental expenses of CFD No. 49 (Avenue 176 Services) from July 1, 2023 through June 30, 2024.

Description	Amount
FY 2023-24 Special Tax	
Special Tax- Current	$ 251,875
Special Tax- Penalty	$ 249
Special Tax- Prior	$ 2,166
Total Special Tax Revenues	**$ 254,289**
FY 2023-24 Expenditures	
Special Districts Cost of Services	$ 213,010
Administrative Expenses	$ 39,114
Total Expenditures	**$ 252,124**

Project Status

Provides for ongoing City Services.

Community Facilities District No. 50
West Ontario Logistics Center Services

Location

Community Facilities District No. 50 (West Ontario Logistics Center Services) is located south of Merrill Avenue east of Carpenter Avenue and west of the Cucamonga Creek Channel. CFD No. 50 is a Services CFD comprised of approximately 56 acres of non-residential development which provides for ongoing City Services.

Funds Collected and Expended

The table below shows the amount of special taxes collected and the expenditures made to fund authorized Special Districts Cost of Services and incidental expenses of CFD No. 50 (West Ontario Logistics Center Services) from July 1, 2023 through June 30, 2024.

Description	Amount
FY 2023-24 Special Tax	
Special Tax- Current	$ 315,342
Total Special Tax Revenues	**$ 315,342**
FY 2023-24 Expenditures	
Special Districts Cost of Services	$ 304,286
Administrative Expenses	$ 14,956
Total Expenditures	**$ 319,241**

Project Status

Provides for ongoing City Services.

Community Facilities District No. 51
Ontario Ranch Logistics Center Services

Location

Community Facilities District No. 51 (Ontario Ranch Logistics Center Services) is located south of Eucalyptus Avenue, north of Merrill Avenue, east of Carpenter Avenue and west of the Cucamonga Creek Channel. CFD No. 51 is a Services CFD comprised of approximately 119 acres of non-residential development which provides for ongoing City Services.

Funds Collected and Expended

The table below shows the amount of special taxes collected and the expenditures made to fund authorized Special Districts Cost of Services and incidental expenses of CFD No. 51 (Ontario Ranch Logistics Center Services) from July 1, 2023 through June 30, 2024.

Description	Amount
FY 2023-24 Special Tax	
Special Tax- Current	$ 668,943
Total Special Tax Revenues	**$ 668,943**
FY 2023-24 Expenditures	
Special Districts Cost of Services	$ 666,007
Administrative Expenses	$ 26,520
Total Expenditures	**$ 692,527**

Project Status

Provides for ongoing City Services.

Community Facilities District No. 58
Colony Commerce Center East Services

Location

Community Facilities District No. 58 (Colony Commerce Center East Services) is located south of Merrill Avenue, north of the County Line Channel, east of Cucamonga Channel, and west of Archibald Avenue. CFD No. 58 is a Services CFD comprised of approximately 82 acres of non-residential development which provides for ongoing City Services.

Funds Collected and Expended

The table below shows the amount of special taxes collected and the expenditures made to fund authorized Special Districts Cost of Services and incidental expenses of CFD No. 58 (Colony Commerce Center East Services) from July 1, 2023 through June 30, 2024.

Description	**Amount**
FY 2023-24 Special Tax	
Special Tax- Current	$ 443,737
Total Special Tax Revenues	**$ 443,737**
FY 2023-24 Expenditures	
Special Districts Cost of Services	$ 433,413
Administrative Expenses	$ 19,154
Total Expenditures	**$ 452,567**

Project Status

Provides for ongoing City Services.

Community Facilities District No. 59
Colony Commerce Center East Services

Location

Community Facilities District No. 59 (Gateway Services) is located south of Ontario Ranch Road, north of Edison Avenue, east of Cleveland Avenue, and west of Hamner Avenue. CFD No. 59 is a Services CFD comprised of approximately 53 acres of non-residential and residential development which provides for ongoing City Services.

Funds Collected and Expended

The table below shows the amount of special taxes collected and the expenditures made to fund authorized Special Districts Cost of Services and incidental expenses of CFD No. 59 (Gateway Services) from July 1, 2023 through June 30, 2024.

Description	Amount
FY 2023-24 Special Tax	
Special Tax- Current	$ 144,556
Total Special Tax Revenues	**$ 144,556**
FY 2023-24 Expenditures	
Special Districts Cost of Services	$ 108,115
Administrative Expenses	$ 35,719
Total Expenditures	**$ 143,834**

Project Status

Provides for ongoing City Services.

Community Facilities District No. 60
Ontario Ranch Business Park Services

Location

Community Facilities District No. 60 (Ontario Ranch Business Park Services) is located south of Eucalyptus Avenue, north of Merrill Avenue, east of Euclid Avenue and west of Sultana Avenue. CFD No. 60 is a Services CFD comprised of approximately 86 acres of non-residential development which provides for ongoing City Services.

Funds Collected and Expended

The table below shows the amount of special taxes collected and the expenditures made to fund authorized Special Districts Cost of Services and incidental expenses of CFD No. 60 (Ontario Ranch Business Park Services) from July 1, 2023 through June 30, 2024.

Description	Amount
FY 2023-24 Special Tax	
Special Tax- Current	$ 441,571
Total Special Tax Revenues	**$ 441,571**
FY 2023-24 Expenditures	
Special Districts Cost of Services	$ 424,841
Administrative Expenses	$ 19,084
Total Expenditures	**$ 443,925**

Project Status

Provides for ongoing City Services.

Community Facilities District No. 61
Merrill Commerce Center Services

Location

Community Facilities District No. 61 (Merrill Commerce Center Services) is located south of Eucalyptus Avenue, north of Merrill Avenue, east of Grove Avenue and west of Carpenter Avenue. CFD No. 61 is a Services CFD comprised of approximately 151 acres of non-residential development which provides for ongoing City Services.

Funds Collected and Expended

The table below shows the amount of special taxes collected and the expenditures made to fund authorized Special Districts Cost of Services and incidental expenses of CFD No. 61 (Merrill Commerce Center Services) from July 1, 2023 through June 30, 2024.

Description	Amount
FY 2023-24 Special Tax	
Special Tax- Current	$ 1,277,819
Total Special Tax Revenues	**$ 1,277,819**
FY 2023-24 Expenditures	
Special Districts Cost of Services	$ 1,236,631
Administrative Expenses	$ 46,620
Total Expenditures	**$ 1,283,251**

Project Status

Provides for ongoing City Services.

Community Facilities District No. 62
Ontario Commerce Center

Location

Community Facilities District No. 62 (Ontario Commerce Services) is located south of Riverside Drive, north of Chino Avenue, east of Haven Avenue and west of Hamner Avenue. CFD No. 62 is a Services CFD comprised of approximately 998,092 square feet at build-out and 47.7 acres of non-residential development which provides for ongoing City Services.

Funds Collected and Expended

The table below shows the amount of special taxes collected and the expenditures made to fund authorized Special Districts Cost of Services and incidental expenses of CFD No. 62 (Ontario Commerce Center) from July 1, 2023 through June 30, 2024.

Description	Amount
FY 2023-24 Special Tax	
Special Tax- Current	$ 239,071
Total Special Tax Revenues	**$ 239,071**
FY 2023-24 Expenditures	
Special Districts Cost of Services	$ 226,423
Administrative Expenses	$ 12,648
Total Expenditures	**$ 239,071**

Project Status

Provides for ongoing City Services

City of Ontario
Summary of Services Community Facilities Districts
Special Taxes Levied and Expended for Fiscal Year 2023-24
(As Required by CA Govt. Code Section 50075.3)

CFD No.	CFD Name	Fund	2023-24 Special Tax Current	2023-24 Special Tax Penalty	2023-24 Special Tax Prior	2023-24 Total Special Tax Revenue	Administrative Expenses	Special Districts Cost of Services	2023-24 Expenditures Total
9	Edenglen	2920	$ 615,511	$ 884	$ 5,652	$ 622,047	$ 51,125	$ 567,933	$ 619,059
10	Ontario Airport Towers	2910	$ 12,218	$ -	$ -	$ 12,218	$ 4,183	$ -	$ 4,183
19	Countryside Phase 1 - Services	2920	$ 427,248	$ -	$ -	$ 427,248	$ 44,921	$ 383,049	$ 427,970
20	WalMart	2910	$ 33,024	$ -	$ -	$ 33,024	$ 4,863	$ -	$ 4,863
21	Parkside	2910	$ 66,244	$ -	$ -	$ 66,244	$ 5,972	$ -	$ 5,972
23	Park Place Services	2920	$ 1,901,929	$ 11,503	$ 37,869	$ 1,951,300	$ 93,586	$ 1,996,084	$ 2,089,670
27	New Haven Services	2920	$ 2,696,902	$ 3,595	$ 17,685	$ 2,718,182	$ 112,243	$ 2,694,941	$ 2,807,184
32	Archibald/Schaefer - Services	2920	$ 480,655	$ 816	$ 4,448	$ 485,919	$ 46,621	$ 438,576	$ 485,197
37	Park & Turner NE Services	2920	$ 473,438	$ 462	$ 2,887	$ 476,787	$ 46,385	$ 431,124	$ 477,509
44	Esperanza Services	2920	$ 810,728	$ 711	$ 5,053	$ 816,492	$ 57,689	$ 753,943	$ 811,632
47	Colony Commerce Center West I Services	2920	$ 339,430	$ -	$ -	$ 339,430	$ 15,743	$ 329,322	$ 345,066
48	Tevelde Services	2920	$ 619,222	$ 494	$ 2,887	$ 622,604	$ 51,201	$ 572,847	$ 624,048
49	Avenue 176 Services	2920	$ 251,875	$ 249	$ 2,166	$ 254,289	$ 39,114	$ 213,010	$ 252,124
50	West Ontario Logistics Center Services	2920	$ 315,342	$ -	$ -	$ 315,342	$ 14,956	$ 304,286	$ 319,241
51	Ontario Ranch Logistics Center Services	2920	$ 668,943	$ -	$ -	$ 668,943	$ 26,520	$ 666,007	$ 692,527
58	Colony Commerce Center East Services	2920	$ 443,737	$ -	$ -	$ 443,737	$ 19,154	$ 433,413	$ 452,567
59	Gateway	2920	$ 144,556	$ -	$ -	$ 144,556	$ 35,719	$ 108,115	$ 143,834
60	Ontario Ranch Business Park Services	2920	$ 441,571	$ -	$ -	$ 441,571	$ 19,084	$ 424,841	$ 443,925
61	Merrill Commerce Center Services	2920	$ 1,277,819	$ -	$ -	$ 1,277,819	$ 46,620	$ 1,236,631	$ 1,283,251
62	Ontario Commerce Center	2920	$ 239,071	$ -	$ -	$ 239,071	$ 12,648	$ 226,423	$ 239,071
		Total	**$12,259,462**	**$ 18,713**	**$ 78,648**	**$ 12,356,824**	**$ 748,348**	**$ 11,780,544**	**$ 12,528,892**

Ontario Facilities CFDs

Community Facilities District No. 13
California Commerce Center- Phase IV

Location

Community Facilities District No. 13 (California Commerce Center- Phase IV) is located south of Francis Street, generally north of Mission Boulevard, east of Haven Avenue and west of Milliken Avenue. CFD No. 13 is a Facilities CFD comprised of approximately 103 acres of commercial/industrial development, with 1.96 million square feet of industrial development, and 1 parcel of commercial development totaling approximately 20,000 square feet of floor space.

Authorized Facilities and Bonds

CFD No. 13 (California Commerce Center- Phase IV) was formed to finance major public improvements which include street and traffic circulation facilities, water and recycled water system facilities, sewer system facilities, storm drain facilities and other public infrastructure improvements for the benefit of the district. The City in 2021 refunded the prior special tax bonds (Series 2008) which were issued in the aggregate principal amount of $4,635,000.

Funds Collected and Expended

The table below shows the amount of special taxes collected and the expenditures made to fund the authorized facilities and incidental expenses of CFD No. 13 (California Commerce Center-Phase IV) from July 1, 2023 through June 30, 2024.

Description	Amount
FY 2023-24 Special Tax	
Special Tax- Current	$ 308,437
Total Special Tax Revenues	**$ 308,437**
FY 2023-24 Expenditures	
Bond Interest – 9/1/2023	$ 61,400
Bond Principal – 9/1/2023	$ 140,000
Bond Interest – 3/1/2024	$ 58,600
Administrative Expenses	$ 26,070
Total Expenditures	**$ 286,070**

Original Funding Sources and Usage of Bond Proceeds

The following tables show the Original Funding Sources and Usage of the Series 2008 and Series 2021 Bond Proceeds, and the June 30, 2024, ending account balances. The amounts levied pay the administrative expenses and the annual debt service payments (principal and interest).

Original Funding Sources and Usage of Bond Proceeds	Series 2008 Issued 7/16/2008	Series 2021 Issued 6/16/2021
Funding Sources:		
Principal Amount of the Bonds	$ 4,635,000	$ 3,205,000
Original Issue Premium/(Discount)	$ (70,951)	$ 408,487
Funds from Series 2008 Bond Accounts	$ -	$ 893,149
Total	**$ 4 ,564,049**	**$ 4,506,636**
Usage:		
Acquisition and Construction Account	$ 3,887,060	$ -
Escrow Account	$ -	$ 3,720,544
Reserve Account	$ 340,336	$ 266,000
Capitalized Interest Account	$ 34,032	$ 26,708
Administrative Expense Account	$ -	$ 225,850
Cost of Issuance Account	$ 302,620	$ 267,533
Total	**$ 4,564,049**	**$ 4,506,636**

Ending Balance	
Series 2008: Bonds Paid out- No longer Active	
Series 2021:	
Account	**6/30/2024**
Reserve	$ 270,419
Interest	$ 28
Administrative Expense	$ 236,394
Total	**$ 506,841**

Project Status

All improvements funded by the original 2008 Bond series are complete. There were no Improvement/Construction Funds associated with the refunding of the bonds in the District.

Community Facilities District No. 24
Park Place Facilities Phase 1

Location

Community Facilities District No. 24 (Park Place Facilities Phase 1) is located east of Archibald Avenue, west of Haven Avenue, generally south of Merrill Avenue and north of Bellegrave Avenue. CFD No. 24 is a Facilities CFD comprised of approximately 175 acres of residential development.

Authorized Facilities and Bonds

CFD No. 24 (Park Place Facilities Phase 1) was formed to finance major public improvements which include water and recycled water system facilities, sewer system facilities, fiber optic system facilities, streets and traffic circulation system facilities and public park facilities for the benefit of residents within the district. The District has one series of bonds: The Park Place Facilities Phase 1 Special Tax Bonds, Series 2016.

Funds Collected and Expended

The table below shows the amount of special taxes collected and the expenditures made to fund the authorized facilities and incidental expenses of CFD No. 24 (Park Place Facilities Phase 1) from July 1, 2023 through June 30, 2024.

Description	Amount
FY 2023-24 Special Tax	
Special Tax- Current	$ 1,065,089
Special Tax- Penalty	$ 6,170
Special Tax- Prior	$ 18,420
Total Special Tax Revenues	**$ 1,089,680**
FY 2023-24 Expenditures	
Bond Interest – 9/1/2023	$ 315,735
Bond Principal – 9/1/2023	$ 360,000
Bond Interest – 3/1/2024	$ 308,534
Administrative Expenses	$ 72,827
Trustee Administrative Expense	$ 2,100
Total Expenditures	**$ 1,059,196**

Original Funding Sources and Usage of Bond Proceeds

The following table shows the Original Funding Sources and Usage of the Series 2016 Bond Proceeds, and the June 30, 2024, ending account balances. The amounts levied pay the administrative expenses, debt service (principal and interest) and future infrastructure improvements funded or constructed by the City.

Original Funding Sources and Usage of Bond Proceeds	Series 2016 Issued 9/8/2016
Funding Sources:	
Principal Amount of the Bonds	$ 16,135,000
Original Issue Premium/(Discount)	$ 1,975,230
Underwriter's Discount	$ (201,695)
Total	**$ 17,908,535**
Usage:	
SL Ontario Acquisition Account	$ 3,437,725
City Facilities Account	$ 3,093,341
Reserve Account	$ 995,469
Administrative Expense Account	$ 15,000
Cost of Issuance Account	$ 367,000
Total	**$ 17,908,535**
Ending Balance	
Account	**6/30/2024**
City Facilities	$ 120,923
Administrative Expense	$ 197,874
Reserve	$ 991,107
Total	**$ 1,309,904**

Project Status

The construction of facilities is ongoing.

Community Facilities District No. 25
Park Place Facilities Phase II

Location

Community Facilities District No. 25 (Park Place Facilities Phase II) is located east of Archibald Avenue, west of Celebration Avenue, south of Parkview Street and north of Merrill Avenue. CFD No. 25 is a Facilities CFD comprised of approximately 54 acres of residential development.

Authorized Facilities and Bonds

CFD No. 25 (Park Place Facilities Phase II) was formed to finance major public improvements which include street improvements and public park improvements for the benefit of residents within the district. The District has one series of bonds: The Park Place Facilities Phase II Special Tax Bonds, Series 2019.

Funds Collected and Expended

The table below shows the amount of special taxes collected and the expenditures made to fund the authorized facilities and incidental expenses of CFD No. 25 (Park Place Facilities Phase II) from July 1, 2023 through June 30, 2024.

Description	Amount
FY 2023-24 Special Tax	
Special Tax- Current	$ 662,023
Special Tax- Penalty	$ 6,069
Special Tax- Prior	$ 18,855
Total Special Tax Revenues	**$ 686,946**
FY 2023-24 Expenditures	
Bond Interest – 9/1/2023	$ 183,838
Bond Principal – 9/1/2023	$ 155,000
Bond Interest – 3/1/2024	$ 179,962
Administrative Expenses	$ 47,670
Trustee Administrative Expense	$ 2,350
Total Expenditures	**$ 568,820**

Original Funding Sources and Usage of Bond Proceeds

The following table shows the Original Funding Sources and Usage of the Series 2019 Bond Proceeds, and the June 30, 2024, ending account balances. The amounts levied pay the administrative expenses, debt service (principal and interest) and future infrastructure improvements funded or constructed by the City.

Original Funding Sources and Usage of Bond Proceeds	Series 2019 Issued 1/24/2019
Funding Sources:	
Principal Amount of the Bonds	$ 8,615,000
Original Issue Premium/(Discount)	$ 392,946
Underwriter's Discount	$ (102,538)
Total	**$ 8,905,408**
Usage:	
SL Ontario Acquisition Account	$ 5,320,555
NMC Acquisition Account	$ 2,785,853
Reserve Account	$ 525,000
Administrative Expense Account	$ 40,000
Cost of Issuance Account	$ 234,000
Total	**$ 8,905,408**
Ending Balance	
Account	**6/30/2024**
City Facilities	$ 242,626
Administrative Expense	$ 111,267
Reserve	$ 533,722
Total	**$ 887,615**

Project Status

The construction and acquisition of facilities is ongoing.

Community Facilities District No. 26
Park Place Facilities Phase III

Location

Community Facilities District No. 26 (Park Place Facilities Phase III) is located east of Celebration Avenue, west of Haven Avenue, south of Parkview Street and north of Merrill Avenue. CFD No. 26 is a Facilities CFD comprised of approximately 33 acres of residential development.

Authorized Facilities and Bonds

CFD No. 26 (Park Place Facilities Phase III) was formed to finance major public improvements which include water and recycled water system facilities, fiber optic system facilities, and storm drain collection system facilities improvements for the benefit of residents within the district. The District has one series of bonds: The Park Place Facilities Phase III Special Tax Bonds, Series 2019.

Funds Collected and Expended

The table below shows the amount of special taxes collected and the expenditures made to fund the authorized facilities and incidental expenses of CFD No. 26 (Park Place Facilities Phase III) from July 1, 2023 through June 30, 2024.

Description	Amount
FY 2023-24 Special Tax	
Special Tax- Current	$ 673,932
Special Tax- Penalty	$ 4,123
Special Tax- Prior	$ 13,260
Total Special Tax Revenues	**$ 691,315**
FY 2023-24 Expenditures	
Bond Interest – 9/1/2023	$ 188,050
Bond Principal – 9/1/2023	$ 160,000
Bond Interest – 3/1/2024	$ 184,850
Administrative Expenses	$ 48,712
Trustee Administrative Expense	$ 2,350
Total Expenditures	**$ 583,962**

Original Funding Sources and Usage of Bond Proceeds

The following table shows the Original Funding Sources and Usage of the Series 2019 Bond Proceeds, and the June 30, 2024 ending account balances. The amounts levied pay the administrative expenses, debt service (principal and interest) and future infrastructure improvements funded or constructed by the City.

Original Funding Sources and Usage of Bond Proceeds	Series 2019 Issued 9/18/2019
Funding Sources:	
Principal Amount of the Bonds	$ 8,835,000
Original Issue Premium/(Discount)	$ 1,289,934
Underwriter's Discount	$ (107,470)
Total	**$ 10,017,464**
Usage:	
SL Ontario Acquisition Account	$ 1,768,152
NMC Acquisition Account	$ 7,498,412
Reserve Account	$ 540,900
Cost of Issuance Account	$ 210,000
Total	**$ 10,017,464**
Ending Balance	
Account	**6/30/2024**
City Facilities	$ 211,828
Administrative Expense	$ 91,860
Reserve	$ 549,886
Total	**$ 853,574**

Project Status

The construction and acquisition of facilities is ongoing.

Community Facilities District No. 28
New Haven Facilities – Area A

Location

Community Facilities District No. 28 (New Haven Facilities – Area A) is located generally east of Turner Avenue, west of Haven Avenue, south of Schaefer Avenue and north of Ontario Ranch Road. CFD No. 28 is a Facilities CFD comprised of approximately 53 acres of residential development.

Authorized Facilities and Bonds

CFD No. 28 (New Haven Facilities – Area A) was formed to finance major public improvements which include water and recycled water system facilities, fiber optic system facilities, sewer collection system facilities and streets and traffic circulation system facilities improvements for the benefit of residents within the district. The District has one series of bonds: The New Haven Facilities – Area A Special Tax Bonds, Series 2017.

Funds Collected and Expended

The table below shows the amount of special taxes collected and the expenditures made to fund the authorized facilities and incidental expenses of CFD No. 28 (New Haven Facilities – Area A) from July 1, 2023 through June 30, 2024.

Description	Amount
FY 2023-24 Special Tax	
Special Tax- Current	$ 676,213
Special Tax- Penalty	$ 669
Special Tax- Prior	$ 5,144
Total Special Tax Revenues	**$ 682,025**
FY 2023-24 Expenditures	
Bond Interest – 9/1/2023	$ 183,647
Bond Principal – 9/1/2023	$ 195,000
Bond Interest – 3/1/2024	$ 179,747
Administrative Expenses	$ 49,117
Trustee Administrative Expense	$ 2,500
Total Expenditures	**$ 610,011**

Original Funding Sources and Usage of Bond Proceeds

The following table shows the Original Funding Sources and Usages of the Series 2017 Bond Proceeds, and the June 30, 2024 ending account balances. The amounts levied pay the administrative expenses, debt service (principal and interest) and future infrastructure improvements funded or constructed by the City.

Original Funding Sources and Usage of Bond Proceeds	Series 2017 Issued 3/29/2017
Funding Sources:	
Principal Amount of the Bonds	$ 9,010,000
Original Issue Premium/(Discount)	$ 37,567
Underwriter's Discount	$ (112,625)
Total	**$ 8,934,942**
Usage:	
BrookCal Ontario Acquisition Account	$ 4,457,345
NMC Acquisition Account	$ 3,692,607
Reserve Account	$ 562,800
Administrative Expense Account	$ 20,190
Cost of Issuance Account	$ 202,000
Total	**$ 8,934,942**
Ending Balance	
Account	**6/30/2024**
City Facilities	$ 199,500
Administrative Expense	$ 221,460
Reserve	$ 562,800
Total	**$ 983,760**

Project Status

The construction and acquisition of facilities is ongoing.

Community Facilities District No. 30
New Haven Facilities – Area B

Location

Community Facilities District No. 30 (New Haven Facilities – Area B) is located generally east of Turner Avenue, west of Haven Avenue, south of Schaefer Avenue and north of Ontario Ranch Road. CFD No. 30 is a Facilities CFD comprised of approximately 58 acres of residential development.

Authorized Facilities and Bonds

CFD No. 30 (New Haven Facilities – Area B) was formed to finance major public improvements which include water and recycled water system facilities, fiber optic system facilities, sewer collection system facilities and streets and traffic circulation system facilities improvements for the benefit of residents within the district. The District has one series of bonds: The New Haven Facilities – Area B Special Tax Bonds, Series 2017.

Funds Collected and Expended

The table below shows the amount of special taxes collected and the expenditures made to fund the authorized facilities and incidental expenses of CFD No. 30 (New Haven Facilities – Area B) from July 1, 2023 through June 30, 2024.

Description	Amount
FY 2023-24 Special Tax	
Special Tax- Current	$ 957,030
Special Tax- Penalty	$ 1,631
Special Tax- Prior	$ 5,413
Total Special Tax Revenues	**$ 964,074**
FY 2023-24 Expenditures	
Bond Interest – 9/1/2023	$ 247,210
Bond Principal – 9/1/2023	$ 300,000
Bond Interest – 3/1/2024	$ 241,209
Administrative Expenses	$ 83,234
Trustee Administrative Expense	$ 2,350
Total Expenditures	**$ 874,003**

Original Funding Sources and Usage of Bond Proceeds

The following table shows the Original Funding Sources and Usage of the Series 2017 Bond Proceeds, and the June 30, 2024 ending account balances. The amounts levied pay the administrative expenses, debt service (principal and interest) and future infrastructure improvements funded or constructed by the City.

Original Funding Sources and Usage of Bond Proceeds	Series 2017 Issued 12/20/2017
Funding Sources:	
Principal Amount of the Bonds	$ 14,000,000
Original Issue Premium/(Discount)	$ 337,809
Underwriter's Discount	$ (175,000)
Total	**$ 14,162,809**
Usage:	
BrookCal Ontario Acquisition Account	$ 2,672,949
City Facilities Account	$ 10,353,320
Reserve Account	$ 797,419
Administrative Expense Account	$ 84,121
Cost of Issuance Account	$ 255,000
Total	**$ 14,162,809**
Ending Balance	
Account	**6/30/2024**
City Facilities	$ 307,839
Administrative Expense	$ 76,468
Reserve	$ 810,666
Total	**$ 1,194,973**

Project Status

The construction and acquisition of facilities is ongoing.

Community Facilities District No. 33
Archibald/Schaefer - Facilities

Location

Community Facilities District No. 33 (Archibald/Schaefer - Facilities) is located east of Archibald Avenue, west of Turner Avenue, south of Schaefer Avenue and north of La Avenida Drive. CFD No. 33 is a Facilities CFD comprised of approximately 50 acres of residential development.

Authorized Facilities and Bonds

CFD No. 33 (Archibald/Schaefer - Facilities) was formed to finance major public improvements which include water and recycled water system facilities, fiber optic system facilities and street and traffic circulation system facilities improvements for the benefit of residents within the district. The District has one series of bonds: The Archibald/Schaefer - Facilities Special Tax Bonds, Series 2019.

Funds Collected and Expended

The table below shows the amount of special taxes collected and the expenditures made to fund the authorized facilities and incidental expenses of CFD No. 33 (Archibald/Schaefer - Facilities) from July 1, 2023 through June 30, 2024.

Description	Amount
FY 2023-24 Special Tax	
Special Tax- Current	$ 500,106
Special Tax- Penalty	$ 589
Special Tax- Prior	$ 2,678
Total Special Tax Revenues	**$ 503,373**
FY 2023-24 Expenditures	
Bond Interest – 9/1/2023	$ 132,025
Bond Principal – 9/1/2023	$ 110,000
Bond Interest – 3/1/2024	$ 129,825
Administrative Expenses	$ 37,776
Trustee Administrative Expense	$ 2,350
Total Expenditures	**$ 411,976**

Original Funding Sources and Usage of Bond Proceeds

The following table shows the Original Funding Sources and Usage of the Series 2019 Bond Proceeds, and the June 30, 2024 ending account balances. The amounts levied pay the administrative expenses, debt service (principal and interest) and future infrastructure improvements funded or constructed by the City.

Original Funding Sources and Usage of Bond Proceeds	Series 2019 Issued 10/17/2019
Funding Sources:	
Principal Amount of the Bonds	$ 5,990,000
Original Issue Premium/(Discount)	$ 867,384
Underwriter's Discount	$ (77,306)
Total	**$ 6,780,078**
Usage:	
Western Pacific Acquisition Account	$ 2,620,316
NMC Acquisition Account	$ 3,556,512
Reserve Account	$ 375,250
Cost of Issuance Account	$ 228,000
Total	**$ 6,780,078**
Ending Balance	
Account	**6/30/2024**
City Facilities	$ 143,612
Administrative Expense	$ 209,528
Reserve	$ 381,484
Total	**$ 734,624**

Project Status

The construction and acquisition of facilities is ongoing.

Community Facilities District No. 34
Countryside Phase I North - Facilities

Location

Community Facilities District No. 34 (Countryside Phase 1 North - Facilities) is located east of the Cucamonga Creek Channel, west of Archibald Avenue, south of Riverside Drive and north of Chino Avenue. CFD No. 34 is a Facilities CFD comprised of approximately 50 acres of residential development.

Authorized Facilities and Bonds

CFD No. 34 (Countryside Phase 1 North - Facilities) was formed to finance major public improvements which include water and recycled water system facilities, fiber optic system facilities, streets and traffic circulation system facilities, and storm drain facilities improvements for the benefit of residents within the district. The District has one series of bonds: The Countryside Phase 1 North - Facilities Special Tax Bonds, Series 2018.

Funds Collected and Expended

The table below shows the amount of special taxes collected and the expenditures made to fund the authorized facilities and incidental expenses of CFD No. 34 (Countryside Phase 1 North - Facilities) from July 1, 2023 through June 30, 2024.

Description	**Amount**
FY 2023-24 Special Tax	
Special Tax- Current	$ 533,627
Total Special Tax Revenues	**$ 533,627**
FY 2023-24 Expenditures	
Bond Interest – 9/1/2023	$ 142,203
Bond Principal – 9/1/2023	$ 170,000
Bond Interest – 3/1/2024	$ 139,653
Administrative Expenses	$ 40,019
Trustee Administrative Expense	$ 2,350
Total Expenditures	**$ 494,226**

Original Funding Sources and Usage of Bond Proceeds

The following table shows the Original Funding Sources and Usage of the Series 2018 Bond Proceeds, and the June 30, 2024 ending account balances. The amounts levied pay the administrative expenses, debt service (principal and interest) and future infrastructure improvements funded or constructed by the City.

Original Funding Sources and Usage of Bond Proceeds	Series 2018 Issued 2/14/2018
Funding Sources:	
Principal Amount of the Bonds	$ 7,920,000
Original Issue Premium/(Discount)	$ 177,447
Underwriter's Discount	$ (78,980)
Total	**$ 8,018,467**
Usage:	
Forestar Acquisition Account	$ 7,279,247
Reserve Account	$ 454,800
Interest Account	$ 59,420
Cost of Issuance Account	$ 225,000
Total	**$ 8,018,467**
Ending Balance	
Account	**6/30/2024**
City Facilities	$ 24,702
Administrative Expense	$ 220,252
Reserve	$ 462,356
Cost of Issuance	$ 6,631
Total	**$ 713,941**

Project Status

The construction and acquisition of facilities is ongoing.

Community Facilities District No. 35
Countryside Phase II Facilities

Location

Community Facilities District No. 35 (Countryside Phase 2 Facilities) is located east of Cucamonga Creek Channel, west of Archibald Avenue, south of Chino Avenue and north of Schaffer Avenue. CFD No. 35 is a Facilities CFD comprised of approximately 78 acres of residential development.

Authorized Facilities and Bonds

CFD No. 35 (Countryside Phase 2 Facilities) was formed to finance major public improvements which include water and recycled water system facilities, sewer system facilities, fiber optic system facilities and streets and traffic circulation system facilities improvements for the benefit of residents within the district. The District plans to issue the Countryside Phase 2 Tax Bonds in July 2024.

Funds Collected and Expended

The table below shows the amount of special taxes collected and the expenditures made to fund the authorized facilities and incidental expenses of CFD No. 35 (Countryside Phase 2 Facilities) from July 1, 2023 through June 30, 2024.

Description	Amount
FY 2023-24 Special Tax	
Special Tax- Current	$ 278,294
Total Special Tax Revenues	**$ 278,294**
FY 2023-24 Expenditures	
Administrative Expenses	$ 21,076
Total Expenditures	**$ 21,076**

Project Status

The construction and acquisition of facilities is ongoing.

Community Facilities District No. 38
Park & Turner NE Facilities

Location

Community Facilities District No. 38 (Park & Turner NE Facilities) is located east of Turner Avenue, west of Haven Avenue, south of Ontario Ranch Road and north of Eucalyptus Avenue. CFD No. 38 is a Facilities CFD comprised of approximately 49 acres of residential development.

Authorized Facilities and Bonds

CFD No. 38 (Park & Turner NE Facilities) was formed to finance major public improvements which include water and recycled water system facilities, sewer system facilities, fiber optic system facilities and streets and traffic circulation system facilities improvements for the benefit of residents within the district. The District has one series of bonds: The Park & Turner NE Facilities Special Tax Bonds, Series 2019.

Funds Collected and Expended

The table below shows the amount of special taxes collected and the expenditures made to fund the authorized facilities and incidental expenses of CFD No. 38 (Park & Turner NE Facilities) from July 1, 2023 through June 30, 2024.

Description	Amount
FY 2023-24 Special Tax	
Special Tax- Current	$ 794,309
Special Tax- Penalty	$ 830
Special Tax- Prior	$ 5,129
Total Special Tax Revenues	**$ 800,268**
FY 2023-24 Expenditures	
Bond Interest – 9/1/2023	$ 225,985
Bond Principal – 9/1/2023	$ 195,000
Bond Interest – 3/1/2024	$ 222,084
Administrative Expenses	$ 55,862
Total Expenditures	**$ 698,931**

Original Funding Sources and Usage of Bond Proceeds

The following table shows the Original Funding Sources and Usage of the Series 2019 Bond Proceeds, and the June 30, 2024 ending account balances. The amounts levied pay the administrative expenses, debt service (principal and interest) and future infrastructure improvements funded or constructed by the City.

Original Funding Sources and Usage of Bond Proceeds	Series 2019 Issued 4/11/2019
Funding Sources:	
Principal Amount of the Bonds	$ 10,450,000
Original Issue Premium/(Discount)	$ 900,112
Underwriter's Discount	$ (122,725)
Total	**$ 11,227,387**
Usage:	
Lennar Acquisition Account	$ 2,490,319
NMC Acquisition Account	$ 7,855,067
Reserve Account	$ 648,000
Cost of Issuance Account	$ 234,000
Total	**$ 11,227,387**
Ending Balance	
Account	**6/30/2024**
City Facilities	$ 248,046
Administrative Expense	$ 141,638
Reserve	$ 658,765
Total	**$ 1,084,449**

Project Status

The construction and acquisition of facilities is ongoing.

Community Facilities District No. 39
New Haven Facilities – Area C

Location

Community Facilities District No. 39 (New Haven Facilities – Area C) is located east of Turner Avenue, west of Haven Avenue, north of Edison Avenue and south of Ontario Ranch Road. CFD No. 39 is a Facilities CFD comprised of approximately 22 acres of residential development.

Authorized Facilities and Bonds

CFD No. 39 (New Haven Facilities – Area C) was formed to finance major public improvements which include water and recycled water system facilities, fiber optic system facilities, sewer collection system facilities and streets and traffic circulation system facilities improvements for the benefit of residents within the district. The District has one series of bonds: The New Haven Facilities – Area C Special Tax Bonds, Series 2019.

Funds Collected and Expended

The table below shows the amount of special taxes collected and the expenditures made to fund the authorized facilities and incidental expenses of CFD No. 39 (New Haven Facilities – Area C) from July 1, 2023 through June 30, 2024.

Description	Amount
FY 2023-24 Special Tax	
Special Tax- Current	$ 404,667
Special Tax- Penalty	$ 263
Special Tax- Prior	$ 2,291
Total Special Tax Revenues	**$ 407,221**
FY 2023-24 Expenditures	
Bond Interest – 9/1/2023	$ 94,050
Bond Principal – 9/1/2023	$ 105,000
Bond Interest – 3/1/2024	$ 92,934
Administrative Expenses	$ 32,049
Trustee Administrative Expense	$ 2,350
Total Expenditures	**$ 326,384**

Original Funding Sources and Usage of Bond Proceeds

The following table shows the Original Funding Sources and Usage of the Series 2019 Bond Proceeds, and the June 30, 2024 ending account balances. The amounts levied pay the administrative expenses, debt service (principal and interest) and future infrastructure improvements funded or constructed by the City.

Original Funding Sources and Usage of Bond Proceeds	Series 2019 Issued 2/26/2019
Funding Sources:	
Principal Amount of the Bonds	$ 5,115,000
Original Issue Premium/(Discount)	$ 13,203
Underwriter's Discount	$ (68,181)
Total	**$ 5,060,022**
Usage:	
BrookCal Ontario Acquisition Account	$ 1,876,127
NMC Acquisition Account	$ 2,621,307
Reserve Account	$ 295,588
Administrative Expense Account	$ 40,000
Cost of Issuance Account	$ 227,000
Total	**$ 5,060,022**
Ending Balance	
Account	**6/30/2024**
City Facilities	$ 112,751
Administrative Expense	$ 271,031
Reserve	$ 300,498
Total	**$ 684,280**

Project Status

The construction and acquisition of facilities is ongoing.

Community Facilities District No. 40
Emerald Park Facilities

Location

Community Facilities District No. 40 (Emerald Park Facilities) is located east of Archibald Avenue, west of Broadway Avenue, south of La Avenida Drive and north of Ontario Ranch Road. CFD No. 40 is a Facilities CFD comprised of approximately 24 acres of residential development.

Authorized Facilities and Bonds

CFD No. 40 (Emerald Park Facilities) was formed to finance major public improvements which include fiber optic system facilities, and streets and traffic circulation system facilities improvements for the benefit of residents within the district. The District has one series of bonds: The Emerald Park Facilities Special Tax Bonds, Series 2020.

Funds Collected and Expended

The table below shows the amount of special taxes collected and the expenditures made to fund the authorized facilities and incidental expenses of CFD No. 40 (Emerald Park Facilities) from July 1, 2023 through June 30, 2024.

Description	Amount
FY 2023-24 Special Tax	
Special Tax- Current	$ 493,723
Special Tax- Penalty	$ 238
Special Tax- Prior	$ 1,254
Total Special Tax Revenues	**$ 495,215**
FY 2023-24 Expenditures	
Bond Interest – 9/1/2023	$ 121,225
Bond Principal – 9/1/2023	$ 125,000
Bond Interest – 3/1/2024	$ 119,350
Administrative Expenses	$ 54,210
Trustee Administrative Expense	$ 2,350
Total Expenditures	**$ 422,135**

Original Funding Sources and Usage of Bond Proceeds

The following table shows the Original Funding Sources and Usage of the Series 2020 Bond Proceeds, and the June 30, 2024 ending account balances. The amounts levied pay the administrative expenses, debt service (principal and interest) and future infrastructure improvements funded or constructed by the City.

Original Funding Sources and Usage of Bond Proceeds	Series 2020 Issued 8/13/2020
Funding Sources:	
Principal Amount of the Bonds	$ 6,340,000
Original Issue Premium/(Discount)	$ 663,463
Underwriter's Discount	$ (79,369)
Total	**$ 6,924,094**
Usage:	
BrookCal Ontario Acquisition Account	$ 3,444,588
NMC Acquisition Account	$ 2,910,106
Reserve Account	$ 369,400
Cost of Issuance Account	$ 200,000
Total	**$ 6,924,094**
Ending Balance	
Account	**6/30/2024**
BrookCal Ontario Acquisition	$ 1,230,722
NMC Acquisition	$ 113
City Facilities	$ 100,384
Administrative Expense	$ 90,971
Reserve	$ 375,531
Total	**$ 1,797,721**

Project Status

The construction and acquisition of facilities is ongoing.

Community Facilities District No. 41
Canvas Park Facilities

Location

Community Facilities District No. 41 (Canvas Park Facilities) is located east of Haven Avenue, west of Hamner Avenue, north of Ontario Ranch Road and south of Chino Avenue. CFD No. 41 is a Facilities CFD comprised of approximately 45 acres of residential development.

Authorized Facilities and Bonds

CFD No. 41 (Canvas Park Facilities) was formed to finance major public improvements which include fiber optic system facilities, and streets and traffic circulation system facilities improvements for the benefit of residents within the district. The District has one series of bonds: The Canvas Park Facilities Special Tax Bonds, Series 2022.

Funds Collected and Expended

The table below shows the amount of special taxes collected and the expenditures made to fund the authorized facilities and incidental expenses of CFD No. 41 (Canvas Park Facilities) from July 1, 2023 through June 30, 2024.

Description	Amount
FY 2023-24 Special Tax	
Special Tax- Current	$ 958,093
Special Tax- Penalty	$ 414
Special Tax- Prior	$ 3,371
Total Special Tax Revenues	**$ 961,878**
FY 2023-24 Expenditures	
Bond Interest – 9/1/2023	$ 273,500
Bond Principal – 9/1/2023	$ 245,000
Bond Interest – 3/1/2024	$ 268,600
Administrative Expenses	$ 65,688
Trustee Administrative Expense	$ 2,350
Total Expenditures	**$ 855,138**

Original Funding Sources and Usage of Bond Proceeds

The following table shows the Original Funding Sources and Usage of the Series 2023 Bond Proceeds, and the June 30, 2024 ending account balances. The amounts levied pay the administrative expenses, debt service (principal and interest) and future infrastructure improvements funded or constructed by the City.

Original Funding Sources and Usage of Bond Proceeds	Series 2022 Issued 2/10/2022
Funding Sources:	
Principal Amount of the Bonds	$ 13,845,000
Original Issue Premium/(Discount)	$ 1,430,783
Underwriter's Discount	$ (156,588)
Total	**$ 15,119,195**
Usage:	
BrookCal Ontario Acquisition Account	$ 6,000,000
NMC Acquisition Account	$ 8,069,195
Reserve Account	$ 793,000
Cost of Issuance Account	$ 257,000
Total	**$ 15,119,195**
Ending Balance	
Account	**6/30/2024**
BrookCal Ontario Acquisition	$ 2,268,673
NMC Acquisition	$ 98
City Facilities	$ 56,169
Administrative Expense	$ 98,254
Reserve	$ 806,174
Total	**$ 3,229,368**

Project Status

The construction and acquisition of facilities is ongoing.

Community Facilities District No. 42
West Haven

Location

Community Facilities District No. 42 (West Haven) is located east of Turner Avenue, west of Haven Avenue, south of Riverside Drive and north of Schaefer Avenue. CFD No. 42 is a Facilities CFD comprised of approximately 47 acres of residential development.

Authorized Facilities and Bonds

CFD No. 42 (West Haven) was formed to finance major public improvements which include water and recycled water system facilities, sewer system facilities, streets and traffic circulation system facilities, storm drain system facilities, and fiber optic system facilities improvements for the benefit of residents within the district. The District has one series of bonds: The West Haven Special Tax Bonds, Series 2022.

Funds Collected and Expended

The table below shows the amount of special taxes collected and the expenditures made to fund the authorized facilities and incidental expenses of CFD No. 42 (West Haven) from July 1, 2023 through June 30, 2024.

Description	Amount
FY 2023-24 Special Tax	
Special Tax- Current	$ 586,857
Special Tax- Penalty	$ 1,270
Special Tax- Prior	$ 9,928
Total Special Tax Revenues	**$ 598,055**
FY 2023-24 Expenditures	
Bond Interest – 9/1/2023	$ 172,532
Bond Principal – 9/1/2023	$ 110,000
Bond Interest – 3/1/2024	$ 169,781
Administrative Expenses	$ 40,429
Total Expenditures	**$ 492,742**

Original Funding Sources and Usage of Bond Proceeds

The following table shows the Original Funding Sources and Usage of the Series 2022 Bond Proceeds, and the June 30, 2024 ending account balances. The amounts levied pay the administrative expenses, debt service (principal and interest) and future infrastructure improvements funded or constructed by the City.

Original Funding Sources and Usage of Bond Proceeds	Series 2022 Issued 6/30/2022
Funding Sources:	
Principal Amount of the Bonds	$ 7,085,000
Original Issue Premium/(Discount)	$ 53,628
Underwriter's Discount	$ (98,763)
Total	**$ 7,039,865**
Usage:	
STG Communities Acquisition Account	$ 3,724,033
NMC Acquisition Account	$ 2,624,832
Reserve Account	$ 457,000
Cost of Issuance Account	$ 234,000
Total	**$ 7,039,865**
Ending Balance	
Account	**6/30/2024**
STG Communities Acquisition	$ 4,030,933
NMC Acquisition	$ 37,663
City Facilities	$ 19,759
Administrative Expense	$ 67,631
Reserve	$ 464,592
Total	**$ 4,620,578**

Project Status

The construction and acquisition of facilities is ongoing.

Community Facilities District No. 43
Park Place Facilities Phase IV

Location

Community Facilities District No. 43 (Park Place Facilities Phase IV) is located east of Parkplace Avenue, west of Haven Avenue, south of Eucalyptus Avenue and north of Parkview Street. CFD No. 43 is a Facilities CFD comprised of approximately 60 acres of residential development.

Authorized Facilities and Bonds

CFD No. 43 (Park Place Facilities Phase IV) was formed to finance major public improvements which include fiber optic system facilities, and streets and traffic circulation system facilities improvements for the benefit of residents within the district. The District has one series of bonds: The Park Place Facilities Phase IV Special Tax Bonds, Series 2020.

Funds Collected and Expended

The table below shows the amount of special taxes collected and the expenditures made to fund the authorized facilities and incidental expenses of CFD No. 43 (Park Place Facilities Phase IV) from July 1, 2023 through June 30, 2024.

Description	Amount
FY 2023-24 Special Tax	
Special Tax- Current	$ 1,084,868
Special Tax- Penalty	$ 3,700
Special Tax- Prior	$ 19,996
Total Special Tax Revenues	**$ 1,108,564**
FY 2023-24 Expenditures	
Bond Interest – 9/1/2023	$ 300,250
Bond Principal – 9/1/2023	$ 310,000
Bond Interest – 3/1/2024	$ 294,050
Administrative Expenses	$ 73,640
Total Expenditures	**$ 977,940**

Original Funding Sources and Usage of Bond Proceeds

The following table shows the Original Funding Sources and Usage of the Series 2020 Bond Proceeds, and the June 30, 2024 ending account balances. The amounts levied pay the administrative expenses, debt service (principal and interest) and future infrastructure improvements funded or constructed by the City.

Original Funding Sources and Usage of Bond Proceeds	Series 2020 Issued 7/30/2020
Funding Sources:	
Principal Amount of the Bonds	$ 15,795,000
Original Issue Premium/(Discount)	$ 1,451,279
Underwriter's Discount	$ (174,619)
Total	**$ 17,071,660**
Usage:	
SL Ontario Acquisition Account	$ 5,227,828
NMC Acquisition Account	$ 10,718,331
Reserve Account	$ 912,500
Cost of Issuance Account	$ 213,000
Total	**$ 17,071,660**
Ending Balance	
Account	**6/30/2024**
City Facilities	$ 1,280,263
Administrative Expense	$ 82,734
Reserve	$ 927,339
Total	**$ 2,290,336**

Project Status

The construction and acquisition of facilities is ongoing.

Community Facilities District No. 46
Avenue 176 Facilities

Location

Community Facilities District No. 46 (Avenue 176 Facilities) is located east of Archibald Avenue, west of Turner Avenue, south of La Avenida Drive and north of Ontario Ranch Road. CFD No. 46 is a Facilities CFD comprised of approximately 37 acres of residential development.

Authorized Facilities and Bonds

CFD No. 46 (Avenue 176 Facilities) was formed to finance major public improvements which include fiber optic system facilities, and streets and traffic circulation system facilities improvements for the benefit of residents within the district. The District has one series of bonds: The Avenue 176 Facilities Special Tax Bonds, Series 2021.

Funds Collected and Expended

The table below shows the amount of special taxes collected and the expenditures made to fund the authorized facilities and incidental expenses of CFD No. 46 (Avenue 176 Facilities) from July 1, 2023 through June 30, 2024.

Description	Amount
FY 2023-24 Special Tax	
Special Tax- Current	$ 540,058
Special Tax- Penalty	$ 589
Special Tax- Prior	$ 5,124
Total Special Tax Revenues	**$ 545,771**
FY 2023-24 Expenditures	
Bond Interest – 9/1/2023	$ 139,325
Bond Principal – 9/1/2023	$ 135,000
Bond Interest – 3/1/2024	$ 137,300
Administrative Expenses	$ 40,426
Total Expenditures	**$ 452,051**

Original Funding Sources and Usage of Bond Proceeds

The following table shows the Original Funding Sources and Usage of the Series 2021 Bond Proceeds, and the June 30, 2024 ending account balances. The amounts levied pay the administrative expenses, debt service (principal and interest) and future infrastructure improvements funded or constructed by the City.

Original Sources and Uses of Bond Proceeds	Series 2021 Issued 5/13/2021
Funding Sources:	
Principal Amount of the Bonds	$ 7,130,000
Original Issue Premium/(Discount)	$ 878,991
Underwriter's Discount	$ (88,969)
Total	**$ 7,920,022**
Usage:	
Lennar Acquisition Account	$ 1,291,641
NMC Acquisition Account	$ 5,974,981
Reserve Account	$ 414,400
Cost of Issuance Account	$ 239,000
Total	**$ 7,920,022**
Ending Balance	
Account	**6/30/2024**
Lennar Acquisition	$ 285,728
NMC Acquisition	$ 53
City Facilities	$ 109,748
Administrative Expense	$ 82,477
Reserve	$ 421,285
Total	**$ 899,291**

Project Status

The construction and acquisition of facilities is ongoing.

Community Facilities District No. 53
Tevelde Facilities

Location

Community Facilities District No. 53 (Tevelde Facilities) is located east of Cucamonga Channel, west of Archibald Avenue, south of Eucalyptus Avenue, and north of Merrill Avenue. CFD No. 53 is a Facilities CFD comprised of approximately 87 acres of residential development.

Authorized Facilities and Bonds

CFD No. 53 (Tevelde Facilities) was formed to finance major public improvements which include water and recycled water system facilities, streets and traffic circulation system facilities, storm drain system facilities, and fiber optic system facilities improvements for the benefit of residents within the district. The District has one series of bonds: The Tevelde Facilities Special Tax Bonds, Series 2021.

Funds Collected and Expended

The table below shows the amount of special taxes collected and the expenditures made to fund the authorized facilities and incidental expenses of CFD No. 53 (Tevelde Facilities) from July 1, 2023 through June 30, 2024.

Description	Amount
FY 2023-24 Special Tax	
Special Tax- Current	$ 1,471,749
Special Tax- Penalty	$ 1,177
Special Tax- Prior	$ 6,899
Total Special Tax Revenues	**$ 1,479,826**
FY 2023-24 Expenditures	
Bond Interest – 9/1/2023	$ 429,100
Bond Principal – 9/1/2023	$ 405,000
Bond Interest – 3/1/2024	$ 421,000
Administrative Expenses	$ 97,178
Total Expenditures	**$ 1,352,278**

Original Funding Sources and Usage of Bond Proceeds

The following table shows the Original Funding Sources and Usage of the Series 2021 Bond Proceeds, and the June 30, 2024 ending account balances. The amounts levied pay the administrative expenses, debt service (principal and interest) and future infrastructure improvements funded or constructed by the City.

Original Funding Sources and Usage of Bond Proceeds	Series 2021 Issued 8/26/2021
Funding Sources:	
Principal Amount of the Bonds	$ 21,455,000
Original Issue Premium/(Discount)	$ 3,172,006
Underwriter's Discount	$ (229,988)
Total	**$ 24,397,018**
Usage:	
LS-Ontario Acquisition Account	$ 4,579,246
NMC Acquisition Account	$ 18,302,372
Reserve Account	$ 1,265,400
Cost of Issuance Account	$ 250,000
Total	**$ 24,397,018**
Ending Balance	
Account	**6/30/2024**
City Facilities	$ 200,984
Administrative Expense	$ 53,792
Reserve	$ 1,286,422
Total	**$ 1,541,198**

Project Status

The construction and acquisition of facilities is ongoing.

Community Facilities District No. 54
Esperanza Facilities

Location

Community Facilities District No. 54 (Esperanza Facilities) is located west of Hamner Avenue, east of Mill Creek Avenue, south of Chatham Street and north of Eucalyptus Avenue. CFD No. 54 is a Facilities CFD comprised of approximately 26 acres of residential development.

Authorized Facilities and Bonds

CFD No. 54 (Esperanza Facilities) was formed to finance major public improvements which include streets and traffic circulation system facilities improvements for the benefit of residents within the district. The District has one series of bonds: The Esperanza Facilities Special Tax Bonds, Series 2022.

Funds Collected and Expended

The table below shows the amount of special taxes collected and the expenditures made to fund the authorized facilities and incidental expenses of CFD No. 54 (Esperanza Facilities) from July 1, 2023 through June 30, 2024.

Description	Amount
FY 2023-24 Special Tax	
Special Tax- Current	$ 460,004
Total Special Tax Revenues	**$ 460,004**
FY 2023-24 Expenditures	
Bond Interest – 9/1/2023	$ 139,663
Bond Principal – 9/1/2023	$ 100,000
Bond Interest – 3/1/2024	$ 137,662
Administrative Expenses	$ 35,839
Total Expenditures	**$ 413,164**

Original Funding Sources and Usage of Bond Proceeds

The following table shows the Original Funding Sources and Usage of the Series 2022 Bond Proceeds, and the June 30, 2024 ending account balances. The amounts levied pay the administrative expenses, debt service (principal and interest) and future infrastructure improvements funded or constructed by the City.

Original Funding Sources and Usage of Bond Proceeds	Series 2022 Issued 5/12/2022
Funding Sources:	
Principal Amount of the Bonds	$ 6,135,000
Original Issue Premium/(Discount)	$ 83,830
Underwriter's Discount	$ (81,913)
Total	**$ 6,136,918**
Usage:	
GDC/CDG Esperanza Acquisition Account	$ 859,769
NMC Acquisition Account	$ 4,653,724
Reserve Account	$ 381,425
Cost of Issuance Account	$ 242,000
Total	**$ 6,136,918**
Ending Balance	
Account	**6/30/2024**
GDC/CDG Esperanza Acquisition	$ 129,539
NMC Acquisition	$ 11,241
City Facilities	$ 12,939
Administrative Expense	$ 101,341
Reserve	$ 387,762
Total	**$ 642,822**

Project Status

The construction and acquisition of facilities is ongoing.

Community Facilities District No. 66
Olive & Oleander Facilities

Location

Community Facilities District No. 66 (Olive & Oleander Facilities) is located east of Mill Creek Avenue, west of Hamner Avenue, south of Ontario Ranch Road and north of Edison Avenue. CFD No. 66 is a Facilities CFD comprised of approximately 108 acres of residential development.

Authorized Facilities and Bonds

CFD No. 66 (Olive & Oleander Facilities) was formed to finance major public improvements which include water and recycled water system facilities, sewer system facilities, fiber optic system facilities and streets and traffic circulation system facilities improvements for the benefit of residents within the district. The District plans to issue the Olive & Oleander Tax Bonds in July 2024.

Funds Collected and Expended

The table below shows the amount of special taxes collected and the expenditures made to fund the authorized facilities and incidental expenses of CFD No. 66 (Olive & Oleander Facilities) from July 1, 2023 through June 30, 2024.

Description	Amount
FY 2023-24 Special Tax	
Special Tax- Current	$ 409,226
Total Special Tax Revenues	**$ 409,226**
FY 2023-24 Expenditures	
Administrative Expenses	$ 28,781
Total Expenditures	**$ 28,781**

Project Status

The construction and acquisition of facilities is ongoing.

City of Ontario
Summary of Facilities Community Facilities Districts
Special Taxes Levied and Expended for Fiscal Year 2023-24
(As Required by CA Govt. Code Section 50075.3 and 53411)

CFD No.	CFD Name	Fund	2023-24 Special Tax Current	2023-24 Special Tax Penalty	2023-24 Special Tax Prior	2023-24 Total Special Tax Revenue	Debt Service	Administrative Expenses	Trustee Administrative Expense	2023-24 Total Expenditures
13	California Commerce Center- Phase IV	8610	$ 308,437	$ -	$ -	$ 308,437	$ 260,000	$ 26,070	$ -	$ 286,070
24	Park Place Facilities Phase 1	8620	$ 1,065,089	$ 6,170	$ 18,421	$ 1,089,680	$ 984,269	$ 72,827	$ 2,100	$ 1,059,196
25	Park Place Facilities Phase II	8620	$ 662,023	$ 6,069	$ 18,855	$ 686,946	$ 518,800	$ 47,670	$ 2,350	$ 568,820
26	Park Place Facilities Phase III	8620	$ 673,932	$ 4,123	$ 13,260	$ 691,315	$ 532,900	$ 48,712	$ 2,350	$ 583,962
28	New Haven Facilities - Area A	8620	$ 676,213	$ 669	$ 5,144	$ 682,025	$ 558,394	$ 49,117	$ 2,500	$ 610,011
30	New Haven Facilities - Area B	8620	$ 957,030	$ 1,631	$ 5,413	$ 964,074	$ 788,419	$ 83,234	$ 2,350	$ 874,003
33	Archibald/Schaefer - Facilities	8620	$ 500,106	$ 589	$ 2,678	$ 503,373	$ 371,850	$ 37,776	$ 2,350	$ 411,976
34	Countryside Phase 1 North - Facilities	8620	$ 533,627	$ -	$ -	$ 533,627	$ 451,856	$ 40,019	$ 2,350	$ 494,226
35	Countryside Phase 2	8620	$ 278,294	$ -	$ -	$ 278,294	$ -	$ 21,076	$ -	$ 21,076
38	Park & Turner NE Facilities	8620	$ 794,309	$ 830	$ 5,129	$ 800,268	$ 643,069	$ 55,862	$ -	$ 698,931
39	New Haven Facilities - Area C	8620	$ 404,667	$ 263	$ 2,291	$ 407,221	$ 291,984	$ 32,049	$ 2,350	$ 326,384
40	Emerald Park Facilities	8620	$ 493,723	$ 238	$ 1,254	$ 495,215	$ 365,575	$ 54,210	$ 2,350	$ 422,135
41	Canvas Park Facilities	8620	$ 958,093	$ 414	$ 3,371	$ 961,878	$ 787,100	$ 65,688	$ 2,350	$ 855,138
42	West Haven	8620	$ 586,857	$ 1,270	$ 9,928	$ 598,055	$ 451,313	$ 40,429	$ -	$ 491,741
43	Park Place Facilities Phase IV	8620	$ 1,084,868	$ 3,700	$ 19,996	$ 1,108,564	$ 904,300	$ 73,640	$ -	$ 977,940
46	Avenue 176 Facilities	8620	$ 540,058	$ 589	$ 5,124	$ 545,771	$ 411,625	$ 40,426	$ -	$ 452,051
53	Tevelde Facilities	8620	$ 1,471,749	$ 1,177	$ 6,899	$ 1,479,826	$ 1,255,100	$ 97,178	$ -	$ 1,352,278
54	Esperanza Facilities	8620	$ 460,004	$ -	$ -	$ 460,004	$ 377,325	$ 35,839	$ -	$ 413,164
66	Olive & Oleander	8620	$ 409,226	$ -	$ -	$ 409,226	$ -	$ 28,781	$ -	$ 28,781
		Total	**$ 12,449,080**	**$ 27,734**	**$ 117,761**	**$ 12,594,575**	**$ 9,953,878**	**$ 921,822**	**$ 23,400**	**$ 10,899,100**

Ontario Services and Facilities CFDs

Community Facilities District No. 31
Carriage House / Amberly Lane

Location

Community Facilities District No. 31 (Carriage House / Amberly Lane) is located east of Turner Avenue, west of Haven Avenue, south of Chino Avenue and north of Schaefer Avenue. CFD No. 31 is a combination Facilities (Special Tax A) and Services (Special Tax B) CFD comprised of approximately 31 acres of residential development, which also provides for ongoing City Services.

Authorized Facilities and Bonds

CFD No. 31 (Carriage House / Amberly Lane) was formed to finance major public improvements which include water and recycled water system facilities, streets and traffic circulation system facilities, and fiber optic system facilities improvements for the benefit of residents within the district. The District has one series of bonds: The Carriage House / Amberly Lane Special Tax Bonds, Series 2017.

Special Tax A Funds Collected and Expended[1]

The table below shows the amount of facilities special taxes collected and the expenditures made to fund the authorized facilities and incidental expenses of CFD No. 31 (Carriage House / Amberly Lane) from July 1, 2023 through June 30, 2024.

Description	Amount
FY 2023-24 Special Tax	
Special Tax- Current	$ 392,971
Total Special Tax Revenues	**$ 392,971**
FY 2023-24 Expenditures	
Bond Interest – 9/1/2023	$ 98,172
Bond Principal – 9/1/2023	$ 115,000
Bond Interest – 3/1/2024	$ 95,871
Administrative Expenses	$ 31,250
Trustee Administrative Expense	$ 2,815
Total Expenditures	**$ 343,108**

[1]*Special Tax A- Facilities*

Original Funding Sources and Usage of Bond Proceeds

The following table shows the Original Funding Sources and Usage of the Series 2017 Bond Proceeds, and the June 30, 2024 ending account balances. The amounts levied pay the administrative expenses, debt service (principal and interest) and future infrastructure improvements funded or constructed by the City.

Original Funding Sources and Usage of Bond Proceeds	Series 2017 Issued 8/24/2017
Funding Sources:	
Principal Amount of the Bonds	$ 5,075,000
Original Issue Premium/(Discount)	$ 305,418
Underwriter's Discount	$ (63,438)
Total	**$ 5,316,981**
Usage:	
Lennar Acquisition Account	$ 1,123,455
NMC Acquisition Account	$ 3,687,388
Reserve Account	$ 311,343
Cost of Issuance Account	$ 194,796
Total	**$ 5,316,981**
Ending Balance	
Account	**6/30/2024**
City Facilities	$ 23,051
Administrative Expense	$ 262,714
Reserve	$ 311,343
Total	**$ 597,108**

Project Status

The construction and acquisition of facilities is ongoing.

Special Tax B Funds Collected and Expended[2]

The table below shows the amount of special taxes collected and the expenditures made to fund the Special Districts Cost of Services and incidental expenses of CFD No. 31 (Carriage House / Amberly Lane) from July 1, 2023 through June 30, 2024.

Description	Amount
FY 2023-24 Special Tax	
Special Tax- Current	$ 206,408
Total Special Tax Revenues	**$ 206,408**
FY 2023-24 Expenditures	
Special Districts Cost of Services	$ 176,682
Administrative Expenses	$ 34,701
Total Expenditures	**$ 211,383**

[2] *Special Tax B- Services*

Project Status

This CFD provides for ongoing City Services.

Community Facilities District No. 45
Northpark and Countryside

Location

Community Facilities District No. 45 (Northpark and Countryside) is located west of Turner Avenue, east of Cucamonga Creek Channel, south of Riverside Drive and north of Parkview Street. CFD No. 45 is a combination Facilities (Special Tax A) and Services (Special Tax B) CFD comprised of approximately 46 acres of residential development, which also provides for ongoing City Services.

Authorized Facilities and Bonds

CFD No. 45 (Northpark and Countryside) was formed to finance major public improvements which include fiber optic system facilities, streets and traffic circulation system facilities, and storm drain facilities improvements for the benefit of residents within the district. The District has one series of bonds: The Northpark and Countryside Special Tax Bonds, Series 2020.

Special Tax A Funds Collected and Expended[1]

The table below shows the amount of facilities special taxes collected and the expenditures made to fund the authorized facilities and incidental expenses of CFD No. 45 (Northpark and Countryside) from July 1, 2023 through June 30, 2024.

Description	Amount
FY 2023-24 Special Tax	
Special Tax- Current	$ 633,492
Special Tax- Penalty	$ 1,312
Special Tax- Prior	$ 5,733
Total Special Tax Revenues	**$ 640,537**
FY 2023-24 Expenditures	
Bond Interest – 9/1/2023	$ 164,575
Bond Principal – 9/1/2023	$ 170,000
Bond Interest – 3/1/2024	$ 162,025
Administrative Expenses	$ 46,449
Trustee Administrative Expense	$ 2,350
Total Expenditures	**$ 545,399**

[1]*Special Tax A- Facilities*

Original Funding Sources and Usage of Bond Proceeds

The following table shows the Original Funding Sources and Usage of the Series 2020 Bond Proceeds, and the June 30, 2024 ending account balances. The amounts levied pay the administrative expenses, debt service (principal and interest) and future infrastructure improvements funded or constructed by the City.

Original Funding Sources and Usage of Bond Proceeds	Series 2020 Issued 11/05/2020
Sources:	
Principal Amount of the Bonds	$ 9,000,000
Original Issue Premium/(Discount)	$ 625,340
Underwriter's Discount	$ (107,869)
Total	**$ 9,517,471**
Usage:	
KB Home Acquisition Account	$ 1,811,371
NMC Acquisition Account	$ 6,964,100
Reserve Account	$ 504,000
Cost of Issuance Account	$ 238,000
Total	**$ 9,517,471**
Ending Balance	
Account	**6/30/2024**
KB Home Acquisition	$ 1,459,045
NMC Acquisition	$ 63
City Facilities	$ 143,259
Administrative Expense	$ 95,489
Reserve	$ 512,373
Total	**$ 2,210,229**

Project Status

The construction and acquisition of facilities is ongoing.

Special Tax B Funds Collected and Expended[2]

The table below shows the amount of special taxes collected and the expenditures made to fund the Special Districts Cost of Services and incidental expenses of CFD No. 45 (Northpark and Countryside) from July 1, 2023 through June 30, 2024. This CFD provides for ongoing City Services.

Description	Amount
FY 2023-24 Special Tax	
Special Tax- Current	$ 344,252
Special Tax- Penalty	$ 720
Special Tax- Prior	$ 3,009
Total Special Tax Revenues	**$ 347,981**
FY 2023-24 Expenditures	
Special Districts Cost of Services	$ 305,718
Administrative Expenses	$ 39,376
Total Expenditures	**$ 345,094**

[2] *Special Tax B- Services*

Project Status

This CFD provides for ongoing City Services.

Community Facilities District No. 55
Parklane

Location

Community Facilities District No. 55 (Parklane) is located west of Haven Avenue, east of Monarch Place, south of Parkview Street and north of Merrill Avenue. CFD No. 55 is a combination Facilities (Special Tax A) and Services (Special Tax B) CFD comprised of approximately 52 acres of residential development, which also provides for ongoing City Services.

Authorized Facilities and Bonds

CFD No. 55 (Parklane) was formed to finance major public improvements which include water and recycled water system facilities, streets and traffic circulation system facilities, and fiber optic system facilities improvements for the benefit of residents within the district. The District has one series of bonds: The Parklane Special Tax Bonds, Series 2022.

Special Tax A Funds Collected and Expended[1]

The table below shows the amount of facilities special taxes collected and the expenditures made to fund the authorized facilities and incidental expenses of CFD No. 55 (Parklane) from July 1, 2023 through June 30, 2024.

Description	Amount
FY 2023-24 Special Tax	
Special Tax- Current	$ 743,893
Total Special Tax Revenues	**$ 743,893**
FY 2023-24 Expenditures	
Bond Interest – 9/1/2023	$ 234,875
Bond Principal – 9/1/2023	$ 90,000
Bond Interest – 3/1/2024	$ 232,625
Administrative Expenses	$ 53,407
Trustee Administrative Expense	$ 2,350
Total Expenditures	**$ 613,257**

[1]*Special Tax A- Facilities*

Original Funding Sources and Usage of Bond Proceeds

The following table shows the Original Funding Sources and Usage of the Series 2022 Bond Proceeds, and the June 30, 2024 ending account balances. The amounts levied pay the administrative expenses, debt service (principal and interest) and future infrastructure improvements funded or constructed by the City.

Original Funding Sources and Usage of Bond Proceeds	Series 2022 Issued 12/14/2022
Funding Sources:	
Principal Amount of the Bonds	$ 9,395,000
Original Issue Premium/(Discount)	$ 126,402
Underwriter's Discount	$ (121,375)
Total	**$ 9,400,027**
Usage:	
Lennar Acquisition Account	$ 4,018,031
NMC Acquisition Account	$ 4,526,746
Reserve Account	$ 608,250
Cost of Issuance Account	$ 247,000
Total	**$ 9,400,027**
Ending Balance	
Account	**6/30/2024**
Lennar Acquisition	$ 4,305,169
NMC Acquisition	$ 4,985,590
City Facilities	$ 22,119
Administrative Expense	$ 55,737
Reserve	$ 618,355
Total	**$ 9,986,970**

Project Status

The construction and acquisition of facilities is ongoing.

Special Tax B Funds Collected and Expended[2]

The table below shows the amount of special taxes collected and the expenditures made to fund the Special Districts Cost of Services and incidental expenses of CFD No. 55 (Parklane) from July 1, 2023 through June 30, 2024. This CFD provides for ongoing City Services.

Description	Amount
FY 2023-24 Special Tax	
Special Tax- Current	$ 320,436
Total Special Tax Revenues	**$ 320,436**
FY 2023-24 Expenditures	
Special Districts Cost of Services	$ 283,259
Administrative Expenses	$ 38,620
Total Expenditures	**$ 321,880**

[2] *Special Tax B- Services*

Project Status

This CFD provides for ongoing City Services.

Community Facilities District No. 56
Parkside/La Avenida

Location

Community Facilities District No. 56 (Parkside/La Avenida) is relegated to three separate zone locations: Zone 1 is located south of Schaefer Avenue, east of Archibald Avenue, west of Turner Avenue and north of La Avenida Drive; Zone 2 is located south of Edison Avenue, east of Cucamonga Creek Channel, west of Archibald Avenue and north of Eucalyptus Avenue; Zone 3 is located south of Merrill Avenue, west of Haven Avenue, east of Archibald Avenue and north of the County Line Channel. CFD No. 56 is a combination Facilities (Special Tax A) and Services (Special Tax B) CFD comprised of approximately 51 acres of residential development, which also provides for ongoing City Services.

Authorized Facilities and Bonds

CFD No. 56 (Parkside/La Avenida) was formed to finance major public improvements which include street improvements, water and sewer facilities, storm drain facilities and other public infrastructure improvements for the benefit of residents within the district. The District has one series of bonds: The Parkside/La Avenida Tax Bonds, Series 2023.

Special Tax A Funds Collected and Expended[1]

The table below shows the amount of facilities special taxes collected and the expenditures made to fund the authorized facilities and incidental expenses of CFD No. 56 (Parkside/La Avenida) from July 1, 2023 through June 30, 2024.

Description	Amount
FY 2023-24 Special Tax	
Special Tax- Current	$ 1,206,354
Special Tax- Penalty	$ 317
Special Tax- Prior	$ 3,169
Total Special Tax Revenues	**$ 1,209,840**
FY 2023-24 Expenditures	
Bond Interest – 3/1/2024	$ 237,023
Administrative Expenses	$ 81,997
Total Expenditures	**$ 319,020**

[1]*Special Tax A- Facilities*

Original Funding Sources and Usage of Bond Proceeds

The following table shows the Original Funding Sources and Usage of the Series 2023 Bond Proceeds, and the June 30, 2024 ending account balances. The amounts levied pay the administrative expenses, debt service (principal and interest) and future infrastructure improvements funded or constructed by the City.

Original Funding Sources and Usage of Bond Proceeds	Series 2023 Issued 12/07/2023
Funding Sources:	
Principal Amount of the Bonds	$ 9,395,000
Original Issue Premium/(Discount)	$ 126,402
Underwriter's Discount	$ (121,375)
Total	**$ 9,400,027**
Usage:	
Lennar Acquisition Account	$ 4,018,031
NMC Acquisition Account	$ 4,526,746
Reserve Account	$ 608,250
Cost of Issuance Account	$ 247,000
Total	**$ 9,400,027**
Ending Balance	
Account	**6/30/2024**
SC Acquisition	$ 3,359,457
NMC Acquisition (Tax Zone 1)	$ 82
NMC Acquisition (Tax Zone 2)	$ 5,156,607
NMC Acquisition (Tax Zone 3)	$ 165
City Park	$ 5,660,679
Cost of Issuance	$ 8,072
Reserve	$ 1,344,716
Total	**$ 15,529,779**

Project Status

The construction and acquisition of facilities is ongoing

Special Tax B Funds Collected and Expended[2]

The table below shows the amount of special taxes collected and the expenditures made to fund the Special Districts Cost of Services and incidental expenses of CFD No. 56 (Parkside/La Avenida) from July 1, 2023 through June 30, 2024. This CFD provides for ongoing City Services.

Description	Amount
FY 2023-24 Special Tax	
Special Tax- Current	$ 355,800
Total Special Tax Revenues	**$ 355,800**
FY 2023-24 Expenditures	
Special Districts Cost of Services	$ 311,088
Administrative Expenses	$ 39,659
Total Expenditures	**$ 350,747**

[2] *Special Tax B- Services*

Project Status

This CFD provides for ongoing City Services.

Community Facilities District No. 57
Neuhouse

Location

Community Facilities District No. 57 (Neuhouse) is located west of Mill Creek Avenue, east of Haven Avenue, generally north of Peckham Paseo and south of Chino Avenue. CFD No. 57 is a combination Facilities (Special Tax A) and Services (Special Tax B) CFD comprised of approximately 30 acres of residential development, which also provides for ongoing City Services.

Authorized Facilities and Bonds

CFD No. 57 (Neuhouse) was formed to finance major public improvements which water and recycled water system facilities, sewer system facilities, storm drain system facilities, streets and traffic circulation system facilities, and fiber optic system facilities improvements for the benefit of residents within the district. The District has one series of bonds: The Neuhouse Special Tax Bonds, Series 2022.

Special Tax A Funds Collected and Expended[1]

The table below shows the amount of facilities special taxes collected and the expenditures made to fund the authorized facilities and incidental expenses of CFD No. 57 (Neuhouse) from July 1, 2023 through June 30, 2024.

Description	Amount
FY 2023-24 Special Tax	
Special Tax- Current	$ 969,777
Special Tax- Penalty	$ 560
Special Tax- Prior	$ 4,871
Total Special Tax Revenues	**$ 975,208**
FY 2023-24 Expenditures	
Bond Interest – 9/1/2023	$ 303,925
Bond Principal – 9/1/2023	$ 120,000
Bond Interest – 3/1/2024	$ 300,925
Administrative Expenses	$ 63,085
Trustee Administrative Expense	$ 2,350
Total Expenditures	**$ 790,285**

[1]*Special Tax A- Facilities*

Original Funding Sources and Usage of Bond Proceeds

The following table shows the Original Funding Sources and Usage of the Series 2022 Bond Proceeds, and the June 30, 2024 ending account balances. The amounts levied pay the administrative expenses, debt service (principal and interest) and future infrastructure improvements funded or constructed by the City.

Original Funding Sources and Usage of Bond Proceeds	Series 2022 Issued 9/15/2022
Funding Sources:	
Principal Amount of the Bonds	$ 12,915,000
Original Issue Premium/(Discount)	$ 66,247
Underwriter's Discount	$ (155,563)
Total	**$ 12,825,684**
Usage:	
LS-Ontario II Acquisition Account	$ 5,215,246
NMC Acquisition Account	$ 6,541,888
Reserve Account	$ 818,550
Cost of Issuance Account	$ 250,000
Total	**$ 12,825,684**
Ending Balance	
Account	**6/30/2024**
City Facilities	$ 41,180
Administrative Expense	$ 42,788
Reserve	$ 832,149
Total	**$ 916,117**

Project Status

The construction and acquisition of facilities is ongoing.

Special Tax B Funds Collected and Expended[2]

The table below shows the amount of special taxes collected and the expenditures made to fund the Special Districts Cost of Services and incidental expenses of CFD No. 57 (Neuhouse) from July 1, 2023 through June 30, 2024. This CFD provides for ongoing City Services.

Description	Amount	
FY 2023-24 Special Tax		
Special Tax- Current	$	428,762
Special Tax- Penalty	$	238
Special Tax- Prior	$	2,069
Total Special Tax Revenues	**$**	**431,069**
FY 2023-24 Expenditures		
Special Districts Cost of Services	$	384,593
Administrative Expenses	$	45,513
Total Expenditures	**$**	**430,107**

[2] *Special Tax B- Services*

Project Status

This CFD provides for ongoing City Services.

Community Facilities District No. 64
Sunset Ranch

Location

Community Facilities District No. 64 (Sunset Ranch) is located west of Hamner Avenue, east of Cleveland Avenue, north of Eucalyptus Avenue and south of Edison Avenue. CFD No. 64 is a combination Facilities (Special Tax A) and Services (Special Tax B) CFD comprised of approximately 61 gross acres of residential development, which also provides for ongoing City Services.

Special Tax A Funds Collected and Expended[1]

The table below shows the amount of facilities special taxes collected and the expenditures made to fund the authorized facilities and incidental expenses of CFD No. 64 (Sunset Ranch) from July 1, 2023 through June 30, 2024.

Description	Amount
FY 2023-24 Special Tax	
Special Tax- Current	$ 1,073,723
Total Special Tax Revenues	**$ 1,073,723**
FY 2023-24 Expenditures	
Administrative Expenses	$ 70,167
Total Expenditures	**$ 70,167**

[1]*Special Tax A- Facilities*

Project Status

The construction and acquisition of facilities is ongoing.

Special Tax B Funds Collected and Expended[2]

The table below shows the amount of special taxes collected and the expenditures made to fund the Special Districts Cost of Services and incidental expenses of CFD No. 64 (Sunset Ranch) from July 1, 2023 through June 30, 2024. This CFD provides for ongoing City Services.

Description	Amount
FY 2023-24 Special Tax	
Special Tax- Current	$ 313,808
Total Special Tax Revenues	**$ 313,808**
FY 2023-24 Expenditures	
Special Districts Cost of Services	$ 275,409
Administrative Expenses	$ 38,400
Total Expenditures	**$ 313,809**

[2] *Special Tax B- Services*

Project Status

This CFD provides for ongoing City Services.

City of Ontario
Summary of Services/Facilities Community Facilities Districts
Special Taxes Levied and Expended for Fiscal Year 2023-24
(As Required by CA Govt. Code Section 50075.3 and/or 53411)

CFD No.	CFD Name	Fund	2023-24 Special Tax Current	2023-24 Special Tax Penalty	2023-24 Special Tax Prior	2023-24 Special Tax Revenue	Debt Service	Administrative Expenses	Trustee Administrative Expenses	Special Districts Cost of Services	2023-24 Total Expenditures
31-A	Carriage House / Amberly Lane - A	8620	$ 329,971	$ -	$ -	$ 329,971	$ 309,043	$ 31,250	$ 2,815	$ -	$ 343,108
31-B	Carriage House / Amberly Lane - B	2920	$ 206,408	$ -	$ -	$ 206,408	$ -	$ 34,701	$ -	$ 176,682	$ 211,383
45-A	Northpark and Countryside - A	8620	$ 633,492	$ 1,312	$ 5,733	$ 640,537	$ 496,600	$ 46,449	$ 2,350	$ -	$ 545,399
45-B	Northpark and Countryside - B	2920	$ 344,252	$ 720	$ 3,009	$ 347,981	$ -	$ 39,376	$ -	$ 305,718	$ 345,094
55-A	Parklane - A	8620	$ 743,893	$ -	$ -	$ 743,893	$ 557,500	$ 53,407	$ 2,350	$ -	$ 613,257
55-B	Parklane - B	2920	$ 320,436	$ -	$ -	$ 320,436	$ -	$ 38,620	$ -	$ 283,259	$ 321,880
56-A	Parkside/La Avenida - A	8620	$1,206,354	$ 317	$ 3,169	$ 1,209,840	$ 237,023	$ 81,997	$ -	$ -	$ 319,020
56-B	Parkside/La Avenida - B	2920	$ 355,800	$ -	$ -	$ 355,800	$ -	$ 39,659	$ -	$ 311,088	$ 350,747
57-A	Neuhouse - A	8620	$ 969,777	$ 560	$ 4,871	$ 975,208	$ 724,850	$ 63,085	$ 2,350	$ -	$ 790,285
57-B	Neuhouse - B	2920	$ 428,762	$ 238	$ 2,069	$ 431,069	$ -	$ 45,513	$ -	$ 384,593	$ 430,107
64-A	Sunset Ranch A	8620	$1,073,724	$ -	$ -	$ 1,073,724	$ -	$ 70,167	$ -	$ -	$ 70,167
64-B	Sunset Ranch B	2920	$ 313,808	$ -	$ -	$ 313,808	$ -	$ 38,400	$ -	$ 275,409	$ 313,809
		Total	**$5,539,145**	**$ 3,147**	**$ 18,851**	**$ 5,561,143**	**$ 2,325,015**	**$ 582,626**	**$ 9,865**	**$ 1,736,749**	**$ 4,270,279**

City of Ontario, California

AB 1600 DEVELOPMENT IMPACT FEE ANNUAL REPORT & FIVE YEAR REPORT (Unaudited) For Fiscal Year Ended June 30, 2024

Prepared By:

Financial Services Agency

CITY OF ONTARIO

AB 1600 DEVELOPMENT IMPACT FEE ANNUAL REPORT FOR FISCAL YEAR ENDED JUNE 30, 2024

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CITY OF ONTARIO

AB 1600 DEVELOPMENT IMPACT FEE ANNUAL REPORT – INTRODUCTION
JUNE 30, 2024 (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 August 16, 2022, by Resolution No. 2022-133 for fees collected on July 01, 2023 – June 30, 2024. 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, 2024, consists of the following schedules:

- Development Impact Fee Annual Report Fees Schedule by Fund and Land Use
- Development Impact Fee Annual Report (Unaudited)
- Development Impact Fee Annual Report Project Expenditures
- Development Impact Fee Annual Report Five Year Summary
- Development Impact Fee Annual Report Estimated Project Completion Date
- Development Impact Fee Annual Report Five Year Holdings Report
- Development Impact Fee Annual Report Five Year By Fund

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).

Fund Number		Fund Description
2650	Park Impact / Quimby	Accounts for revenues from developer-paid impact fees for the financial transactions associated with the acquisition and development of new parks, and the initial purchase and/or installation of equipment in new and existing parks.

Fund Number		Fund Description
4210	Aquatics Impact	Accounts for revenues from developer-paid impact fees for the

Land Use Type	Schedule
Detached Dwelling per Unit	$ 112
Attached Dwelling per Unit	$ 100
High Density Dwellings per Unit	$ 79
Mobile Home Dwelling per Unit	$ 94

Fund Number		Fund Description
4211	General Facilities Impact	Accounts for revenues from developer-paid impact fees for the

Land Use Type	Schedule
Detached Dwelling per Unit	$ 303
Attached Dwelling per Unit	$ 107
High Density Dwellings per Unit	$ 68
Mobile Home Dwelling per Unit	$ 340
Commercial Lodging per Unit	$ 51
Retail/Service Use per sq. ft.	$ 0.210
Restaurant Use per sq. ft.	$ 0.210
Office Use per sq. ft.	$ 0.092
Business Use per sq. ft.	$ 0.105
Industrial Use per sq. ft.	$ 0.054
Institutional Use per sq. ft.	$ 0.106

Fund Number		Fund Description
4212	Integrated Waste Impact	Accounts for revenues from developer-paid impact fees for

Land Use Type	Schedule
Detached Dwelling per Unit	$ 704
Attached Dwelling per Unit	$ 609
High Density Dwellings per Unit	$ 305
Mobile Home Dwelling per Unit	$ 609
Commercial Lodging per Unit	$ 196
Retail/Service Use per sq. ft.	$ 0.478
Restaurant Use per sq. ft.	$ 0.660
Office Use per sq. ft.	$ 0.181
Business Use per sq. ft.	$ 0.238
Industrial Use per sq. ft.	$ 0.131
Institutional Use per sq. ft.	$ 0.209

Fund Number	Fund Description
4213	Law Enforcement Impact — Accounts for revenues from developer-paid impact fees for

Land Use Type	Schedule
Detached Dwelling per Unit	$ 509
Attached Dwelling per Unit	$ 502
High Density Dwellings per Unit	$ 502
Mobile Home Dwelling per Unit	$ 373
Commercial Lodging per Unit	$ 358
Retail/Service Use per sq. ft.	$ 0.713
Restaurant Use per sq. ft.	$ 0.713
Office Use per sq. ft.	$ 0.279
Business Use per sq. ft.	$ 0.044
Industrial Use per sq. ft.	$ 0.029
Institutional Use per sq. ft.	$ 0.201

Fund Number	Fund Description
4214	Library Impact — Accounts for revenues from developer-paid impact fees for the

Land Use Type	Schedule
Detached Dwelling per Unit	$ 1,302
Attached Dwelling per Unit	$ 1,154
High Density Dwellings per Unit	$ 913
Mobile Home Dwelling per Unit	$ 1,086

Fund Number	Fund Description
4215	Public Use Community Centers Facilities — Accounts for revenues from developer-paid impact fees for the construction of public use or community center facilities.

Land Use Type	Schedule
Detached Dwelling per Unit	$ 1,856
Attached Dwelling per Unit	$ 1,645
High Density Dwellings per Unit	$ 1,302
Mobile Home Dwelling per Unit	$ 1,548

Fund Number	Fund Description
4216	Species Habitat Impact — Accounts for revenues from developer-paid impact fees for the

Land Use Type	Schedule
Detached Dwelling per Unit	$ 706
Attached Dwelling per Unit	$ 153
High Density Dwellings per Unit	$ 113
Commercial Lodging per Unit	$ 98
Retail/Service Use per sq. ft.	$ 0.247
Restaurant Use per sq. ft.	$ 0.247
Office Use per sq. ft.	$ 0.130
Business Use per sq. ft.	$ 0.215
Industrial Use per sq. ft.	$ 0.156
Institutional Use per sq. ft.	$ 0.198

Fund Number	Fund Description
4310	Old Model Colony - Fire Impact — Accounts for revenues from developer-paid impact fees for the

Land Use Type	Schedule
Detached Dwelling per Unit	$ 523
Attached Dwelling per Unit	$ 479
High Density Dwellings per Unit	$ 479
Mobile Home Dwelling per Unit	$ 548
Commercial Lodging per Unit	$ 299
Retail/Service Use per sq. ft.	$ 0.398
Restaurant Use per sq. ft.	$ 0.398
Office Use per sq. ft.	$ 0.319
Business Use per sq. ft.	$ 0.036
Industrial Use per sq. ft.	$ 0.025
Institutional Use per sq. ft.	$ 0.099

Fund Number	Fund Description
4311	Old Model Colony - Local Adjacent Sewer — Accounts for revenues from developer-paid impact fees for the construction of libraries and the additional resources

Land Use Type	Schedule
Detached Dwelling per Unit	$ 519
Attached Dwelling per Unit	$ 455
High Density Dwellings per Unit	$ 390
Mobile Home Dwelling per Unit	$ 455
Commercial Lodging per Unit	$ 302
Retail/Service Use per sq. ft.	$ 0.237
Restaurant Use per sq. ft.	$ 0.237
Office Use per sq. ft.	$ 0.256
Business Use per sq. ft.	$ 0.127
Industrial Use per sq. ft.	$ 0.050
Institutional Use per sq. ft.	$ 0.148

Fund Number	Fund Description
4312	Old Model Colony - Local Adjacent Streets — Accounts for revenues from developer-paid impact fees for the construction of street infrastructure projects that serve a local

Land Use Type	Schedule
Detached Dwelling per Unit	$ 1,001
Attached Dwelling per Unit	$ 668
High Density Dwellings per Unit	$ 414
Mobile Home Dwelling per Unit	$ 522
Commercial Lodging per Unit	$ 528
Retail/Service Use per sq. ft.	$ 2.022
Restaurant Use per sq. ft.	$ 2.022
Office Use per sq. ft.	$ 1.156
Business Use per sq. ft.	$ 1.202
Industrial Use per sq. ft.	$ 0.620
Institutional Use per sq. ft.	$ 1.320

Fund Number	Fund Description
4313	Old Model Colony - Local Adjacent Storm Drains — Accounts for revenues from developer-paid impact fees for the construction of storm drain infrastructure projects that serve a

Land Use Type	Schedule	Per Acre
Detached Dwelling per Unit	$ 2,435	
Attached Dwelling per Unit	$ 785	
High Density Dwellings per Unit	$ 657	
Mobile Home Dwelling per Unit	$ 1,417	
Commercial Lodging per Unit	$ 404	
Retail/Service Use per sq. ft.	$ 0.425	$ 16,396
Restaurant Use per sq. ft.	$ 0.425	$ 16,396
Office Use per sq. ft.	$ 0.510	$ 16,396
Business Use per sq. ft.	$ 1.232	$ 15,940
Industrial Use per sq. ft.	$ 1.075	$ 17,306
Institutional Use per sq. ft.	$ 3.127	$ 17,306

Fund Number	Fund Description
4314	Old Model Colony - Local Adjacent Water — Accounts for revenues from developer-paid impact fees for the construction of water infrastructure projects that serve a local

Land Use Type	Schedule
Detached Dwelling per Unit	$ 467
Attached Dwelling per Unit	$ 320
High Density Dwellings per Unit	$ 216
Mobile Home Dwelling per Unit	$ 319
Commercial Lodging per Unit	$ 129
Retail/Service Use per sq. ft.	$ 0.230
Restaurant Use per sq. ft.	$ 0.230
Office Use per sq. ft.	$ 0.115
Business Use per sq. ft.	$ 0.093
Industrial Use per sq. ft.	$ 0.025
Institutional Use per sq. ft.	$ 0.087

Fund Number	Fund Description
4315	Old Model Colony - Regional Sewer — Accounts for revenues from developer-paid impact fees for the construction of sewer infrastructure projects that serve a

Land Use Type	Schedule
Detached Dwelling per Unit	$ 58
Attached Dwelling per Unit	$ 51
High Density Dwellings per Unit	$ 43
Mobile Home Dwelling per Unit	$ 51
Commercial Lodging per Unit	$ 34
Retail/Service Use per sq. ft.	$ 0.026
Restaurant Use per sq. ft.	$ 0.026
Office Use per sq. ft.	$ 0.028
Business Use per sq. ft.	$ 0.014
Industrial Use per sq. ft.	$ 0.006
Institutional Use per sq. ft.	$ 0.016

Fund Number	Fund Description
4316	Old Model Colony - Regional Streets — Accounts for revenues from developer-paid impact fees for the construction of storm drain infrastructure projects that serve a

Land Use Type	Schedule	Per Acre
Detached Dwelling per Unit	$ 128	
Attached Dwelling per Unit	$ 41	
High Density Dwellings per Unit	$ 35	
Mobile Home Dwelling per Unit	$ 75	
Commercial Lodging per Unit	$ 21	
Retail/Service Use per sq. ft.	$ 0.022	$ 863
Restaurant Use per sq. ft.	$ 0.022	$ 863
Office Use per sq. ft.	$ 0.027	$ 863
Business Use per sq. ft.	$ 0.065	$ 839
Industrial Use per sq. ft.	$ 0.057	$ 911
Institutional Use per sq. ft.	$ 0.165	$ 911

Fund Number	Fund Description
4317	Old Model Colony - Regional Storm Drains — Accounts for revenues from developer-paid impact fees for the construction of street infrastructure projects that serve a

Land Use Type	Schedule
Detached Dwelling per Unit	$ 1,223
Attached Dwelling per Unit	$ 817
High Density Dwellings per Unit	$ 505
Mobile Home Dwelling per Unit	$ 637
Commercial Lodging per Unit	$ 645
Retail/Service Use per sq. ft.	$ 2.472
Restaurant Use per sq. ft.	$ 2.472
Office Use per sq. ft.	$ 1.412
Business Use per sq. ft.	$ 1.470
Industrial Use per sq. ft.	$ 0.757
Institutional Use per sq. ft.	$ 1.614

Fund Number	Fund Description
4318	Old Model Colony - Regional Water — Accounts for revenues from developer-paid impact fees for the construction of water infrastructure projects that serve a

Land Use Type	Schedule
Detached Dwelling per Unit	$ 2,646
Attached Dwelling per Unit	$ 1,811
High Density Dwellings per Unit	$ 1,221
Mobile Home Dwelling per Unit	$ 1,810
Commercial Lodging per Unit	$ 730
Retail/Service Use per sq. ft.	$ 1.301
Restaurant Use per sq. ft.	$ 1.301
Office Use per sq. ft.	$ 0.651
Business Use per sq. ft.	$ 0.524
Industrial Use per sq. ft.	$ 0.140
Institutional Use per sq. ft.	$ 0.492

Fund Number	Fund Description
4410	Ontario Ranch - Fire Impact — Accounts for revenues from developer-paid impact fees for fire

Land Use Type	Schedule
Detached Dwelling per Unit	$ 1,102
Attached Dwelling per Unit	$ 1,007
High Density Dwellings per Unit	$ 1,007
Commercial Lodging per Unit	$ 618
Retail/Service Use per sq. ft.	$ 0.847
Restaurant Use per sq. ft.	$ 0.847
Office Use per sq. ft.	$ 0.637
Business Use per sq. ft.	$ 0.072
Industrial Use per sq. ft.	$ 0.051
Institutional Use per sq. ft.	$ 0.213

Fund Number	Fund Description
4411	Ontario Ranch - Local Adjacent Fiber — Accounts for revenues from developer-paid impact fees for the construction of fiber optic infrastructure projects that serve a

Land Use Type	Schedule
Detached Dwelling per Unit	$ 1,646
Attached Dwelling per Unit	$ 1,646
High Density Dwellings per Unit	$ 1,646
Commercial Lodging per Unit	$ 1,449
Retail/Service Use per sq. ft.	$ 1.147
Restaurant Use per sq. ft.	$ 1.147
Office Use per sq. ft.	$ 1.913
Business Use per sq. ft.	$ 0.883
Industrial Use per sq. ft.	$ 0.574
Institutional Use per sq. ft.	$ 1.910

Fund Number	Fund Description
4412	Ontario Ranch - Local Adjacent Sewer — Accounts for revenues from developer-paid impact fees for the construction of sewer infrastructure projects that serve a local

Land Use Type	Schedule
Detached Dwelling per Unit	$ 739
Attached Dwelling per Unit	$ 561
High Density Dwellings per Unit	$ 339
Commercial Lodging per Unit	$ 431
Retail/Service Use per sq. ft.	$ 0.135
Restaurant Use per sq. ft.	$ 0.135
Office Use per sq. ft.	$ 0.395
Business Use per sq. ft.	$ 0.159
Industrial Use per sq. ft.	$ 0.194
Institutional Use per sq. ft.	$ 0.212

Fund Number	Fund Description
4413	Ontario Ranch - Local Adjacent Streets — Accounts for revenues from developer-paid impact fees for the construction of street infrastructure projects that serve a local

Land Use Type	Schedule
Detached Dwelling per Unit	$ 2,742
Attached Dwelling per Unit	$ 1,831
High Density Dwellings per Unit	$ 1,133
Commercial Lodging per Unit	$ 1,446
Retail/Service Use per sq. ft.	$ 5.541
Restaurant Use per sq. ft.	$ 5.541
Office Use per sq. ft.	$ 3.167
Business Use per sq. ft.	$ 3.295
Industrial Use per sq. ft.	$ 1.698
Institutional Use per sq. ft.	$ 3.618

Fund Number	Fund Description
4414	Ontario Ranch - Local Adjacent Storm Drains — Accounts for revenues from developer-paid impact fees for the construction of storm drain infrastructure projects that serve a

Land Use Type	Schedule	Per Acre
Detached Dwelling per Unit	$ 3,182	
Attached Dwelling per Unit	$ 1,209	
High Density Dwellings per Unit	$ 1,017	
Commercial Lodging per Unit	$ 689	
Retail/Service Use per sq. ft.	$ 1.469	$ 30,287
Restaurant Use per sq. ft.	$ 1.469	$ 30,287
Office Use per sq. ft.	$ 1.293	$ 30,287
Business Use per sq. ft.	$ 1.267	$ 29,447
Industrial Use per sq. ft.	$ 1.260	$ 31,970
Institutional Use per sq. ft.	$ 1.468	$ 31,970

Fund Number	Fund Description
4415	Ontario Ranch - Local Adjacent Water — Accounts for revenues from developer-paid impact fees for the construction of water infrastructure projects that serve a local

Land Use Type	Schedule
Detached Dwelling per Unit	$ 2,428
Attached Dwelling per Unit	$ 1,333
High Density Dwellings per Unit	$ 707
Commercial Lodging per Unit	$ 1,020
Retail/Service Use per sq. ft.	$ 0.797
Restaurant Use per sq. ft.	$ 0.797
Office Use per sq. ft.	$ 0.721
Business Use per sq. ft.	$ 0.621
Industrial Use per sq. ft.	$ 0.642
Institutional Use per sq. ft.	$ 0.585

Fund Number	Fund Description
4416	Ontario Ranch - Regional Fiber — Accounts for revenues from developer-paid impact fees for the

Land Use Type	Schedule
Detached Dwelling per Unit	$ 411
Attached Dwelling per Unit	$ 411
High Density Dwellings per Unit	$ 411
Commercial Lodging per Unit	$ 362
Retail/Service Use per sq. ft.	$ 0.287
Restaurant Use per sq. ft.	$ 0.287
Office Use per sq. ft.	$ 0.478
Business Use per sq. ft.	$ 0.221
Industrial Use per sq. ft.	$ 0.143
Institutional Use per sq. ft.	$ 0.478

Fund Number	Fund Description
4417	Ontario Ranch - Regional Sewer — Accounts for revenues from developer-paid impact fees for the

Land Use Type	Schedule
Detached Dwelling per Unit	$ 903
Attached Dwelling per Unit	$ 685
High Density Dwellings per Unit	$ 414
Commercial Lodging per Unit	$ 527
Retail/Service Use per sq. ft.	$ 0.164
Restaurant Use per sq. ft.	$ 0.164
Office Use per sq. ft.	$ 0.482
Business Use per sq. ft.	$ 0.194
Industrial Use per sq. ft.	$ 0.237
Institutional Use per sq. ft.	$ 0.260

Fund Number	Fund Description
4418	Ontario Ranch - Regional Storm Drains — Accounts for revenues from developer-paid impact fees for the construction of storm drain infrastructure projects that serve a

Land Use Type	Schedule	Per Acre
Detached Dwelling per Unit	$ 562	
Attached Dwelling per Unit	$ 213	
High Density Dwellings per Unit	$ 179	
Commercial Lodging per Unit	$ 122	
Retail/Service Use per sq. ft.	$ 0.259	$ 5,345
Restaurant Use per sq. ft.	$ 0.259	$ 5,345
Office Use per sq. ft.	$ 0.228	$ 5,345
Business Use per sq. ft.	$ 0.224	$ 5,196
Industrial Use per sq. ft.	$ 0.222	$ 5,642
Institutional Use per sq. ft.	$ 0.259	$ 5,642

Development Impact Fee Annual Report Fees Schedule by Fund and Land Use

Fund Number	Fund Description
4419	Ontario Ranch - Regional Streets — Accounts for revenues from developer-paid impact fees for the construction of street infrastructure projects that serve a

Land Use Type	Schedule
Detached Dwelling per Unit	$ 2,244
Attached Dwelling per Unit	$ 1,498
High Density Dwellings per Unit	$ 927
Commercial Lodging per Unit	$ 1,183
Retail/Service Use per sq. ft.	$ 4.534
Restaurant Use per sq. ft.	$ 4.534
Office Use per sq. ft.	$ 2.591
Business Use per sq. ft.	$ 2.696
Industrial Use per sq. ft.	$ 1.390
Institutional Use per sq. ft.	$ 2.961

Fund Number	Fund Description
4420	Ontario Ranch - Regional Water — Accounts for revenues from developer-paid impact fees for the

Land Use Type	Schedule
Detached Dwelling per Unit	$ 7,283
Attached Dwelling per Unit	$ 3,999
High Density Dwellings per Unit	$ 2,122
Commercial Lodging per Unit	$ 3,060
Retail/Service Use per sq. ft.	$ 2.391
Restaurant Use per sq. ft.	$ 2.391
Office Use per sq. ft.	$ 2.162
Business Use per sq. ft.	$ 1.862
Industrial Use per sq. ft.	$ 1.927
Institutional Use per sq. ft.	$ 1.754

City of Ontario
AB 1600 Development Impact Fee Annual Report
Pursuant to Government Code Section 66006
For Fiscal Year Ended June 30, 2024 (unaudited)

Fund	Development Impact Fee Purpose	Fund Balance July 1, 2023	Revenues: DIF Collections	Revenues: Interest	Revenues: Gains/Losses	Other Sources/(Uses)	Expenditures: DIF Credit Redemption	Expenditures: DIF Customer Refunds	Expenditures: Project Expenditures	Fund Balance June 30, 2024
2650	Park Impact / Quimby	49,709,984 [1]	$ 7,911,702	$ 1,176,923	$ 919,002	$ -	$ 5,520,769	$ 18,654	$ 5,637,796	48,540,392
4210	Aquatics Impact	1,013,819 [1]	$ 58,561	$ 26,120	$ 17,189	$ -	$ -	$ 136	$ -	1,115,555
4211	General Facilities Impact	7,874,581 [1]	$ 331,213	$ 198,456	$ 134,939	$ -	$ -	$ 695	$ -	8,538,496
4212	Integrated Waste Impact	8,820,550 [1]	$ 951,344	$ 233,103	$ 152,400	$ - [2]	$ -	$ 894	$ 379,136	9,777,367
4213	Law Enforcement Impact	2,879,166 [1]	$ 479,299	$ 77,152	$ 48,776	$ 2,127 [3]	$ -	$ 523	$ 317,278	3,168,718
4214	Library Impact	11,741,239 [1]	$ 680,453	$ 303,238	$ 199,055	$ -	$ -	$ 1,598	$ -	12,922,388
4215	Public Use Community Centers Facilities	12,897,250 [1]	$ 962,203	$ 339,072	$ 217,346	$ -	$ -	$ 2,278	$ -	14,413,594
4216	Species Habitat Impact	9,940,591 [1]	$ 1,091,694	$ 272,058	$ 162,529	$ -	$ -	$ -	$ 132,097	11,334,776
4310	Old Model Colony - Fire Impact	(1,911,993) [1]	$ 165,440	$ 2,192	$ (1,891)	$ -	$ -	$ 611	$ -	(1,746,861)
4311	Old Model Colony - Local Adjacent Sewer	4,645,133 [1]	$ 219,045	$ 112,000	$ 81,758	$ -	$ 2,309	$ 647	$ 117,041	4,937,940
4312	Old Model Colony - Local Adjacent Streets	2,828,348 [1&4]	$ 1,777,832	$ 78,559	$ 42,737	$ -	$ -	$ 1,667	$ 659,506	4,066,302
4313	Old Model Colony - Local Adjacent Storm Drains	13,788,437 [1]	$ 3,093,404	$ 368,775	$ 224,711	$ (0)	$ -	$ 5,735	$ 687,873	16,781,721
4314	Old Model Colony - Local Adjacent Water	3,737,914 [1]	$ 114,123	$ 93,591	$ 64,565	$ -	$ 1,155	$ 761	$ -	4,008,278
4315	Old Model Colony - Regional Sewer	3,043,376 [1]	$ 25,541	$ 74,218	$ 53,304	$ -	$ 277	$ 72	$ -	3,196,091
4316	Old Model Colony - Regional Streets	1,872,707 [1]	$ 162,845	$ 47,096	$ 31,129	$ -	$ -	$ 302	$ -	2,113,476
4317	Old Model Colony - Regional Storm Drains	8,435,095 [1]	$ 2,170,965	$ 227,726	$ 123,974	$ -	$ -	$ 2,035	$ 15,355	10,940,371
4318	Old Model Colony - Regional Water	16,507,988 [1]	$ 641,363	$ 396,686	$ 283,283	$ -	$ 6,466	$ 4,316	$ -	17,818,539
4410	Ontario Ranch - Fire Impact	3,276,496 [1]	$ 471,513	$ 49,401	$ 96,386	$ -	$ 68,662	$ -	$ 1,640,347	2,184,788
4411	Ontario Ranch - Local Adjacent Fiber	3,026,890 [1]	$ 1,808,077	$ 100,300	$ 37,600	$ -	$ 131,509	$ -	$ 400,717	4,440,643
4412	Ontario Ranch - Local Adjacent Sewer	598,765 [1]	$ 474,655	$ 21,834	$ 6,449	$ -	$ 30,199	$ -	$ -	1,071,505
4413	Ontario Ranch - Local Adjacent Streets	21,129,852 [1]	$ 2,927,923	$ 558,796	$ 371,465	$ -	$ 635,432	$ -	$ -	24,352,605
4414	Ontario Ranch - Local Adjacent Storm Drains	22,422,502 [1]	$ 2,532,857	$ 599,185	$ 376,050	$ -	$ 877,459	$ -	$ -	25,053,136
4415	Ontario Ranch - Local Adjacent Water	29,650,258 [1]	$ 1,412,773	$ 705,003	$ 566,248	$ -	$ 858,442	$ -	$ 4,296,670	27,179,172
4416	Ontario Ranch - Regional Fiber	(12,019,181) [1]	$ 388,129	$ (6,327)	$ -	$ -	$ 108,548	$ -	$ 524,071	(12,269,995)
4417	Ontario Ranch - Regional Sewer	2,421,957 [1]	$ 763,230	$ 72,062	$ 34,954	$ -	$ -	$ -	$ -	3,292,203
4418	Ontario Ranch - Regional Storm Drains	5,410,426 [1]	$ 557,330	$ 182,999	$ 148,175	$ -	$ 1,402,888	$ -	$ -	4,896,043
4419	Ontario Ranch - Regional Streets	8,538,887 [1]	$ 3,002,273	$ 250,567	$ 143,865	$ -	$ 4,625,689	$ -	$ 899,626	6,410,279
4420	Ontario Ranch - Regional Water	15,363,909 [1]	$ 11,110,631	$ 547,826	$ 470,015	$ -	$ 8,090,339	$ -	$ 4,217,579	15,184,464
		$ 257,644,948	$ 46,286,419	$ 7,108,613	$ 5,006,012	$ 2,127	$ 22,360,142	$ 40,924	$ 19,925,092	$ 273,721,987

Legend
DIF Collections: Development Impact Fee assessed at building permit issuance.
Interest: Interest income.
Gains/Losses: Gain/Loss on Securities and change in fair value
Other Sources/(Uses): Miscellaneous revenues, billings, reimbursements, contributions, property rental, and Measure I.
DIF Credit Redemption: DIF credits used for refunds on paid permit fees.
DIF Customer Refunds: Overcharged amount due to incorrect land Use Type at Building permit issuance.
Project Expenditures: Costs incurred on specific DIF projects, see "Project Details 2024"

[1] Adjusted fund balance included additional interest and gains/losses earned as of June 30, 2023.
[2] Adjusting entry will be completed to reflect the proper classification of this expense.
[3] Toyota Arena Security - Arena Events-PD Tracking
[4] Year-End adjustment of $444 made to GL #53102 (Legal Expense) on Project ST1510_4312 Mountain & Holt Intersec Widen.

City of Ontario
Development Impact Fee Project Expenditures
For Fiscal Year Ended June 30, 2024 (unaudited)

City Project	DIF Project	Description		Annual Expenditure
PA1903	PK-001	Skate Park Development		111,428
PA1904	PK-001	Ontario Ranch Great Park		5,526,369
			Fund 2650 Subtotal	5,637,796
N/A	RS-002	Refuse Automated Side Loading Vin 115179		379,136
			Fund 4212 Subtotal	379,136
PF2426		Ontario Police Department Master Plan		48,086
PF2302	LE-002	Renovate PD Training and Traffic Area		269,192
			Fund 4213 Subtotal	317,278
N/A	LS-001	PLN001 Planning - Reimbursement Agreement		132,097
			Fund 4216 Subtotal	132,097
SE1701	SW-022	Archibald Ave Sewer Diversion		43,847
SE2302	SW-052	Piemonte Overlay Sewer Improvement		73,194
			Fund 4311 Subtotal	117,041
ST1510	ST-036/ST-053	Mountain & Holt Intersection Widening		175,628
ST1511	ST-042/ST-053	Grove & Holt Intersect Widen		483,879
ST1914	ST-060	ATP Cycle 4 Pedestrian Improve		-
			Fund 4312 Subtotal	659,506
N/A	SD-075	Master Plan of Drainage		183,757
SM2101	SD-073/SD-086	San Antonio Ave Storm Drain		474,124
SM2301	SD-063	Fourth Street Storm Drain		29,992
			Fund 4313 Subtotal	687,873
ST0302	ST-111	Grove/I10 Interchange-Corridor		2,174
ST2418	ST-111	Grove/I10 Interchange-Corridor - Phase 2		13,181
			Fund 4317 Subtotal	15,355
PF2208	FS-003	Temporary Fire Station No. 11		1,593,459
PF2303	FS-003	Fire Station No. 11		27,000
PF0506	FS-001	Fire Station No. 9 Land Acquisition and Construction		19,888
			Fund 4410 Subtotal	1,640,347
MS-0205	FO-005	High-Speed Telecomm System - NMC		400,717
			Fund 4411 Subtotal	400,717
WA2004	WT-009/WT-010	Ontario Ranch Phase 2 Water Main Improvements		4,296,670
			Fund 4415 Subtotal	4,296,670
MS-0205	FO-005	High-Speed Telecomm System-NMC		524,071
			Fund 4416 Subtotal	524,071

City of Ontario
Development Impact Fee Project Expenditures
For Fiscal Year Ended June 30, 2024 (unaudited)

City Project	DIF Project	Description		Annual Expenditure
ST-1411	ST-106	SR60 at Archibald Interchange		899,626
			Fund 4419 Subtotal	899,626
WA9910	WT-002	New Well No. 43		47,078
WA1907	WT-032	Groundwater Wellhead Treatment		71,666
WA2301	WT-010	Ontario Ranch Phase 2B WM		97,065
WA2302	WT-014	Reservoir 925'-1A		90,755
WA2004	WT-009/WT-010	Ontario Ranch Phase 2 Water Main Improvements		3,911,015
			Fund 4420 Subtotal	4,217,579
			Total	**19,925,092**

In accordance with Government Code Section 66001, this section addresses the five-year requirements with respect to any remaining funds in the DIF accounts, regardless of whether those funds are committed or uncommitted for FY 19-20 through FY 23-24. The following section provides information necessary to meet the legal requirement for the Five-Year report for the DIF funds.

Requirement 1. Identification of the purpose to which the fees are to be put.

The purpose of the DIFs imposed and collected on new development within the City during FY 19-20 through FY 23-24 was to fund public facilities that are needed to serve the new development within the City as identified in the City's adopted Development Impact Fee Nexus Studies. The purpose of each fee is identified within Section 2 of the Annual AB1600 Report. Future Projects are identified in each of the individual Fund subsections.

Requirement 2. Demonstrate a reasonable relationship between the fee and the purpose for which it is charged.

There is a proportional relationship between the impact fees charged on a new development based upon the need for additional public facilities to serve the additional residents and employees that will be generated by the new development. The City does not have the capacity in its existing public facilities to accommodate these new residents and employees. By charging the fee based on the additional demand created by each land use, the fees directly correlated to the demand created by each new development. The fees for Parks and Recreation, Law Enforcement, Fire Suppression Services, Storm Drainage, Circulation System Improvements, Aquatics, Water, Sewer, Library, Integrated Waste, Species Habitat, General Facilities, and Public Use Community Center Facilities, were updated in July 2022 by Resolution 2022-133 adopting the City of Ontario Development Impact Fee Nexus Study (July 2022). The increase in land use affects the City's ability to maintain levels of services in various ways. That includes services such as calls for services, trips generated, water runoff, water services, sewer collection, the size of facility required, increase demand of equipment required, habitat species impact, and broadband. Each fee had to undergo rigorous nexus requirements that: identify the purpose of the fee; identify the use to which the fee is to be put; determine how there is a reasonable relationship between the fees use and the type of development project on which the fee is imposed; determine how there is a reasonable relationship between the need for the public facility and the type of development project on which the fee is imposed; and determine how there is a reasonable relationship between the amount of the fee and the cost of the public facility attributable to the development on which the fee is imposed.

Requirement 3. Identification of all sources and amounts of funding anticipated to complete financing in incomplete improvements identified as part of the City's annual report.

The first exhibit shows all projects within the 2022 Nexus Report and their corresponding completion date. These projects are the primary driver to the Development Impact Fees charged to Developers at Building Permit Issuance. Improvements required are triggered based on the timing and location of development. Improvements will be programmed as deemed necessary by the City and their CIP prioritization process. All fee programs satisfy the five-year test and have sufficient planned future improvement projects with costs that exceed funds held for more than five years. The second exhibit summarizes these findings.

Requirement 4. Identification of the approximate dates on which the funding referred to in Requirement 3 is expected to be deposited into the appropriate account or fund.

The first exhibit in the report provides an illustration of when projects in the 2022 Nexus Study will be completed. However, it is important to reiterate that the listed infrastructure must only be built as development occurs, especially in the Ontario Ranch. As the City approaches full buildout, the estimated completion dates will be modified accordingly. Currently, no project listed below is expected to be completed later than 2050, which is the estimated date the City will be fully built. To complement the tables listed on pages 24 – 37 demonstrate a detailed change in fund balance over the last five fiscal years.

Project #	Project Title	Estimated Completion Date
LE-001	Police Station Purchase and Roof Improvements Prior to Occupancy	2038
LE-002	Complete Remaining Interior Improvements@ 55% of Building Space	2038
LE-003	Additional Patrol/Detective/Specialty/Staff Vehicles	2048
LE-004	Additional Officer Assigned Equipment	2048
LE-005	Additional Specialty Equipment	2048
LE-006	Building Appurtenances Equipment	2040
LE-007	Communications Equipment	2040
LE-008	Advanced Technology Hardware and Software	2040
LE-009	Additional Helicopter Capacity	2040
LE-010	Share of Specific/Common City Yard Improvements	2045
FS-003	Fire Station #11 Land Acquisition And Construction	2028
FS-003A	Fire Station #11 Vehicle Storage Bay	2028
FS-004	Fire Station #11 Response Engine and Aerial	2027
FS-005	Fire Station #12 Land Acquisition And Construction	2033
FS-005A	Fire Station #12 Vehicle Storage Bay	2033
FS-006	Fire Station #12 Response Engines	2032
FS-007	Fire Station #13 Land Acquisition And Construction	2038
FS-007A	Fire Station #13 Vehicle Storage Bay	2038
FS-008	Fire Station #13 Response Engine	2037
FS-009	Fire Station #14 Land Acquisition And Construction	2043
FS-009A	Fire Station #14 Vehicle Storage Bay	2043
FS-010	Fire Station #14 Response Engine	2042
FS-011	Reserve Response Engines	2033
FS-013	Battalion Chief Response Vehicle	2038
FS-014	Fire Fighter Assigned Equipment	2043
FS-015	Fire Administration Headquarters Relocation	2027
FS-016	Emergency Training Center Expansion	2040
FS-017	City Emergency Operations Center	2027
FS-018	Special Operations Support Vehicle	2030
FS-019	Mobile Air And Lighting Support Vehicle	2040
FS-020	Emergency Services Communication System	2035
FS-021	Share of Specific/Common City Yard Improvements	2045
FS-023	Fire Station Operations #1 Relocation	2026
FS-024	Expand Station #3 (East Francis)	2040
ST-001	Archibald Avenue From Riverside to Edison (P)	Phased through 2050 (Conditioned through Development)
ST-002	Archibald Avenue From Edison To South City Limit (P)	Phased through 2050 (Conditioned through Development)
ST-003	Bellegrave Avenue From Archibald To Milliken (P)	Phased through 2050 (Conditioned through Development)
ST-004	Campus Avenue From Riverside To Merrill	Phased through 2050 (Conditioned through Development)
ST-005	Chino Avenue From Euclid To Milliken	Phased through 2050 (Conditioned through Development)
ST-006	Mill Creek Avenue From Riverside To Bellearave (P)	Phased through 2050 (Conditioned through Development)
ST-007	Edison Avenue From Euclid To Walker	Phased through 2050 (Conditioned through Development)
ST-008	Edison Avenue From Walker To Vineyard	Phased through 2050 (Conditioned through Development)
ST-009	Edison Avenue From Vinevard To Mill Creek	Phased through 2050 (Conditioned through Development)
ST-010	Edison Avenue From Mill Creek to Milliken (P)	Phased through 2050 (Conditioned through Development)
ST-011	Eucalyptus Avenue From Euclid To Milliken	Phased through 2050 (Conditioned through Development)
ST-012	Euclid Avenue From Riverside To Merrill	Phased through 2050 (Conditioned through Development)
ST-013	Grove Avenue From Riverside To Merrill	Phased through 2050 (Conditioned through Development)
ST-014	Haven Avenue From Riverside To Belleqrave (P)	Phased through 2050 (Conditioned through Development)
ST-015	Merrill Avenue From Euclid To Archibald	Phased through 2050 (Conditioned through Development)
ST-016	Milliken Avenue From Riverside To Edison	Phased through 2050 (Conditioned through Development)
ST-017	Milliken Avenue From Edison To Belleqrave	Phased through 2050 (Conditioned through Development)
ST-018	Hellman Avenue From Riverside To Merrill	Phased through 2050 (Conditioned through Development)
ST-019	Riverside Drive From Euclid To Milliken (P)	Phased through 2050 (Conditioned through Development)
ST-020	Schaefer Avenue From Euclid To Haven	Phased through 2050 (Conditioned through Development)
ST-021	Turner Avenue From Riverside To Schaefer	2026
ST-022	Vineyard Avenue From Riverside To Merrill	Phased through 2050 (Conditioned through Development)

AB1600 Development Impact Fee Annual Report Estimated Project Completion Date

Project #	Project Title	Estimated Completion Date
ST-023	Walker Avenue From Riverside To Merrill	Phased through 2050 (Conditioned through Development)
ST-024	Ontario Ranch Traffic Control System (P)	Phased through 2050 (Conditioned through Development)
ST-025	Non-Dev. ROW, Frontage Imos. & SCE Pole Relocations	Phased through 2050 (Conditioned through Development)
ST-026	Additional SCE Pole Relocations	2030
ST-029	OR Offsite Cantu Galleano Widening 1-15 To Milliken	2026
ST-030	OR Offsite Euclid Avenue Improvements, Merrill To US-71	Phased through 2050
ST-031	OR Offsite Archibald Avenue Bridge Over Santa Ana River	Phased through 2050
ST-032	OR Offsite Hamner Avenue Bridge Over The Santa Ana River	Phased through 2050
ST-033	General City Street Lights (P)	Phased through 2050
ST-034	General City Traffic Signals	Phased through 2050
ST-035	Benson Avenue From Mission To Philadelphia	Phased through 2050 (Conditioned through Development)
ST-036	Mountain Avenue From Sixth To Holt (P)	Phased through 2050
ST-038	Bon View Avenue From Holt to Mission	Phased through 2050 (Conditioned through Development)
ST-039	Bon View Avenue From Mission To Belmont	2026
ST-042	Grove Avenue From Fourth Street to Airport Drive	Phased through 2050
ST-043	Turner Avenue, From Inland Empire Boulevard To Fourth	Phased through 2050 (Conditioned through Development)
ST-044	Archibald Avenue from Fourth To Guasti Park Entrance	Phased through 2050 (Conditioned through Development)
ST-045	Milliken Avenue From SR-60 To Riverside	Phased through 2050 (Conditioned through Development)
ST-047	Etiwanda Avenue At Airport Drive	2026
ST-048	Eight Street From West Cucamonga Creek To Grove	2026
ST-050	Fourth Street From Palmetto To San Antonio	2026
ST-051	Fourth Street From Campus To Cucamonga	Phased through 2050
ST-052	Fourth Street From Vineyard To Archibald	2026
ST-053	Holt Boulevard From Benson To Vineyard	2026
ST-054	Guasti Road From Holt To Archibald	Phased through 2050 (Conditioned through Development)
ST-055	State Street From Benson To Grove	Phased through 2050 (Conditioned through Development)
ST-056	Airport Drive Under The 1-15 Freeway	Phased through 2050
ST-058	Mission Boulevard From Cypress To Grove	Phased through 2050
ST-059	Mission Boulevard From Grove To Milliken (P)	Phased through 2050
ST-060	Phillips Street From Benson To Mountain	2026
ST-062	Acacia Street From Baker To Vineyard	Phased through 2050
ST-063	Francis Street From Benson To Campus	2026
ST-064	Jurupa Street From Archibald To East Of Turner	Phased through 2050 (Conditioned through Development)
ST-065	Philadelphia Street From Campus To Grove	Phased through 2050
ST-066	Philadelphia From E/O Vineyard to Cucamonga Creek	Phased through 2050
ST-069	Grove Avenue Bridge Over West Cucamonga Creek	2050
ST-071	Holt Boulevard Bridge Over West Cucamonga Creek	2026
ST-072	Mission Boulevard Bridge Over West Cucamonga Creek	2050
ST-074	Francis Street Bridge Over West Cucamonga Creek	2026
ST-075	Eighth Street Bridge Over Cucamonga Creek	Phased through 2050
ST-076	Sixth Street Bridge Over Cucamonga Creek	Phased through 2050
ST-077	Fourth Street Bridge Over Cucamonga Creek	Phased through 2050
ST-079	Holt Boulevard Bridge Over Cucamonga Creek	Phased through 2050
ST-081	Mission Boulevard Bridge Over Cucamonga Creek	Phased through 2050
ST-082	Francis Street Bridge Over Cucamonga Creek	Phased through 2050
ST-083	Philadelphia Street Bridge Over Cucamonga Creek	Phased through 2050
ST-084	Riverside Drive Bridge Over Cucamonga Creek	Phased through 2050 (Conditioned through Development)
ST-085	Archibald Avenue Bridge Over Upper Deer Creek	Phased through 2050
ST-086	Archibald Avenue Bridge Over Upper Deer Creek Spillway	Phased through 2050
ST-089	Archibald Avenue Bridge Over Lower Deer Creek	2026
ST-091	Grove Avenue Grade Separation Under UPRR/Alhambra	Phased through 2050
ST-092	Milliken (N) Grade Separation Under UPRR/Alhambra	2026
ST-095	Archibald (S) Grade Separation Over UPRR/LA	Phased through 2050
ST-096	San Antonio (S) Grade Separation Under UPRR/Alhambra	Phased through 2050
ST-097	Campus (S) Grade Separation Under UPRR/Alhambra	Phased through 2050
ST-099	Vine (S) Grade Separation Under UPRR/LA Line	Phased through 2050
ST-100	Sultana (S) Grade Separation Under UPRR/LA Line	Phased through 2050
ST-101	Bon View (S) Grade Separation Under UPRR/LA Line	Phased through 2050

Project #	Project Title	Estimated Completion Date
ST-102	Pavement Management System Rehabilitation Program	Phased through 2050
ST-103	Circulation System Maintenance Vehicles	Phased through 2050
ST-104	Great Park Bridge Over Archibald Avenue	Phased through 2050 (Conditioned through Development)
ST-105	SR-60 At Vineyard Interchange Reconstruction/Expansion	Phased through 2050
ST-106	SR-60 At Archibald Interchange Reconstruction/Expansion	2025
ST-107	SR-60 At Euclid Interchange Reconstruction/Expansion (P)	Phased through 2050
ST-108	SR-60 At Grove Interchange Reconstruction/Expansion	Phased through 2050
ST-109	SR-60 At Mountain Interchange Reconstruction/Expansion	Phased through 2050
ST-111	1-10 Freeway at Grove/Fourth	Phased through 2050
ST-112	Traffic Signal System Control and Operations Center (P)	Phased through 2050
ST-113	General City Backbone Signal Interconnect	Phased through 2050
ST-114	1-10 At Euclid Avenue Eastbound On Ramp (P)	2025
ST-116	1-10 At Vineyard Interchange Reconstruction/Expansion (P)	2025
ST-117	Ontario Ranch Road/Trail Separation	Phased through 2050 (Conditioned through Development)
ST-118	Hellman Avenue Bridge Over Cucamonga Creek	Phased through 2050
ST-121	Schaefer Avenue Bridge Over Cucamonga Creek	2026
ST-122	Schaefer Avenue Over Cucamonga Creek Spillway	2026
ST-123	Edison Avenue Bridge Over Cucamonga Creek	Phased through 2050 (Conditioned through Development)
ST-124	Eucalyptus Avenue Bridge Over Cucamonga Creek	2026
ST-125	Merrill Avenue Bridge Over Cucamonga Creek	2026
ST-126	Share of Specific/Common City Yard Improvements	2045
ST-127	Ontario Ranch Bus Stop Shelters	Phased through 2050 (Conditioned through Development)
ST-128	Ontario Ranch Street Design Studies	2026
ST-129	Fourth Street Under The 1-10 F reewav	2025
ST-130	Guasti Road Extension From 1,530' E/0 Of Haven Easterlv 310'	Phased through 2050
ST-131	Ontario Ranch Traffic Study	Phased through 2050
SD-001	Euclid Avenue, Riverside To Merrill	Phased through 2050 (Conditioned through Development)
SD-002	Grove Avenue, Grove Basin To Merrill	Phased through 2050 (Conditioned through Development)
SD-005	Merrill Avenue, Euclid To Bon View	Phased through 2050 (Conditioned through Development)
SD-006	Campus Avenue, 920' N/0 Eucalyptus To Merrill	Phased through 2050 (Conditioned through Development)
SD-007	Bon View, 1,320' N/0 Chino To Merrill	Phased through 2050 (Conditioned through Development)
SD-008	Euclid Avenue Laterals	Phased through 2050 (Conditioned through Development)
SD-013	Walker Avenue, Merrill To Chino	Phased through 2050 (Conditioned through Development)
SD-014	Merrill Avenue, Vineyard to 1420' W/0 Walker	2034
SD-015	Ontario Ranch Road, Walker to 880' E/0 Walker	Phased through 2050 (Conditioned through Development)
SD-016	Schaefer Avenue, Walker To 1,950' E/0 Walker	Phased through 2050 (Conditioned through Development)
SD-020	Hellman Avenue, Chino Avenue To 1,500' N/0 Chino	Phased through 2050 (Conditioned through Development)
SD-022	Eucalyptus Avenue, Archibald To 1,300' E/0 Archibald (P)	Phased through 2050 (Conditioned through Development)
SD-025	Turner Avenue, Riverside To County Line Channel (P)	Phased through 2050 (Conditioned through Development)
SD-026	Turner Avenue Laterals	Phased through 2050 (Conditioned through Development)
SD-027	Haven Avenue, Riverside To County Line Channel (P)	Phased through 2050 (Conditioned through Development)
SD-028	Ontario Ranch Road, Between Haven And Mill Creek (P)	Phased through 2050 (Conditioned through Development)
SD-029	Haven Avenue Laterals E/0 Haven And N/0 Schaefer	Phased through 2050 (Conditioned through Development)
SD-030	Haven Avenue Laterals	Phased through 2050 (Conditioned through Development)
SD-032	Mill Creek, Chino To County Line Channel (P)	Phased through 2050 (Conditioned through Development)
SD-033	Eucalyptus Avenue Between Mill Creek And Milliken	Phased through 2050 (Conditioned through Development)
SD-034	Eucalyptus Avenue Between Haven And Mill Creek	Phased through 2050 (Conditioned through Development)
SD-036	Schaefer Avenue Between Mill Creek And Milliken	Phased through 2050 (Conditioned through Development)
SD-037	Hellman Avenue, Schaefer To Ontario Ranch Road And Laterals	Phased through 2050 (Conditioned through Development)
SD-039	Ontario Ranch-HellmanNineyard, Hellman-OR/Merrill To C. Creek	Phased through 2050 (Conditioned through Development)
SD-040	Eucalyptus Avenue, Hellman To Cucamonga Channel	Phased through 2050 (Conditioned through Development)
SD-041	Merrill Avenue, Cucamonga Channel To Walker	2034
SD-045	Eucalyptus Avenue, Cucamonga Channel To W/O Archibald	Phased through 2050 (Conditioned through Development)
SD-046	Ontario Ranch Road Laterals E/O Cucamonga Channel	Phased through 2050 (Conditioned through Development)
SD-048	Chino Avenue, Cucamonga Channel To N/O Chino	Phased through 2050 (Conditioned through Development)
SD-049	Milliken Avenue, Riverside To County Line Channel (P)	2036
SD-050	Offsite Euclid Avenue Storm Drain	Phased through 2050 (Joint Project with City of Chino)

AB1600 Development Impact Fee Annual Report Estimated Project Completion Date

Project #	Project Title	Estimated Completion Date
SD-056	Sixth Street, Glenn To Cucamonga Channel	2026
SD-057	G Street, Berlyn to West Cucamonga Channel & Various Streets	2050
SD-058	Grove Avenue, 60 Freeway To Riverside Drive	2040
SD-059	Campus Avenue, Cedar To Riverside	2039
SD-060	D and I Streets, Grove To West Cucamonga Channel	2050
SD-061	Inland Empire Blvd., Vineyard To Cucamonga Channel	2050
SD-062	Sultana Avenue, Phillips To Philadelphia	2050
SD-063	Fourth Street, El Dorado To Cucamonga Creek	2035
SD-064	Baker, Vineyard, Carlos, Hellman - Acacia to Philadelphia	2050
SD-065	Bon View Avenue, 60 Freeway To Riverside (P)	2026
SD-066	Cucamonga Avenue, 60 Freeway To Riverside	2040
SD-067	Bon View Avenue, Mission To Francis	2050
SD-068	Cucamonga Avenue, Phillips To Francis	2050
SD-069	Storm Drainage Maintenance Vehicles	2050
SD-070	Boulder Avenue, I Street To State	2050
SD-071	Benson Avenue, State To I Street	2050
SD-072	Mountain Avenue, Philadelphia To Phillips	2050
SD-073	San Antonio Avenue, Francis To Cypress Channel	2035
SD-074	San Sevaine Channel	2050
SD-075	Storm Drain Master Plan (P)	2050
SD-077	Campus Avenue, State to Francis (Phase 2 Of SD-053)	2050
SD-078	Parco Avenue, Philadelphia to 60 Freeway (Phase 2 Of SD-055)	2050
SD-079	Grove Avenue, Francis to 60 Freeway (Phase 2 Of SD-058)	2050
SD-080	Sultana Avenue, State to Phillips (Phase 2 Of SD-062)	2050
SD-081	Bon View Avenue, 60 Freeway To Francis (Phase 2 Of SD-065)	2050
SD-082	Cucamonga Avenue, Francis to 60 FWY (Phase 2 Of SD-066)	2050
SD-083	Mountain & Boulder, 1-10 to I Street (Phase 2 Of SD-070)	2050
SD-084	Benson Avenue Laterals (Phase 2 Of SD-071)	2050
SD-085	Mountain Avenue, State to Phillips (Phase 2 Of SD-072)	2050
SD-086	San Antonio & Phillips, Euclid to Francis (Phase 2, SD-073)	2050
SD-087	Oakland Avenue, State to Phillips (Phase 2 Of SD-074)	2050
SD-088	Walker Avenue, 60 Freeway To Riverside And Lateral	2050
SD-089	Baker Avenue And Riverside Drive, S/0 60 Freeway	2050
SD-090	G Street, Corona To Del Norte	2050
SD-091	Del Norte and Imperial Avenues From I Street To G Street	2050
SD-092	Vine Avenue, G Street To State	2050
SD-093	Vine Avenue, Sixth To G Street	2050
SD-094	Sultana Avenue, Fifth to Holt	2028
SD-095	Benson Avenue and Laterals	2050
SD-096	Benson Avenue, Francis to Philadelphia	2050
SD-097	Mission, Benson, Phillips and Oaks W/O Magnolia	2050
SD-098	Holt Boulevard, Convention Center to Cucamonga Channel	2050
SD-099	Mission Boulevard, Proforms to Turner	2050
SD-100	6th Street, West Cucamonga Creek to Grove	2050
SD-101	Archibald Avenue, Inland Empire to Airport Drive	2050
SD-102	Fifth Street, Balboa to Cucamonga Drive	2050
SD-103	Share of Specific/Common City Yard Improvements	2045
SD-105	Ontario Ranch Storm Drain Study	2050
WT-001	Phillips Street 1010' Zone Well	2026
WT-002	Eighth Street 1212' Zone Wells	2030
WT-004	Eighth Street 1212' Zone Transmission Lines 50% complete	2035
WT-004	Eighth Street 1212' Zone Transmission Lines 75% complete	2045
WT-004	Eighth Street 1212' Zone Transmission Lines 100% complete	2050
WT-005	Eighth Street 1212' Zone Reservoir Site Purchase	2026
WT-006	Eighth Street 1212' Zone Reservoir Construction	2035
WT-007	Francis Street 925' Zone Wells 50% Complete	2035
WT-007	Francis Street 925' Zone Wells 75% Complete	2045

Project #	Project Title	Estimated Completion Date
WT-007	Francis Street 925' Zone Wells 100% Complete	2050
WT-008	Phillips Street 1010' Zone Wells	2030
WT-009	Phillips Street 1010' Zone Extension Mains Extension 50% Complete	2035
WT-009	Phillips Street 1010' Zone Extension Mains Extension 75% Complete	2042
WT-009	Phillips Street 1010' Zone Extension Mains Extension 100% Complete	2050
WT-010	Francis Street 925' Zone Transmission Lines 50% Complete	2035
WT-010	Francis Street 925' Zone Transmission Lines 75% Complete	2042
WT-010	Francis Street 925' Zone Transmission Lines 100% Complete	2050
WT-011	Francis Street 925' Zone Distribution Mains 50% Complete	2035
WT-011	Francis Street 925' Zone Distribution Mains 75% Complete	2042
WT-011	Francis Street 925' Zone Distribution Mains 100% Complete	2050
WT-012	Francis Street 925' Zone Well Collection System 50% Complete	2035
WT-012	Francis Street 925' Zone Well Collection System 75% Complete	2042
WT-012	Francis Street 925' Zone Well Collection System 100% Complete	2050
WT-013	Pressure Reducing Station, Potable Water System (1010' - 925')	2040
WT-014	Francis Street 925' Zone Reservoirs 50% Complete	2035
WT-014	Francis Street 925' Zone Reservoirs 75% Complete	2042
WT-014	Francis Street 925' Zone Reservoirs 100% Complete	2050
WT-015	Phillips Street 1010' Zone Reservoirs	2026
WT-016	Recycled Water System 50% Complete	2030
WT-016	Recycled Water System 75% Complete	2040
WT-016	Recycled Water System 100% Complete	2050
WT-017	Back-Up Power Supply	2040
WT-018	Reservoir 1010' (2B) Landscaping	2026
WT-021	Distribution System Pressure, Size And Age Improvements 50% Complete	2030
WT-021	Distribution System Pressure, Size And Age Improvements 75% Complete	2040
WT-021	Distribution System Pressure, Size And Age Improvements 100% Complete	2050
WT-022	Miscellaneous Up-Sized Facilities	2050
WT-023	Abandon Existing General City Wells	2035
WT-025	Decommission Galvin Treatment PlanUAbandon 1212-3 Reservoir	2035
WT-026	Seismic Upgrades And Replacements	2040
WT-027	Water Master Plan Updates	2050
WT-028	Water System Maintenance Vehicle/Equipment Fleet	2045
WT-031	JCSD/Ontario Reservoir (Phillips Street 1010" Zone)	2026
WT-032	Water Treatment	2035
WT-034	Water Source Supply	2040
WT-035	General System Reliability Improvements	2045
WT-036	Fourth Street 1074' Zone Transmission Improvements	2040
WT-037	Share of Specific/Common City Yard Improvements	2045

SW-001	Eastern Trunk Sewer	2007
SW-002	Western Trunk Sewer	2025
SW-003	Eucalyptus East Trunk Sewer	2021
SW-005	Haven Trunk Sewer	2035
SW-006	Mill Creek Trunk Sewer	2035
SW-008	Walker Trunk Sewer	2040
SW-009	Grove Trunk Sewer	2045
SW-010	Bon View Trunk Sewer	2040
SW-011	Euclid Trunk Sewer	2040
SW-015	Plaza Serena Street, Granda Court To Vineyard Avenue	2026
SW-016	Philadelphia Between Parco And Vineyard	2030
SW-020	Cherry Avenue, North Of G Street	2026
SW-022	Vineyard Avenue, South Of Cedar Et. Al.	2035
SW-023	Easement East Of Haven Avenue	2030
SW-026	Sewer Utility Maintenance Vehicles	2045
SW-027	Sewer Utility Master Plan	2050
SW-029	Carpenter Trunk Sewer	2040
SW-035	Virginia Avenue Between D Street and Nocta Street	2026

AB1600 Development Impact Fee Annual Report Estimated Project Completion Date

Project #	Project Title	Estimated Completion Date
SW-036	Deer Creek Loop And Laurel Tree Drive	2035
SW-037	Hollowell, Boulder and Holt Avenue	2026
SW-038	Easement N/O Holt Blvd, E/0 Allvn Avenue	2026
SW-039	Riverside Drive Between Sultana And Campus Avenues	2026
SW-040	Vineyard S/O Airport And Easement	2035
SW-041	Mills Circle N/O Mall Drive	2040
SW-042	Holt Boulevard E/O Vineyard Avenue	2030
SW-043	Bon View Avenue N/O Francis	2026
SW-044	Acacia, Easement, Locust And Parco	2050
SW-045	Turner Avenue, N/O Cedar Street	2045
SW-046	Holt Sewer Phase A	2026
SW-047	Holt Sewer Phase B	2026
SW-048	Share Of Common City Yard Improvements	2045
SW-050	Airport Drive Main, E/O Grove	2050
SW-052	Piedmonte Specific Densification Mitigation in Various Streets	2045
RS-001	Side Loader Collection Barrels	2040
RS-002	Side Loader Collection Vehicles	2035
RS-003	Front Loader Collection Bins	2040
RS-004	Front Loader Collection Vehicles	2035
RS-005	Roll-Off Collection Bins	2040
RS-006	Roll-Off Collection Vehicles	2035
RS-007	Share of Specific/Common City Yard Improvements	2045
RS-008	Fund Balance Refuse Acquisition	
GF-001	City Hall And Annex Reconfiguration	2035
GF-002	Expansion Of Administrative Pool Car Fleet	2040
GF-003	Electronic Specialty Equipment/Computer Hardware/Software	2045
GF-004	City Animal Holding Facility, No Specific Plans/Policy Decision for Facility	2045
GF-005	Share of Specific/Common City Yard Improvements	2045
LB-001	Library Facilities Space Expansion	2040
LB-002	Library Collection Expansion	2040
PF-001	Public Use Facilities Space Expansion	2040
AQ-001	Acquaticsa Facility Pool Expansion	2040
PK-001	Park Land Acquisition and Park Facilities Development	2040
PK-002	Park Maintenance Vehicles	2040
PK-003	Share of Specific/Common City Yard Improvements	2045
FO-001	Head End Facilities (Point of Prescence System	Phased through 2030 (Conditioned through Development)
FO-002	Core Network - Planning/Installation - Equipment an/Facilities	Phased through 2030 (Conditioned through Development)
FO-004	Distribution Network - Major Streets Conduit System	Phased through 2055 (Conditioned through Development)
FO-005	System Distribution Network - Fiber System	Phased through 2055 (Conditioned through Development)
FO-006	Cabling System - Residential/Non-Residential	Phased through 2055 (Conditioned through Development)
FO-007	Fiber Equipment within Residential Units	Phased through 2055 (Conditioned through Development)
FO-008	Fiber Equipment within Non-Residential Buildings	Phased through 2055 (Conditioned through Development)
FO-009	Share of Specific/Common City Yard Improvements	2045

City of Ontario
AB 1600 Development Impact Fee Five-Year Holdings Report

Fund No.	Fund Name	Fund Balance (as of June 30, 2024)	Five-Year Holdings Balance	Future Project Costs
2650	Park Impact / Quimby	48,540,392	34,174,562	1,028,088,091
4210	Aquatics Impact	1,115,555	614,904	8,190,044
4211	General Facilities Impact	8,538,496	4,263,026	23,575,970
4212	Integrated Waste Impact	9,777,367	5,040,847	64,956,573
4213	Law Enforcement Impact	3,168,718	3,135,717	31,084,134
4214	Library Impact	12,922,388	7,801,670	93,327,557
4215	Public Use Community Centers Facilities	14,413,594	7,906,070	131,520,217
4216	Species Habitat Impact	11,334,776	6,374,248	22,784,140
4310	Old Model Colony - Fire Impact	(1,746,861)	(1,301,941)	27,776,396
4311	Old Model Colony - Local Adjacent Sewer	4,937,940	490,136	24,319,289
4312	Old Model Colony - Local Adjacent Streets	4,066,304	(3,482,386)	81,375,435
4313	Old Model Colony - Local Adjacent Storm Drains	16,781,721	2,281,251	65,575,014
4314	Old Model Colony - Local Adjacent Water	4,008,278	2,593,712	14,995,515
4315	Old Model Colony - Regional Sewer	3,196,091	500,583	2,045,250
4316	Old Model Colony - Regional Streets	2,113,476	609,333	3,135,638
4317	Old Model Colony - Regional Storm Drains	10,940,371	6,145,960	91,945,587
4318	Old Model Colony - Regional Water	17,818,539	2,777,499	83,741,105
4410	Ontario Ranch - Fire Impact	2,184,788	(5,191,691)	76,845,342
4411	Ontario Ranch - Local Adjacent Fiber	4,440,643	4,832,592	97,465,072
4412	Ontario Ranch - Local Adjacent Sewer	1,071,505	591,846	34,419,858
4413	Ontario Ranch - Local Adjacent Streets	24,352,605	15,790,471	198,820,508
4414	Ontario Ranch - Local Adjacent Storm Drains	25,053,136	15,713,398	114,961,707
4415	Ontario Ranch - Local Adjacent Water	27,179,172	8,490,213	97,707,382
4416	Ontario Ranch - Regional Fiber	(12,269,995)	(1,177,668)	30,885,019
4417	Ontario Ranch - Regional Sewer	3,292,203	2,536,394	43,080,170
4418	Ontario Ranch - Regional Storm Drains	4,896,043	143,593	23,705,535
4419	Ontario Ranch - Regional Streets	6,410,279	(3,000,710)	147,566,293
4420	Ontario Ranch - Regional Water	15,184,464	16,229,921	261,349,407
	Total	**273,721,989**	**134,883,548**	**2,925,242,248**

Financial Summary Report - 2650:Park Impact / Quimby

Pursuant to Government Code Section 66006

For Fiscal Year Ended June 30, 2024

	Fiscal Year				
	2019/20	**2020/21**	**2021/22**	**2022/23**	**2023/24**
Beginning Fund Balance	$ 14,365,829	$ 24,301,849	$ 33,310,747	$ 41,678,364	$ 49,709,984
Revenues					
Development Impact Fee	$ 19,436,684	$ 14,248,310	$ 14,133,834	$ 18,336,118	$ 7,911,702
Interest Income	$ 529,095	$ 402,189	$ 481,550	$ 1,010,116	$ 1,176,923
Unrealized Gains (Losses)	$ 447,066	$ (253,486)	$ (1,187,657)	$ (372,088)	$ 919,002
Other Sources	$ 22,000	$ 24,000	$ (27,000)	$ -	$ -
Total Revenue	$ 20,434,846	$ 14,421,014	$ 13,400,726	$ 18,974,146	$ 10,007,626
Expenditures					
DIF Credit Redemption	$ 2,132,963	$ 43,121	$ -	$ 758,668	$ 5,539,423
Project Expenditures	$ 8,365,863	$ 5,368,994	$ 5,033,109	$ 10,183,858	$ 5,637,796
Total Expenditures	$ 10,498,826	$ 5,412,116	$ 5,033,109	$ 10,942,526	$ 11,177,219
Ending Fund Balance	$ 24,301,849	$ 33,310,747	$ 41,678,364	$ 49,709,984	**$ 48,540,391**

Financial Summary Report - 4210:Aquatics Impact

Pursuant to Government Code Section 66006

For Fiscal Year Ended June 30, 2024

	Fiscal Year				
	2019/20	**2020/21**	**2021/22**	**2022/23**	**2023/24**
Beginning Fund Balance	$ 500,651	$ 611,923	$ 754,867	$ 854,555	$ 1,013,820
Revenues					
Development Impact Fee	$ 88,631	$ 139,895	$ 114,288	$ 145,900	$ 58,561
Interest Income	$ 12,804	$ 10,168	$ 14,022	$ 20,674	$ 26,120
Unrealized Gains (Losses)	$ 9,837	$ (7,023)	$ (28,622)	$ (7,327)	$ 17,189
Other Sources	$ -	$ -	$ -	$ -	$ -
Total Revenue	$ 111,272	$ 143,040	$ 99,688	$ 159,248	$ 101,871
Expenditures					
DIF Credit Redemption	$ -	$ 97	$ -	$ (18)	$ 136
Project Expenditures	$ -	$ -	$ -	$ -	$ -
Total Expenditures	$ -	$ 97	$ -	$ (18)	$ 136
Ending Fund Balance	$ 611,923	$ 754,867	$ 854,555	$ 1,013,820	**$ 1,115,555**

Financial Summary Report - 4211:General Facilities Impact

Pursuant to Government Code Section 66006

For Fiscal Year Ended June 30, 2024

	Fiscal Year				
	2019/20	2020/21	2021/22	2022/23	2023/24
Beginning Fund Balance	$ 4,275,470	$ 5,327,012	$ 5,963,933	$ 6,798,294	$ 7,874,582
Revenues					
Development Impact Fee	$ 854,013	$ 618,254	$ 950,841	$ 966,745	$ 331,213
Interest Income	$ 111,138	$ 85,266	$ 110,867	$ 163,753	$ 198,456
Unrealized Gains (Losses)	$ 86,390	$ (65,958)	$ (227,371)	$ (52,630)	$ 134,939
Other Sources	$ -	$ -	$ -	$ -	$ -
Total Revenue	$ 1,051,542	$ 637,562	$ 834,337	$ 1,077,868	$ 664,609
Expenditures					
DIF Credit Redemption	$ -	$ 641	$ (24)	$ 1,580	$ 695
Project Expenditures	$ -	$ -	$ -	$ -	$ -
Total Expenditures	$ -	$ 641	$ (24)	$ 1,580	$ 695
Ending Fund Balance	$ 5,327,012	$ 5,963,933	$ 6,798,294	$ 7,874,582	**$ 8,538,496**

Financial Summary Report - 4212:Integrated Waste Impact

Pursuant to Government Code Section 66006

For Fiscal Year Ended June 30, 2024

	Fiscal Year				
	2019/20	2020/21	2021/22	2022/23	2023/24
Beginning Fund Balance	$ 4,736,519	$ 5,884,982	$ 6,685,423	$ 7,705,764	$ 8,820,549
Revenues					
Development Impact Fee	$ 1,022,657	$ 915,777	$ 1,233,098	$ 1,527,067	$ 951,344
Interest Income	$ 123,596	$ 94,422	$ 125,283	$ 185,031	$ 233,103
Unrealized Gains (Losses)	$ 95,340	$ (72,111)	$ (257,131)	$ (266,729)	$ 152,400
Other Sources	$ -	$ -	$ -	$ -	$ -
Total Revenue	$ 1,241,593	$ 938,088	$ 1,101,250	$ 1,445,370	$ 1,336,846
Expenditures					
DIF Credit Redemption	$ -	$ 733	$ (113)	$ 375	$ 894
Project Expenditures	$ 93,130	$ 136,914	$ 81,022	$ 330,210	$ 379,136
Total Expenditures	$ 93,130	$ 137,647	$ 80,910	$ 330,585	$ 380,030
Ending Fund Balance	$ 5,884,982	$ 6,685,423	$ 7,705,764	$ 8,820,549	**$ 9,777,366**

Financial Summary Report - 4213:Law Enforcement Impact

Pursuant to Government Code Section 66006

For Fiscal Year Ended June 30, 2024

	Fiscal Year				
	2019/20	**2020/21**	**2021/22**	**2022/23**	**2023/24**
Beginning Fund Balance	$ 33,001	$ 733,285	$ 1,447,762	$ 2,000,192	$ 2,879,166
Revenues					
Development Impact Fee	$ 681,481	$ 733,410	$ 576,381	$ 865,645	$ 479,299
Interest Income	$ 2,862	$ (2,585)	$ 34,946	$ 54,117	$ 77,152
Unrealized Gains (Losses)	$ 15,941	$ (15,922)	$ (52,990)	$ (32,256)	$ 48,776
Other Sources	$ -	$ -	$ -	$ -	$ 2,127
Total Revenue	$ 700,284	$ 714,904	$ 558,337	$ 887,506	$ 607,353
Expenditures					
DIF Credit Redemption	$ -	$ 427	$ 5,907	$ (122)	$ 523
Project Expenditures	$ -	$ -	$ -	$ 8,654	$ 317,278
Total Expenditures	$ -	$ 427	$ 5,907	$ 8,532	$ 317,801
Ending Fund Balance	$ 733,285	$ 1,447,762	$ 2,000,192	$ 2,879,166	**$ 3,168,718**

Financial Summary Report - 4214:Library Impact

Pursuant to Government Code Section 66006

For Fiscal Year Ended June 30, 2024

	Fiscal Year				
	2019/20	**2020/21**	**2021/22**	**2022/23**	**2023/24**
Beginning Fund Balance	$ 5,120,717	$ 6,486,753	$ 8,406,089	$ 9,725,767	$ 11,741,239
Revenues					
Development Impact Fee	$ 1,125,607	$ 1,881,572	$ 1,485,226	$ 1,867,294	$ 680,453
Interest Income	$ 134,625	$ 110,320	$ 158,735	$ 237,803	$ 303,238
Unrealized Gains (Losses)	$ 105,804	$ (71,230)	$ (324,283)	$ (89,400)	$ 199,055
Other Sources	$ -	$ -	$ -	$ -	$ -
Total Revenue	$ 1,366,036	$ 1,920,662	$ 1,319,678	$ 2,015,696	$ 1,182,746
Expenditures					
DIF Credit Redemption	$ -	$ 1,326	$ -	$ 224	$ 1,598
Project Expenditures	$ -	$ -	$ -	$ -	$ -
Total Expenditures	$ -	$ 1,326	$ -	$ 224	$ 1,598
Ending Fund Balance	$ 6,486,753	$ 8,406,089	$ 9,725,767	$ 11,741,239	**$ 12,922,387**

Financial Summary Report - 4215:Public Use Community Centers Facilities

Pursuant to Government Code Section 66006

For Fiscal Year Ended June 30, 2024

	Fiscal Year				
	2019/20	**2020/21**	**2021/22**	**2022/23**	**2023/24**
Beginning Fund Balance	$ 6,507,522	$ 6,830,124	$ 8,951,931	$ 10,473,387	$ 12,897,249
Revenues					
Development Impact Fee	$ 1,346,510	$ 2,086,376	$ 1,700,513	$ 2,267,411	$ 962,203
Interest Income	$ 165,716	$ 117,236	$ 171,596	$ 259,813	$ 339,072
Unrealized Gains (Losses)	$ 110,374	$ (80,358)	$ (350,653)	$ (103,987)	$ 217,346
Other Sources	$ -	$ -	$ -	$ -	$ -
Total Revenue	$ 1,622,600	$ 2,123,254	$ 1,521,456	$ 2,423,238	$ 1,518,621
Expenditures					
DIF Credit Redemption	$ -	$ 1,448	$ -	$ (624)	$ 2,278
Project Expenditures	$ 1,299,998	$ -	$ -	$ -	$ -
Total Expenditures	$ 1,299,998	$ 1,448	$ -	$ (624)	$ 2,278
Ending Fund Balance	$ 6,830,124	$ 8,951,931	$ 10,473,387	$ 12,897,249	**$ 14,413,592**

Financial Summary Report - 4216:Species Habitat Impact

Pursuant to Government Code Section 66006

For Fiscal Year Ended June 30, 2024

	Fiscal Year				
	2019/20	**2020/21**	**2021/22**	**2022/23**	**2023/24**
Beginning Fund Balance	$ 4,960,527	$ 6,272,195	$ 6,805,316	$ 7,988,093	$ 9,940,591
Revenues					
Development Impact Fee	$ 1,077,451	$ 511,734	$ 1,314,922	$ 1,830,341	$ 1,091,694
Interest Income	$ 132,560	$ 100,688	$ 133,416	$ 204,396	$ 272,058
Unrealized Gains (Losses)	$ 101,656	$ (79,301)	$ (265,561)	$ (82,238)	$ 162,529
Other Sources	$ -	$ -	$ -	$ -	$ -
Total Revenue	$ 1,311,668	$ 533,121	$ 1,182,777	$ 1,952,498	$ 1,526,281
Expenditures					
DIF Credit Redemption	$ -	$ -	$ -	$ -	$ -
Project Expenditures	$ -	$ -	$ -	$ -	$ 132,097
Total Expenditures	$ -	$ -	$ -	$ -	$ 132,097
Ending Fund Balance	$ 6,272,195	$ 6,805,316	$ 7,988,093	$ 9,940,591	**$ 11,334,775**

Financial Summary Report - 4310:Old Model Colony - Fire Impact

Pursuant to Government Code Section 66006

For Fiscal Year Ended June 30, 2024

	Fiscal Year				
	2019/20	**2020/21**	**2021/22**	**2022/23**	**2023/24**
Beginning Fund Balance	$ (444,921)	$ (1,861,120)	$ (1,613,916)	$ (2,084,692)	$ (1,911,993)
Revenues					
Development Impact Fee	$ 127,093	$ 303,354	$ 50,764	$ 209,553	$ 165,440
Interest Income	$ (22,951)	$ (19,674)	$ -	$ (37,265)	$ 2,192
Unrealized Gains (Losses)	$ (1,661)	$ (855)	$ -	$ -	$ (1,891)
Other Sources	$ -	$	$ -	$ -	$ -
Total Revenue	$ 102,481	$ 282,826	$ 50,764	$ 172,288	$ 165,741
Expenditures					
DIF Credit Redemption	$ -	$ 331	$ 9,006	$ (412)	$ 611
Project Expenditures	$ 1,518,680	$ 35,291	$ 512,534	$ -	$ -
Total Expenditures	$ 1,518,680	$ 35,622	$ 521,540	$ (412)	$ 611
Ending Fund Balance	$ (1,861,120)	$ (1,613,916)	$ (2,084,692)	$ (1,911,993)	**$ (1,746,862)**

Financial Summary Report - 4311:Old Model Colony - Local Adjacent Sewer

Pursuant to Government Code Section 66006

For Fiscal Year Ended June 30, 2024

	Fiscal Year				
	2019/20	**2020/21**	**2021/22**	**2022/23**	**2023/24**
Beginning Fund Balance	$ 4,447,804	$ 4,727,889	$ 6,747,787	$ 4,722,543	$ 4,645,134
Revenues					
Development Impact Fee	$ 106,634	$ 1,080,239	$ 217,695	$ 378,748	$ 219,045
Interest Income	$ 102,471	$ 86,153	$ 85,735	$ 105,132	$ 112,000
Unrealized Gains (Losses)	$ 70,980	$ (47,011)	$ (178,629)	$ (13,211)	$ 81,758
Other Sources	$ -	$ 1,007,495	$ -	$ -	$ -
Total Revenue	$ 280,085	$ 2,126,876	$ 124,801	$ 470,670	$ 412,803
Expenditures					
DIF Credit Redemption	$ -	$ 1,301	$ 1,924,980	$ -	$ 2,956
Project Expenditures	$ -	$ 105,676	$ 225,065	$ 548,078	$ 117,041
Total Expenditures	$ -	$ 106,977	$ 2,150,045	$ 548,078	$ 119,998
Ending Fund Balance	$ 4,727,889	$ 6,747,787	$ 4,722,543	$ 4,645,134	**$ 4,937,940**

Financial Summary Report - 4312:Old Model Colony - Local Adjacent Streets

Pursuant to Government Code Section 66006

For Fiscal Year Ended June 30, 2024

	Fiscal Year				
	2019/20	**2020/21**	**2021/22**	**2022/23**	**2023/24**
Beginning Fund Balance	$ 7,548,688	$ 7,886,857	$ 3,440,916	$ 1,025,889	$ 2,828,348
Revenues					
Development Impact Fee	$ 920,886	$ 1,082,008	$ 374,694	$ 1,293,752	$ 1,777,832
Interest Income	$ 166,708	$ 120,084	$ 17,982	$ 44,409	$ 78,559
Unrealized Gains (Losses)	$ 114,564	$ (102,864)	$ (88,100)	$ (58,103)	$ 42,737
Other Sources	$ -	$ -	$ -	$ 1,179,698	$ -
Total Revenue	$ 1,202,158	$ 1,099,228	$ 304,576	$ 2,459,756	$ 1,899,128
Expenditures					
DIF Credit Redemption	$ 581,747	$ 1,019	$ 4,209	$ (55)	$ 1,667
Project Expenditures	$ 282,242	$ 5,544,150	$ 2,715,394	$ 657,353	$ 659,506
Total Expenditures	$ 863,989	$ 5,545,170	$ 2,719,603	$ 657,298	$ 661,173
Ending Fund Balance	$ 7,886,857	$ 3,440,916	$ 1,025,889	$ 2,828,348	**$ 4,066,302**

Financial Summary Report - 4313:Old Model Colony - Local Adjacent Storm Drains

Pursuant to Government Code Section 66006

For Fiscal Year Ended June 30, 2024

	Fiscal Year				
	2019/20	**2020/21**	**2021/22**	**2022/23**	**2023/24**
Beginning Fund Balance	$ 14,500,469	$ 13,566,613	$ 11,760,390	$ 12,220,664	$ 13,788,437
Revenues					
Development Impact Fee	$ 1,263,087	$ 1,676,911	$ 680,011	$ 2,160,852	$ 3,093,404
Interest Income	$ 299,726	$ 198,807	$ 209,152	$ 295,528	$ 368,775
Unrealized Gains (Losses)	$ 172,777	$ (193,214)	$ (434,118)	$ (88,802)	$ 224,711
Other Sources	$ -	$ -	$ 3,493	$ 9,111	(0.00)
Total Revenue	$ 1,735,590	$ 1,682,504	$ 458,537	$ 2,376,689	$ 3,686,891
Expenditures					
DIF Credit Redemption	$ 105,210	$ 473,322	$ (1,737)	$ 1,598	$ 5,735
Project Expenditures	$ 2,564,236	$ 3,015,406	$ -	$ 807,317	$ 687,873
Total Expenditures	$ 2,669,446	$ 3,488,727	$ (1,737)	$ 808,915	$ 693,608
Ending Fund Balance	$ 13,566,613	$ 11,760,390	$ 12,220,664	$ 13,788,437	**$ 16,781,720**

Financial Summary Report - 4314:Old Model Colony - Local Adjacent Water

Pursuant to Government Code Section 66006

For Fiscal Year Ended June 30, 2024

	Fiscal Year				
	2019/20	**2020/21**	**2021/22**	**2022/23**	**2023/24**
Beginning Fund Balance	$ 1,414,565	$ 1,599,327	$ 3,006,228	$ 3,237,041	$ 3,737,914
Revenues					
Development Impact Fee	$ 126,024	$ 1,388,022	$ 286,896	$ 446,798	$ 114,123
Interest Income	$ 33,921	$ 31,762	$ 54,193	$ 78,792	$ 93,591
Unrealized Gains (Losses)	$ 24,817	$ (10,151)	$ (109,583)	$ (24,716)	$ 64,565
Other Sources	$ -	$ -	$ -	$ -	$ -
Total Revenue	$ 184,762	$ 1,409,633	$ 231,505	$ 500,874	$ 272,278
Expenditures					
DIF Credit Redemption	$ -	$ 2,732	$ 692	$ -	$ 1,916
Project Expenditures	$ -	$ -	$ -	$ -	$ -
Total Expenditures	$ -	$ 2,732	$ 692	$ -	$ 1,916
Ending Fund Balance	$ 1,599,327	$ 3,006,228	$ 3,237,041	$ 3,737,914	**$ 4,008,277**

Financial Summary Report - 4315:Old Model Colony - Regional Sewer

Pursuant to Government Code Section 66006

For Fiscal Year Ended June 30, 2024

	Fiscal Year				
	2019/20	**2020/21**	**2021/22**	**2022/23**	**2023/24**
Beginning Fund Balance	$ 2,695,507	$ 2,846,248	$ 2,973,258	$ 2,946,107	$ 3,043,376
Revenues					
Development Impact Fee	$ 46,165	$ 120,797	$ 24,483	$ 42,897	$ 25,541
Interest Income	$ 61,978	$ 43,321	$ 50,069	$ 66,392	$ 74,218
Unrealized Gains (Losses)	$ 42,598	$ (36,964)	$ (101,615)	$ (11,861)	$ 53,304
Other Sources	$ -	$ -	$ -	$ -	$ -
Total Revenue	$ 150,741	$ 127,154	$ (27,063)	$ 97,429	$ 153,063
Expenditures					
DIF Credit Redemption	$ -	$ 144	$ 89	$ 160	$ 349
Project Expenditures	$ -	$ -	$ -	$ -	$ -
Total Expenditures	$ -	$ 144	$ 89	$ 160	$ 349
Ending Fund Balance	$ 2,846,248	$ 2,973,258	$ 2,946,107	$ 3,043,376	**$ 3,196,090**

Financial Summary Report - 4316:Old Model Colony - Regional Streets

Pursuant to Government Code Section 66006

For Fiscal Year Ended June 30, 2024

	Fiscal Year				
	2019/20	2020/21	2021/22	2022/23	2023/24
Beginning Fund Balance	$ 1,504,142	$ 1,630,508	$ 1,722,224	$ 1,728,773	$ 1,872,707
Revenues					
Development Impact Fee	$ 66,498	$ 87,689	$ 36,580	$ 113,692	$ 162,845
Interest Income	$ 35,114	$ 25,219	$ 29,319	$ 39,862	$ 47,096
Unrealized Gains (Losses)	$ 24,754	$ (21,014)	$ (59,449)	$ (9,535)	$ 31,129
Other Sources	$ -	$ -	$ -	$ -	$ -
Total Revenue	$ 126,366	$ 91,893	$ 6,450	$ 144,018	$ 241,070
Expenditures					
DIF Credit Redemption	$ -	$ 178	$ (99)	$ 84	$ 302
Project Expenditures	$ -	$ -	$ -	$ -	$ -
Total Expenditures	$ -	$ 178	$ (99)	$ 84	$ 302
Ending Fund Balance	$ 1,630,508	$ 1,722,224	$ 1,728,773	$ 1,872,707	**$ 2,113,475**

Financial Summary Report - 4317:Old Model Colony - Regional Storm Drains

Pursuant to Government Code Section 66006

For Fiscal Year Ended June 30, 2024

	Fiscal Year				
	2019/20	2020/21	2021/22	2022/23	2023/24
Beginning Fund Balance	$ 4,794,411	$ 5,697,708	$ 6,702,636	$ 6,659,093	$ 8,435,095
Revenues					
Development Impact Fee	$ 1,430,059	$ 1,623,427	$ 562,074	$ 1,681,826	$ 2,170,965
Interest Income	$ 116,799	$ 92,118	$ 115,557	$ 167,605	$ 227,726
Unrealized Gains (Losses)	$ 87,437	$ (67,857)	$ (229,474)	$ (72,949)	$ 123,974
Other Sources	$ -	$ -	$ -	$ -	$ -
Total Revenue	$ 1,634,295	$ 1,647,688	$ 448,157	$ 1,776,481	$ 2,522,666
Expenditures					
DIF Credit Redemption	$ -	$ 1,528	$ 6,310	$ 480	$ 2,035
Project Expenditures	$ 730,998	$ 641,231	$ 485,390	$ -	$ 15,355
Total Expenditures	$ 730,998	$ 642,759	$ 491,700	$ 480	$ 17,390
Ending Fund Balance	$ 5,697,708	$ 6,702,636	$ 6,659,093	$ 8,435,095	**$ 10,940,371**

Financial Summary Report - 4318:Old Model Colony - Regional Water

Pursuant to Government Code Section 66006

For Fiscal Year Ended June 30, 2024

	Fiscal Year				
	2019/20	**2020/21**	**2021/22**	**2022/23**	**2023/24**
Beginning Fund Balance	$ 15,041,039	$ 15,991,837	$ 18,627,899	$ 18,832,096	$ 16,507,988
Revenues					
Development Impact Fee	$ 363,619	$ 2,579,492	$ 533,211	$ 1,229,144	$ 641,363
Interest Income	$ 347,010	$ 254,041	$ 318,812	$ 409,493	$ 396,686
Unrealized Gains (Losses)	$ 240,169	$ (192,398)	$ (646,547)	$ 11,543	$ 283,283
Other Sources	$ -	$ -	$ -	$ -	$ -
Total Revenue	$ 950,798	$ 2,641,135	$ 205,476	$ 1,650,180	$ 1,321,332
Expenditures					
DIF Credit Redemption	$ -	$ 5,073	$ 1,280	$ 551,917	$ 10,782
Project Expenditures	$ -	$ -	$ -	$ 3,422,371	$ -
Total Expenditures	$ -	$ 5,073	$ 1,280	$ 3,974,288	$ 10,782
Ending Fund Balance	$ 15,991,837	$ 18,627,899	$ 18,832,096	$ 16,507,988	**$ 17,818,538**

Financial Summary Report - 4410:Ontario Ranch - Fire Impact

Pursuant to Government Code Section 66006

For Fiscal Year Ended June 30, 2024

	Fiscal Year				
	2019/20	**2020/21**	**2021/22**	**2022/23**	**2023/24**
Beginning Fund Balance	$ 7,376,478	$ 4,556,921	$ (4,319,587)	$ 3,938,653	$ 3,276,495
Revenues					
Development Impact Fee	$ 425,864	$ 87,087	$ 458,882	$ 407,164	$ 471,513
Interest Income	$ 125,275	$ 20,095	$ 17,538	$ 105,298	$ 49,401
Unrealized Gains (Losses)	$ 47,069	$ (100,851)	$ (107,052)	$ (14,654)	$ 96,386
Other Sources	$ -	$ -	$ 9,819,324	$ (0)	$ -
Total Revenue	$ 598,208	$ 6,331	$ 10,188,692	$ 497,808	$ 617,300
Expenditures					
DIF Credit Redemption	$ 381,001	$ 133,092	$ 166,156	$ 95,986	$ 68,662
Project Expenditures	$ 3,036,764	$ 8,749,747	$ 1,764,296	$ 1,063,980	$ 1,640,347
Total Expenditures	$ 3,417,765	$ 8,882,839	$ 1,930,452	$ 1,159,966	$ 1,709,009
Ending Fund Balance	$ 4,556,921	$ (4,319,587)	$ 3,938,653	$ 3,276,495	**$ 2,184,787**

Financial Summary Report - 4411:Ontario Ranch - Local Adjacent Fiber

Pursuant to Government Code Section 66006

For Fiscal Year Ended June 30, 2024

	Fiscal Year				
	2019/20	**2020/21**	**2021/22**	**2022/23**	**2023/24**
Beginning Fund Balance	$ (391,951)	$ (317,633)	$ 219,591	$ 1,392,281	$ 3,026,890
Revenues					
Development Impact Fee	$ 1,314,313	$ 1,019,792	$ 2,079,253	$ 2,252,436	$ 1,808,077
Interest Income	$ (50,810)	$ 39,513	$ 31,425	$ 49,765	$ 100,300
Unrealized Gains (Losses)	$ 71,705	$ 2,274	$ (39,304)	$ (52,715)	$ 37,600
Other Sources	$ -	$ 250,000	$ -	$ -	$ -
Total Revenue	$ 1,335,209	$ 1,311,579	$ 2,071,373	$ 2,249,485	$ 1,945,977
Expenditures					
DIF Credit Redemption	$ -	$ 127,051	$ 145,374	$ 378,705	$ 131,509
Project Expenditures	$ 1,260,891	$ 647,304	$ 753,310	$ 236,171	$ 400,717
Total Expenditures	$ 1,260,891	$ 774,355	$ 898,684	$ 614,876	$ 532,226
Ending Fund Balance	$ (317,633)	$ 219,591	$ 1,392,281	$ 3,026,890	**$ 4,440,641**

Financial Summary Report - 4412:Ontario Ranch - Local Adjacent Sewer

Pursuant to Government Code Section 66006

For Fiscal Year Ended June 30, 2024

	Fiscal Year				
	2019/20	**2020/21**	**2021/22**	**2022/23**	**2023/24**
Beginning Fund Balance	$ 479,658	$ 564,720	$ 302,536	$ 440,198	$ 598,765
Revenues					
Development Impact Fee	$ 691,558	$ 206,444	$ 781,329	$ 822,584	$ 474,655
Interest Income	$ 18,812	$ 5,580	$ 9,659	$ 13,241	$ 21,834
Unrealized Gains (Losses)	$ 14,799	$ (16,352)	$ (25,227)	$ 3,290	$ 6,449
Other Sources	$ -	$ -	$ -	$ -	$ -
Total Revenue	$ 725,168	$ 195,671	$ 765,760	$ 839,115	$ 502,938
Expenditures					
DIF Credit Redemption	$ 294,327	$ 354,634	$ 237,433	$ 613,010	$ 30,199
Project Expenditures	$ 345,779	$ 103,222	$ 390,664	$ 67,538	$ -
Total Expenditures	$ 640,106	$ 457,856	$ 628,097	$ 680,548	$ 30,199
Ending Fund Balance	$ 564,720	$ 302,536	$ 440,198	$ 598,765	**$ 1,071,504**

Financial Summary Report - 4413:Ontario Ranch - Local Adjacent Streets

Pursuant to Government Code Section 66006

For Fiscal Year Ended June 30, 2024

	Fiscal Year				
	2019/20	**2020/21**	**2021/22**	**2022/23**	**2023/24**
Beginning Fund Balance	$ 8,562,133	$ 14,629,546	$ 11,693,770	$ 18,217,753	$ 21,129,852
Revenues					
Development Impact Fee	$ 7,581,990	$ 323,229	$ 8,613,135	$ 7,125,452	$ 2,927,923
Interest Income	$ 296,581	$ 193,742	$ 264,530	$ 459,159	$ 558,796
Unrealized Gains (Losses)	$ 259,629	$ (218,726)	$ (575,312)	$ (167,751)	$ 371,465
Other Sources	$ -	$ -	$ -	$ -	$ -
Total Revenue	$ 8,138,200	$ 298,246	$ 8,302,352	$ 7,416,860	$ 3,858,185
Expenditures					
DIF Credit Redemption	$ 2,070,787	$ 3,234,021	$ 1,778,370	$ 4,504,761	$ 635,432
Project Expenditures	$ -	$ -	$ -	$ -	$ -
Total Expenditures	$ 2,070,787	$ 3,234,021	$ 1,778,370	$ 4,504,761	$ 635,432
Ending Fund Balance	$ 14,629,546	$ 11,693,770	$ 18,217,753	$ 21,129,852	**$ 24,352,604**

Financial Summary Report - 4414:Ontario Ranch - Local Adjacent Storm Drains

Pursuant to Government Code Section 66006

For Fiscal Year Ended June 30, 2024

	Fiscal Year				
	2019/20	**2020/21**	**2021/22**	**2022/23**	**2023/24**
Beginning Fund Balance	$ 9,339,737	$ 15,281,985	$ 14,974,244	$ 16,801,153	$ 22,422,502
Revenues					
Development Impact Fee	$ 6,904,575	$ 1,674,468	$ 7,954,729	$ 7,999,801	$ 2,532,857
Interest Income	$ 309,395	$ 220,854	$ 268,525	$ 456,382	$ 599,185
Unrealized Gains (Losses)	$ 271,214	$ (206,563)	$ (563,784)	$ (217,888)	$ 376,050
Other Sources	$ -	$ -	$ -	$ -	$ -
Total Revenue	$ 7,485,184	$ 1,688,758	$ 7,659,470	$ 8,238,296	$ 3,508,092
Expenditures					
DIF Credit Redemption	$ 1,542,936	$ 1,996,499	$ 5,832,561	$ 2,616,947	$ 877,459
Project Expenditures	$ -	$ -	$ -	$ -	$ -
Total Expenditures	$ 1,542,936	$ 1,996,499	$ 5,832,561	$ 2,616,947	$ 877,459
Ending Fund Balance	$ 15,281,985	$ 14,974,244	$ 16,801,153	$ 22,422,502	**$ 25,053,135**

Financial Summary Report - 4415:Ontario Ranch - Local Adjacent Water

Pursuant to Government Code Section 66006

For Fiscal Year Ended June 30, 2024

	Fiscal Year				
	2019/20	**2020/21**	**2021/22**	**2022/23**	**2023/24**
Beginning Fund Balance	$ 18,688,959	$ 21,097,311	$ 20,419,167	$ 23,123,088	$ 29,650,258
Revenues					
Development Impact Fee	$ 4,109,126	$ 1,648,850	$ 4,574,661	$ 3,935,082	$ 1,412,773
Interest Income	$ 465,375	$ 309,472	$ 376,417	$ 561,936	$ 705,003
Unrealized Gains (Losses)	$ 332,111	$ (286,506)	$ (775,930)	$ (268,395)	$ 566,248
Other Sources	$ -	$ -	$ -	$ 5,362,018	$ -
Total Revenue	$ 4,906,613	$ 1,671,816	$ 4,175,148	$ 9,590,642	$ 2,684,025
Expenditures					
DIF Credit Redemption	$ 2,013,647	$ 1,818,282	$ 918,889	$ 2,799,201	$ 858,442
Project Expenditures	$ 484,614	$ 531,678	$ 552,339	$ 264,270	$ 4,296,670
Total Expenditures	$ 2,498,261	$ 2,349,960	$ 1,471,228	$ 3,063,471	$ 5,155,112
Ending Fund Balance	$ 21,097,311	$ 20,419,167	$ 23,123,088	$ 29,650,258	**$ 27,179,172**

Financial Summary Report - 4416:Ontario Ranch - Regional Fiber

Pursuant to Government Code Section 66006

For Fiscal Year Ended June 30, 2024

	Fiscal Year				
	2019/20	**2020/21**	**2021/22**	**2022/23**	**2023/24**
Beginning Fund Balance	$ (11,092,328)	$ (11,270,206)	$ (11,424,650)	$ (11,453,161)	$ (12,019,181)
Revenues					
Development Impact Fee	$ 579,312	$ 119,843	$ 525,224	$ 502,040	$ 388,129
Interest Income	$ (201,818)	$ (119,551)	$ -	$ (193,602)	$ (6,327)
Unrealized Gains (Losses)	$ (10,470)	$ (5,248)	$ -	$ -	$ -
Other Sources	$ -	$ 375,000	$ -	$ -	$ -
Total Revenue	$ 367,024	$ 370,044	$ 525,224	$ 308,438	$ 381,803
Expenditures					
DIF Credit Redemption	$ 66,560	$ 237,030	$ 247,207	$ 54,000	$ 108,548
Project Expenditures	$ 478,342	$ 287,458	$ 306,529	$ 820,457	$ 524,071
Total Expenditures	$ 544,902	$ 524,487	$ 553,736	$ 874,457	$ 632,618
Ending Fund Balance	$ (11,270,206)	$ (11,424,650)	$ (11,453,161)	$ (12,019,181)	**$ (12,269,996)**

Financial Summary Report - **4417:Ontario Ranch - Regional Sewer**

Pursuant to Government Code Section 66006

For Fiscal Year Ended June 30, 2024

	Fiscal Year				
	2019/20	**2020/21**	**2021/22**	**2022/23**	**2023/24**
Beginning Fund Balance	$ 755,808	$ 1,089,094	$ 1,224,122	$ 1,559,236	$ 2,421,957
Revenues					
Development Impact Fee	$ 571,963	$ 289,544	$ 737,625	$ 905,782	$ 763,230
Interest Income	$ 26,565	$ 18,155	$ 28,548	$ 46,233	$ 72,062
Unrealized Gains (Losses)	$ 22,885	$ (18,494)	$ (61,928)	$ (21,582)	$ 34,954
Other Sources	$ -	$ -	$ -	$ -	$ -
Total Revenue	$ 621,412	$ 289,205	$ 704,245	$ 930,433	$ 870,246
Expenditures					
DIF Credit Redemption	$ 2,145	$ 9,406	$ 318	$ 174	$ -
Project Expenditures	$ 285,981	$ 144,772	$ 368,813	$ 67,538	$ -
Total Expenditures	$ 288,126	$ 154,178	$ 369,131	$ 67,712	$ -
Ending Fund Balance	$ 1,089,094	$ 1,224,122	$ 1,559,236	$ 2,421,957	**$ 3,292,202**

Financial Summary Report - **4418:Ontario Ranch - Regional Storm Drains**

Pursuant to Government Code Section 66006

For Fiscal Year Ended June 30, 2024

	Fiscal Year				
	2019/20	**2020/21**	**2021/22**	**2022/23**	**2023/24**
Beginning Fund Balance	$ 4,752,449	$ 4,067,998	$ 4,713,406	$ 3,768,050	$ 5,410,426
Revenues					
Development Impact Fee	$ 1,778,306	$ 820,176	$ 2,696,132	$ 2,024,324	$ 557,330
Interest Income	$ 102,119	$ 73,723	$ 93,291	$ 159,989	$ 182,999
Unrealized Gains (Losses)	$ 53,921	$ (29,718)	$ (221,375)	$ (67,637)	$ 148,175
Other Sources	$ -	$ -	$ -	$ -	$ -
Total Revenue	$ 1,934,346	$ 864,180	$ 2,568,047	$ 2,116,676	$ 888,504
Expenditures					
DIF Credit Redemption	$ 2,618,797	$ 218,772	$ 3,513,404	$ 474,300	$ 1,402,888
Project Expenditures	$ -	$ -	$ -	$ -	$ -
Total Expenditures	$ 2,618,797	$ 218,772	$ 3,513,404	$ 474,300	$ 1,402,888
Ending Fund Balance	$ 4,067,998	$ 4,713,406	$ 3,768,050	$ 5,410,426	**$ 4,896,042**

Financial Summary Report - 4419:Ontario Ranch - Regional Streets

Pursuant to Government Code Section 66006

For Fiscal Year Ended June 30, 2024

	Fiscal Year				
	2019/20	**2020/21**	**2021/22**	**2022/23**	**2023/24**
Beginning Fund Balance	$ 7,908,998	$ 9,792,847	$ 1,533,235	$ 4,839,705	$ 8,538,888
Revenues					
Development Impact Fee	$ 4,973,112	$ 1,495,541	$ 6,815,025	$ 5,936,338	$ 3,002,273
Interest Income	$ 255,737	$ 134,524	$ 76,278	$ 178,275	$ 250,567
Unrealized Gains (Losses)	$ 226,046	$ (210,404)	$ (230,916)	$ (89,307)	$ 143,865
Other Sources	$ -	$ -	$ -	$ -	$ -
Total Revenue	$ 5,454,895	$ 1,419,661	$ 6,660,386	$ 6,025,306	$ 3,396,706
Expenditures					
DIF Credit Redemption	$ 106,662	$ 819,277	$ 2,415,000	$ 2,126,831	$ 4,625,689
Project Expenditures	$ 3,464,384	$ 8,859,996	$ 938,916	$ 199,293	$ 899,626
Total Expenditures	$ 3,571,046	$ 9,679,273	$ 3,353,916	$ 2,326,124	$ 5,525,315
Ending Fund Balance	$ 9,792,847	$ 1,533,235	$ 4,839,705	$ 8,538,888	**$ 6,410,278**

Financial Summary Report - 4420:Ontario Ranch - Regional Water

Pursuant to Government Code Section 66006

For Fiscal Year Ended June 30, 2024

	Fiscal Year				
	2019/20	**2020/21**	**2021/22**	**2022/23**	**2023/24**
Beginning Fund Balance	$ (1,212,446)	$ 1,021,837	$ 1,101,476	$ 8,868,139	$ 15,363,909
Revenues					
Development Impact Fee	$ 6,837,378	$ 644,066	$ 10,384,037	$ 6,162,846	$ 11,110,631
Interest Income	$ 24,305	$ 24,734	$ 242,177	$ 435,083	$ 547,826
Unrealized Gains (Losses)	$ 24,152	$ (1,556)	$ (456,161)	$ (303,840)	$ 470,015
Other Sources	$ -	$ -	$ 20,000	$ 6,046,531	$ -
Total Revenue	$ 6,885,835	$ 667,244	$ 10,190,053	$ 12,340,621	$ 12,128,472
Expenditures					
DIF Credit Redemption	$ 4,641,674	$ 460,416	$ 1,451,248	$ 1,176,661	$ 8,090,339
Project Expenditures	$ 9,878	$ 127,189	$ 972,142	$ 4,668,190	$ 4,217,579
Total Expenditures	$ 4,651,552	$ 587,605	$ 2,423,390	$ 5,844,851	$ 12,307,918
Ending Fund Balance	$ 1,021,837	$ 1,101,476	$ 8,868,139	$ 15,363,909	**$ 15,184,463**

CITY OF ONTARIO *Agenda Report* **December 17, 2024**	**SECTION:** **PUBLIC HEARINGS**
Department: Housing Prepared By: Katryna Gonzalez Staff Member Presenting: Helen McAlary, Executive Director Community Life and Culture Reviewed By: Lacey A Rightmer Approved By:	Submitted To: Council/OHA Approved: _____ Continued To: _____ Denied: _____ Item No: 14

SUBJECT: **A DISPOSITION AND DEVELOPMENT AGREEMENT FOR THE DEVELOPMENT OF A HOUSING DEVELOPMENT LOCATED ON HOLT BOULEVARD EAST OF ALLYN AVENUE; AND A GRANT AGREEMENT BETWEEN THE CITY OF ONTARIO AND THE ONTARIO HOUSING AUTHORITY IN THE AMOUNT OF $15,000,000.**

RECOMMENDATION: That the City Council ("City") and the Ontario Housing Authority Board ("Authority"):

A. Hold a Public Hearing to adopt Resolutions approving the Disposition and Development Agreement ("Agreement") (on file with the Records Management Department) between the Authority and National Community Renaissance of California ("Developer"); and
B. Approve the Grant Agreement ("Grant Agreement") (on file with the Records Management Department) between the City and the Authority, in an amount of $15,000,000.

THE FOLLOWING COUNCIL GOALS ARE BEING ACHIEVED:
Focus Resources in Ontario's Commercial and Residential Neighborhoods

FISCAL IMPACT: The Developer will purchase the properties from the Ontario Housing Authority with a promissory note for its appraised value, based on an independent appraisal by a certified appraiser. Ontario Housing Authority originally purchased the property for $7,370,507. This will be finalized within 120 days of closing escrow. This loan is a residual receipt note that the Developer will repay over 55 years. The principal amount for the purchase of the properties will have an interest rate based on the federal funds rate at escrow closing, estimated to be between 4% and 5%. At the close of escrow, the funds for the property purchase price will be charged to the Authority's gap loan as a loan carryback. The Authority will not require a cash outlay for the land purchase.

In addition, the Authority will provide a gap loan of up to $15,000,000 for project costs funded entirely by Affordability In-Lieu Fees through the City's Grant Agreement. The $15,000,000 gap loan for project costs will have a simple interest rate of 1%.

BACKGROUND & ANALYSIS: The Holt/Allyn Multifamily Affordable Housing Project ("Development") is located on approximately 5.7 acres located on East Holt Boulevard, east of Allyn Avenue. The area is shown in Exhibit A.

The Development will result in the construction of between 130 and 150 affordable rental housing units for extremely low, very low, and low-income families. All the units in the proposed development will remain affordable for 55 years. The Developer and the Authority will determine the specific unit breakdown and affordability mix based on financing requirements.

The developer is National Community Renaissance of California ("Developer"), of Rancho Cucamonga, California. They are one of the nation's largest non-profit affordable housing developers with a 20-year history of building affordable housing units combined with comprehensive social services to promote the self-sufficiency of residents. The company has developed over 10,000 housing units with a history of long-term ownership of their properties.

The estimated total development cost is $96,009,513. The Authority loan of $15,000,000 will be applied to this, and the remaining $81,009,513 will comprise other permanent funding sources to be obtained by the Developer. The Developer will pay the Authority loan through a residual receipts payment where cash flow will be split between a loan payment to the Authority and the Developer.

The Developer is required to provide an independent audit after completing the construction. Any cost savings will result in a payment towards an Operating Reserve Account for the project.

To provide additional financing for the Development, the Developer will submit applications for 9% Low-Income Housing Tax Credit ("LIHTC") Program, which the California Tax Credit Allocation Committee ("CTCAC") administers with tax credits (sold to fund project equity) and the Affordable Housing and Sustainable Communities ("AHSC") Program, which the State of California Housing and Community Development Department administers. These applications are subject to City Council approval, and Staff will bring these before City Council at a later date.

DISPOSITION AND DEVELOPMENT AGREEMENT
[Holt/Allyn Multifamily Affordable Housing Project]

By and Between

ONTARIO HOUSING AUTHORITY

and

NATIONAL COMMUNITY RENAISSANCE OF CALIFORNIA

Dated as of _____, 2024

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DISPOSITION AND DEVELOPMENT AGREEMENT
[Holt/Allyn Multifamily Affordable Housing Project]

THIS DISPOSITION AND DEVELOPMENT AGREEMENT (the "Agreement") dated, for identification purposes only, as of _____, 2024, is made and entered into by and between the **ONTARIO HOUSING AUTHORITY** ("Authority"), a public body, corporate and politic (the "Authority"), and **NATIONAL COMMUNITY RENAISSANCE OF CALIFORNIA**, a California nonprofit public benefit corporation ("NCRC" or "Developer"), with reference to the following:

RECITALS

A. **WHEREAS**, NCRC is an experienced owner, developer, and manager of affordable housing for low-income persons and families;

B. **WHEREAS**, the subject of this Agreement is the development as affordable multifamily rental housing of an approximately 5.73-acre site consisting of five existing parcels located on Holt Blvd. in the City of Ontario commonly referred to as Assessor Parcel Numbers: 1048-481-06-0000, 1048-481-07-0000, 1048-481-08-0000, 1048-481-28-0000 and 1048-481-29-0000 and legally described in Exhibit "A" attached hereto (the "Property");

C. **WHEREAS**, as of the date hereof, the Property is located in an area designated by HUD as a "Qualified Census Tract;"

D. **WHEREAS**, the parties intend for Authority to sell the Property to NCRC and for NCRC to develop thereon a multifamily affordable rental housing project that is anticipated to contain between 130 and 150 residential units with approximately 40 percent of the dwelling units comprised of 2-bedroom units and 45 percent comprised of 3-bedroom units (including one (1) manager's unit), all as more particularly described in the Scope of Development (but subject to change based on the requirements of the Project's financing partners, and written consent of the Authority) (the "Project"); and

E. **WHEREAS**, in order to make the Project financially feasible, Authority also will, subject to the terms and conditions of this Agreement and from the sources identified by the Authority, provide financial assistance to NCRC in an amount (i) not to exceed One Hundred Thousand Dollars ($100,000) per unit, or a maximum assistance amount of Fifteen Million Dollars ($15,000,000) for Project costs, provided that the per unit assistance does not exceed the maximum amount set forth herein; and (ii) a loan in the amount of the Purchase Price of the Property, to be determined as set forth in this Agreement.

F. **NOW, THEREFORE**, for and in consideration of the mutual promises, covenants, and conditions herein contained, Authority and Developer hereto agree as follows:

1. DEFINITIONS AND INTERPRETATION

1.1 **Defined Terms**. As used in this Agreement (including in the Recitals above), capitalized terms are defined where first used or as set forth in this Section [1.1]. Capitalized terms

used in an exhibit attached hereto and not defined therein shall also have the meanings set forth in this Section [1.1].

"**Actual Permanent Loan Amount**" means the actual principal amount of the Take-Out Loan.

"**Actual Tax Credit Equity**" means the actual amount of equity raised by Developer from syndication of the Tax Credits, subject to the terms and conditions of Developer's amended and restated partnership agreement.

"**Affordable Rent**" has the meaning set forth in Section [3.1] of the Agreement Containing Covenants.

"**Agreement Containing Covenants**" means the Agreement Containing Covenants Affecting Real Property attached hereto as Exhibit ["L"] and, pursuant to Article [8,] to be recorded against the Property in the Official Records.

"**Authority Subordinate Loan**" means the loan to be made to Developer pursuant to Section [6.3].

"**Authority Subordinate Loan Closing**" means recordation of the Authority Subordinate Loan Deed of Trust in the Official Records.

"**Authority Subordinate Loan Deed of Trust**" means the deed of trust encumbering Developer's fee interest in the Property, in the form attached hereto as Exhibit ["G"], to be executed by Developer pursuant to Section [6.3.3] in order to secure the Authority Subordinate Loan Note.

"**Authority Subordinate Loan Documents**" means, collectively, this Agreement, the Authority Subordinate Loan Note, the Authority Subordinate Loan Deed of Trust and any other agreement, document or instrument that Authority requires in connection with the Authority Subordinate Loan.

"**Authority Subordinate Loan Note**" means that certain promissory note in the form attached hereto as Exhibit ["F"], to be executed by Developer in favor of Authority to evidence the obligation of Developer to repay the Authority Subordinate Loan.

"**Authority Title Policy**" has the meaning set forth in Section [6.3.5(e)].

"**Building Permit**" means all permits issued by City and required for commencement of construction of the Improvements.

"**Business Days**" means days on which City Hall of the City of Ontario, California is open for public business.

"**Certificate of Completion**" has the meaning set forth in Article [14]. "City" means the City of Ontario, California.

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"**City**" means the City of Ontario.

"**Close of Escrow**" means recordation of the Grant Deed, Senior Loan Security Documents and Authority Subordinate Loan Deed of Trust in the Official Records.

"**Construction**" means construction of the Improvements pursuant to this Agreement.

"**Construction Lender**" means the first trust deed lender that provides construction financing for the Project.

"**Construction Loan**" means the construction loan for the Project secured by the Senior Loan Security Documents.

"**Construction Loan Closing**" means recordation of the Senior Loan Security Documents and the Authority Subordinate Loan Deed of Trust in the Official Records.

"**County**" means the County of San Bernardino, California.

"**Developer**" has the meaning set forth in the opening paragraph of this Agreement; provided, however, Developer may also mean, if and as applicable pursuant to an assignment in accordance with Section 20.2 of the terms of this Agreement, a partnership of which Developer and/or its affiliates are the general partner.

"Effective Date" means _____, 2024.

"**Escrow**" means the escrow through which (a) the Property is sold to Developer, (b) the Construction Loan Closing is conducted, and (c) the Authority Subordinate Loan Closing is conducted.

"**Escrow Holder**" means the firm that holds the Escrow.

"**Event of Default**" has the meaning set forth in Section [17.1].

"**Evidence of Project Financing**" has the meaning set forth in Section [7.6(c)].

"**Executive Director**" means the Executive Director of the Authority or his designee.

"**Federal Tax Credit**" has the meaning set forth in Section [6.1(a)].

"**Final Project Budget**" has the meaning set forth in Section [7.6(b)].

"**Final Construction Documents**" means plans, drawings and specifications in sufficient detail to support issuance of a Building Permit for the Project.

"**General Contractor**" has the meaning set forth in Section [7.6(d)].

"**Grant Deed**" means the Grant Deed Containing Covenants, Conditions and Restrictions attached hereto as Exhibit ["E."]

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"**Hazardous Materials**" means flammable materials, explosives, radioactive materials, hazardous wastes, toxic substances and similar substances and materials, including all substances and materials defined as hazardous or toxic wastes, substances or materials under any applicable law, including, without limitation, the Resource Conservation and Recovery Act, 42 U.S.C. §§ 6901 et seq., and the Comprehensive Environmental Response, Compensation and Liability Act of 1980 42 §§ 9601, et seq., as amended. Hazardous Materials expressly exclude substances typically used in the construction, development, operation and maintenance of an apartment complex provided such substances are used in accordance with all applicable laws.

"**Improvements**" means the improvements to be made to the Property in accordance with this Agreement, including, without limitation, in accordance with the Scope of Development and the Final Construction Documents.

"**Indemnitees**" means the Authority, City, and their officers, employees, representatives, agents and volunteers.

"**Land Use Entitlements**" has the meaning set forth in Section [4.2].

"**NCRC**" has the meaning set forth in the opening paragraph of this Agreement.

"**NCRC Title Policy**" has the meaning set forth in Section [7.8(a)].

"**Notices**" has the meaning set forth in Article [18].

"**Official Records**" means the Official Records of the County.

"**Permitted Encumbrances**" means the Senior Loan Security Documents and such other exceptions to title approved by the Executive Director.

"**Predevelopment Documents**" means any and all plans, studies, drawings, models, reports, permits and Land Use Entitlements for the Project.

"**Preliminary Project Budget**" has the meaning set forth in Section [6.2].

"**Prime Rate**" means the reference or prime rate of Bank of America, N.T. & S.A., in effect from time to time.

"**Project**" has the meaning set forth in Recital ["D,"] above.

"**Project Architect**" means an architect as may be reasonably approved by the Executive Director.

"**Project Budget**" means the final budget approved by Developer and the Executive Director for the Project.

"**Project Costs**" means all costs of any nature incurred in connection with development of the Project.

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"**Project Documents**" means, collectively, this Agreement, the Authority Subordinate Loan Note, the Authority Subordinate Loan Deed of Trust, the Grant Deed, and any other agreement, document or instrument that Developer and Authority enter into pursuant to this Agreement or in order to effectuate the purposes of this Agreement.

"**Project Financing**" has the meaning set forth in Section [6.1].

"**Property**" means that certain real property described in Exhibit ["A"].

"**QAP**" means the "Low Income Housing Tax Credit Programs Qualified Allocation Plan" adopted by the California Tax Credit Allocation Committee in accordance with the standards and procedures of Internal Revenue Code Section 42(m), and the rules and regulations adopted by such Committee from time to time for the implementation thereof.

"**Schedule of Performance**" means the Schedule of Performance attached hereto as Exhibit ["B"].

"**Senior Lender**" means the Construction Lender and/or the Take-Out lender, as the context requires, and their successors and assigns.

"**Senior Loan**" means the Construction Loan or the Take-Out Loan as the context requires.

"**Senior Loan Security Documents**" means the documents and instruments required by the Senior Lender to secure the Senior Loan.

"**Take-Out Lender**" means the lending institution that makes the Take-Out Loan and its successors and assigns.

"**Take-Out Loan**" means the long-term loan made by the Take-Out Lender to Developer in order to take out the Construction Loan.

"**Tax Credits**" means the Federal Tax Credits required to finance the Project in the manner contemplated in the Preliminary Project Budget.

"**Tax Credit Funds**" has the meaning set forth in Subdivision [7.6(c)(ii)].

"**Tax Credit Partner**" means the investor in the Project that provides the Tax Credit Funds.

"**TCAC**" means the California Tax Credit Allocation Committee.

"**Title Company**" means _____ or such other title insurance company agreed to by NCRC and the Executive Director.

"**Total Development Cost**" means the total development cost for the Project as reported to the Tax Credit Allocation Committee in the application for Tax Credits for the Project.

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1.2 **Singular and Plural Terms**. Any defined term used in the plural in this Agreement shall refer to all members of the relevant class and any defined term used in the singular shall refer to any number of the members of the relevant class.

1.3 **Accounting Principles**. Any accounting term used and not specifically defined in this Agreement shall be construed in conformity with, and all financial data required to be submitted under this Agreement shall be prepared in conformity with, generally accepted accounting principles applied on a consistent basis or in accordance with such other principles or methods as are reasonably acceptable to Authority.

1.4 **References and Other Terms**. References herein to Articles, Sections and Exhibits shall be construed as references to this Agreement unless a different document is named. References to subparagraphs shall be construed as references to the same Section in which the reference appears. The terms "including" and "include" mean "including (include) without limitation".

1.5 **Exhibits Incorporated**. All attachments to this Agreement, as now existing and as the same may from time to time be modified, are incorporated herein by this reference.

2. PARTIES

2.1 **Authority**. Authority is the Ontario Housing Authority and any successor to its rights, powers and responsibilities. The principal offices of the Authority are located at 303 East "B" Street, Ontario, California 91764.

2.2 **NCRC**. NCRC is National Community Renaissance of California, a California nonprofit, public benefit corporation.

3. SCHEDULE OF PERFORMANCE

A Schedule of Performance for the Project is attached hereto as Exhibit ["B"]. The Schedule of Performance sets forth the times by which the parties are to perform certain obligations under this Agreement. The Schedule of Performance may be modified from time to time by written agreement of NCRC and Executive Director.

4. LAND USE ENTITLEMENTS

4.1 **Application to Planning Commission**. NCRC shall prepare and submit to the Planning Commission, and subsequently to the City Council, if required by the City, a Planned Use Development application for the Project.

4.2 **Zone Changes**. NCRC shall prepare and submit proposed zoning change or changes to the City's General Plan, if any, necessary to accommodate the Project on the Property;

4.3 **NCRC Right To Terminate**. NCRC shall have the right to terminate this Agreement in the event it is unable to obtain Land Use Entitlements for the Project by July 1, 2025.

4.4 **Authority Right to Terminate**. Authority shall have the right to terminate this Agreement in the event NCRC is unable to obtain Land Use Entitlements for the Project by July 1, 2025.

4.5 **Article XXXIV**. Authority hereby represents and warrants to NCRC that City has authority for the Project under Article XXXIV of the California Constitution. That notwithstanding, if, within sixty (60) days of the date of execution of this Agreement, the Project is challenged with respect to such compliance, either party may terminate this Agreement by written notice to the other party.

5. DESIGN REVIEW, VALUE ENGINEERING AND CONSTRUCTION BIDS

5.1 **Scope of Development**. NCRC shall develop the Property substantially in conformance with the Scope of Development attached hereto as Exhibit ["C"] and with the plans, drawings and specifications for the Property approved by the Executive Director and City pursuant to this Article [5].

5.2 **Basic Concept Plans**. The parties acknowledge and agree that, as of the Effective Date, a colored site plan and elevations (the "Basic Concept Plans") have been approved for the Project.

5.3 **Preliminary Design Documents**. The parties acknowledge and agree that, as of the Effective Date, NCRC has prepared and submitted to the Executive Director and the Executive Director has approved, including aesthetic considerations, the following "Preliminary Design Documents:"

(a) Preliminary site plan showing the location of residential units and parking; and

(b) colored elevations and perspective renderings for the Building exterior.

5.4 **Intermediate Design Documents**. [Intentionally Omitted]

5.5 **Final Working Drawings**. By the time provided in the Schedule of Performance, NCRC shall prepare and submit to the Executive Director for architectural review and approval "Final Working Drawings," including aesthetic considerations, and related documents for the Improvements. The Final Working Drawings shall include:

(a) Color and materials board for the Building exterior and landscaping;

(b) preliminary signage plans indicating location, materials, size and color of all signage, including, without limitation, occupant, site identification and directional signage;

(c) plans, drawings and specifications in sufficient detail to obtain a Building Permit for the Improvements;

(d) final interior and exterior finish schedules and specifications for the Improvements;

(e) final color scheme and building materials for the Improvements;

(f) final landscaping plans for the Property (including outline specifications and/or materials lists that establish details of the landscaping for the Project) prepared by a licensed landscape architect;

(g) precise grading plans for the Property; and

(h) final offsite construction drawings, if any.

The Final Working Drawings shall be substantially consistent with the Preliminary and Intermediate Design Documents approved by the Executive Director and with the Scope of Development.

5.6 **Value Engineering/Bid Package**. In connection with preparation of the Final Working Drawings and a package to bid construction of the Improvements, and in the event the parties deem it reasonably necessary after consultation, the design shall be subject to a round of value engineering in which NCRC and Authority shall participate and cooperate. The Executive Director (subject to Section 22.10, below) shall have the right to approve or disapprove the bid package resulting from this process (the "Approved Bid Package"). Developer acknowledges and agrees that the purpose of this section is to control the cost of the Project with the intent of minimizing the original principal amount of the Authority Subordinate Loan.

5.7 **Construction Bidding/Contracts**. The work of the following major trades: framing, concrete, plumbing, electrical, stucco, drywall, HVAC, roofing and landscaping shall be subjected to a process of competitive bidding based on the Approved Bid Package. Promptly upon opening and reviewing the bids received, NCRC shall deliver true and complete copies of all bids to the Executive Director and shall designate which bid(s) NCRC proposes to accept. The Executive Director shall have the right (subject to Section 22.10, below) to disapprove the bid(s) to be accepted by NCRC only in such event that such bid is commercially unreasonable in the reasonable discretion of the Executive Director.

Promptly upon execution, NCRC shall deliver to Authority true and complete copies of all construction contracts for the Improvements (the "Construction Contract"). Reductions in Project Cost realized from this process of Value Engineering/Construction Bidding, if any, shall be used to pay for Project enhancements.

5.8 **City Design Review**. In addition to the design review process described above and concurrent therewith, NCRC shall cause the Improvements to be designed substantially in accordance with the Scope of Development and shall diligently cause the Improvements to be processed through City's site plan, design review and plan check process on a schedule reasonably calculated to permit a Building Permit to issue by the time provided in the Schedule of Performance for Close of Escrow. Notwithstanding the forgoing, the parties acknowledge and agree that, as of the Effective Date, the obligations of NCRC under this Section have been satisfied.

5.9 **NCRC Right to Terminate**. Prior to the Close of Escrow, NCRC, if it is not then in material default under this Agreement (subject to the notice and cure provisions of Section [17.11), may terminate this Agreement by five (5) business days' notice to Authority if it has, despite diligent efforts, been unable, by the time provided in the Schedule of Performance, to obtain any of the Executive Director and/or City approvals required in this Article [5]. Alternatively, NCRC may work with the Authority together in good faith to modify the Schedule of Performance.

5.10 **Authority Right to Terminate**. Prior to the Close of Escrow, Authority, if it is not then in material default under this Agreement, may terminate this Agreement by thirty (30) days' notice to NCRC if, by the time provided in the Schedule of Performance, NCRC fails to obtain any approval of the Executive Director or City required by this Article [5]. That notwithstanding, if NCRC obtains the subject approval during said thirty (30)-day notice period, Authority's notice of termination shall be deemed nullified thereby.

5.11 **Project Architect**. The Executive Director shall have the right to approve any replacement for the Project Architect, which approval shall not be unreasonably withheld, conditioned or delayed.

6. FINANCING FOR THE PROJECT

6.1 **Financing Plan**. As set forth in the Sources and Uses of Funds Statement included in the Preliminary Project Budget attached hereto as Exhibit ["D"], it is contemplated that NCRC will finance the Project through:

(a) Equity raised by the sale to reputable investors of the "four-percent (4%)" and/or the "nine-percent (9%)" low-income housing credit obtained pursuant to 26 U.S.C. §42 (the "Federal Tax Credit") (which may require the Project to be constructed in more than one phase);

(b) the Senior Loan from a reputable institutional lender;

(c) as more particularly provided in Section [6.3], the Authority Subordinate Loan;

(d) and/or additional financing that may be reasonably necessary, which sources shall be subject to the reasonable written consent of the Authority, to make the Project financially feasible (collectively, the "Project Financing").

6.2 **Preliminary Project Budget**. Attached hereto as Exhibit ["D"] are the following preliminary budgetary materials for the Project:

(a) Preliminary Project Budget;

(b) Sources and Uses of Funds Statement;

(c) Cash Flow Projection; and

(d) First Year Operating Budget;

(collectively, the "Preliminary Project Budget")

Until the Close of Escrow, NCRC, if, as and when additional information becomes available, shall promptly revise the Preliminary Project Budget to reflect the best information then available to NCRC, and shall submit the revised documents to the Executive Director for review and approval.

6.3 **Authority Subordinate Loan for the Project**.

6.3.1 **Amount and Purpose**. Subject to the terms and conditions of this Agreement, Authority agrees to make a loan to NCRC (the "Authority Subordinate Loan") in the amount of (i) One Hundred Thousand Dollars ($100,000) per unit, not to exceed a total sum of Fifteen Million Dollars ($15,000,000) for Project costs ("Project Portion"); and (ii) the Purchase Price for the Property, as shall be determined in accordance with this Agreement, to finance the Property purchase ("Land Price Portion"). Subject to the terms and conditions of this Agreement, the Authority Subordinate Loan shall close (i.e., the Authority Subordinate Loan Deed of Trust shall record in the Official Records) concurrently with the Construction Loan Closing for the Project.

6.3.2 **Authority Subordinate Loan Note and Deed of Trust for the Project**. The Authority Subordinate Loan shall be evidenced by the Authority Subordinate Loan Note and shall be secured by the Authority Subordinate Loan Deed of Trust. The form of the Authority Subordinate Loan Note is attached hereto as Exhibit ["F"] and the form of the Authority Subordinate Loan Deed of Trust is attached hereto as Exhibit ["G"].

6.3.3 **Disbursement of Authority Subordinate Loan Proceeds**. For purposes of disbursement, the Authority Subordinate Loan proceeds shall be divided into the following two (2) tranches:

(a) Land Price Portion. The portion of the Authority Subordinate Loan to be used to fund the Purchase Price for the Property which will be charged to the Authority Subordinate Loan at Close of Escrow, but will not require a cash outlay from Authority;

(b) At Close of Escrow. A lump sum disbursement in the amount of One Hundred Thousand Dollars ($100,000) per unit, not to exceed a total sum of Fifteen Million Dollars ($15,000,000) (the "Cash Through-Escrow Tranche").

Subject to the conditions set forth below, Authority shall deposit the Cash Through-Escrow Tranche into the Project Escrow to fund Project Costs shown on the Approved Closing Statement for the Project, including deposit of a portion thereof with the Construction Lender for the Project, to be disbursed by the Construction Lender for the Project for payment of items in the Final Project Budget for the Project. Authority's obligation to make such deposit shall be subject to the following conditions:

(i) the executed Authority Subordinate Loan Note includes the specific amount allocated for the Project Portion;

(ii) the Executive Director reasonably approve the Construction Lender for the Project; and

(iii) Authority and the Construction Lender enter into an agreement, reasonably satisfactory to the Executive Director, governing disbursement of the Cash Through-Escrow Tranche by the Construction Lender; which agreement may contain reasonable and customary conditions to each disbursement, but not, however, a condition requiring the further consent of Authority to each disbursement. A form of such agreement acceptable to Authority is attached hereto as Exhibit ["N"] (the "Authority/Construction Lender Disbursement Agreement").

If the conditions set forth above are not satisfied, Authority shall disburse the Cash Through-Escrow Tranche prior to disbursement of the Construction Loan proceeds for the Project and according to disbursement procedures reasonably consistent with the terms and conditions for disbursement of the Construction Loan proceeds.

6.3.4 **Conditions Precedent to Disbursement of Cash Through-Escrow Tranche**. Authority's obligation to make the Authority Subordinate Loan to NCRC and disburse the Cash Through-Escrow Tranche shall be subject to satisfaction of the following conditions precedent:

(a) **Conditions to Sale of Property**. All of the conditions precedent set forth in Section [7.6] to Authority's obligation to sell the Property to NCRC have been satisfied or waived.

(b) **Authority Subordinate Loan Note**. NCRC shall have duly executed the Authority Subordinate Loan Note and delivered it to Authority or the Escrow Holder.

(c) **Authority Subordinate Loan Deed of Trust**. The Authority Subordinate Loan Deed of Trust for shall have been recorded in the Official Records subject only to the Permitted Encumbrances.

(d) **Request for Notice of Default**. Authority shall have recorded a request for notice of default pursuant to Civil Code Section 2924(b), requesting that the beneficiaries of liens senior to the Authority Subordinate Loan Deed of Trust notify Authority of any default under the instrument creating the lien (the "Request for Notice"). If Authority fails to deliver such Request for Notice to Escrow, this condition shall be deemed waived.

(e) **Title Policy**. Title Company is prepared to issue its LP-10 loan policy of title insurance naming Authority as the insured, in a policy amount not less than the principal amount of the Authority Subordinate Loan, showing NCRC as holding fee title to the Property and insuring the Authority Subordinate Loan Deed of Trust to be a valid lien on the Property subject only to the Permitted Encumbrances (the "Authority Title Policy").

(f) **Corporate Resolution**. If NCRC is a corporation, or if NCRC is a partnership or limited liability company and its managing general partner or general manager is a corporation, Authority shall have received a copy of a resolution of the board of directors of said corporation authorizing the execution and delivery of the Authority Subordinate Loan Note and the Authority Subordinate Loan Deed of Trust.

(g) **Representations and Warranties**. The representations of NCRC contained in this Agreement shall, in all material respects, be correct as of the date of the disbursement as though made on and as of that date and, if requested by the Executive Director, Authority shall have received a certificate to that effect signed by NCRC.

(h) **No Default**. No Event of Default by NCRC shall then exist, and no event shall then exist which, with the giving of notice or the passage of time or both, would constitute an Event of Default by NCRC and, if requested by Executive Director, Authority shall have received a certificate to that effect signed by NCRC.

6.3.5 **Waiver of Conditions**. The conditions set forth in Sections [6.3.3 and 6.3.4] are for Authority's benefit only and Executive Director may waive all or any part of such rights by notice to NCRC.

6.4 **Final Protect Budget**. As more particularly provided in Section [7.6(b)] and prior to the Close of Escrow, Authority, NCRC and the third-party lenders and/or investors providing the Project Financing shall agree on the final Project Budget.

6.5 **Best Efforts to Minimize Authority Cost**. In order to minimize the principal amount of the Authority Subordinate Loan, NCRC agrees to use its best efforts to finance the Project in the manner that yields the largest part possible of the Project Cost from sources other than the Authority Subordinate Loan. Accordingly, NCRC shall:

(a) make its best efforts to obtain the Federal Tax Credits; and

(b) use its best (but commercially reasonable) efforts to obtain (x) the highest price and best terms for the Federal Tax Credits allocated to the Project, and (y) the largest Take-Out Loan reasonably supportable by the Project based on a debt coverage ratio of not greater than 1.20:1.

6.6 **Application for Financing Commitments**. NCRC pursue the Project Financing by:

(a) timely applying to reputable institutional lenders for the Senior Loan.

6.7 **Financing Commitments**. Not later than the time provided in the Schedule of Performance, NCRC shall submit to Executive Director for approval preliminary commitments for the Project Financing (other than the Authority Subordinate Loan), including, without limitation, bids received from qualified parties for the Tax Credits as the result of a competitive bidding process (the "Evidence of Financing").

6.8 **NCRC Right to Terminate**. Prior to the Close of Escrow, NCRC, if it is not then in material default under this Agreement (subject to the notice and cure provisions of Section [17.1]), may terminate this Agreement by giving thirty (30) days' notice to Authority if, despite having made its best efforts, it has been unable to obtain the Project Financing on terms and conditions reasonably consistent with the economic assumptions contained in the Preliminary Project Budget for the Project.

6.8.1 **Meet and Confer Prior to Termination**. If NCRC notifies Authority in writing that it intends to terminate this Agreement pursuant to this Section [6.8] but that it would be able to obtain the Project Financing solely with a concession by Authority on one or both of the obligations set forth in Sections [6.1.1 and 6.2] of the Authority Subordinate Loan Note, then NCRC shall state clearly the concession or concessions requested. The Executive Director shall have the authority, on behalf of Authority, within (5) Business Days of receipt of such notice, and at his sole and absolute discretion, to agree to such concession(s), reject such concession(s) and terminate this Agreement, or make a counteroffer to NCRC in writing. If the Executive Director makes such a counteroffer, then NCRC may, within five (5) Business Days of receipt thereof and at its sole and absolute discretion, accept it, reject it and terminate this Agreement, or make a counter-counteroffer to Authority. Failure by either party to act on any counteroffer within five (5) Business Days shall be deemed a rejection thereof unless the parties have agreed in writing to extend such period. If, pursuant to this Section [6.8.1], the parties agree to any such concession or concessions, that agreement shall be memorialized in writing and, thereafter, NCRC shall no longer have the right to terminate this Agreement under Section [6.8] except for the failure of an unrelated third-party beyond NCRC's reasonable control.

6.9 **Authority Right to Terminate**. Prior to the Close of Escrow and notwithstanding anything contained in this Agreement to the contrary, Authority, if it is not then in material default under this Agreement, may terminate this Agreement by giving thirty (30) days' notice to NCRC if NCRC fails to obtain binding commitments for the Project Financing by December 31, 2027 to close not later than December 31, 2029 That notwithstanding, if NCRC obtains the Project Financing during said thirty (30)-day notice period, Authority's notice of termination shall be deemed nullified thereby.

7. PURCHASE AND SALE OF PROPERTY

7.1 **Agreement**. Subject to the terms and conditions of this Agreement, Authority agrees to sell to NCRC and NCRC agrees to purchase from Authority the Property pursuant to the Grant Deed attached hereto as Exhibit ["E"] (the "Grant Deed").

7.2 **[Intentionally Omitted]**

7.3 **Purchase Price**. The purchase price for the Property shall be based on an appraisal to be completed within One Hundred Twenty (120) days of the Effective Date of this Agreement (the "Purchase Price"). The Purchase Price will be financed by Authority as part of the Authority Subordinate Loan.

7.4 **Escrow**. Conveyance of the Property pursuant to the Grant Deed shall be made through the Escrow. This Agreement shall constitute escrow instructions to the Escrow Holder. Authority and NCRC shall execute such escrow instructions as are consistent with this Agreement and as may be reasonably required by the Escrow Holder.

7.5 **Term of Escrow**. The Escrow shall close in accordance with the Schedule of Performance and concurrent with the Construction Loan Closing.

7.6 **Conditions for Authority's Benefit**. Authority's obligation to sell the Property to NCRC shall be subject to satisfaction of the following conditions precedent:

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(a) **Land Use Entitlements**. NCRC has secured and possesses the Land Use Entitlements for the Project.

(b) **Final Project Budget**. The Executive Director, NCRC, purchasers of the Tax Credits, if and as applicable, and the Senior Lender have approved the final Project Budget, including, without limitation, the terms and conditions of any reserve funds to be established and maintained for the Project (the "Final Project Budget"). The Final Project Budget may be revised from time to time, subject to the approval of the Executive Director.

(c) **Evidence of Financing**. The Executive Director has received and approved the following "Evidence of Project Financing":

(i) **Construction Loan**. True and complete copies of the Construction Loan documents evidencing the obligation of a reputable institutional lender, subject only to reasonable and customary conditions, to make the Construction Loan to NCRC.

(ii) **Tax Credit Financing**. Documentary evidence reasonably acceptable to the Executive Director that NCRC has committed, or caused to be committed, funds from the sale of the Tax Credits to construction of the Improvements, which commitment may be subject only to reasonable and customary conditions (the "Tax Credit Funds").

(iii) **Gap Financing**. Documentary evidence that NCRC has committed, or caused to be committed, equity and/or financing to the Improvements in the amount of the remainder, if any, of the Project Costs less the Project Financing (the "Gap Financing"). Gap Financing, if any, shall be from sources, and subject only to conditions, reasonably acceptable to the Executive Director.

(iv) **Take-Out Loan Commitment**. A commitment from a reputable institutional lender, subject only to reasonable and customary conditions, pursuant to which said lender agrees to make a permanent loan to NCRC, with a term of not less than fifteen (15) years, in sum sufficient, when added to any other Project funds provided by the Authority, and any Gap Financing committed to the Project to be disbursed for such purpose, to take-out any existing short-term financing.

(d) **General Contractor**. The general contractor for the Project (the "General Contractor") has been approved by the Executive Director. Authority hereby approves NCRC.

(e) **Construction Contract**. Authority has received a true and complete copy of a contract by and between NCRC and the General Contractor pursuant to which the General Contractor has agreed to make the Improvements at a cost consistent with the Final Project Budget.

(f) **Final Construction Documents**. City has approved the Final Construction Documents for the Improvements and Authority has received a full set thereof.

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(g) **Completion Bonds**. If the Construction Lender or the purchaser of the Tax Credits require that a completion bond be posted by the General Contractor, then such completion bond shall name Authority as a co-obligee.

(h) **Completion Guaranty**. If NCRC is required by the Construction Lender to deliver a completion guaranty for the Project, then Authority shall have received a duly executed completion guaranty for the Project, in substantially similar form and content but subordinate thereto, from the same guarantor or guarantors. Authority agrees that any such guaranty to Authority shall be as to completion only and not as to payment of any financial obligation of NCRC to Authority.

(i) **Organizational Documents**. The Executive Director has received and approved a copy of such portions of the organizational documents (e.g., partnership agreement, limited liability company operating agreement) of NCRC or NCRC's successor-in-interest as the Executive Director deems reasonably necessary to document the power and authority of the organization to perform its obligations under this Agreement. NCRC has also made full disclosure to Authority of the names and addresses of all persons and entities that have a beneficial interest in NCRC.

(j) **Loan to Close**. All of the conditions to closing the Authority Subordinate Loan set forth in Section [6.3.4] have been satisfied or waived.

(k) **Building Permit**. The Building Permit for the Improvements has issued or is ready to issue upon only payment of a sum certain. In connection therewith, NCRC covenants and agrees to pay to City, not later than thirty (30) days after Close of Escrow, fees for such Building Permit in a sum not less than shown in the Preliminary Project Budget.

(l) **Work to Commence**. The Executive Director shall be reasonably satisfied that the work of the Improvements will commence not later than ten (10) days after the Close of Escrow and will thereafter be completed in a diligent and continuous manner.

(m) **Assignment of Plans and Architect's Contract**. NCRC shall, by an instrument substantially in the form attached hereto as Exhibit ["I"], conditionally assign to Authority the Final Construction Documents for the Improvements and the Project Architect's contract. NCRC shall also deliver to Authority, in the form included as part of Exhibit ["I"], the written consent of said Project Architect to said assignment, including, without limitation, to the use by Authority of the Final Construction Documents, as well as the ideas, designs, and concepts contained within them. Authority acknowledges and agrees that its rights under such assignments shall be subordinate to any such rights assigned to the Construction Lender.

(n) **Insurance**. Authority has received satisfactory evidence that the insurance required pursuant to Section [10.2] of the Agreement Containing Covenants is in full force and effect.

(o) **Management Plan**. Executive Director has received from NCRC and approved a comprehensive management plan for the Project, including a fair housing component.

(p) **Management Agreement**. Executive Director has received and approved an executed agreement by and between Developer and NCRC or another reputable and experienced property manager for management of the Project (the "Management Agreement"), which Management Agreement shall be consistent with this Agreement, including, without limitation, Section [3.12] of the Agreement Containing Covenants.

(q) **Affirmative Marketing Plan**. NCRC shall prepare and submit to the Executive Director for reasonable approval an affirmative marketing plan similar in type to one required under 24 CFR 92.351 were this Project funded under the HOME Investments Partnership Program, but a plan that allows more flexibility for residents that are targeted for the established project area, and City of Ontario residents.

(r) **Documents Executed**. NCRC has duly executed the Grant Deed and the Agreement Containing Covenants and deposited them in Escrow.

(s) **Representations and Warranties**. The representations of NCRC contained in this Agreement shall be correct in all material respects as of the Close of Escrow as though made on and as of that date and, if requested by the Executive Director, Authority shall have received a certificate to that effect signed by NCRC.

(t) **No Default**. No Event of Default by NCRC shall then exist, and no event shall then exist which, with the giving of notice or the passage of time or both, would constitute an Event of Default by NCRC and, if requested by the Executive Director, Authority shall have received a certificate to that effect signed by NCRC.

7.7 **Covenants of NCRC**. NCRC covenants and agrees to satisfy, by the time provided in the Schedule of Performance, any and all of the conditions set forth in Section [7.6] that (a) NCRC has not elsewhere in this Agreement expressly covenanted and agreed to satisfy and (b) the satisfaction of which is entirely within the reasonable control of NCRC. NCRC covenants and agrees to make its best efforts to satisfy, by the time provided in the Schedule of Performance, any and all of the conditions set forth in Section [7.6] that (a) NCRC has not elsewhere in this Agreement expressly covenanted and agreed to satisfy, (b) NCRC has not elsewhere in this Agreement expressly covenanted and agreed to make best or commercially reasonable efforts to satisfy, and (c) the satisfaction of which is not entirely within the reasonable control of NCRC.

7.8 **Conditions for NCRC's Benefit**. NCRC's obligation to purchase the Property from Authority shall be subject to satisfaction of the following condition precedent:

(a) **Title Insurance**. Title Company is prepared to issue its ALTA form policy of title insurance, with liability in the amount of the total of the equity raised from the sale of the Tax Credits plus the principal amounts of the Take-Out Loan and Authority Subordinate Loan, showing fee title to the Property and the improvements located thereon vested in NCRC, subject only to the lien of the Senior Loan Security Documents, the Authority Subordinate Loan Deed of Trust, and such other exceptions as NCRC has previously notified Authority were acceptable to NCRC (the " NCRC Title Policy").

As soon as the Title Company can reasonably prepare a preliminary report for the Proposed Parcel (the "Preliminary Report"), Authority shall cause the Title Company to deliver such report to

NCRC for approval, together with a legible copy of all exceptions, including each document, map and survey referred to therein, and a plotting of all easements identified in the Preliminary Report. NCRC's review of the Preliminary Report shall be in accordance with the following procedure:

(i) Permitted Exceptions. The following exceptions shown on the Preliminary Report (the "Permitted Exceptions") are approved by NCRC:

(x) exceptions for a lien for local real estate taxes and assessments not yet due and payable;

(y) the standard preprinted exceptions and exclusions of the Title Company; and

(z) any other exception shown on the Preliminary Report, other than exceptions for monetary liens, which NCRC does not object to by written notice to Authority within ten (10) Business Days after delivery of the Preliminary Report (the "NCRC's Title Notice" and the "Title Objections"). If NCRC fails to deliver NCRC's Title Notice within the time specified in this subdivision (z), NCRC shall be deemed to have approved the Preliminary Report and all of the exceptions therein.

(ii) Title Objections. With respect to any Title Objection, Authority shall have ten (10) Business Days after receipt of NCRC's Title Notice to give notice to NCRC (the "Authority's Title Notice") stating either (x) the manner in which it will remove or cure such Title Objection, or (y) that Authority shall not remove or cure such Title Objection. If NCRC's Title Notice states that Authority's failure to respond within ten (10) Business Days will be deemed Authority's election to cure each and every Title Objection, then such failure shall be so deemed.

(iii) Authority Election Not to Cure. If Authority elects not to cure or remove a Title Objection, then NCRC shall have ten (10) Business Days after receipt of Authority's Title Notice to deliver a notice to Authority (the "NCRC's Election Notice") of NCRC's election either to (x) proceed with the purchase of the Property, waive such Title Objection, and accept the exception shown in the Preliminary Report as a Permitted Exception, or (y) terminate this Agreement. If NCRC fails to deliver NCRC's Election Notice within the time specified above, NCRC shall be deemed to have elected option (x).

(b) **Physical Condition of Property**. NCRC shall have until forty-five (45) days after the date of execution of this Agreement (the "Physical Inspection Date"), to conduct such investigations as NCRC may choose ("Physical Inspection") to determine whether NCRC approves the physical and environment condition of the Property. On or before the Physical Inspection Date, NCRC shall deliver notice to Authority accepting the Property or terminating this Agreement. If NCRC fails to give such notice on or before the Physical Inspection Date, this condition shall be deemed satisfied. If NCRC gives notice of termination of this Agreement, Authority shall have thirty (30) days within which to notify NCRC that Authority elects to remedy any and all physical defects cited by NCRC in the notice of termination. In such event, Authority

shall remedy such defect(s) in a manner reasonably satisfactory to NCRC and NCRC 's notice of termination shall be deemed rescinded thereby.

(i) **Access to Property**. In order to perform the Physical Inspection, NCRC may conduct inspections, tests and studies with respect to the physical and environmental condition of the Property. On not less than two (2) days' advance notice to Authority, NCRC and NCRC's consultants, agents, engineers, inspectors, contractors, and employees ("NCRC's Representatives") shall be given reasonable access to the Property during regular business hours for the purpose of performing such Physical Inspection. NCRC shall undertake the Physical Inspection at its sole cost and expense. That notwithstanding, if at the time of any such request for access, Authority is engaged in work on the Property that reasonably precludes such access by NCRC, then such access by NCRC shall be allowed promptly upon completion of such work. NCRC shall indemnify, defend with counsel reasonable satisfactory to the Executive Director, and hold Authority harmless from all claims (including claims of lien from work or labor performed or materials or supplies furnished), demands, liabilities, losses, damages, costs, fees, and expenses, including Authority's reasonable attorney fees, costs and expenses, arising from the acts and/or activities of NCRC and/or NCRC's Representatives in, on or about the Property during or arising in connection with NCRC's inspections of the Property.

(c) **Documents Executed**. Authority has duly executed the Grant Deed and the Agreement Containing Covenants and such documents have been deposited into Escrow.

7.9 **NCRC Right to Terminate**. Prior to the Close of Escrow, NCRC, if it is not then in material default under this Agreement (subject to the notice and cure provisions of Section [17.1]), may terminate this Agreement by giving thirty (30) days' notice to Authority if, despite having made its best efforts, it has been unable, by the time provided in the Schedule of Performance, to satisfy any of the conditions set forth in Section [7.6].

7.10 **Authority Right to Terminate**. Prior to the Close of Escrow, Authority, if it is not then in material default under this Agreement, may terminate this Agreement by giving thirty (30) days' notice to NCRC if, by the time provided in the Schedule of Performance, NCRC has failed to satisfy any of the conditions set forth in Section [7.6]. That notwithstanding, (a) if NCRC, during said thirty (30)-day notice period, satisfies said conditions, then the Authority notice of termination shall be deemed nullified thereby, and (b) Authority shall have no right to terminate this Agreement for NCRC's failure to satisfy the condition set forth in Subdivision [7.6(f)] if such failure is due to the fault of City.

7.11 **Waiver of Conditions**. The conditions set forth in Section [7.6] are for Authority's benefit only and the Executive Director may waive all or any part of such rights by notice to NCRC and the Escrow Holder. The conditions set forth in Section [7.8] are for NCRC's benefit only and NCRC may waive all or any part of such rights by notice to Authority and the Escrow Holder.

8. AFFORDABILITY COVENANTS

It is anticipated that the Project will contain one hundred fifty units (including one unrestricted manager's unit). The Parties acknowledge and agree that NCRC may amend the Project scope and units mix to maximize financial feasibility, subject to the Authority's written

consent. The Parties further acknowledge and agree that the unit mix and set-asides are of particular importance to the Authority. The Parties agree to work together in good faith to establish reasonable affordability set-asides; provided, however, that NCRC hereby covenants and agrees that for a period of fifty-five (55) years, all units in the Project Improvements shall be rented, at Affordable Rent, to persons and families whose incomes do not exceed sixty percent (60%) of area median income at rents affordable to said persons and families.

Notwithstanding anything to the contrary contained herein, the Authority shall subordinate its Agreement Containing Covenants if and as required by the Project's financing partners.

9. LABOR STANDARDS

NCRC shall carry out the construction of the Improvements on the Property in conformance with all applicable federal and state labor standards, including, without limitation, the payment, if applicable, of prevailing wages. NCRC agrees to indemnify, protect, hold harmless, and defend the Indemnitees from and against any and all claims relating to federal and state labor standards, including, without limitation, the payment of prevailing wages for the Project.

10. PHYSICAL CONDITION OF PROPERTY

10.1 **"AS-IS"**. NCRC acknowledges and agrees that it is purchasing the Property solely in reliance on its own investigation, and that no representations and/or warranties of any kind whatsoever, express or implied, have been made by Authority, or by its officers, employees, representatives or agents. NCRC further acknowledges and agrees that NCRC will be purchasing the Property in "AS IS" condition with all faults and conditions then existing in and on the Property, whether known or unknown; provided that the foregoing shall not constitute a release of Authority under any statute or common law theory. Notwithstanding the foregoing, Authority acknowledges and agrees that neither this Section [10.1], nor any other term, provision or condition of this Agreement obligates NCRC, as between it and Authority, and prior to the Close of Escrow, to remediate, or to incur any cost to remediate, any Hazardous Materials discovered by NCRC on the Property prior to the Close of Escrow. In the event that Hazardous Materials are so discovered, disposition of the situation shall be governed by the conditions set forth in Section [10.2]. NCRC acknowledges and agrees that, as between it and Authority, nothing in this Agreement shall ever be deemed, construed or interpreted to obligate Authority to remediate, or to incur any expense to remediate, any Hazardous Materials discovered on the Property either before or after the Close of Escrow unless and until Authority expressly agrees to do so in writing.

10.2 **NCRC Right to Terminate**. If, prior to the Close of Escrow, Hazardous Materials are discovered the cost of remediation of which is not covered by the Preliminary Project Budget, below, then NCRC, subject to the condition set forth below, shall have the right, prior to the Close of Escrow and provided that NCRC is not then in material default under this Agreement (subject to the notice and cure provisions of Section [17.1]), to terminate this Agreement by thirty (30) days' notice to Authority. 's right so to terminate this Agreement shall be subject to the condition precedent that NCRC first have (x) submitted to Authority any and all information then available to NCRC as to the nature and scope of the Hazardous Materials discovered and as to the cost estimated to remediate them, if any such cost estimate exists, and (y) offered to Authority the right, within fifteen (15) days after receipt of said statement, or such longer period of time as may

reasonably be required by Authority to obtain competitive bids for the work, to elect, at its sole and absolute discretion, to increase the principal amount of the Authority Subordinate Loan by the amount of the cost to remediate said Hazardous Materials. If Authority so elects, then NCRC shall not have the right to terminate this Agreement under this Section [10.2] unless such additional funding is not approved by either the Senior Lender or the Tax Credit Partner.

11. DEVELOPMENT OF THE PROPERTY

11.1 **Construction**. Within ten (10) days after the Close of Escrow or such longer period as the Executive Director may approve, NCRC shall commence the Construction. All Improvements, together with all off site improvements that may be made by reason of governmental requirements as a condition to the Construction upon the Property, shall be constructed in a good and workmanlike manner using materials of good quality and in substantial compliance with the Final Construction Documents as modified pursuant to this Article [11], and shall comply with all applicable governmental permits, laws, ordinances and regulations. NCRC shall bear all cost of the Construction, including all fees and mitigation measures.

11.2 **Changes; Authority Consent**. Except as otherwise provided in this Agreement, NCRC shall not make any changes in the Final Construction Documents without the Executive Director's prior written consent if such change (a) constitutes a material change in the building material or in the architectural design, value or quality of any of the Improvements, or (b) would result in an increase in construction costs in excess of One Hundred Thousand Dollars ($100,000) for any single change or in excess of Five Hundred Thousand Dollars ($500,000) for all such changes. Without limiting the above, Authority agrees that NCRC may make minor changes which do not change the Project's aesthetics without the Executive Director's prior written consent, provided that such changes do not violate any of the conditions specified herein.

11.3 **Submission Requirement; Consent Process**. If Authority consent is required, NCRC shall submit any proposed changes in the Final Construction Documents to the Executive Director at least ten (10) days prior to the commencement of construction relating to such proposed change. Requests for any change which requires consent shall be accompanied by working drawings and a written description of the proposed change, submitted on a change order form acceptable to the Executive Director, signed by NCRC. If a proposed change is approved, then NCRC shall be notified in writing within ten (10) days after submission. If the Executive Director fails to disapprove a proposed change within said ten (10)-day period, and state the reason(s) for such disapproval with reasonable particularity, then the proposed change shall be deemed approved.

11.4 **Authority's Review**. Authority does not have, and by this Agreement expressly disclaims, the right to or duty for any review of the Final Construction Documents for the purpose of determining compliance with building codes, safety features or standards or for the purpose of determining or approving engineering or structural design, sufficiency or integrity. Authority's approval of a direction or request to change the Final Construction Documents, specifications or drawings submitted by NCRC is not and shall not be a review or approval of the quality, adequacy or suitability of such Final Construction Documents, specifications or drawings, nor of the labor, materials, services or equipment to be furnished or supplied in connection therewith. Any change or alteration in any construction document pursuant to a direction or request in writing by

Authority shall similarly be subject to the provisions of this Article unless in response to such direction or request NCRC or its representative shall notify Authority in writing that the direction or request, if executed as directed or requested, shall constitute a danger or hazard to life, safety or property or shall create a dangerous condition that would or might constitute such a danger or hazard and Authority nevertheless requires such change or alteration. Authority does not have and expressly disclaims any right of supervision or control over the architects, designers, engineers or other draft persons and professionals responsible for the drafting and formulation of the Final Construction Documents, or any right of supervision or control of contractors, builders, trades and other persons engaged in constructing and fabricating the Improvements pursuant to the Final Construction Documents. Authority further acknowledges that it shall not have any right to disapprove any plan, specification or drawing which logically evolves from any previously approved plan, specification or drawing or to request or require a change in any previously approved item.

11.5 **Diligent Prosecution to Completion**. Once the work is begun, NCRC shall, with reasonable diligence, prosecute the Construction to completion. Subject to force majeure, the Construction shall be completed and ready for use within twenty-four months after the Close of Escrow. Additionally, upon the written request of NCRC, the Executive Director may, at his sole and absolute discretion, grant one or more extensions of the date by which the Construction must be completed of, in the aggregate, not more than ninety (90) days. All work shall be performed in a good and workmanlike manner, shall substantially comply with the Final Construction Documents, and shall comply with all applicable governmental permits, laws, ordinances, and regulations.

11.6 **Right of Access**. During normal construction hours and not less than four (4) hours prior telephonic notice, representatives of Authority shall have the reasonable right of access to the Property without charges or fees for the purpose of inspecting the work of the Construction; provided, however, that such representatives shall present and identify themselves at NCRC's construction office, be accompanied by a representative of NCRC while on the Property and obey NCRC's, or its contractor's, safety rules and regulations. In addition, Authority shall have the right to authorize the City and other public agencies to enter the Property, upon the same terms after reasonable prior written notice to NCRC, for the purpose of constructing, reconstructing, maintaining or repairing any public improvements or public facilities located on the Property. Authority shall deliver written notice of the identity of its representatives to NCRC before such representatives enter the Property. Authority hereby indemnifies and holds NCRC, and its contractors, subcontractors, agents, representatives and employees, and the Property, harmless from and against any loss, cost, damage or liability, including, without limitation, attorneys' fees, which results from the exercise by Authority, or any party acting under Authority's authority, of the rights granted by this Section.

11.7 **Governmental Approvals**. If requested by Authority in writing, NCRC covenants and agrees to deliver to Authority conformed copies (and certified copies of all recorded instruments) of all governmental approvals and permits obtained by NCRC for the construction, alteration or reconstruction of any Improvements upon the Property in accordance with the Final Construction Documents. In no event shall NCRC commence construction of any Improvements pursuant to the provisions of this Article [11] until such time as NCRC shall have obtained all necessary governmental approvals and permits to so construct such Improvements.

11.8 **Authority's Right to Discharge Lien**. If NCRC does not cause to be recorded the bond described in California Civil Code Section 3143 or otherwise protect the Property under any alternative or successor statute, and a final judgment has been entered against NCRC by a court of competent jurisdiction for the foreclosure of a mechanic's, materialman's, contractor's, or subcontractor's lien claim, and if NCRC fails to stay the execution of the judgment by lawful means or to pay the judgment, Authority shall have the right, but not the duty, subject to the notice and cure rights of Mortgagees set forth elsewhere in this Agreement, to pay or otherwise discharge, stay, or prevent the execution of any such judgment or lien or both. NCRC shall reimburse Authority for all sums paid by Authority under this Section, together with all Authority's reasonable attorneys' fees and costs, plus interest on those sums, fees, and costs from the date of payment until the date of reimbursement at the Prime Rate plus three hundred basis points or the maximum rate permitted by law, whichever is less.

11.9 **Notice of Completion**. On completion of construction of the Improvements, NCRC shall file or cause to be filed a notice of completion. NCRC hereby appoints Authority as NCRC's attorney-in-fact to file the notice of completion on NCRC's failure to do so after the work of improvement has been substantially completed.

12. CLOSE OF ESCROW; EXPENSES

12.1 **Documents to be Delivered**. Upon receipt by the Escrow Holder of:

(a) the Grant Deed;

(b) the Agreement Containing Covenants;

(c) the Authority Subordinate Loan Note;

(d) the Authority Subordinate Loan Deed of Trust; and

(e) all other funds and documents required to close the Escrow in accordance with this Agreement;

and when the conditions precedent described in Sections [6.3.4], [7.6], and [7.8] have been satisfied or waived in writing by the Executive Director or NCRC, as applicable, the Escrow Holder shall, in the following order, record in the Official Records:

(a) the Grant Deed;

(b) the Senior Loan Security Documents;

(c) the Agreement Containing Covenants;

(d) the Authority Subordinate Loan Deed of Trust; and

(e) such other documents required to close the Escrow in accordance with this Agreement;

and shall deliver to Authority:

(a) the Authority Subordinate Loan Note;

(b) conformed copies of the Grant Deed, Agreement Containing Covenants, and Authority Subordinate Loan Deed of Trust; and

(c) the Authority Title Policy;

and shall deliver to NCRC:

(a) a copy of the Authority Subordinate Loan Note;

(b) conformed copies of the Grant Deed, Agreement Containing Covenants, and Authority Subordinate Loan Deed of Trust; and

(c) the NCRC Title Policy.

12.2 **Expenses of NCRC**. NCRC shall pay: (a) any and all documentary transfer taxes and recording fees arising from conveyance of the Property from Authority to NCRC by the Grant Deed, (b) the Escrow fee, (c) the premium for the Authority Title Policy, and (d) all such other costs and expenses related to the Escrow and not expressly provided for herein.

12.3 **Instruction to Escrow Holder Regarding Waiver of Transfer Taxes and Recording Fees**. The Escrow Holder is hereby instructed to seek such waivers and exemptions from transfer taxes and recording fees as are available pursuant to Revenue and Taxation Code Section 11922 and Government Code Section 6103, respectively.

12.4 **Broker's Commissions**. Developer represents and warrants that it has not engaged any broker, agent or finder in connection with this Agreement, and NCRC agrees to indemnify, protect, hold harmless, and defend the Indemnitees from any claim by any brokers, agents or finders retained by NCRC.

13. OTHER ESCROW INSTRUCTIONS

13.1 **Funds in Escrow**. All funds received in the Escrow shall be deposited by the Escrow Holder in a general escrow account with any state or national bank doing business in the State of California and reasonably approved by the Executive Director and NCRC, and such funds may be combined with other escrow funds of the Escrow Holder. All disbursements shall be made on the basis of a thirty (30)-day month.

13.2 **Failure to Close**. If the Escrow is not in condition to close on or before the time established in the Schedule of Performance, any party who then shall have fully performed the acts to be performed before the conveyance of title may, in writing, demand the return of its money, papers, or documents from the Escrow Holder. No demand for return shall be recognized until fifteen (15) days after the Escrow Holder (or the party making such demand) shall have mailed copies of such demand to the other party. Objections, if any, shall be raised by written notice to the Escrow Holder and to the other party within the 15-day period, in which event the Escrow

Holder is authorized to hold all money, papers and documents until instructed by mutual agreement of the parties or, upon failure thereof, by a court of competent jurisdiction. If no such demands are made, the Escrow shall be closed as soon as possible.

If objections are raised in the manner provided above, the Escrow Holder shall not be obligated to return any such money, papers or documents except upon the written instructions of both the Executive Director and NCRC, or until the party entitled thereto has been determined by a final decision of a court of competent jurisdiction. If no such objections are made within said 15-day period, the Escrow Holder shall immediately return the demanded money, papers or documents.

13.3 **Amendments**. Any amendment to these Escrow instructions shall be in writing and signed by the Executive Director or Authority Counsel and NCRC. At the time of any amendment, the Escrow Holder shall agree to carry out its duties as the Escrow Holder under such amendment.

13.4 **Notices**. All Notices from the Escrow Holder to Authority or NCRC shall be given in the manner provided in Article [18].

13.5 **Liability**. The liability of the Escrow Holder under this Agreement is limited to performance of the obligations imposed upon it under Sections [12.1], [12.3], [13.1], [13.2] and [13.3].

14. CERTIFICATE OF COMPLETION

Promptly after completion of all construction and development of the Improvements in conformity with the Final Construction Documents and the Scope of Development, the Executive Director shall furnish NCRC with a final Certificate of Completion upon written request therefor by NCRC. Such final Certificate of Completion shall be, and shall so state, conclusive determination of satisfactory completion of the construction and development required by this Agreement upon the Property.

The Certificate of Completion shall be in such form as to permit it to be recorded in the Official Records of the County.

If, after written request therefor from NCRC, the Executive Director refuses or fails to furnish the Certificate of Completion, the Executive Director shall, within thirty (30) days after the written request, provide NCRC with a written statement of the reasons he refused or failed to furnish the Certificate of Completion. The statement shall also contain his opinion of the action NCRC must take to obtain the Certificate of Completion. If the reason for such refusal is confined to either (a) the immediate unavailability of specific items or materials for landscaping or (b) the need only to complete "punch list" items, the Executive Director will issue the Certificate of Completion upon the posting of a bond by NCRC with Authority in an amount representing the fair value of the work not yet completed. If the Executive Director shall have failed to provide such written statement within said 30-day period, NCRC shall be deemed entitled to the Certificate of Completion and Authority shall thereafter provide the Certificate of Completion promptly upon the written request of NCRC.

Such Certificate of Completion shall not constitute evidence of compliance with or satisfaction of any obligation of NCRC to any holder of a mortgage or any insurer of a mortgage securing money loaned to finance the Improvements. Such Certificate of Completion shall not be notice of completion as referred to in Section 8182 of the California Civil Code.

15. GENERAL REPRESENTATIONS, WARRANTIES AND COVENANTS

15.1 **NCRC's Formation, Qualification and Compliance**. NCRC (a) is validly existing and in good standing under the laws of the State of California, (b) has all requisite authority to conduct its business and own and operate its properties, (c) has all requisite authority to execute and perform its obligations under this Agreement.

15.2 **Litigation**. NCRC represents and warrants that there are no material actions, lawsuits or proceedings pending or, to the best of NCRC's knowledge, threatened against or affecting NCRC, the adverse outcome of which could have a material adverse affect on NCRC's ability to perform its obligations under this Agreement.

15.3 **Authority Action**. Authority represents and warrants that this Agreement has been duly authorized and it has all necessary power and authority to perform its obligations under this Agreement in accordance with its terms.

15.4 **Sources of Funds**. Authority represents and warrants that the sources upon which it will draw to fund the Authority Subordinate Loan shall be as set forth in the recitals to the Authority Subordinate Loan Note.

16. INDEMNIFICATION

16.1 **Nonliability of Authority**. NCRC acknowledges and agrees that:

(a) Authority neither undertakes nor assumes any responsibility to review, inspect, supervise, approve (other than for aesthetics) or inform NCRC of any matter in connection with the Project, including matters relating to: (i) the Final Construction Documents, (ii) architects, contractors, subcontractors and materialmen, or the workmanship of or materials used by any of them, or (iii) the progress of the Project and its conformity with the Final Construction Documents; and NCRC shall rely entirely on its own judgment with respect to such matters and acknowledge that any review, inspection, supervision, approval or information supplied to NCRC by Authority in connection with such matters is solely for the protection of Authority and that neither NCRC nor any third party is entitled to rely on it;

(b) Notwithstanding any other provision of this Agreement: (i) Authority is not a partner, joint venturer, alter-ego, manager, controlling person or other business associate or participant of any kind of NCRC and Authority does not intend to ever assume any such status; and (ii) Authority shall not be deemed responsible for or a participant in any acts, omissions or decisions of NCRC;

(c) Authority shall not be directly or indirectly liable or responsible for any loss or injury of any kind to any person or property resulting from any construction on, or occupancy or use of, the Property whether arising from: (i) any defect in any building, grading,

landscaping or other onsite or offsite improvement; (ii) any act or omission of NCRC or any of NCRC's agents, employees, contractors, licensees or invitees; or (iii) any accident on the Property or any fire or other casualty or hazard thereon not caused by the Indemnitees; and

(d) By accepting or approving anything required to be performed or given to under this Agreement, including any certificate, financial statement, survey, appraisal or insurance policy, Authority shall not be deemed to have warranted or represented the sufficiency or legal effect of the same, and no such acceptance or approval shall constitute a warranty or representation by Authority to anyone.

16.2 **Indemnity**. Except with respect to Hazardous Materials found to exist on the Property prior to the Close of Escrow, NCRC shall indemnify, protect, hold harmless and defend (with counsel reasonably satisfactory to the Executive Director) the Indemnitees from and against any and all losses, costs, claims, expenses, damages (including, without limitation, foreseeable or unforeseeable consequential damages) and liabilities (including, without limitation, reasonable attorneys' fees and court costs) directly or indirectly arising from, related to, or as the result of (a) the death of any person, (b) damage, injury or loss to any person, or (c) damage or injury to any property occurring or resulting directly or indirectly from the use, occupancy or development of the Property pursuant to this Agreement, the activities of NCRC or its officers, directors, employees, agents, servants or contractors, or from any other cause, except to the extent caused by the Indemnitees' negligence or willful misconduct. This indemnity shall survive termination of this Agreement and issuance of the Certificate of Completion.

16.3 **Reimbursement of Authority**. Except with respect to Hazardous Materials found to exist on the Property prior to the Close of Escrow, NCRC shall, within fifteen (15) days after written demand, reimburse Authority for all costs reasonably incurred by Authority (including the reasonable fees and expenses of attorneys, accountants, appraisers and other consultants) in connection with Authority enforcement of the Project Documents and all related matters, including, without limitation, the following: (a) Authority's commencement of, appearance in, or defense of any action or proceeding purporting to affect the rights or obligations of the parties to any Project Document; and (b) all claims, demands, causes of action, liabilities, losses, and other costs against which Authority is indemnified under the Project Documents. Such reimbursement obligations shall bear interest from the date occurring fifteen (15) days after Authority makes written demand to NCRC at the rate of ten percent (10%) per annum or the maximum rate allowed by law, whichever is less. Such reimbursement obligations shall survive the cancellation of the Authority Subordinate Loan Note, and the release and reconveyance of the Authority Subordinate Loan Deed of Trust.

17. DEFAULTS AND REMEDIES

17.1 **Event of Default**. Any of the following events or occurrences with respect to either party shall constitute a material breach of this Agreement and, after the expiration of any applicable cure period, shall constitute an "Event of Default" by such party:

(a) The failure by either party to pay any amount in full when it is due under this Agreement, if the failure has continued for a period of fifteen (15) days after the party entitled to payment demands in writing that the other party cure that failure.

(b) The failure by either party to perform any material obligation under this Agreement, which by its nature such party has no capacity to cure.

(c) The failure by either party to perform any other obligation under this Agreement, including, without limitation, the other Project Documents, if the failure has continued for a period of thirty (30) days after demand in writing that such party cure the failure. If, however, by its nature the failure cannot reasonably be cured within thirty (30) days, such party may have such longer period of time as is reasonably necessary to cure the failure, provided, however, that such party commence said cure within said thirty (30)-day period, and thereafter diligently prosecute said cure to completion within ninety (90) days.

17.2 **No Waiver**. Except as otherwise expressly provided in this Agreement, any failure or delay by any party in asserting any of its rights or remedies as to any default shall not operate as a waiver of any default, or of any such rights or remedies, or deprive any such party of its right to institute and maintain any actions or proceedings which it may deem necessary to protect, assert or enforce any such rights or remedies.

17.3 **Rights and Remedies are Cumulative**. Except as otherwise expressly stated in this Agreement, the rights and remedies of the parties are cumulative, and the exercise by any party of one or more of such rights or remedies shall not preclude the exercise by it, at the same time or different times, of any other rights or remedies for the same default or any other default by another party.

18. NOTICES

All notices, consents, demands, approvals and other communications (the "Notices") that are given pursuant to this Agreement shall be in writing to the appropriate party and shall be deemed to have been fully given when delivered, including delivery by commercial delivery service, or if deposited in the United States mail, certified or registered, postage prepaid, when received or refused. All Notices shall be addressed as follows:

If to NCRC:

National Community Renaissance of California
9692 Haven Avenue
Rancho Cucamonga, CA 91730
Attn: Chief Financial Officer

With a copy to:

Gubb & Barshay LLP
235 Montgomery Street, Suite 1110

San Francisco, California 94104
Attn: Lauren Fechter

If to Authority:

Ontario Housing Authority
303 East "B" Street
Ontario, California 91764
Attn: Executive Director

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Addresses for notice may be changed from time to time by notice to all other parties. Notwithstanding that Notices shall be deemed given when delivered, the nonreceipt of any Notice as the result of a change of address of which the sending party was not notified shall be deemed receipt of such Notice.

19. PROJECT SIGN/PROJECT NAME

19.1 **Project Sign**. NCRC agrees to construct, erect and maintain upon the Property during the course of construction a sign that identifies the Project as an Authority-assisted activity. The design, content and dimensions of such signs shall be subject to the prior approval of the Executive Director, which approval shall not be unreasonably withheld or delayed.

19.2 **Project Name**. NCRC shall be required to obtain Executive Director approval of the name of the Project and any change thereof, which approval shall not be unreasonably withheld or delayed.

20. ASSIGNMENT

20.1 **Generally Prohibited**. Except as otherwise expressly provided to the contrary in this Agreement, NCRC shall not assign any of its rights or delegate any of its duties under this Agreement without the prior written consent of the Executive Director, which consent may be withheld in his sole and absolute discretion. Any such assignment or delegation without such consent shall, at Authority's option, be void.

20.2 **Consent to Specific Assignment**. Notwithstanding the prohibition on assignment set forth above, NCRC shall have the right, subject to the conditions set forth below, to assign NCRC's rights under this Agreement to a California limited partnership (the "Assignee") in which NCRC or an affiliate thereof shall be the managing general partner. The conditions, for the benefit of Authority, to NCRC's right so to assign are as follows:

(a) the Executive Director shall have reviewed and approved the limited partnership agreement;

(b) the Assignee shall have executed and delivered to the Executive Director, in form and substance satisfactory to the Executive Director and for the benefit of Authority as an intended third-party beneficiary, an assumption of NCRC's covenants and obligations under this Agreement;

(c) the representations and warranties of NCRC contained in this Agreement shall be correct as of the date of the assignment and assumption as though made on and as of that date and, if requested by the Executive Director, Authority shall have received a certificate to that effect signed by an officer of NCRC;

(d) no Event of Default by NCRC under this Agreement shall then exist, and no event shall then exist which, with the giving of notice or the passage of time or both, would constitute an Event of Default by NCRC under this Agreement and, if requested by the Executive Director, Authority shall have received a certificate to that effect signed by an officer of NCRC; and

(e) such other conditions as the Executive Director may reasonably require that are germane to the assignment.

If such an assignment is made, then NCRC, if and when the Certificate of Completion is issued, shall be released from any liability under this Agreement arising from and after the date of such issuance of the Certificate of Completion. The Authority will work in good faith to timely allow such an assignment to occur and to execute such documents as may be reasonably necessary to effectuate such assignment.

21. ADMINISTRATION

Following approval of this Agreement by Authority, this Agreement shall be administered and executed on behalf of Authority by the Executive Director. The Executive Director shall have the authority to issue interpretations, waive terms and conditions, and enter into amendments of this Agreement (including, without limitation, to the Schedule of Performance) on behalf of Authority provided that such actions do not substantially change the uses or development permitted of the Property or materially add to the costs of Authority provided herein. All other waivers or amendments shall require the formal consent of Authority.

22. MISCELLANEOUS

22.1 **Counterparts**. This Agreement may be executed in counterparts, all of which, taken together, shall be deemed to be one and the same document.

22.2 **Prior Agreements; Amendments; Consents**. This Agreement contains the entire agreement between Authority and NCRC with respect to the Property, and all prior negotiations, understandings and agreements are superseded by this Agreement. No modification of this Agreement (including waivers of rights and conditions) shall be effective unless in writing and signed by the party against whom enforcement of such modification is sought, and then only in the specific instance and for the specific purpose given.

22.3 **Governing Law**. This Agreement shall be governed by, and construed and enforced in accordance with, the laws of the State of California. Assuming proper service of process, NCRC and Authority waive any objection regarding personal or in rem jurisdiction and agree that venue shall be proper in the County of San Bernardino, California.

22.4 **Severability of Provisions**. No provision of this Agreement that is held to be unenforceable or invalid shall affect the remaining provisions, and to this end all provisions of this Agreement are hereby declared to be severable.

22.5 **Headings**. Article and section headings are included in this Agreement for convenience of reference only and shall not be used in construing this Agreement.

22.6 **Time of the Essence**. Time is of the essence of this Agreement.

22.7 **Conflict of Interest**. No member, official or employee of Authority shall have any direct or indirect interest in this Agreement, nor participate in any decision relating to this Agreement which is prohibited by law.

22.8 **Warranty Against Payment of Consideration**. NCRC warrants that it has not paid or given, and will not pay or give, any third person any money or other consideration for obtaining this Agreement.

22.9 **Nonliability of Authority Officials and Employees**. No member, official or employee of Authority shall be personally liable to NCRC, or any successor in interest, in the event of any default or breach by Authority or for any amount which may become due to NCRC or successor, or on any obligation under the terms of this Agreement.

22.10 **Submission of Documents and Other Matters for Approval**. Whenever this Agreement requires either party to submit plans, drawings, documents or other matters to the other party for approval, and there is no time specified herein for such approval, the submitting party may submit a letter requiring approval or rejection by the other party of the documents or matter submitted within ten (10) Business Days (or such longer time as this Agreement may allow for any particular approval) after submission, and unless rejected within the stated time such documents or matter shall be deemed approved. Except where such approval is expressly reserved to the sole discretion of the approving party, all approvals required hereunder by either party shall be reasonable and not unreasonably withheld or delayed. NCRC expressly acknowledges and agrees that inasmuch as City is not a party to this Agreement, neither this Section, nor any other term or condition of this Agreement is applicable to or binding on City.

22.11 **Force Majeure**. In addition to specific provisions of this Agreement, performance by either party hereunder shall not be deemed to be in default where delays or defaults are due to war; insurrection; strikes; lockouts; riots; floods; earthquakes; fires; casualties; acts of God or other deities; acts of the public enemy; epidemics; quarantine restrictions; freight embargoes; litigation beyond the reasonable control of a party; unusually severe weather; inability, despite best efforts, to secure necessary labor, materials or tools; delays of any contractor, subcontractor or supplier beyond the reasonable control of a party; acts of the other party; acts or the failure to act of any public or governmental entity (except that acts or the failure to act of Authority shall not excuse performance by Authority); or any other acts or causes beyond the reasonable control of the party claiming an extension of time to perform. An extension of time for any such cause shall be for the period of the enforced delay and shall commence to run from the time of the commencement of the cause, if notice by the party claiming such extension is sent to the other party within thirty (30) days of the commencement of the cause.

Force Majeure shall serve also to extend the time by which any condition, for the benefit of either party, shall be satisfied under this Agreement.

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IN WITNESS WHEREOF, the parties hereto have caused this Agreement to be executed on the dates hereinafter respectively set forth.

"NCRC"

NATIONAL COMMUNITY RENAISSANCE OF CALIFORNIA, a California nonprofit, public benefit corporation

By: _____ ,
_____President
Date: _____ [Mandatory]

"Authority"

ONTARIO HOUSING AUTHORITY, a public body, corporate and politic

By: _____
Scott Ochoa, Executive Director
Date:_____ [Mandatory]

APPROVED AS TO FORM:

Best, Best & Krieger LLP

Authority Counsel

By: _____

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LIST OF EXHIBITS

EXHIBIT	DESCRIPTION
"A"	Legal Description of the Property
"B"	Schedule of Performance [to come from NCRC]
"C"	Scope of Development [to come from NCRC]
"D"	Preliminary Project Budget [to come from NCRC]
"E"	Grand Deed
"F"	Authority Subordinate Loan Note
"G"	Authority Subordinate Loan Deed of Trust
"H"	[Intentionally Omitted]
"I"	Form of Assignment of Plans and Architect's Contract
"J"	[Intentionally Omitted]
"K"	[Intentionally Omitted]
"L"	Agreement Containing Covenants
"M"	[Intentionally Omitted]
"N"	Form of Authority/Construction Lender Disbursement Letter Agreement

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EXHIBIT "A"

LEGAL DESCRIPTION OF THE PROPERTY

The real property situated in the City of Ontario, County of San Bernardino, State of California, and described as follows:

Holt Blvd.
APN: 1048-481-06-0000

38,768 SF/.89 acres

Lot Number: 6 District: 07 City, Municipality, Township: CITY OF COLTON Brief Description: REVISED MAP OF HANSON AND CO ADD E 87 FT S 1/2 W 1/2 E 1/2 LOT 6

935 E Holt Blvd.
APN: 1048-481-07-0000

40,129 SF/.92 acres

Lot Number: 6 District: 07 City, Municipality, Township: ONTARIO Brief Description: REVISED MAP OF HANSON AND CO ADD E 43.5 FT S 297.5 FT E 1/2 W 1/2 AND W 87 FT S 1/2 W 1/2 E 1/2 LOT 6 EX ST

905 E Holt Blvd
APN: 1048-481-08-0000

68,389 SF/1.57 acres

Lot Number: 6 District: 07 Brief Description: REVISED MAP OF HANSON AND CO ADD E 1/2 W 1/2 LOT 6 EX E 43.5 FT S 297.5 ST EX N 153 FT AND EX ST 1.57 AC M/L

957 E Holt Blvd.
APN: 1048-481-28-0000

51,531 SF/1.18 acres

District: 07 City, Municipality, Township: ONTARIO Brief Description: PARCEL 2 OF THAT CERTAIN LLA 08-007 IN THE CITY ONTARIO COUNTY OF SAN BERNARDINO STATE OF CA RECORDED NOVEMBER 10, 2008 AS

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957 E Holt Blvd.
APN: 1048-481-29-0000

50,965 SF/1.17 acres

District: 07 City, Municipality, Township: ONTARIO Brief Description: ALL THAT CERTAIN REAL PROPERTY SITUATED IN THE COUNTY OF STATE OF CA DESCRIBED AS FOLLOWS PARCEL 1 OF THAT CERTAIN LLA 08-007

EXHIBIT "B"

SCHEDULE OF PERFORMANCE

Task/Event	**Time for Performance**
1. **Land Use Entitlements.** Per Section [4.1], the Land Use Entitlements shall have been obtained.	
2. **NCRC/Submission of Preliminary Design Documents.** NCRC shall submit to the Executive Director for approval the Preliminary Design Documents per Section [5.3]	Not later than 60 days after the Effective Date.
3. **Executive Director/Preliminary Design Documents.** The Executive Director shall approve, conditionally approve or disapprove the Preliminary Design Documents submitted by NCRC.	
4. **Authority/TEFRA Hearing.** Authority shall hold a public hearing to authorize issuance of qualified residential rental project bonds for the Project if necessary.	Not later than promptly after the Project has been awarded funding for the Project, if required by the applicable funding source.
5. **NCRC/Project Financing.** Per Section [7.6(c)], NCRC shall submit to the Executive Director for approval preliminary commitments for Project Financing.	Not later than 90 days after receipt by NCRC from TCAC of a reservation of Tax Credits and a Private Activity Bond allocation for the Project, if and as applicable.
6. **NCRC/Submission of Final Construction Documents.** Per Section [5.5],	Not later than 120 days after receipt by NCRC from TCAC of a reservation of Tax

NCRC shall submit to City for plan check the final construction documents for the Project.	Credits and a Private Activity Bond allocation for the Project, if and as applicable.
7. **Executive Director/Project Financing.** The Executive Director shall approve, conditionally approve or disapprove NCRC's preliminary commitments for Project Financing.	Not later than three (3) business days after receipt of a complete set thereof.
8. **Executive Director/Final Construction Documents.** The Executive Director shall approve, conditionally approve or disapprove the Final Construction Documents submitted by NCRC.	Not later than five (5) business days after receipt of a complete set of Final Construction Documents.
9. **NCRC/Satisfaction of Final Conditions and Close of Escrow.** NCRC shall cause the conditions set forth in Sections [6.3.5] and [7.6] to be satisfied and escrow shall close.	Not later than eighteen (18) months from the Effective Date. The Parties may mutually agree to extend the date for Close of Escrow by up to two six (6) month periods on mutual agreement.
10. **NCRC/Construction of Project.** NCRC shall commence and complete construction of the Project.	Per this Agreement, including, without limitation, Article [11] hereof, construction shall commence within ten (10) days after the Close of Escrow or such longer period as the Executive Director may approve.

If NCRC fails to satisfy any obligation by the deadline set forth above, NCRC shall not be in default under this Agreement unless NCRC has first been given written notice of such failure and an opportunity to cure pursuant to Section [17.1(c)]. Any cure by NCRC within the period set forth by Section [17.1(c)] shall constitute a full and complete cure of the failure, notwithstanding the fact that the deadline established herein was not first met by NCRC, provided, further, that in the event NCRC is unable to meet the conditions for Close of Escrow due to circumstances outside of its control (including, without limitation, failure to obtain an award of tax credits or obtain commercially reasonable terms of financing) it shall not be an event of default hereunder and this Agreement shall automatically terminate unless each of NCRC and the Authority mutually agree to extend the deadline hereunder.

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EXHIBIT "C"

SCOPE OF DEVELOPMENT

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EXHIBIT "D"

PRELIMINARY PROJECT BUDGET

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EXHIBIT "E"

GRANT DEED

Recording Requested by:

ONTARIO HOUSING AUTHORITY

WHEN RECORDED RETURN TO AND
MAIL TAX STATEMENTS TO:

National Community Renaissance of California
9421 Haven Avenue
Rancho Cucamonga, CA 91730

APN: _____ [Free Recording Requested Government Code Section 6103]

GRANT DEED CONTAINING COVENANTS, CONDITIONS AND RESTRICTIONS
[Holt/Allyn Multifamily Affordable Housing Project]

FOR VALUABLE CONSIDERATION, RECEIPT OF WHICH IS HEREBY ACKNOWLEDGED, ONTARIO HOUSING AUTHORITY, a public body, corporate and politic, of the State of California, herein called "Grantor," hereby grants to NATIONAL COMMUNITY RENAISSANCE OF CALIFORNIA, a California nonprofit, public benefit corporation, herein called "Grantee," certain real property, herein called the "Property" and described in Exhibit ["A"] attached hereto and incorporated herein by this reference.

1. Grantor excepts and reserves from the Property all oil, gas, hydrocarbon substances and minerals of every kind and character lying more than 500 feet below the surface of the Property, together with the right to drill into, through, and to use and occupy all parts of the Property lying more than 500 feet below the surface thereof for any and all purposes incidental to the exploration for and production of oil, gas, hydrocarbon substances, or minerals from the Property or other lands, but without, however, any right to penetrate or use either the surface of the Property or any portion of the Property within 500 feet of the surface for any purpose or purposes whatsoever, as and to the extent reserved by the parties named in deeds, leases and other documents of record.

2. Grantor excepts and reserves any existing street or alley or proposed street or alley, or portion of any existing street or alley or proposed street or alley, lying outside the boundaries of the Property which might otherwise pass with a conveyance of the Property, including the fee title reversion underlying public rights of way abutting the boundaries of the Property.

3. The Property is conveyed subject to all easements, covenants, conditions, restrictions, and other encumbrances of record, and those revealed by inspection of the Property.

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4. The Property is conveyed in accordance with that certain Disposition and Development Agreement entered into by and between Grantor and Grantee dated as of _____, 202__ (the "Agreement"); which document is a public record on file in the office of the Secretary of the Grantor.

5. The Property is conveyed to Grantee for a purchase price herein called "Purchase Price," determined in accordance with the uses permitted. Therefore, Grantee hereby covenants and agrees for itself, its successors, its assigns, and every successor in interest to the Property and each portion thereof, that Grantee, such successors and such assigns shall, in accordance with the Agreement, including, without limitation, the Final Construction Documents (as defined in the Agreement) and the Schedule of Performance (as defined in the Agreement), improve the Property.

6. Prior to issuance by the Grantor of a Certificate of Completion (as defined in the Agreement) for the improvements to be made on and to the Property, Grantee hereby covenants and agrees for itself, its successors, its assigns and every successor in interest to the Property that:

(a) Grantee shall not, except as expressly permitted by the Agreement, assign or attempt to assign the Agreement or any rights therein, nor make any total or partial sale, transfer, conveyance or assignment of the whole or any part of the Property or the improvements thereon without the prior written approval of Grantor. Except as otherwise provided in the Agreement, this prohibition shall not apply to the Property subsequent to the issuance of the Certificate of Completion. This prohibition shall not be deemed to prevent the granting of easements or permits to facilitate the development of the Property or to prohibit or restrict the leasing for occupancy of all or any part of the improvements on the Property.

(b) Grantee shall not place, suffer or allow to be placed on the Property, or on any portion thereof, any mortgage, trust deed, encumbrance or lien not authorized by this Section [6(b)]. Mortgages, deeds of trust, sales and leases back, or any other reasonable form of conveyance for financing are permitted before issuance of a Certificate of Completion, but only for the purpose of securing funds to be used for financing the acquisition of the Property, construction of the improvements thereon, and any other expenditures necessary and appropriate to develop the Property pursuant to the Agreement. Grantee shall not enter into any such conveyance for financing without the prior written approval of Grantor, which approval Grantor agrees to give if the conveyance conforms to the provisions set forth above. In any event, Grantee shall promptly notify Grantor of any mortgage, deed of trust, sale and leaseback or other financing conveyance, encumbrance or lien that has been created or attached thereto prior to completion of the construction of the improvements on the Property, whether by voluntary act of Grantee or otherwise.

7. Prior to the issuance by the Grantor of a Certificate of Completion of construction of the improvements to be constructed on the Property or on any part thereof:

(a) Grantor shall have the right, at its option, to reenter and take possession of the Property (or any portion thereof) with all improvements thereon, and terminate and revest in Grantor the estate theretofore conveyed to Grantee, if Grantee shall:

i) fail to commence construction of the improvements as required by the Agreement for a period of fifteen (15) days after this Grant Deed is recorded; or

ii) subject to force majeure, abandon or substantially suspend construction of the improvements for a period of thirty (30) days after written notice of such abandonment or suspension has been given by Grantor; or

iii) assign or attempt to assign the Agreement, or any rights therein, or transfer, or suffer any involuntary transfer of the Property, or any part thereof, in violation of the Agreement, and such violation shall not be cured within thirty (30) days after written demand by Grantor; or

iv) default in any other term or condition of the Agreement, and fail to cure such default within the time required by the Agreement.

(b) The right to reenter, repossess, terminate and revest shall be subject to and be limited by and shall not defeat, render invalid, or limit:

i) Any mortgage, deed of trust or other security instrument permitted by the Agreement and approved by Grantor;

ii) Any rights or interests provided in the Agreement for the protection of the holders of such mortgages, deeds of trust, or other security instruments.

(c) The right to reenter, repossess, terminate and revest with respect to the Property shall terminate when the Certificate of Completion regarding the improvements to be made on and to the Property pursuant to the Agreement has been issued by Grantor.

(d) In the event title to the Property or any part thereof is revested in Grantor as provided in this Section [7], Grantor shall, pursuant to its responsibilities under California law, use its best efforts to resell the Property or part thereof as soon and in such manner as Grantor shall find feasible and consistent with the objectives of such law to a qualified and responsible party or parties (as determined by Grantor) who will assume the obligation of making or completing the improvements, or such other improvements in their stead as shall be satisfactory to Grantor. Upon such resale of the Property, the proceeds thereof shall be applied:

i) First, to reimburse Grantor, on its own behalf or on behalf of the City of Ontario, for all costs and expenses incurred by Grantor, including but not limited to salaries to personnel, in connection with the recapture, management and resale of the Property or part thereof (but less any income derived by Grantor from the Property or part thereof in connection with such management); all taxes, assessments, and water and sewer charges with respect to the Property or part thereof (or, in the event the Property is exempt from taxation or assessment or such charges during the period of ownership thereof by Grantor, an amount, if paid, equal to such taxes, assessments, or charges (as determined by the assessing

official) as would have been payable if the Property were not so exempt); any payments made or necessary to be made to discharge any encumbrances or liens existing on the Property or part thereof at the time of revesting of title thereto in Grantor or to discharge or prevent from attaching or being made any subsequent encumbrances or liens due to obligations, defaults, or acts of Grantee, its successors or transferees; any expenditures made or obligations incurred with respect to the making or completion of the improvements or any part thereof on the Property or part thereof; and any amount otherwise owed to Grantor by Grantee and its successors or transferees; and

ii) Second, to reimburse Grantee, its successor or transferee, up to the amount equal to the sum of (1) the Purchase Price paid to Grantor by Grantee for the Property (or allocable to the part thereof), and (2) the costs incurred for the development of the Property and for the improvements existing on the Property at the time of the reentry and repossession, less (3) any gains or income withdrawn or made by Grantee from the Property or the improvements thereon;

iii) Any balance remaining after such reimbursements shall be retained by Grantor.

(e) Any instrument or instruments by which Grantee transfers or conveys the Property, or any portion thereof, shall contain appropriate reference and provision to give effect to Grantor's right of reentry provided in this Section [7].

(f) To the extent that the rights established in this Section [7] involve a forfeiture, it must be strictly interpreted against Grantor, the party for whose benefit it is created. The rights established in this Section [7] are to be interpreted in light of the fact that Grantor has conveyed the Property to Grantee for development and not for speculation.

8. Grantee covenants and agrees for itself, its successors, assigns and any successor in interest to the Property that there shall be no discrimination against or segregation of, any person or group of persons on account of race, color, creed, religion, sex, sexual orientation, marital status, national origin or ancestry in the sale, lease, sublease, transfer, use, occupancy, tenure, or enjoyment of the Property, nor shall the Grantee himself or herself, or any person claiming under or through him or her, establish or permit any such practice or practices of discrimination or segregation with reference to the selection, location, number, use or occupancy of tenants, lessees, subtenants, sublessees, or vendees in the Property. The foregoing covenants shall run with the land.

9. Grantee shall refrain from restricting the rental, sale, or lease of the Property on the basis of sex, sexual orientation, marital status, race, color, creed, religion, ancestry or national origin of any person. All such deeds, leases or contracts shall contain or be subject to the following nondiscrimination or nonsegregation clauses:

(a) In deeds: "The grantee herein covenants by and for himself or herself, his or her heirs, executors, administrators, and assigns, and all persons claiming under or through them, that there shall be no discrimination against or segregation of, any person or group of persons on account of race, color, creed, religion, sex, sexual orientation, marital

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status, national origin or ancestry in the sale, lease, sublease, transfer, use, occupancy, tenure or enjoyment of the land herein conveyed, nor shall the grantee or any person claiming under or through him or herself, establish or permit any such practice or practices of discrimination or segregation with reference to the selection, location, number, use or occupancy of tenants, lessees, subtenants, sublessees or vendees in the premises herein conveyed. The foregoing covenants shall run with the land."

(b) In leases: "The lessee herein covenants by and for himself or herself, his or her heirs, executors, administrators and assigns, and all persons claiming under or through him or her, and this lease is made and accepted upon and subject to the following conditions:

"That there shall be no discrimination against or segregation of any person or group of persons, on account or race, color, creed, religion, sex, sexual orientation, marital status, national origin or ancestry, in the leasing, subleasing, transferring, use, occupancy, tenure or enjoyment of the land herein leased nor shall the lessee himself or herself, or any person claiming under or through him or her, establish or permit any such practice or practices of discrimination or segregation with reference to the selection, location, number, use or occupancy of tenants, lessees, subtenants, sublessees, or vendees in the premises herein leased."

(c) In contracts: "There shall be no discrimination against or segregation of, any person, or group of persons on account of race, color, creed, religion, sex, sexual orientation, marital status, national origin or ancestry in the sale, lease, sublease, transfer, or use, occupancy, tenure or enjoyment of the land, nor shall the transferee himself or herself, or any person claiming under or through him or her, establish or permit any practice or practices of discrimination or segregation with reference to the selection, location, number, use or occupancy of tenants, lessees, subtenants, sublessees, or vendees of the land."

10. Promptly after completion by Grantee of the improvements upon the Property required under the Agreement, and after satisfaction of any other conditions precedent thereto established by the Agreement and upon written request therefor, Grantor shall furnish Grantee with a Certificate of Completion for the Property. Grantor shall not unreasonably withhold such Certificate of Completion. Such Certificate of Completion shall be, and shall state that it constitutes, conclusive determination of satisfactory completion of the construction and development of the improvements required by the Agreement upon the Property.

The Certificate of Completion shall be in such form as to permit it to be recorded in the Office of the County Recorder, County of San Bernardino, California.

If Grantor refuses or fails to furnish the Certificate of Completion after a written request therefor by an entity entitled thereto pursuant to this Grant Deed, Grantor shall, within thirty (30) days after written request, provide the requesting party with a written statement of the reasons why Grantor refuses or fails to furnish such Certificate of Completion. The statement shall also contain Grantor's opinion of the action that must be taken to obtain such Certificate of Completion. If the reason for such refusal is minor, unfinished work for which a specific cost can

be specified, or if it is confined to the immediate unavailability of specific items or materials for landscaping, Grantor will issue its Certificate of Completion upon the posting of a bond by such requesting party with Grantor in an amount representing the cost of the work not yet completed. If Grantor shall have failed to provide such written statement within said 30-day period, the requesting entity shall be deemed entitled to the Certificate of Completion.

Such Certificate of Completion shall not constitute evidence of compliance with or satisfaction of any obligation of Grantee to any holder of a mortgage, nor to any insurer of a mortgage, securing money loaned to finance the improvements or any part thereof. Such Certificate of Completion is not notice of completion as referred to in California Civil Code Section 38182

11. The covenants contained in Sections [5,] [6,] and [7] of this Grant Deed shall terminate upon issuance by Grantor of a Certificate of Completion for the Property. Every other condition, covenant, and restriction contained in this Grant Deed not previously terminated shall terminate on the fifty-fifth (55th) anniversary of the date of recordation of this Grant Deed in the Official Records of the County of San Bernardino, except that the covenants against discrimination contained in Sections [8] and [9] of this Grant Deed shall remain in perpetuity.

12. All covenants, conditions, and restrictions contained in this Grant Deed shall be covenants running with the land, and shall, in any event, and without regard to technical classification or designation, legal or otherwise, be, to the fullest extent permitted by law and equity, binding for the benefit of, and in favor of, and enforceable by Grantor, its successors and assigns, against Grantee, its successors and assigns to or of the Property, or any portion thereof, or any interest therein, and any party in possession or occupancy of the Property, or any portion thereof, for the duration of such covenants, conditions, and restrictions.

13. In amplification and not in restriction of the provisions set forth hereinabove, it is intended and agreed that Grantor shall be deemed a beneficiary of the agreements and covenants provided hereinabove both for and in its own right and also for the purpose of protecting the interests of the community. All covenants without regard to technical classification or designation shall be binding for the benefit of Grantor, and such covenants shall run in favor of Grantor for the entire period during which such covenants shall be in force and effect, without regard to whether Grantor is or remains an owner of any land or interest therein to which such covenants relate. Grantor shall have the right, in the event of any breach of any such agreement or covenant, to exercise all the rights and remedies, and to maintain any actions at law, suits in equity, or other proper proceedings to enforce the curing of such breach of agreement or covenant.

14. No violation or breach of the covenants, conditions, restrictions, provisions or limitations contained in this Grant Deed shall defeat or render invalid or in any way impair the lien or charge of any mortgage or deed of trust or security interest permitted by Section [6(b)] of this Grant Deed; provided, however, that any subsequent owner of the Property shall be bound by such remaining covenants, conditions, restrictions, limitations, and provisions, whether such owner's title was acquired by foreclosure, deed in lieu of foreclosure, trustee's sale, or otherwise.

15. Both before and after issuance of a Certificate of Completion, only Grantor, its successors and assigns, and Grantee and the successors and assigns of Grantee in and to all or any

part of the fee title to the Property shall have the right to consent and agree to changes in, or to eliminate in whole or in part, any of the covenants, conditions, or other restrictions contained in this Grant Deed, or to subject the Property to additional covenants, conditions, or other restrictions. Grantor, its successors and assigns, and Grantee and the successors and assigns of Grantee in and to all or any part of the fee title to the Property shall have the right to consent and agree to changes in, or to eliminate in whole or in part, any of the covenants, conditions, or other restrictions contained in this Grant Deed or to subject the Property to additional covenants, conditions, or other restrictions without the consent of any tenant, lessee, easement holder, licensee, mortgagee, trustee, beneficiary under a deed of trust, or any other person or entity having any interest less than a fee in the Property. The covenants contained in this Grant Deed, without regard to technical classification, shall not benefit or be enforceable by any person or entity having any interest less than a fee interest in the Property or any part thereof, other than Grantor and the City of Ontario.

16. None of the terms, covenants, agreements, or conditions heretofore agreed upon in writing in the Agreement, or other instruments between the parties to this Grant Deed, or their predecessors in interest, with respect to obligations to be performed, kept, or observed by Grantee or Grantor with respect to the Property, or any part thereof, after this conveyance of the Property shall be deemed to be merged with this Grant Deed.

17. The covenants contained in this Grant Deed shall be construed as covenants running with the land, and not as conditions which might result in forfeiture of title.

IN WITNESS WHEREOF, Grantor and Grantee have caused this instrument to be executed.

ONTARIO HOUSING AUTHORITY, a public body, corporate and politic

By:_____
Scott Ochoa, Executive Director

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APPROVED AS TO FORM:

Best, Best & Krieger LLP
Authority Counsel

By: _____

The Grantee hereby accepts and approved each of the covenants, conditions and restrictions set forth in this Grant Deed.

"NCRC"

NATIONAL COMMUNITY RENAISSANCE OF CALIFORNIA, a California nonprofit, public benefit corporation

By: _____
_____, President

Date: _____[Mandatory]

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A notary public or other officer completing this certificate verifies only the identity of the individual who signed the document to which this certificate is attached, and not the truthfulness, accuracy, or validity of that document.

STATE OF CALIFORNIA
COUNTY OF _____

On this ___ day of _____, 20__ before me, _____, Notary Public, personally appeared _____, who proved to me on the basis of satisfactory evidence to be the person(s) whose name(s) is/are subscribed to the within instrument and acknowledged to me that he/she/they executed the same in his/her/their authorized capacity(ies), and that by his/her/their signature(s) on the instrument the person(s), or the entity upon behalf of which the person(s) acted, executed the instrument.

I certify under PENALTY OF PERJURY under the laws of the State of California that the foregoing paragraph is true and correct.

WITNESS my hand and official seal.

Signature:_____ (Seal)

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A notary public or other officer completing this certificate verifies only the identity of the individual who signed the document to which this certificate is attached, and not the truthfulness, accuracy, or validity of that document.

STATE OF CALIFORNIA
COUNTY OF _____

On this ___ day of _____, 20__ before me, _____, Notary Public, personally appeared _____, who proved to me on the basis of satisfactory evidence to be the person(s) whose name(s) is/are subscribed to the within instrument and acknowledged to me that he/she/they executed the same in his/her/their authorized capacity(ies), and that by his/her/their signature(s) on the instrument the person(s), or the entity upon behalf of which the person(s) acted, executed the instrument.

I certify under PENALTY OF PERJURY under the laws of the State of California that the foregoing paragraph is true and correct.

WITNESS my hand and official seal.

Signature:_____ (Seal)

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A notary public or other officer completing this certificate verifies only the identity of the individual who signed the document to which this certificate is attached, and not the truthfulness, accuracy, or validity of that document.

STATE OF CALIFORNIA
COUNTY OF _____

On this ___ day of _____, 20__ before me, _____, Notary Public, personally appeared _____, who proved to me on the basis of satisfactory evidence to be the person(s) whose name(s) is/are subscribed to the within instrument and acknowledged to me that he/she/they executed the same in his/her/their authorized capacity(ies), and that by his/her/their signature(s) on the instrument the person(s), or the entity upon behalf of which the person(s) acted, executed the instrument.

I certify under PENALTY OF PERJURY under the laws of the State of California that the foregoing paragraph is true and correct.

WITNESS my hand and official seal.

Signature:_____ (Seal)

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EXHIBIT "A"

LEGAL DESCRIPTION OF THE PROPERTY

The Real Property situated in the City of Ontario, County of San Bernardino, State of California, and described as follows:

The real property situated in the City of Ontario, County of San Bernardino, State of California, and described as follows:

Holt Blvd.
APN: 1048-481-06-0000

38,768 SF/.89 acres

Lot Number: 6 District: 07 City, Municipality, Township: CITY OF COLTON Brief Description: REVISED MAP OF HANSON AND CO ADD E 87 FT S 1/2 W 1/2 E 1/2 LOT 6

935 E Holt Blvd.
APN: 1048-481-07-0000

40,129 SF/.92 acres

Lot Number: 6 District: 07 City, Municipality, Township: ONTARIO Brief Description: REVISED MAP OF HANSON AND CO ADD E 43.5 FT S 297.5 FT E 1/2 W 1/2 AND W 87 FT S 1/2 W 1/2 E 1/2 LOT 6 EX ST

905 E Holt Blvd
APN: 1048-481-08-0000

68,389 SF/1.57 acres

Lot Number: 6 District: 07 Brief Description: REVISED MAP OF HANSON AND CO ADD E 1/2 W 1/2 LOT 6 EX E 43.5 FT S 297.5 ST EX N 153 FT AND EX ST 1.57 AC M/L

957 E Holt Blvd.
APN: 1048-481-28-0000

51,531 SF/1.18 acres

District: 07 City, Municipality, Township: ONTARIO Brief Description: PARCEL 2 OF THAT CERTAIN LLA 08-007 IN THE CITY ONTARIO COUNTY OF SAN BERNARDINO STATE OF CA RECORDED NOVEMBER 10, 2008 AS

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957 E Holt Blvd.
APN: 1048-481-29-0000

50,965 SF/1.17 acres

District: 07 City, Municipality, Township: ONTARIO Brief Description: ALL THAT CERTAIN REAL PROPERTY SITUATED IN THE COUNTY OF STATE OF CA DESCRIBED AS FOLLOWS PARCEL 1 OF THAT CERTAIN LLA 08-007

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EXHIBIT "F"

AUTHORITY SUBORDINATE LOAN NOTE
[Holt/Allyn Multifamily Affordable Housing Project]

$_____ As of _____, 202_
Ontario, California

RECITALS

A. **WHEREAS, NATIONAL COMMUNITY RENAISSANCE OF CALIFORNIA**, a California nonprofit, public benefit corporation ("Borrower"), and the **ONTARIO HOUSING AUTHORITY**, a public body, corporate and politic ("Lender"), entered into that certain Disposition and Development Agreement dated as of _____ (the "DDA"); and

B. **WHEREAS**, pursuant to the DDA, Lender has made the "Authority Subordinate Loan" to Borrower to finance _____ Dollars ($_____) in Project Costs.

NOW, THEREFORE, FOR VALUE RECEIVED, Borrower promises to pay to the order of Lender, at 303 East "B" Street, Ontario, California 91764, or at such other place as Lender may from time to time designate in writing, (a) the principal sum of _____ Dollars ($_____) with interest from the Recordation Date until paid at the Applicable Federal Rate (fixed on the Recordation Date) per annum (the "Land Price Portion"), (b) the principal sum of _____ Dollars ($_____) with interest from the Recordation Date until paid at the simple rate of 1.00% per annum (the "Project Portion"), and (c) all fees, costs and expenses payable hereunder.

1. **DEFINITIONS; INTERPRETATION; ACCOUNTING.**

1.1 **Definitions**. Initially capitalized words and terms used in this Note without definition shall have the meanings ascribed thereto in the DDA or the following definitions, unless the context or use clearly requires otherwise:

"**Appraisal Process**" shall mean the parties shall first attempt to agree on the Fair Market Value of the subject property. If they are unable to come to an agreement within ten (10) Business Days, the Fair Market Value shall be determined by appraisal. Lender and Borrower shall each name one (1) M.A.I. appraiser within five (5) Business Days. If the two (2) appraisers cannot agree on the Fair Market Value within thirty (30) days after the date on which the second appraiser is named, they shall appoint a third M.A.I. appraiser. If the third appraiser agrees with either of the originally asserted appraisals of the first two (2) appraisers, then the agreed value shall be the Fair Market Value. If there is no such agreement, then the arithmetic average of the two (2) closest of the three (3) appraisals shall be the Fair Market Value. Each party shall bear the cost of its own appraiser. The cost of the third appraiser, if any, shall be borne equally by the parties.

"**Area**" means the Primary Metropolitan Statistical Area in which the Property is located, as promulgated by the U.S. Department of Housing and Urban Development.

"**Authority Subordinate Loan Deed of Trust**" means the Deed of Trust of even date herewith by which this Note is secured.

"**Base Rate**" means a fluctuating interest rate per annum as shall be in effect from time to time, which rate at all times shall be equal to the rate of interest announced publicly by Bank of America, N.A., from time to time as its base rate.

"**Capital Improvements**" means all work and improvements with respect to the Property for which costs and expenses may be capitalized in accordance with GAAP.

"**Cash Flow**" means, for the applicable period of time, the remainder of Net Operating Income less Debt Service.

"**Commencement Date**" shall mean the earlier of (a) when the Construction has been completed as evidenced by recordation in the Official Records of the Notice of Completion therefor, or (b) when the Improvements have been placed in service.

"**Construction**" means the construction to be performed by Borrower pursuant to Article [11] of the DDA.

"**Conversion**" means replacement of the Construction Loan by the Take-Out Loan.

"**CPI**" means the Consumer Price Index-Urban Wage Earners and Clerical Workers (Los Angeles-Anaheim-Riverside, California, All Items, Base 1982-84 = 100) as published by the United States Department of Labor, Bureau of Labor Statistics. Should the Bureau discontinue the publication of the Index, or publish the same less frequently or in a different schedule, or alter the same in some other manner including, without limitation, changing the name of the Index or the geographic area covered by the Index, Borrower and Lender shall adopt a substitute index or procedure which reasonably reflects and monitors consumer prices.

"**Debt Service**" means scheduled debt service on the Senior Loan and mandatory, fixed, installment payments on the Authority provided sources, if and as applicable.

"**Effective Gross Income**" means Operating Income after allowance for vacancy and collection losses.

"**Executive Director**" means the Executive Director of Lender or his designee.

"**Fair Market Value**" shall have the meaning provided in Section 1263.320(a) of the California Code of Civil Procedure or any successor statute thereto.

"**Fiscal Year**" means the fiscal year of Borrower, which is the calendar year. "GAAP" has the meaning set forth in Section [1.3] of this Note.

"**Improvements**" means the improvements to be made to the Property by Borrower in accordance with the DDA.

"**Net Operating Income**" means, for the applicable period of time, the amount, if any, by which Operating Income for such period exceeds Operating Expenses paid by Borrower during such period. The calculation of Net Operating Income for each Fiscal Year shall be computed based on GAAP (whether or not Operating Expenses are properly deductible or must be characterized as a capital expenditure under the Internal Revenue Code).

"**Net Refinancing Proceeds**" means, from time to time, the proceeds of any Refinancing in excess of (a) the amount of any senior obligation or debt secured by the Property and satisfied out of such proceeds, and (b) the reasonable and customary costs and expenses incurred in connection with such Refinancing.

"**Net Sale Proceeds**" means, from time to time, the gross proceeds of a Sale, irrespective of the form of said proceeds, less (a) payment in full of the Senior Loan, (b) return of the cash equity invested in the Project by the partners in Borrower, (c) any reserve reasonably contemplated by Borrower's partnership agreement at the time this Note was executed by Borrower, (d) payment on approved senior debt; and (e) the reasonable and customary costs and expenses incurred by Borrower in connection with the subject Sale. If Lender reasonably determines that any Sale is not made in an arm's length transaction, other than to a general partner in Borrower pursuant to an option or right of first refusal granted to such general partner (or its affiliate) on or before the date this Note was executed by Borrower, then instead of the Net Sale Proceeds being the result of the aforementioned deductions from the gross proceeds of the subject Sale, the Net Sale Proceeds shall be the result of the aforementioned deductions from the Fair Market Value of the Property.

"**Official Records**" means the Official Records of the County of San Bernardino, California.

"**Operating Expenses**" means, for the applicable period of time, all costs and expenses incurred by Borrower in the ordinary course of the management, ownership, and/or operation of the Property by Borrower, including, without limitation, (a) tax credit syndication, special limited partner, social service, partnership management, guaranty, monitoring, asset management and other fees payable to the partners in Borrower in the aggregate amount of up to Twenty Thousand Dollars ($20,000) per year, as such sum shall be adjusted annually on January 1 by the change in the CPI from the previous January 1 (the "Partnership Fees"), (b) all amounts deposited in the reserve fund of the Project for replacements, provided, however, such amounts shall not, without the prior approval of the Executive Director, which approval shall not be unreasonably withheld, exceed those amounts deposited as reserves for similar projects in California, (c) any fee payable to Partnership and approved by the Executive Director, the payment of which has been deferred, (d) Eighty Thousand Dollars ($80,000) per year, as adjusted annually on January 1 by the change in the CPI from the previous January 1, to be used to provide social services to the residents of the Property (the "Social Services Fee"), and (e) a property management fee not to exceed the greater of (i) Seventy-Five Dollars ($75)/Unit/Mo., as adjusted annually on January 1 by the change in the CPI from the previous January 1, or (ii) six percent (6%) of Effective Gross Income. Debt Service is not an Operating Expense. Operating Expenses shall not include depreciation or any expenses for Capital Improvements, except for Capital Improvements approved by the Senior Lender and by the Executive Director for treatment as an Operating Expense. Operating Expenses shall be calculated on a cash basis. The first adjustment of the

Partnership Fees and the Social Services Fees shall be made on January 1 following the date on which the Certificate of Completion issues.

"**Operating Income**" means, for the applicable period of time, all proceeds received by Borrower from the operation of the Property and from any and all sources resulting from or attributable to the operation of the Property, including, without limitation, all rentals, parking receipts, laundry receipts, forfeited Security Deposits, and all expense reimbursements paid to Borrower by tenants of the Property. Operating Income shall be calculated on a cash basis. Operating Income shall not include any Senior Loan funds, payments for tax credits or the sale of partnership interests in Borrower, or proceeds of a casualty loss or condemnation. Operating Income for the last year of the term of the Agreement Containing Covenants shall include all amounts, if any, remaining in the reserve fund of the Project.

"**Property**" has the meaning ascribed thereto in the Authority Subordinate Loan Deed of Trust.

"**Recordation Date**" means the date on which the Authority Subordinate Loan Deed of Trust records in the Official Records.

"**Refinancing**" means changing the existing financing on the Property, or relating to the Property, by increasing the amount of the existing mortgage(s), adding one or more mortgages to the existing mortgage(s), or paying off an existing mortgage or mortgages and obtaining a new, larger mortgage or mortgages. A Refinancing may be in any form, including, without limitation, debt or a sale and leaseback. Notwithstanding anything contained herein to the contrary, the taking of the Take-Out Loan by Borrower shall not constitute a Refinancing under this Note.

"**Sale**" has the meaning set forth in subparagraph [29(d)] of the Authority Subordinate Loan Deed of Trust.

"**Security Deposits**" means all security deposits collected from tenants of the Property.

"**Senior Loan**" means that certain construction loan made to Borrower by _____, for the Construction, and take-out financing therefor to be provided by or such other lender as may be approved by the Executive Director.

"**Senior Loan Documents**" means the documents evidencing and securing the Senior Loan.

1.2 **Interpretation**. In this Note, (a) the singular includes the plural and the plural the singular; (b) words and terms which include a number of constituent parts, things or elements, unless otherwise specified, shall be construed as referring separately to each constituent part, thing or element thereof, as well as to all of such constituent parts, things or elements as a whole; (c) words importing any gender include the other genders; (d) references to statutes are to be construed as including all rules and regulations adopted pursuant to the statute referred to and all statutory provisions consolidating, amending or replacing the statute referred to; (e) references to

agreements and other contractual instruments shall be deemed to include all subsequent amendments thereto or changes therein entered into in accordance with their respective terms; (f) the words "hereto" or "herein" or "hereof' or "hereunder" or words of similar import refer to this Note in its entirety; (g) the words "include" or "including" or words of similar import, unless otherwise specified herein, shall be deemed to be followed by the words "without limitation"; (h) all references to Articles and Sections, unless otherwise specified, are to the Articles and Sections of this Note; and (i) headings of Articles and numberings and headings of Sections and paragraphs are inserted as a matter of convenience and shall not affect the construction of this Note.

1.3 **Accounting Terms and Determinations**. Unless otherwise specified herein, (a) all accounting terms used herein shall be interpreted, (b) all accounting determinations hereunder shall be made, and (c) all books, records and financial statements required to be delivered hereunder shall be prepared in accordance with generally accounting principles as in effect from time to time, consistently applied ("GAAP"), except for changes approved by Lender.

2. DISPOSITION AND DEVELOPMENT AGREEMENT.

The principal sums hereunder are being loaned by Lender to Borrower in accordance with and pursuant to the DDA. The terms of the DDA are incorporated herein and made a part hereof to the same extent and with the same force and effect as if fully set forth herein. An Event of Default by Borrower under the DDA, following all notice and cure periods, shall be a default hereunder, and a default hereunder, after delivery of notice and expiration of the cure period described in Section [15] below, shall be an Event of Default by Borrower under the DDA.

3. AGREEMENT CONTAINING COVENANTS.

The principal sums hereunder are being loaned by Lender to Borrower to finance development of the Property for use as affordable housing pursuant to the Agreement Containing Covenants. The terms of the Agreement Containing Covenants are incorporated herein and made a part hereof to the same extent and with the same force and effect as if fully set forth herein. An Event of Default by Borrower under the Agreement Containing Covenants shall be a default hereunder, and a default hereunder shall be an Event of Default by Borrower under the Agreement Containing Covenants.

4. [INTENTIONALLY OMITTED]

5. FINANCIAL REPORTING AND ACCOUNTING COVENANTS.

Borrower will permit the representatives of Lender at any time or from time to time, upon one (1) business day's notice and during normal business hours, to inspect, audit and copy all of Borrower's books, records, and accounts relating to the Property. Borrower shall furnish or cause to be furnished to Lender the following:

5.1 **Quarterly Statements**. As soon as available, and in no event later than forty-five (45) days after the close of each of the first three calendar quarters of each Fiscal Year, commencing with the calendar quarter ending, 202_, financial statements of Borrower, including a balance sheet and profit-and-loss statement, as at the close of and for such quarter, all in

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reasonable detail and prepared in accordance with GAAP; such statements to be accompanied by a certificate signed by a general partner of Borrower to the effect that such statements fairly present the financial condition of Borrower as at the date indicated and the results of operations for the period indicated, subject, however, to year-end audit adjustments;

5.2 **Annual Statements**. As soon as available, but in no event later than one hundred twenty (120) days after the close of each Fiscal Year, financial statements of Borrower, including a profit-and-loss statement, reconciliation of capital accounts and a consolidated statement of changes in financial position of Borrower as at the close of and for such Fiscal Year, all in reasonable detail, certified as provided in clause (a) above by a general partner of Borrower;

5.3 **Annual Operating Statements**. As soon as available but in no event later than one hundred twenty (120) days after the close of each Fiscal Year, an "Annual Operating Statement" showing all Operating Income, Operating Expenses, Debt Service and any other amounts taken into consideration in computing Net Operating Income and Cash Flow, if any, for the subject Fiscal Year, in a form reasonably satisfactory to the Executive Director;

5.4 **Tax Returns**. As soon as available, but in no event later than at the time of filing with the Internal Revenue Service, the federal tax returns (and supporting schedules, if any) of Borrower;

5.5 **Audit Reports**. Promptly upon receipt thereof, copies of all reports submitted to Borrower by independent public accountants in connection with each annual, interim or special audit of the financial statements of Borrower, made by such accountants, including the comment letter submitted by such accountants to management in connection with their annual audit;

5.6 **Notices, Certificates or Communications**. Immediately upon giving or receipt thereof, copies of any material notices, certificates or other communications given by or on behalf of Borrower or received by or on behalf of Borrower from Senior Lender pursuant to or in connection with any of the Senior Loan Documents, as well as any material notices and other communications delivered to the Property or to Borrower naming Lender or the "Construction Lender" as addressee, or which could reasonably be deemed to affect the construction of the Improvements or the ability of Borrower to perform its obligations to Lender.

6. **PAYMENT.**

Borrower shall make payment on this Note in accordance with the following:

6.1 **Annual Payments**.

6.1.1 **Fixed Payment**. Reserved

6.1.2 **Residual Receipts**. If, when Borrower delivers each Annual Operating Statement to Lender pursuant to Subdivision [5.3], above, said Annual Operating Statement shows that there was Cash Flow for the subject Fiscal Year, or part thereof, Borrower shall make payment to Lender on account of this Note in the amount of [TBD]. [to be shared proportionately with other governmental lenders requiring soft payments]

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6.2 **Mandatory Payment on Land Price Portion**. Reserved.

6.3 **Refinancing**. As and when there is any Refinancing of the Property, Borrower shall pay the Net Refinancing Proceeds to Lender on account of this Note to the extent of the outstanding balance of principal and accrued interest.

6.4 **Mandatory Payment at Time of TCAC Audit**. If, upon completion of construction and when an independent audit of the total cost of the development has been prepared as required by the Tax Credit Allocation Committee, the remainder of said total cost of the development less the sum of (a) the actual syndication proceeds of the State and Federal Low-Income Housing Tax Credits, and (b) the permanent loan proceeds (whether the product of a take-out or sale of the Senior Loan and/or funding under any applicable Authority provided financing) for the Project is less than _____ Dollars ($_____), then Borrower shall, in connection with the closing of the permanent loan, make a prepayment to Lender in the amount of thirty-five percent (35%) of such difference.

6.5 **Sale**. As and when there is any Sale, Borrower shall pay the Net Sale Proceeds to Lender on account of this Note to the extent of the outstanding balance of principal and accrued interest.

6.5.1 **Seller Financing**. In the event that the Net Sale Proceeds include financing to be provided by Borrower as a purchase money lender, Lender shall not be obligated to accept any part of said financing. All or any part of the payment to Lender shall be made in cash.

6.5.2 **In Kind Consideration**. In the event that the Net Sale Proceeds include in kind consideration, Lender shall not be obligated to accept any part of such in kind consideration, but Borrower shall be entitled to substitute cash for the cash equivalent value of the in kind consideration. The cash equivalent value of the in kind consideration shall be its Fair Market Value as determined by the Appraisal Process.

7. DISTRIBUTION OF PROFITS.

From and after the Commencement Date, Borrower covenants and agrees that, except for fees payable as Operating Expenses pursuant to this Note, Borrower shall not withdraw or distribute to the partners in Borrower any of the rents, issues and/or profits of the Project for any Fiscal Year unless payment is concurrently made to Lender of the percentage of such rents, issues and profits payable to Lender pursuant to Section [6.1.2].

8. MATURITY.

This Note shall be all due and payable on the fifty-fifth (55th) anniversary of the Recordation Date.

9. APPLICATION OF PAYMENTS.

Any payments received by Lender pursuant to the terms hereof shall be applied first to (a) sums, other than principal and interest, due Lender pursuant to this Note; (b) next to the payment of all interest accrued on the Land Price Portion to the date of such payment; (c) next to the

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principal of the Land Price Portion until paid in full; (d) next to the payment of all interest accrued on the Project Portion to the date of such payment; and (e) the balance, if any, to the principal of the Project Portion.

10. **FORM OF PAYMENT.**

All amounts due hereunder are payable in immediately available funds and lawful monies of the United States of America.

11. **DISPUTE REGARDING ANNUAL OPERATING STATEMENT.**

If Lender disputes any Annual Operating Statement, Lender shall notify Borrower of such dispute and the parties shall cause their representatives to meet and confer concerning the dispute and to use all reasonable efforts to reach a mutually acceptable resolution of the matter in question within thirty (30) days after Lender's notice of such dispute. If the parties are unable to achieve a mutually acceptable resolution within such 30-day period, then, within twenty (20) days after the expiration of such period, Borrower and Lender shall appoint a national firm of certified public accountants to review the dispute and to make a determination as to the matter in question within thirty (30) days after such appointment. If the parties cannot, within ten (10) days, agree on the firm to be appointed, then, upon the application of either party, such firm shall be appointed by the Presiding Judge of the Superior Court for the County of San Bernardino, California. Such firm's determination shall be final and binding upon the parties. Such firm shall have full access to the books, records and accounts of the Borrower and the Project.

11.1 Underpayment. If any audit by Lender reports an underpayment by Borrower on this Note, Borrower shall pay the amount of any such underpayment, together with the late charge specified in Section [14] of this Note, to Lender within five (5) days after notice thereof to Borrower or, in the event of a dispute, after notice to Borrower of the resolution of such dispute by the independent firm of certified public accountants, as the case may be, and, if such underpayment amounts to more than three percent (3%) of the disputed payment for the period audited, then, notwithstanding anything to the contrary in this Section, Borrower shall pay to Lender, within five (5) days after demand, Lender's reasonable costs and expenses in conducting such audit and exercising its rights under Section [11] of this Note (including a reasonable charge for the services of any employees of Lender conducting such audit and exercising its rights under this Section).

12. **PREPAYMENT.**

At any time, Borrower may prepay in whole or in part, without penalty, the outstanding principal balance under this Note, together with all accrued and unpaid interest, fees, costs and expenses payable hereunder.

13. **SECURITY.**

This Note and all amounts payable hereunder are secured by the Authority Subordinate Loan Deed of Trust. The terms of the Authority Subordinate Loan Deed of Trust are incorporated herein and made a part hereof to the same extent and with the same force and effect as if fully set forth herein. A default under any of the provisions of the Authority Subordinate Loan Deed of

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Trust shall be a default hereunder, and a default hereunder shall be a default under the Authority Subordinate Loan Deed of Trust.

14. **LATE PAYMENT.**

If any annual payment of accrued interest and principal is not received by the Lender within ten (10) calendar days after the installment is due, Borrower shall pay to the Lender a late charge of five percent (5%) of such payment, such late charge to be immediately due and payable without demand by Lender.

15. **ACCELERATION AND OTHER REMEDIES.**

If:

(a) any payment under this Note is not made when due and Borrower fails to cure said default within fifteen (15) days after notice from Lender;

(b) Borrower defaults under any other provision of this Note and Borrower shall have failed to cure said default within thirty (30) days after notice from Lender, provided, however, if cure of such default reasonably requires more than thirty (30) days, then, provided that Borrower commences to cure within such thirty (30)-day period and thereafter diligently and continuously prosecutes the cure to completion, Borrower shall not be in default during the cure period;

(c) Borrower, subject to force majeure (as defined in Section [22.11] of the DDA), fails to complete the Construction;

(d) Subject to all notice and cure periods, there is an event or occurrence which, pursuant to the Authority Subordinate Loan Deed of Trust, gives rise to acceleration of the indebtedness evidenced by this Note, the entire principal amount outstanding hereunder and accrued interest thereon shall at once become due and payable, at the option of Lender.

16. **REMEDIES.**

Upon the occurrence of an event of default and the expiration of any cure period therefor as provided in this Note without such event of default having been cured, then, at the option of Lender, the entire balance of principal together with all accrued interest thereon shall, without demand or notice, but subject to the non-recourse provisions of Section [22] of this Note, immediately become due and payable. Upon the occurrence of an event of default (and so long as such event of default shall continue), the entire balance of principal together with all accrued interest shall bear interest at the lesser of (a) the maximum rate permitted by law, and (b) the Base Rate plus three percent (3%) per annum. No delay or omission on the part of Lender in exercising any right under this Note or under the Authority Subordinate Loan Deed of Trust shall operate as a waiver of such right.

17. **THIRD PARTY CURE RIGHTS.**

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Notwithstanding anything to the contrary contained in this Note, Lender, prior to any action to enforce this Note, shall give _____ and its successors and assigns (the "Tax Credit Partner") notice and opportunity to cure for a period of not less than (a) ten (10) days if a monetary default, and (b) thirty (30) days if a nonmonetary default; provided, however, if in order to cure such a default Tax Credit Partner reasonably determines that it must remove the general partner of Borrower, Tax Credit Partner shall so notify Lender and so long as Tax Credit Partner is diligently and continuously attempting to so remove such general partner, Tax Credit Partner shall have until the date thirty (30) days after the effective date of the removal of the general partner or general partners to cure such default but in no event more than one (1) year.

18. **WAIVER.**

Except as otherwise expressly provided herein, Borrower hereby waives diligence, presentment, protest and demand, notice of protest, dishonor and nonpayment of this Note, and expressly agrees that, without in any way affecting the liability of Borrower hereunder, Lender may extend any maturity date or the time for payment of any installment due hereunder, accept additional security, release any party liable hereunder and release any security now or hereafter securing this Note. Borrower further waives, to the full extent permitted by law, the right to plead any and all statutes of limitations as a defense to any demand on this Note, or on any deed of trust, security agreement, lease assignment, guaranty or other agreement now or hereafter securing this Note.

19. **ATTORNEYS' FEES.**

If this Note is not paid when due or if any event of default occurs, Borrower promises to pay all costs of enforcement and collection, including but not limited to, reasonable attorney's fees, whether or not any action or proceeding is brought to enforce the provisions hereof.

20. **SEVERABILITY.**

Every provision of this Note is intended to be severable. In the event any term or provision hereof is declared by a court of competent jurisdiction to be illegal or invalid for any reason whatsoever, such illegality or invalidity shall not affect the balance of the terms and provisions hereof, which terms and provisions shall remain binding and enforceable.

21. **INTEREST RATE LIMITATION.**

Lender and Borrower stipulate and agree that none of the terms and provisions contained herein or in any of the loan instruments shall ever be construed to create a contract for the use, forbearance or detention of money requiring payment of interest at a rate in excess of the maximum interest rate permitted to be charged by the laws of the State of California. In such event, if any holder of this Note shall collect monies which are deemed to constitute interest which would otherwise increase the effective interest rate on this Note to a rate in excess of the maximum rate permitted to be charged by the laws of the State of California, all such sums deemed to constitute interest in excess of such maximum rate shall, at the option of such holder, be credited to the payment of the sums due hereunder or returned to Borrower.

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22. **NON-RECOURSE.**

Notwithstanding anything to the contrary contained in this Note or in the Authority Subordinate Loan Deed of Trust referred to in this Note, but without in any manner affecting the validity of this Note or the lien or charge of the Authority Subordinate Loan Deed of Trust, in the event of any default under the terms of this Note or the Authority Subordinate Loan Deed of Trust, the sole recourse of the Lender for any and all such defaults shall be by judicial foreclosure or by the exercise of the trustee's power of sale, or such other appropriate means of enforcing the Authority Subordinate Loan Deed of Trust, and the undersigned, and the partners of the undersigned, shall not be personally liable for the payment of this Note or for any other default under the Authority Subordinate Loan Deed of Trust or for the payment of any deficiency established after judicial foreclosure or trustee's sale under the Authority Subordinate Loan Deed of Trust. Notwithstanding the limitations of liability set forth above, Borrower shall be fully liable for:

(a) Cash Flow payable to Lender pursuant to Section [6.1] but not applied to this Note; and

(b) all legal costs and expenses reasonably incurred by Lender in the enforcement of this Note.

23. **HEADINGS.**

Headings at the beginning of each numbered Section of this Note are intended solely for convenience and are not to be deemed or construed to be a part of this Note.

24. **GIVING OF NOTICE.**

Unless applicable law requires a different method, any notice that must be given to Borrower under this Note will be given by mailing it by first class mail to Borrower at the following address:

National Community Renaissance of California
9692 Haven Avenue, Suite 100
Rancho Cucamonga, CA 91730
Attn: Chief Financial Officer

or at a different address if Borrower gives Lender a notice of that different address.

Any notice that must be given to Lender under this Note will be given by mailing it by first class mail to Lender at the following address:

303 East "B" Street
Ontario, California 91764
Attention: Executive Director

or at a different address if Lender gives Borrower a notice of that different address.

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25. **CHOICE OF LAW.**

This Note shall be governed by and construed and enforced in accordance with the laws of the State of California.

"Borrower"

NATIONAL COMMUNITY RENAISSANCE OF CALIFORNIA, a California nonprofit, public benefit corporation

By: _____
_____, President

Date: _____ [Mandatory]

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EXHIBIT "G"

SUBORDINATED DEED OF TRUST

RECORDING REQUESTED BY:

ONTARIO HOUSING AUTHORITY

AND WHEN RECORDED RETURN TO:

ONTARIO HOUSING AUTHORITY
Records Management Department
303 East "B" Street
Ontario, California 91764

[Free Recording Requested
Government Code § 6103]

SUBORDINATED DEED OF TRUST
WITH ASSIGNMENT OF RENTS

[Holt/Allyn Multifamily Affordable Housing Project]
[Authority Subordinate Loan Deed of Trust]

This **DEED OF TRUST** is made as of _____, 202_, by and between **NATIONAL COMMUNITY RENAISSANCE OF CALIFORNIA**, a California nonprofit, public benefit corporation ("Trustor"), _____ **TITLE COMPANY**, a California corporation ("Trustee"), and **ONTARIO HOUSING AUTHORITY**, a public body, corporate and politic ("Beneficiary").

Trustor grants, transfers and assigns to Trustee in trust, upon the trusts, covenants, conditions and agreements and for the uses and purposes hereinafter contained, with power of sale, and right of entry and possession, all of its title and interest in that real property (the "Property") in the City of Ontario, County of San Bernardino, State of California, described in Exhibit A attached hereto and incorporated herein by this reference.

Together with Beneficiary's interest in all buildings, structures and improvements of every nature whatsoever now or hereafter situated on the Property; and Together with the rents, issues and profits thereof; and together with all buildings and improvements of every kind and description now or hereafter erected or placed thereon, and all fixtures, including but not limited to all gas and electric fixtures, engines and machinery, radiators, heaters, furnaces, heating equipment, laundry equipment, steam and hot-water boilers, stoves, ranges, elevators and motors, bathtubs, sinks, water closets, basins, pipes, faucets and other plumbing and heating fixtures, mantles, cabinets, refrigerating plant and refrigerators, whether mechanical or otherwise, cooking apparatus and appurtenances, and all shades, awnings, screens, blinds and other furnishings, it being hereby agreed that all such fixtures and furnishings shall to the extent permitted by law be deemed to be permanently affixed to and a part of the realty; and

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Together with all building materials and equipment now or hereafter delivered to said premises and intended to be installed therein; and Together with all plans, drawings, specifications, and articles of personal property now or hereafter attached to or used in and about the building or buildings now erected or hereafter to be erected on the Property which are necessary to the completion and comfortable use and occupancy of such building or buildings for the purposes for which they were or are to be erected, including all other goods and chattels and personal property as are ever used or furnished in operating a building, or the activities conducted therein, similar to the one herein described and referred to, and all renewals or replacements thereof or articles in substitution therefor, whether or not the same are, or shall be attached to said building or buildings in any manner.

To have and to hold the property hereinbefore described (including the Property and all appurtenances), all such property being referred to collectively herein as the "Property," to Trustee, its successors and assigns forever.

FOR THE PURPOSE of securing (1) payment of indebtedness of Trustor to the Beneficiary in the principal sum of _____ Dollars ($_____) (the "Authority Subordinate Loan"), evidenced by a promissory note of even date herewith between Trustor and Beneficiary (the "Authority Subordinate Loan Note"), together with all sums due thereunder including interest and other charges; and (2) the performance of each agreement of Trustor in this Deed of Trust and the Authority Subordinate Loan Note. Said Authority Subordinate Loan Note and all of its terms are incorporated herein by reference and this conveyance shall secure any and all extensions, amendments, modifications or renewals thereof however evidenced, and additional advances of the Authority Subordinate Loan evidenced by any note reciting that it is secured hereby.

AND TO PROTECT THE SECURITY OF THIS DEED OF TRUST, TRUSTOR COVENANTS AND AGREES:

1. That it will pay the Authority Subordinate Loan Note at the time and in the manner provided therein;

2. That it will not permit or suffer the use of any of the Property for any purpose other than the use for which the same was intended at the time this Deed of Trust was executed, namely, as affordable rental housing;

3. That the Authority Subordinate Loan Note is incorporated herein and made a part of this Deed of Trust. Upon default under the Authority Subordinate Loan Note or this Deed of Trust, Beneficiary, at its option, may declare the whole of the indebtedness secured hereby to be due and payable;

4. That all rents, profits and income from the Property covered by this Deed of Trust are hereby assigned to Beneficiary for the purpose of discharging the debt hereby secured. Permission is hereby given to Trustor so long as no default exists hereunder, to collect such rents, profits and income;

5. That upon default hereunder, Beneficiary shall be entitled to the appointment of a receiver by any court having jurisdiction, without notice, to take possession and protect the Property described herein and operate same and collect the rents, profits and income therefrom;

6. That Trustor will keep the improvements now existing or hereafter erected on the Property insured against loss by fire and such other hazards, casualties and contingencies as may be required in writing from time to time by Beneficiary, and all such insurance shall be evidenced by standard fire and extended coverage insurance policy or policies, in the amount of the replacement value of the improvements. Such policies shall be endorsed with a standard mortgage clause with loss payable to Beneficiary subordinate to the rights and interest of the beneficiary of the Senior Loan Deed of Trust described in paragraph 31, below) and certificates thereof together with copies of original policies shall be deposited with Beneficiary;

7. To pay, prior to delinquency, any taxes and assessments affecting said Property when due, all encumbrances, charges and liens, with interest, on said Property or any part thereof which appear to be prior or superior hereto, all costs, fees and expenses of this Trust;

8. To keep said Property in good condition and repair (ordinary wear and tear excepted), not to remove or demolish any buildings thereon; to complete or restore promptly and in good and workmanlike manner any building which may be constructed, damaged, or destroyed thereon and to pay when due all claims for labor performed and materials furnished therefor (unless contested in good faith if Trustor provides security satisfactory to Beneficiary that any amounts found to be due will be paid and no sale of the Property or other impairment of the security hereunder will occur); to comply with all laws affecting said Property or requiring any alterations or improvements to be made thereon; not to commit or permit waste thereof; not to commit, suffer or permit any act upon said Property in violation of law and/or covenants, conditions and/or restrictions affecting said Property; not to permit or suffer any alteration of or addition to the buildings or improvements hereafter constructed in or upon said Property without the consent of Beneficiary;

9. To appear in and defend any action or proceeding purporting to affect the security hereof or the rights or powers of Beneficiary or Trustee, and to pay all costs and expenses, including cost of evidence of title and attorneys' fees in a reasonable sum, in any such action or proceeding in which Beneficiary or Trustee may appear;

10. Should Trustor fail to make any payment or do any act as herein provided, then Beneficiary or Trustee, but without obligation so to do and without notice to or demand upon Trustor and without releasing Trustor from any obligation hereof, may make or do the same in such manner and to such extent as either may deem necessary to protect the security hereof. Beneficiary or Trustee, being authorized to enter upon said Property for such purposes, may commence, appear in and/or defend any action or proceeding purporting to affect the security hereof or the rights or powers of Beneficiary or Trustee; may pay, purchase, contest or compromise any encumbrance, charge, or lien which in the judgment of either appears to be prior or superior hereto; and, in exercising any such powers, may pay necessary expenses, employ counsel, and pay counsel's reasonable fees;

11. Beneficiary shall have the right to pay fire and other property insurance premiums when due should Trustor fail to make any required premium payments. All such payments made by Beneficiary shall be added to the principal sum secured hereby;

12. To pay immediately and without demand all sums so expended by Beneficiary or Trustee, under permission given under this Deed of Trust, with interest from date of expenditure at the rate specified in the Authority Subordinate Loan Note;

13. That the Authority Subordinate Loan advanced hereunder is to be used in the development of the Property; and upon the failure of Trustor to keep and perform such covenants, the principal sum and all arrears of interest, and other charges provided for in the Authority Subordinate Loan Note shall, at the option of Beneficiary, become due and payable, anything contained herein to the contrary notwithstanding;

14. Trustor further covenants that it will not voluntarily create, suffer or permit to be created against the Property, subject to this Deed of Trust, any lien or liens except as authorized by Beneficiary and further that it will keep and maintain the Property free from the claims of all persons supplying labor or materials which will enter into the construction of any and all buildings now being erected or to be erected on the Property;

15. That any and all improvements made or about to be made upon the Property, and all plans and specifications, comply with all applicable municipal ordinances and regulations and all other regulations made or promulgated, now or hereafter, by lawful authority, and that the same will upon completion comply with all such municipal ordinances and regulations and with the rules of the applicable fire rating or inspection organization, bureau, association or office;

16. Trustor herein agrees to pay to Beneficiary or to the authorized loan servicing representative of Beneficiary a charge not to exceed that permitted by law for providing a statement regarding the obligation secured by this Deed of Trust as provided by Section 2954, Article 2, Chapter 2, Title 14, Division 3 of the California Civil Code.

IT IS MUTUALLY AGREED THAT:

17. Subject to the additional cure rights in Section 17 of the Authority Subordinate Loan Note, if the construction of any improvements as herein referred to shall not be carried on with reasonable diligence, or shall be discontinued at any time for any reason other than events of Force Majeure pursuant to Paragraph 36 hereof, Beneficiary, after due notice to Trustor or any subsequent owner, is hereby invested with full and complete authority to enter upon the Property, employ watchmen to protect such improvements from depredation or injury and to preserve and protect the personal property therein, and to continue any and all outstanding contracts for the erection and completion of said building or buildings, to make and enter into any contracts and obligations wherever necessary, either in its own name or in the name of Trustor, and to pay and discharge all debts, obligations and liabilities incurred thereby. All such sums so advanced by Beneficiary (exclusive of advances of the principal of the indebtedness secured hereby) shall be added to the principal of the indebtedness secured hereby and shall be secured by this Deed of Trust and shall be due and payable on demand;

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18. In the event of any fire or other casualty to the Project or eminent domain proceedings resulting in condemnation of the Project or any part thereof, Trustor shall have the right to rebuild the Project, and to use all available insurance or condemnation proceeds therefor, provided that (a) such proceeds are sufficient to rebuild the Project in a manner that provides adequate security to Beneficiary for repayment of the Authority Subordinate Loan or if such proceeds are insufficient then Trustor shall have funded any deficiency, (b) Beneficiary shall have the right to approve plans and specifications for any major rebuilding and the right to approve disbursements of insurance or condemnation proceeds for rebuilding under a construction escrow or similar arrangement, and (c) no material default then exists under the Authority Subordinate Loan Note or this Deed of Trust. If the casualty or condemnation affects only part of the Project and total rebuilding is infeasible, then proceeds may be used for partial rebuilding and partial repayment of the Authority Subordinate Loan in a manner that provides adequate security for repayment of the remaining balance of the Authority Subordinate Loan. The rights of the Beneficiary to any insurance proceeds or condemnation awards pursuant to this paragraph 18 are and shall be subject to the prior right to any insurance proceeds or condemnation awards of the beneficiary of the Senior Loan Deed of Trust described in paragraph 31;

19. Upon default by Trustor in making any payments provided for herein or in the Authority Subordinate Loan Note secured hereby, and if such default is not made good within ten (10) days after notice from Beneficiary, or if Trustor shall fail to perform any covenant or agreement in this Deed of Trust within thirty (30) days after written demand therefor by Beneficiary (or, in the event that more than thirty (30) days is reasonably required to cure such default, should Trustor fail to promptly commence such cure, and diligently prosecute same to completion), Beneficiary may declare all sums secured hereby immediately due and payable by delivery to Trustee of written declaration of default and demand for sale, and of written notice of default and of election to cause the Property to be sold, which notice Trustee shall cause to be duly filed for record and Beneficiary may foreclose this Deed of Trust. Beneficiary shall also deposit with Trustee this Deed of Trust, the Authority Subordinate Loan Note and all documents evidencing expenditures secured hereby;

20. After the lapse of such time as may then be required by law following the recordation of said notice of default, and notice of sale having been given as then required by law, Trustee, without demand on Trustor, shall sell said Property at the time and place fixed by it in said notice of sale, either as a whole or in separate parcels, and in such order as it may determine at public auction to the highest bidder for cash in lawful money of the United States, payable at time of sale. Trustee may postpone sale of all or any portion of said Property by public announcement at the time and place of sale, and from time to time thereafter may postpone the sale by public announcement at the time fixed by the preceding postponement. Trustee shall deliver to the purchaser its deed conveying the property so sold, but without any covenant or warranty, express or implied. The recitals in the deed of any matters or facts shall be conclusive proof of the truthfulness thereof. Any person, including Trustor, Trustee or Beneficiary, may purchase at the sale. Trustee shall apply the proceeds of sale to payment of (1) the expenses of such sale, together with the reasonable expenses of this trust including therein reasonable Trustee's fees or attorneys' fees for conducting the sale, and the actual cost of publishing, recording, mailing and posting notice of the sale; (2) the cost of any search and/or other evidence of title procured in connection with such sale and revenue stamps on Trustee's deed; (3) all sums expended under the terms hereof, not

then repaid, with accrued interest at the rate specified in the Authority Subordinate Loan Note; (4) all other sums then secured hereby; and (5) the remainder, if any, to the person or persons legally entitled thereto;

21. Beneficiary may from time to time substitute a successor or successors to any Trustee named herein or acting hereunder to execute this Deed of Trust. Upon such appointment, and without conveyance to the successor trustee, the latter shall be vested with all title, powers, and duties conferred upon any Trustee herein named or acting hereunder. Each such appointment and substitution shall be made by written instrument executed by Beneficiary, containing reference to this Deed of Trust and its place of record, which, when duly recorded in the proper office of the county or counties in which the property is situated, shall be conclusive proof of proper appointment of the successor trustee;

22. The pleading of any statute of limitations as a defense to any and all obligations secured by this Deed of Trust is hereby waived to the full extent permissible by law;

23. Upon written request of Beneficiary stating that all sums secured hereby have been paid, and upon surrender of this Deed of Trust and the Authority Subordinate Loan Note to Trustee for cancellation and retention and upon payment of its fees, Trustee shall reconvey, without warranty, the property then held hereunder. The recitals in such reconveyance of any matters of fact shall be conclusive proof of the truthfulness thereof. The grantee in such reconveyance may be described as "the person or persons legally entitled thereto";

24. The trust created hereby is irrevocable by Trustor;

25. This Deed of Trust applies to, inures to the benefit of, and binds all parties hereto, their heirs, legatees, devisees, administrators, executors, successors, and assigns. The term "Beneficiary" shall include not only the original Beneficiary hereunder but also any future owner and holder including pledgees, of the Authority Subordinate Loan Note secured hereby. In this Deed of Trust, whenever the context so requires, the masculine gender includes the feminine and/or neuter, and the singular number includes the plural. All obligations of each Trustor hereunder are joint and several;

26. Trustee accepts this trust when this Deed of Trust, duly executed and acknowledged, is made public record as provided by law. Except as otherwise provided by law, Trustee is not obligated to notify any party hereto of pending sale under this Deed of Trust or of any action or proceeding in which Trustor, Beneficiary, or Trustee shall be a party unless brought by Trustee;

27. The undersigned Trustor requests that copies of any notice of default and of any notice of sale hereunder be mailed to it c/o National Community Renaissance of California, 9692 Haven Avenue, Suite 100, Rancho Cucamonga, California 91730, Attn: Chief Financial Officer, and to [Tax Credit Partner] _____.

28. Trustor agrees at any time and from time to time upon receipt of a written request from Beneficiary, to furnish to Beneficiary a detailed statement in writing of income, rents, profits,

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and operating expenses of the premises, and the names of the occupants and tenants in possession, together with the expiration dates of their leases and full information regarding all rental and occupancy agreements, and the rents provided for by such leases and rental and occupancy agreements, and such other information regarding the Property and their use as may be requested by Beneficiary.

29. The full principal amount outstanding plus accrued but unpaid interest thereon, shall be due and payable on the earlier to occur of the following:

(a) As more particularly provided in the Authority Subordinate Loan Note, sale, transfer, assignment or refinancing of the Property as provided further in this paragraph 29; unless: (i) in the case of a sale in which the sale proceeds are insufficient to repay in full the Authority Subordinate Loan, the Beneficiary approves such sale and the purchaser assumes the balance of the Authority Subordinate Loan in accordance with the terms of the Authority Subordinate Loan Note; or (ii) in the case of a refinancing in which the refinancing proceeds are insufficient to repay in full the Authority Subordinate Loan, the Beneficiary approves such refinancing and the Borrower remains obligated pursuant to the terms of the Note.

(b) In order to induce Beneficiary to make the loan evidenced hereby, Trustor agrees that in the event of any transfer of the Property without the prior written consent of Beneficiary (other than a transfer (x) to National Community Renaissance of California, a California nonprofit, public benefit corporation ("NCRC"), or affiliate thereof, after issuance of a Certificate of Completion pursuant to Article 14 of that certain Disposition and Development Agreement, dated as of _____, 202_, by and between NCRC and Trustor, or (y) resulting from a foreclosure, or conveyance by deed in lieu of foreclosure, by the holder of the Senior Loan Deed of Trust), Beneficiary shall have the absolute right at its option, without prior demand or notice, to declare all sums secured hereby immediately due and payable. Consent to one such transaction shall not be deemed to be a waiver of the right to require consent to future or successive transactions. Beneficiary may grant or deny such consent in its sole discretion and, if consent should be given, any such transfer shall be subject to this paragraph 29, and any such transferee shall assume all obligations hereunder and agree to be bound by all provisions contained herein. Such assumption shall not, however, release Trustor from any liability thereunder without the prior written consent of Beneficiary.

(c) As used herein, "transfer" includes the sale, agreement to sell, transfer or conveyance of the Property, or any portion thereof or interest therein, whether voluntary, involuntary, by operation of law or otherwise, the execution of any installment land sale contract or similar instrument affecting all or a portion of the Property, or the lease of all or substantially all of the Property. "Transfer" shall not include the leasing of individual residential units on the Property.

(d) The term "Sale" means any transfer, assignment, conveyance or lease (other than to a tenant for occupancy) of the Property and/or the improvements thereon, or any portion thereof, or any interest therein by the Trustor, and (if Trustor is a partnership) includes any transfer, assignment or sale of any partnership interest in the Trustor by an

individual or entity which is a general or limited partner in the Trustor, or any interest by any individual or entity which holds an interest in any such general or limited partner in the Trustor, which brings the cumulative total of all such direct and indirect transfers, assignments and sales during the term of this Deed of Trust to more than thirty-five percent (35%) of the ownership interests in the Trustor, and any such transfer, assignment or sale of a direct or indirect partnership interest thereafter. Sale includes a sale in condemnation or under threat thereof Sale does not include dedications and grants of easements to public and private utility companies of the kind customary in real estate development.

Notwithstanding anything to the contrary contained in this Deed of Trust, Trustor, prior to any action to enforce this Deed of Trust, shall give and its successors and assigns (the "Tax Credit Partner") notice and opportunity to cure for a period of not less than (a) ten (10) days to cure a monetary default, and (b) thirty (30) days to cure a nonmonetary default; provided, however, if in order to cure such a default Tax Credit Partner reasonably determines that it must remove the general partner of Borrower, Tax Credit Partner shall so notify Trustor and so long as Tax Credit Partner is diligently and continuously attempting to so remove such general partner, Tax Credit Partner shall have until the date thirty (30) days after the effective date of the removal of the general partner or general partners to cure such default but in no event more than one (1) year.

Notwithstanding the foregoing, the following shall not constitute a "Sale" under this Deed of Trust: (a) a Sale made pursuant to an option granted to a general partner or affiliate thereof of Trustor following the expiration of the tax credit compliance period, or (b) any assignment of an interest as limited partner of Trustor by _____, a _____ limited liability company ("_____"), or _____, a _____limited liability company ("_____"), to an entity whose general partner or managing member is controlled by _____ or is under common control with _____, which assignment shall not require the consent of Beneficiary, provided that _____ or _____, as applicable, shall give written notice to Beneficiary of such assignment; or (ii) _____'s removal of the general partner of Trustor as general partner, and substitution of _____ or an affiliate of_____ as a general partner of Trustor, which removal shall not require Beneficiary approval, provided that shall give notice to Beneficiary of its intent to so remove such general partner not less than ten (10) days prior to such removal. Any proposed replacement of the general partner with an entity other than _____ or an affiliate of _____ will be subject to Beneficiary's prior reasonable approval.

30. Trustor shall permit Beneficiary and its agents or representatives, to inspect the Property at any and all reasonable times, with or without advance notice. Inspections shall be conducted so as not to interfere with the tenants' use and enjoyment of the Property.

31. It is hereby expressly agreed and acknowledged by Trustor and Beneficiary that this Deed of Trust is a second and subordinate deed of trust, and that the Authority Subordinate Loan secured hereby, and the Authority Subordinate Loan Note are subject and subordinate only to the deed of trust securing a loan to Trustor in an approximate original principal amount not to exceed $ _____ in which _____ ("Senior Lender") is the

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Beneficiary, including any loan that refinances the balance of the Senior Loan or an assignment of the Senior Loan (collectively referred to as the "Senior Loan").

32. For purposes of this Deed of Trust, "Hazardous Materials" mean and include any hazardous, toxic or dangerous waste, substance or material including, without limitation, flammable explosives, radioactive materials, asbestos, hazardous wastes, toxic substances and any materials or substances defined as hazardous materials, hazardous substances or toxic substances in (or for purposes of) the Comprehensive Environmental Response, Compensation and Liability Act of 1380 ("CERCLA"), as amended (42 U.S.C. §9601, et seq.), the Hazardous Materials Transportation Act (49 U.S.C. §1801 et seq.), the Resource Conservation and Recovery Act (42 U.S.C. §6901 et seq.) and those substances defined as hazardous wastes in §25117 of the California Health and Safety Code or as hazardous substances in §25316 of the California Health and Safety Code or in any regulations promulgated under either such law, any so-called "Superfund" or "Superlien" law, or any other federal, state or local statute, law, ordinance, code, rule, regulation, order or decree regulating, relating to, or imposing liability or standards of conduct concerning any hazardous, toxic or dangerous waste, substance or material, as now or at any time hereafter in effect.

33. In addition to the general and specific representations, covenants and warranties set forth in the Deed of Trust or otherwise, Trustor represents, covenants and warrants, with respect to Hazardous Materials, as follows:

(a) Neither Trustor nor, to the best knowledge of Trustor, any other person, has ever caused or permitted any Hazardous Materials to be manufactured, placed, held, located or disposed of on, under or at the Property or any part thereof, and neither the Property nor any part thereof, or any property adjacent thereto, has ever been used (whether by the Trustor or, to the best knowledge of the Trustor, by any other person) as a manufacturing site, dump site or storage site (whether permanent or temporary) for any Hazardous Materials;

(b) Trustor hereby agrees to indemnify Beneficiary, its officers, employees, contractors and agents, and hold Beneficiary, its officers, employees, contractors and agents harmless from and against any and all losses, liabilities, damages, injuries, costs, expenses and claims of any and every kind whatsoever paid, incurred or suffered by, or asserted against Beneficiary, its officers, employees, contractors or agents for, with respect to, or as a direct or indirect result of, the presence or use, generation, storage, release, threatened release or disposal of Hazardous Materials on or under the Property or the escape, seepage, leakage, spillage, discharge, emission or release of any Hazardous Materials from the Property (including, without limitation, any losses, liabilities, damages, injuries, costs, expenses or claims asserted or arising under CERCLA, any so-called "Superfund" or "Superlien" law, or any other federal, state or local statute, law, ordinance, code, rule, regulation, order or decree regulating, relating to or imposing liability or standards of conduct concerning any Hazardous Materials), caused by Trustor.

(c) Trustor has not received any notice of (i) the happening of any event involving the use, spillage, discharge or cleanup of any Hazardous Materials ("Hazardous Discharge") affecting Trustor or the Property or (ii) any complaint, order, citation or notice

with regard to air emissions, water discharges, noise emissions or any other environmental, health or safety matter affecting Trustor or the Property ("Environmental Complaint") from any person or entity, including, without limitation, the United States Environmental Protection Agency ("EPA"). If Trustor receives any such notice after the date hereof, then Trustor will give, within seven (7) business days thereafter, oral and written notice of same to Beneficiary.

(d) Without limitation of Beneficiary's rights under this Deed of Trust, Beneficiary shall have the right, but not the obligation, to enter onto the Property or to take such other actions as it deems necessary or advisable to clean up, remove, resolve or minimize the impact of, or otherwise deal with, any such Hazardous Materials or Environmental Complaint upon its receipt of any notice from any person or entity, including without limitation, the EPA, asserting the existence of any Hazardous Materials or an Environmental Complaint on or pertaining to the Property which, if true, could result in an order, suit or other action against Trustor affecting any part of the Property by any governmental agency or otherwise which, in the sole opinion of Beneficiary, could jeopardize its security under this Deed of Trust. All reasonable costs and expenses incurred by Beneficiary in the exercise of any such rights shall be secured by this Deed of Trust and shall be payable by Trustor upon demand together with interest thereon at a rate equal to the highest rate payable under the Authority Subordinate Loan Note secured hereby.

34. The following shall be an Event of Default:

(a) Failure of Trustor to pay, when due, principal and interest and any other sums or charges on the Authority Subordinate Loan Note, in accordance with the provisions set forth in the Authority Subordinate Loan Note;

(b) A violation of the terms, conditions or covenants of the Authority Subordinate Loan Note or this Deed of Trust; or

(c) A default under the Senior Loan Deed of Trust to which the lien of this Deed of Trust is subordinate.

35. Subject to the extensions of time set forth in paragraph 36, and subject to the further provisions of this paragraph 35 and of paragraph 37, failure or delay by the Trustor to perform any term or provision of this Deed of Trust constitutes a default under this Deed of Trust. The Trustor must immediately commence to cure, correct, or remedy such failure or delay and shall complete such cure, correction or remedy with reasonable diligence.

(a) The Beneficiary shall give written notice of default to the Trustor, specifying the default complained of by the Beneficiary. Delay in giving such notice shall not constitute a waiver of any default nor shall it change the time of default.

(b) The Trustor shall not be in default so long as it endeavors to complete such cure, correction or remedy with reasonable diligence, provided such cure, correction or remedy is completed within thirty (30) days after receipt of written notice (or such

additional time as may be deemed by the Beneficiary to be reasonably necessary to correct the cause).

(c) Any failures or delays by the Beneficiary in asserting any of its rights and remedies as to any default shall not operate as a waiver of any default or of any such rights or remedies. Delays by the Beneficiary in asserting any of its rights and remedies shall not deprive the Beneficiary of its right to institute and maintain any actions or proceedings which it may deem necessary to protect, assert, or enforce any such rights or remedies.

36. Notwithstanding specific provisions of this Deed of Trust, performance hereunder shall not be deemed to be in default where delays or defaults are due to: war; insurrection; strikes; lock-outs; riots; floods; earthquakes; fires; casualties; acts of God or other deities; acts of the public enemy; epidemics; quarantine restrictions; freight embargoes; lack of transportation; governmental restrictions or priority; litigation; unusually severe weather; inability to secure necessary labor, materials or tools; delays of any contractor or supplier; acts of the other party; acts or failure to act of the Beneficiary, or any other public or governmental agency or entity (except that any act or failure to act of Beneficiary shall not excuse performance by Beneficiary); or any other causes beyond the reasonable control or without the fault of the party claiming an extension of time to perform. An extension of time for any such cause shall be for the period of the enforced delay and shall commence to run from the time the party claiming such extension gives notice to the other party, provided notice by the party claiming such extension is given within thirty (30) days after the commencement of the cause. Times of performance under this Deed of Trust may also be extended in writing by the Beneficiary and Trustor.

37. If a monetary event of default occurs under the terms of the Authority Subordinate Loan Note or this Deed of Trust, prior to exercising any remedies thereunder Beneficiary shall give Trustor written notice of such default. Trustor shall have a period of ten (10) days after such notice is given within which to cure the default prior to exercise of remedies by Beneficiary under the Authority Subordinate Loan Note and this Deed of Trust.

38. If a non-monetary event of default occurs under the terms of the Authority Subordinate Loan Note or this Deed of Trust, prior to exercising any remedies thereunder, Beneficiary shall give Trustor notice of such default. If the default is reasonably capable of being cured within thirty (30) days, Trustor shall have such period to effect a cure prior to exercise of remedies by the Beneficiary under the Authority Subordinate Loan Note and this Deed of Trust. If the default is such that it is not reasonably capable of being cured within thirty (30) days, and Trustor (a) initiates corrective action within said period, and (b) diligently, continually, and in good faith works to effect a cure as soon as possible, then Trustor shall have such additional time as is reasonably necessary to cure the default prior to exercise of any remedies by Beneficiary. In no event shall Beneficiary be precluded from exercising remedies if its security becomes or is about to become materially jeopardized by any failure to cure a default or the default is not cured within one hundred eighty (180) days after the first notice of default is given.

39. Upon the occurrence of an Event of Default as described in paragraph 34, Trustor shall be obligated to repay the Authority Subordinate Loan and, subject to the nonrecourse provision of the Authority Subordinate Loan Note, Beneficiary may seek to enforce payment of any and all amounts due by Trustor pursuant to the terms of the Authority Subordinate Loan Note.

40. All expenses (including reasonable attorneys' fees and costs and allowances) incurred in connection with an action to foreclose, or the exercise of any other remedy provided by this Deed of Trust, including the curing of any Event of Default, shall be the responsibility of Trustor.

Except as provided in paragraph 31, each successor owner of an interest in the Property, other than through foreclosure, deed in lieu of foreclosure or an owner who takes an interest in the Property after a foreclosure has occurred, shall take its interest subject to this Deed of Trust.

"Trustor"

NATIONAL COMMUNITY RENAISSANCE OF CALIFORNIA, a California nonprofit, public benefit corporation

By: _____
_____, President

Date: _____ [Mandatory]

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EXHIBIT "A"

LEGAL DESCRIPTION OF THE PROPERTY

The real property situated in the City of Ontario, County of San Bernardino, State of California, and described as follows:

Holt Blvd.
APN: 1048-481-06-0000

38,768 SF/.89 acres

Lot Number: 6 District: 07 City, Municipality, Township: CITY OF COLTON Brief Description: REVISED MAP OF HANSON AND CO ADD E 87 FT S 1/2 W 1/2 E 1/2 LOT 6

935 E Holt Blvd.
APN: 1048-481-07-0000

40,129 SF/.92 acres

Lot Number: 6 District: 07 City, Municipality, Township: ONTARIO Brief Description: REVISED MAP OF HANSON AND CO ADD E 43.5 FT S 297.5 FT E 1/2 W 1/2 AND W 87 FT S 1/2 W 1/2 E 1/2 LOT 6 EX ST

905 E Holt Blvd
APN: 1048-481-08-0000

68,389 SF/1.57 acres

Lot Number: 6 District: 07 Brief Description: REVISED MAP OF HANSON AND CO ADD E 1/2 W 1/2 LOT 6 EX E 43.5 FT S 297.5 ST EX N 153 FT AND EX ST 1.57 AC M/L

957 E Holt Blvd.
APN: 1048-481-28-0000

51,531 SF/1.18 acres

District: 07 City, Municipality, Township: ONTARIO Brief Description: PARCEL 2 OF THAT CERTAIN LLA 08-007 IN THE CITY ONTARIO COUNTY OF SAN BERNARDINO STATE OF CA RECORDED NOVEMBER 10, 2008 AS

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957 E Holt Blvd.
APN: 1048-481-29-0000

50,965 SF/1.17 acres

District: 07 City, Municipality, Township: ONTARIO Brief Description: ALL THAT CERTAIN REAL PROPERTY SITUATED IN THE COUNTY OF STATE OF CA DESCRIBED AS FOLLOWS PARCEL 1 OF THAT CERTAIN LLA 08-007

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EXHIBIT "H"

[Intentionally Omitted]

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EXHIBIT "I"

ASSIGNMENT OF ARCHITECTURAL AGREEMENTS AND PLANS AND SPECIFICATIONS

[Holt/Allyn Multifamily Affordable Housing Project]

FOR VALUE RECEIVED, the undersigned, **NATIONAL COMMUNITY RENAISSANCE OF CALIFORNIA**, a California nonprofit, public benefit corporation ("NCRC"), assigns to **ONTARIO HOUSING AUTHORITY,** a public body, corporate and politic ("Authority"), all of its right, title and interest in and to:

1. All architectural, design, engineering and development agreements, and any and all amendments, modifications, supplements, addenda and general conditions thereto (collectively, "Architectural Agreements"), and

2. All plans and specifications, shop drawings, working drawings, amendments, modifications, changes, supplements, general conditions and addenda thereto (collectively, "Plans and Specifications"),

heretofore or hereafter entered into or prepared by any architect, engineer or other person or entity (collectively, "Architect"), for or on behalf of NCRC in connection with the construction of the Improvements on the Real Property described on Exhibit "A" attached hereto. The Plans and Specifications, as of the date hereof, are those which NCRC has heretofore, or will hereafter deliver to Authority. The Architectural Agreements include, but are not limited to, the architectural agreement or contract between NCRC and _____, dated _____.

This ASSIGNMENT OF ARCHITECTURAL AGREEMENTS AND PLANS AND SPECIFICATIONS ("Assignment") constitutes a present, absolute and unconditional assignment to Authority.

NCRC acknowledges that by accepting this Assignment, Authority does not assume any of NCRC's obligations under the Architectural Agreements with respect to the Plans and Specifications.

NCRC represents and warrants to Authority that: (a) all Architectural Agreements entered into by NCRC are in full force and effect and are enforceable in accordance with their terms and no default, or event which would constitute a default after notice or the passage of time, or both, exists with respect to said Architectural Agreements; (b) all copies of the Architectural Agreements and Plans and Specifications delivered to Authority are complete and correct; and (c) NCRC has not assigned any of its rights under the Architectural Agreements or with respect to the Plans and Specifications other than to [insert Construction Lender], which assignment shall be senior and superior to the assignment contemplated hereby in all respects.

This Assignment shall be governed by the laws of the State of California, except to the extent that federal laws preempt the laws of the State of California, and NCRC consents to the jurisdiction of any federal or state court within the State of California having proper venue for the

filing and maintenance of any action arising hereunder and agrees that the prevailing party in any such action shall be entitled, in addition to any other recovery, to reasonable attorneys' fees and costs.

This Assignment shall be binding upon and inure to the benefit of the heirs, legal representatives, assigns, and successors-in-interest of NCRC and Authority.

The attached Architect's/Engineer's Consent and Exhibit "A" are incorporated by reference.

Executed by NCRC on _____, 202__

"NCRC"

NATIONAL COMMUNITY RENAISSANCE OF CALIFORNIA, a California nonprofit, public benefit corporation

By: _____
_____, President

Date: _____ [Mandatory]

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ARCHITECT'S/ENGINEER'S CONSENT
[Holt/Allyn Multifamily Affordable Housing Project]

The undersigned architect and/or engineer (collectively referred to as "Architect") hereby consents to the foregoing Assignment to which this Architect's/Engineer's Consent ("Consent") is a part, and acknowledges that there presently exists no unpaid claims due to the Architect arising out of the preparation and delivery of the Plans and Specifications to Partnership and/or the performance of the Architect's obligations under the Architectural Agreements described in the Assignment.

Architect agrees that, by virtue of the foregoing Assignment, Authority has succeeded to all of Partnership's right, title and interest in, to and under the Architectural Agreements and the Plans and Specifications and, therefore, so long as the Architect continues to receive the compensation called for under the Architectural Agreements, Authority and its successors and assigns may, at their option, use and rely on the Plans and Specifications for the purposes for which they were prepared, and Architect will continue to perform its obligations under the Architectural Agreements for the benefit and account of Authority and its successors and assigns in the same manner as if performed for the benefit or account of Partnership in the absence of the Assignment.

Architect warrants and presents that it/he has no knowledge of any prior assignment(s) of any interest in either the Plans and Specifications and/or the Architectural Agreements. Except as otherwise defined herein, the terms used herein shall have the meanings given them in the Assignment.

Executed on _____, 202__

"Architect"

_____, a
_____

By: _____
Name: _____
Its: _____

Architect's Address:

_____
_____
_____
_____
Phone No.: (____) _____
Fax No.: (____) _____

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EXHIBIT "A"

PROPERTY DESCRIPTION

Exhibit "A" to Assignment of Architectural Agreements and Plans and Specifications dated as of _____, 202_, between, NATIONAL COMMUNITY RENAISSANCE OF CALIFORNIA, a California nonprofit, public benefit corporation, and ONTARIO HOUSING AUTHORITY, a public body, corporate and politic.

LEGAL DESCRIPTION OF THE PROPERTY

The Real Property situated in the City of Ontario, County of San Bernardino, State of California, and described as follows:

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EXHIBIT "J"

[Intentionally Omitted]

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EXHIBIT "K"

[Intentionally Omitted]

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EXHIBIT "L"

RECORDING REQUESTED BY
AND WHEN RECORDED RETURN TO:

Ontario Housing Authority
Records Management Department
303 East "B" Street
Ontario, California 91764

[Free Recording Request
Government Code § 6103]

AGREEMENT CONTAINING COVENANTS AFFECTING REAL PROPERTY
[Affordable Housing]
[Holt/Allyn Multifamily Affordable Housing Project]

THIS AGREEMENT CONTAINING COVENANTS AFFECTING REAL PROPERTY (the "Regulatory Agreement"), dated as of _____, 202__ for identification purposes only, is made and entered into by and between the **ONTARIO HOUSING AUTHORITY**, a public body, corporate and politic ("Authority"), and **NATIONAL COMMUNITY RENAISSANCE OF CALIFORNIA**, a California nonprofit, public benefit corporation ("Owner"), with reference to the following recitals:

A. **WHEREAS**, Authority and Owner entered into that certain Disposition and Development Agreement dated as of _____, 202__ (the "DDA");

B. **WHEREAS**, pursuant to the DDA, Authority sold to Owner and Owner purchased from Authority certain real property located in the City of Ontario, County of San Bernardino, State of California and legally described on Exhibit "A" attached hereto and incorporated herein by this reference as if set forth in full (the "Property");

C. **WHEREAS**, pursuant to the DDA, Owner agreed to develop the Property into a multifamily, rental housing project containing a total of _____ (___) dwelling units comprised of _____ (__) 2-bedroom units and _____ (__) 3-bedroom units (including one (1) manager's unit) (the "Project");

D. **WHEREAS**, pursuant to the DDA, Authority agreed to provide certain financial assistance to Owner for the Project in consideration for Owner's agreement, among other things, to supply certain affordable housing on the Property; and

E. **WHEREAS**, as more particularly provided herein, Owner has agreed to provide and maintain all of the dwelling units in the Project (other than one (1) resident manager's unit) at rents affordable to families of low and very low-income.

NOW, THEREFORE, for and in consideration of the premises and the mutual promises, covenants, conditions and restrictions herein contained, the parties hereto declare, covenant and agree as follows:

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1. **DEFINITIONS AND INTERPRETATIONS**

1.1 **Defined Terms**. Unless otherwise provided in this Regulatory Agreement, capitalized terms used herein shall have the meanings ascribed to them in the DDA. The following terms shall have the respective meanings assigned to them in this Section [1.1] unless the context in which they are used clearly requires otherwise:

"**Affordable Units**," subject to the provisions of Section [3.2] means all of the Units in the Property except for one (1) resident manager's Unit.

"**Approved Budget**" has the meaning set forth in Section [3.10(c)] of this Regulatory Agreement.

"**Business Days**" means any Monday, Tuesday, Wednesday, Thursday or Friday on which Ontario City Hall is open to the public for the conduct of City affairs.

"**Certificate of Completion**" has the meaning set forth in Article [14] of the DDA.

"**Certificate of Continuing Program Compliance**" shall mean the Certificate to be filed annually by Owner with Authority which shall be substantially in the form attached to this Regulatory Agreement as Exhibit ["B."]

"**City**" means the City of Ontario, California.

"**Code**" means the Internal Revenue Code of 1986, as amended, including the Regulations promulgated thereunder or under any predecessor statute.

"**County**" means the County of San Bernardino, California.

"**CPI**" means the United States Department of Labor, Bureau of Labor Statistics, Consumer Price Index for All Urban Consumers, Los Angeles — Riverside — Orange County, California Area, Base Period 1982-84 = 100.

"**DDA**" has the meaning set forth in Recital ["A,"] above.

"**Event of Default**" shall have the meaning set forth in Article [11] of this Regulatory Agreement.

"**Excess Rents**" means any rent or charge collected by Owner from a Tenant in excess of Affordable Rent.

"**Executive Director**" means the Executive Director of Authority or his/her designee.

"**HUD**" means the United States Department of Housing and Urban Development.

"**Improvements**" means the improvements to the Property and all improvements and fixtures now or hereafter comprising any portion of the Property.

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"**Indemnitees**" means Authority, City and their boards, commissions, officers, directors, employees, contractors, agents, successors and assigns.

"**Official Records**" means the Official Records of the County.

"**Operating Expenses**" has the meaning set forth in the Authority Subordinate Loan Note of even date herewith.

"**Operating Income**" has the meaning set forth in the Authority Subordinate Loan Note of even date herewith.

"**Partnership Agreement**" means that certain Agreement of Limited Partnership of Owner dated as of _____, 202__.

"**Project**" has the meaning set forth in Recital ["C,"] above.

"**Property**" has the meaning set forth in Recital ["B,"] above.

"**Secretary**" means the U.S. Secretary of Housing and Urban Development.

"Senior Lender" means from time to time, the holder of the Senior Loan.

"Senior Loan" means _____.

"**TCAC**" means the California Tax Credit Allocation Committee.

"**TCAC Regulatory Agreement**" means the regulatory agreement expected to record against the Property in favor of TCAC, with an initial term of fifty-five (55) years, in connection with the Tax Credits awarded to the Project pursuant to the Tax Credit Program.

"**Tenant**" means the occupants of an Affordable Unit.

"**Term**" shall have the meaning set forth in Article [2].

"**Unit**" means a dwelling unit in the Property.

1.2 **Singular and Plural Terms**. Any defined term used in the plural in this Regulatory Agreement shall refer to all members of the relevant class and any defined term used in the singular shall refer to any number of the members of the relevant class.

1.3 **Accounting Principles**. Any accounting term used and not specifically defined in this Regulatory Agreement shall be construed in conformity with, and all financial data required to be submitted under this Regulatory Agreement shall be prepared in conformity with, generally accepted accounting principles applied on a consistent basis or in accordance with such other principles or methods as are reasonably acceptable to the Executive Director.

1.4 **References and Other Terms**. Any reference to any other document shall include such document both as originally executed and as it may from time to time be modified. References

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herein to Articles, Sections and Exhibits shall be construed as references to this Regulatory Agreement unless a different document is named. References to subparagraphs shall be construed as references to the same Section in which the reference appears. The term "document" is used in its broadest sense and encompasses agreements, certificates, opinions, consents, instruments and other written material of every kind. The terms "including" and "include" mean "including (include) without limitation". References herein to statutes, laws, codes, ordinances or regulations by specific number (e.g., Health and Safety Code Section 33334 or 24 CFR 92.502) shall mean such statute, law, code, ordinance or regulation as it existed as of the date of this Agreement and as it may be amended from time to time thereafter.

1.5 **Exhibits Incorporated.** All attachments and exhibits to this Regulatory Agreement, as now existing and as the same may from time to time be modified, are incorporated herein by this reference.

2. **TERM**

The term of this Regulatory Agreement shall commence on the date it is recorded in the Official Records of the County and shall expire on expiration of the initial fifty-five (55)-year term of the TCAC Regulatory Agreement, but not later than _____.

3. **AFFORDABLE HOUSING**

3.1 **Definitions Applicable to this Article**. All capitalized terms used in this Article [3] and not elsewhere defined shall have the following meanings:

"**30% of Median Income Tenants**" means, consistent with California Health & Safety Code Section 50106, persons or families with Adjusted Income that does not exceed thirty percent (30%) of the Median Income for the Area, adjusted for household size.

"**50% of Median Income Tenants**" means, consistent with California Health & Safety Code Section 50105, persons or families with Adjusted Income that does not exceed fifty percent (50%) of the Median Income for the Area, adjusted for household size.

"**60% of Median Income Tenants**" means, consistent with California Health & Safety Code Section 50079.5, persons or families with Adjusted Income that does not exceed sixty percent (60%) of the Median Income for the Area, adjusted for household size.

"**Adjusted Income**" means the adjusted income of a person (together with the adjusted income of all persons of the age of eighteen (18) years or older who intend to reside with such person in one residential unit) as calculated in the manner prescribed under Section 142(d)(2)(B) of the Code.

"**Affordable Rent**" means either Affordable Rent for 30% of Median Income Tenants, Affordable Rent for 50% of Median Income Tenants, or Affordable Rent for 60% of Median Income Tenants, as the context requires.

"**Affordable Rent for 30% of Median Income Tenants**" means monthly rent consistent with the most restrictive of (a) the rent required for a Unit occupied by a 30% of Median

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Income Tenant under the TCAC Regulatory Agreement, or (b) the rent required for a Unit under California Health & Safety Code Section 50053(b)(2).

"**Affordable Rent for 50% of Median Income Tenants**" means monthly rent consistent with the most restrictive of (a) the rent required for a Unit occupied by a 50% of Median Income Tenant under the TCAC Regulatory Agreement, or (b) the rent required for a Unit under California Health & Safety Code Section 50053(b)(4).

"**Affordable Rent for 60% of Median Income Tenants**" means monthly rent consistent with the most restrictive of (a) the rent required for a Unit occupied by a 60% of Median Income Tenant under the TCAC Regulatory Agreement, or (b) the rent required for a Unit under California Health & Safety Code Section 50053(b)(4).

"**Certificate of Continuing Program Compliance**" shall mean the Certificate to be filed annually (or quarterly at the written request of the Executive Director) by Owner with the Executive Director which shall be substantially in the form attached to this Regulatory Agreement as Exhibit ["B"].

"**Code**" means the Internal Revenue Code of 1986, as amended, including the Regulations promulgated thereunder or under any predecessor statute.

"**Median Income for the Area**" means "area median income" as defined in California Health & Safety Code Section 50093.

"**Unit**" means a dwelling unit on the Property.

"**Utility Allowance**" means a monthly allowance for Utility Services based on a utility allowance schedule published annually as the California Utility Allowance Calculator.

"**Utility Services**" means all utility services included on the utility allowance schedule published annually by Authority.

3.2 **Affordable Housing**. As hereinafter more particularly provided, Owner shall use the Property and the Improvements as multifamily rental housing and ancillary purposes as follows: (a) not less than [_____]) of the Units shall be rented to and occupied by 30% of Median Income Tenants at Affordable Rent for 30% of Median Income Tenants, of which [_____] of said Units shall be two (2)-bedroom Units and [_____] of said Units shall be three (3)-bedroom Units; (b) not less than [_____] of the Units shall be rented to 50% of Median Income Tenants at Affordable Rent for 50% of Median Income Tenants, of which [_____] of said Units shall be two (2)-bedroom Units and [_____] of said Units shall be three (3)-bedroom Units; (c) not less than [_____] of the Units shall be rented to 60% of Median Income Tenants at Affordable Rent for 60% of Median Income Tenants, of which [_____] of said Units shall be two (2)-bedroom Units and [_____] of said Units shall be three (3)-bedroom Units. One (1) of the [one-bedroom Units] in the Project may be a manager's unit, provided, however, if not so used, it shall be rented to 50% of Median Income Tenants at Affordable Rent for 50% of Median Income Tenants. Except for such reasonable periods during which a Unit is, or Units are, being maintained, repaired or rehabilitated, Owner shall actively market any vacant Unit or Units and

rent it or them as soon as reasonably possible so as to satisfy the leasing requirements immediately above.

[specifics to be filled in once final deal structure confirmed]

3.3 **Tenant Selection**. In the selection of Tenants for occupancy of the Units, Owner shall, subject to applicable local, state and federal fair housing laws and Section 6.4 of this Agreement, give priority to eligible persons and families displaced by Authority and/or the City of Ontario, California. Any such priority shall be subject to the rules and regulations of the Tax Credit Program and to each such applicant meeting screening criteria approved by the Executive Director, which approval shall not be unreasonably withheld.

3.4 **Increase in Person's or Family's Income**. For purposes of satisfying the obligation to rent the dwelling units as set forth in Section [3.2] above, a person or family who at the commencement of his, hers or its occupancy qualified as a 30%, 50% or 60% of Median Income Tenant shall continue to be treated as such Tenant irrespective of any later increase in his, her or their income. A Unit occupied by a 30%, 50% or 60% of Median Income Tenant shall be deemed, upon the termination of such person's or family's occupancy, to be continuously occupied by such 30%, 50% or 60% of Median Income Tenant until reoccupied, provided that Owner actively, diligently and continuously markets such Unit for occupancy by a Tenant of the same income classification.

3.5 **Section 8 Certificate Holders**. Owner shall accept as Tenants, on the same basis as all other prospective tenants, persons and families that are recipients of federal certificates for rent subsidies pursuant to the existing program under Section 8 of the United States Housing Act of 1937, as amended, or its successor, and shall not apply selection criteria to Section 8 certificate holders that are more burdensome than the criteria applied to all other prospective tenants. Owner agrees to modify the rental agreements for the Units, as necessary, to allow the rental of Units to Section 8 certificate holders.

3.6 **Rent Increases**. Owner may adjust the Affordable Rents in accordance with periodic revisions to the Median Income for the Area by; provided, however, that the Affordable Rent for any Unit may not be increased more often than one time per 12-month period, and only after at least thirty (30) days prior written notice to the affected Tenant(s).

3.7 **Initial Income Certification**. Immediately prior to the initial occupancy of each Tenant, and at least annually thereafter, Owner shall obtain, in substantially the form set forth on Exhibit ["C"], current income certification statements for each Tenant. Owner shall comply with Sections "D" [Determining Income Eligibility] and "E" [Initial Income-Eligibility Determinations] of Section 3.2 of the Guide. Owner shall maintain each such income certification statement on file for not less than three (3) years.

3.8 **Annual Recertification**. Not less than annually, Owner shall obtain and maintain on file, again in substantially the form set forth in Exhibit ["C"] of current income recertification statements for each Tenant. Owner shall make a good faith effort to verify each income recertification statement in the manner described in Section [3.7]. Owner shall also maintain each such income recertification statement on file for not less than three (3) years.

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3.9 **Form of Rental Agreement**. The form of rental agreement used by Owner shall clearly notify Tenants that Owner has relied on the income certification supplied by the Tenant, and will rely on the annual income recertification to be supplied by the Tenant, in determining qualification for occupancy at Affordable Rent, and that any material misstatement in such certification or recertification will be cause for immediate termination of such rental agreement.

3.10 **Low-Income Housing Tax Credit Program**. Notwithstanding anything contained in this Regulatory Agreement to the contrary, if and when the Property is subject to the requirements of the California and Federal Low-Income Housing Tax Credit Program under the provisions of Section 42 of the Code and Section 23610.5 of the California Revenue and Taxation Code (collectively, the "Tax Credit Program") and there is a conflict between the requirements of the Tax Credit Program and the affordability provisions set forth in Sections [3.1] through [3.8] above, inclusive, then the provisions of the Tax Credit Program shall prevail. That notwithstanding, the fact that this Regulatory Agreement and the Tax Credit Program provide for greater, lesser or different obligations or requirements shall not be deemed a conflict unless the applicable provisions are inconsistent and could not be simultaneously enforced or performed.

3.11 **Access and Reporting**. Owner shall permit the representatives of Authority at any time or from time to time, upon one day's notice, to inspect, audit and copy all of its properties, books, records and accounts. Owner shall maintain a system of accounting established and administered in accordance with sound business practices to permit preparation of financial statements which shall be in conformity with GAAP basis of accounting. Owner shall furnish or cause to be furnished to Authority the following:

(a) **Notice of Default**. As soon as possible, and in any event not later than five (5) days after the occurrence of any Event of Default, a statement of an officer of Owner describing the details of such Event of Default and any curative action Owner proposes to take;

(b) **Annual Statements**. As soon as available, and in any event not later than one hundred twenty (120) days after the close of each fiscal year of Owner, financial statements of Owner, including a profit and loss statement, reconciliation of capital accounts and a consolidated statement of changes in financial position of Owner as at the close of and for such fiscal year, all in reasonable detail, certified as provided in clause (a) above by an officer or partner of Owner and, upon request of Authority, if total Operating Expenses for such year exceed the total amount set forth in the Approved Budget by more than five percent (5%), accompanied by a compilation report prepared by a firm of certified public accountants, and in a format, each reasonably acceptable to the Executive Director;

(c) **Pro Forma Budget**. As soon as available and in any event not later than December 15 of each calendar year beginning with the year in which Construction is completed, Owner shall provide Authority, for the Executive Director's approval, with a detailed projection of Operating Income and budgets of estimated Operating Expenses for the immediately succeeding calendar year (the "Pro Forma Budget") and a detailed Cash Flow projection for the next succeeding year. Owner shall also submit to Authority on request additional detail, information and assumptions used in the preparation of the Pro Forma Budget.

Within fifteen (15) days following its receipt of the Pro Forma Budget, Authority shall deliver to Owner its written approval or disapproval thereto, which approval shall not be unreasonably withheld. If Authority disapproves the Pro Forma Budget, it shall set forth its reasons with reasonable specificity. If Authority fails to indicate either its approval or disapproval of the Pro Forma Budget within such period, then Authority shall be deemed to have approved the Pro Forma Budget as submitted by Owner.

Once the Pro Forma Budget is approved or deemed approved by Authority, such approved Pro Forma Budget shall become the "Approved Budget" for the entire applicable calendar year. Owner shall use commercially reasonable efforts to operate the Property during such calendar year within the Approved Budget; provided, however, that the Owner shall not be required to obtain the approval of Authority for any deviation from the Approved Budget so long as the total Operating Expenses and expenditures for Capital Improvements paid or incurred during such calendar year do not exceed the originally budgeted amount thereof in the Approved Budget by more than five percent (5%) in the aggregate. To the extent required hereunder, any request by Owner to deviate from the Approved Budget shall be submitted to Authority in writing with an explanation thereof and shall be accompanied by supporting information for the request. Authority shall reasonably respond to any such request within fifteen (15) days of the receipt of same and if Authority fails to do so, such request shall be deemed to be approved;

(d) **Tax Returns**. As soon as available, and in any event not later than at the time of filing with the Internal Revenue Service, the federal tax returns (and supporting schedules, if any) of Owner;

(e) **Certificate of Performance**. Concurrently with delivery of each of the financial statements provided for in clause (b) above, a certificate of an officer or partner of Owner stating that Owner has, in all material respects, performed and observed each of its covenants contained in this Regulatory Agreement and that no Event of Default has occurred or, if any such event has occurred, specifying its nature;

(f) **Rent Roll**. As soon as possible and in any event not later than forty-five (45) days after the close of each calendar quarter, the rent roll as of the end of such calendar quarter setting forth such information, and in such format, as is reasonably acceptable to the Executive Director;

(g) **Annual Project Reports**. As requested by Authority, and in any event not later than one hundred twenty (120) days after the close of each calendar year, annual financial reports for the Property, certified by an officer or partner of Owner, showing income, operating expenses and a rent roll as of such year end, and setting forth such information, and in such format, as is reasonably acceptable to the Executive Director;

(h) **Audit Reports**. Promptly upon receipt thereof, copies of all reports submitted to Owner by independent certified public accountants in connection with each annual, interim or special audit of the financial statements of Owner made by such accountants, including the comment letter submitted by such accountants to management in connection with their annual audit;

(i) **Notices, Certificates or Communications**. Immediately upon giving or receipt thereof, copies of any notices, certificates or other communications given by or on behalf of Owner or received by or on behalf of Owner from lenders pursuant to or in connection with any of the loan documents, as well as any notices and other communications delivered to the Property or to Owner naming Authority or the "Construction Lender" as addressee, or which could reasonably be deemed to affect the Construction or the ability of Owner to perform its obligations to Authority;

(j) **Monthly Leasing Report**. As soon as available and in no event later than the twenty fifty (25th) day of every calendar month, a monthly property analysis report for the Property indicating the current leasing status for the Property;

(k) **Monthly Operating Statements**. As soon as available and in no event later than the twenty-fifth (25th) day of every calendar month, commencing with the first full calendar month following commencement of lease-up of the Property, a "Monthly Operating Statement" showing all Operating Income, Operating Expenses, Debt Service and any other amounts taken into consideration in computing Net Operating Income, Operating Deficits, and/or Cash Flow, as applicable, for the prior month, in a form reasonably satisfactory to the Executive Director;

(l) **Certificate of Continuing Program Compliance**. Owner shall submit to Authority on an annual basis the Certificate of Continuing Program Compliance.

(m) **Other Information**. Such other documents and information relating to the affairs of Owner and the Property as Authority reasonably may request from time to time which Owner can provide at a reasonable cost.

3.12 **Onsite Manager**. Owner, through an onsite professional property manager or property management company, shall manage the Project or cause it to be managed. Any manager or management company retained to act as agent for Owner in meeting the obligation of providing an onsite manager shall be subject to prior written approval of the Executive Director, which approval shall not be unreasonably withheld or delayed. National Community Renaissance of California ("NCRC") is hereby approved by Authority as the initial property manager. In exercising his/her approval rights hereunder, the Executive Director may require proof of ability and qualifications of the manager and/or management company based upon (i) prior experience, (ii) assets, and (iii) other factors determined by the Executive Director as necessary. Furthermore, upon sixty (60) days prior written demand from Authority with cause, Owner shall remove and replace a property manager and/or property management company. In any agreement with a property manager or property management company ("Management Agreement"), Owner shall expressly reserve the right to terminate such agreement upon written demand of Authority with cause. That notwithstanding, Authority agrees that NCRC shall be entitled to a thirty (30)-day notice of default and a reasonable opportunity to cure before any such termination.

4. MAINTENANCE, OPERATION, PRESERVATION AND REPAIR OF PROPERTY

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4.1 **Maintenance**. Owner shall maintain the Property (including, without limitation, the buildings; signage; sidewalks; parking lots; lighting; landscaping; fencing; and pool, if any; and other Improvements) in accordance with the requirements of 24 CFR 92.251; shall operate the Property in a businesslike manner; shall prudently preserve and protect both its own and Authority's interests in connection with the Property, shall not commit or permit any waste or deterioration of the Property; shall not abandon any portion of the Property; and shall not otherwise act in such a way as to unreasonably increase the risk of any damage to the Property. Such maintenance shall include, without limitation, the following:

(a) keeping the exterior surfaces of buildings painted, plastered or otherwise appropriately treated;

(b) replacing broken windows and other glass surfaces promptly;

(c) keeping the Property free from any accumulation of debris, graffiti, and waste materials; and

(d) keeping trees, lawns, shrubs and other plant materials trimmed and in healthy condition.

4.2 **Alterations and Repair**. Owner shall not remove, demolish or alter any Improvement, except to make non-structural repairs which preserve or increase the Property's value, and shall promptly restore, in a good and workmanlike manner, any Improvement (or other aspect or portion of the Property) that is damaged or destroyed from any cause.

4.3 **Management Plan**. Owner covenants and agrees to fully implement and continuously perform the Management Plan for the Property, including, without limitation, security management.

4.4 **Compliance**. Owner shall comply with all laws and requirements of governmental agencies (including, without limitation, all requirements relating to the obtaining of governmental agency approvals), all governmental agency approvals and all rights of third parties, relating to Owner, the Property or Owner's business thereon.

5. _____ PROGRAM COVENANTS

[Reserved].

6. OTHER COVENANTS

6.1 **Affirmative Covenants**. Throughout the Term, Owner covenants and agrees:

(a) **Pay Claims and Indebtedness**. Promptly to pay (i) such amounts, chargeable against Owner or the Property, as Authority reasonably deems necessary to protect and preserve the Property and this Regulatory Agreement, and (ii) all encumbrances, charges, and liens on the Property, with any interest on them, which, in the judgment of the Executive Director are, or appear to be, prior or superior to this Regulatory Agreement or to bond over any such encumbrances, charges, and liens to Executive Director's reasonable satisfaction.

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(b) **Perform Obligations Under Senior Loan Documents**. To perform all of the obligations of Owner under the Senior Loan Documents.

(c) **Protection of Lien**. To maintain the lien of the Authority Subordinate Loan Deed of Trust as a valid deed of trust on the Property and take all actions, and execute and deliver to Authority all documents, reasonably required by Authority from time to time in connection therewith.

(d) **Notice of Certain Matters**. To give notice to Authority, within ten (10) days of Owner's learning thereof, of each of the following:

(i) any litigation or claim affecting or relating to the Property and involving an amount in excess of $25,000; and any litigation or claim that might subject Owner to liability in excess of $25,000, whether covered by insurance or not;

(ii) any dispute between Owner and any governmental agency (other than Authority or City) relating to the Property, the adverse determination of which might affect the Property;

(iii) any change in Owner's principal place of business; and

(iv) any material adverse change in the financial condition of Owner.

(e) **Further Assurances**. To execute and acknowledge (or cause to be executed and acknowledged) and deliver to Authority all documents and take all actions reasonably required by Authority from time to time to confirm the rights created or now or hereafter intended to be created under the Authority Subordinate Loan Documents; to protect and further the validity, priority and enforceability of the Authority Subordinate Loan Deed of Trust; to subject to the Authority Subordinate Loan Deed of Trust any property intended by the terms of any Authority Subordinate Loan Document to be covered by the Authority Subordinate Loan Deed of Trust; or otherwise to carry out the purposes of the Authority Subordinate Loan Documents and the transactions contemplated thereunder.

6.2 **On-Site Inspections**. Owner acknowledges and agrees that Authority will conduct an annual on-site inspection of some or all of the Units to determine compliance with applicable housing codes. Owner agrees to cooperate fully in the conduct of such inspections, including, without limitation, allowing Authority unfettered access and entry to the Property.

6.3 **Anti-Crime Program**. Throughout the Term, Owner covenants and agrees to participate in any City anti-crime program.

6.4 **Initial Marketing Campaign to Ontario Residents**. Prior to marketing the Project to the general public, Owner shall, subject to applicable local, state and federal fair housing laws, conduct an initial marketing campaign of two (2)- weeks duration, directed solely at residents of the City of Ontario, during which such residents shall be given preference in the rental of Units.

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6.5 **Violence Against Women Act**. Owner shall fully comply with 24 CFR 92.359 Violence Against Women Act (VAWA) requirements as if the Project were funded under the HOME Investment Partnerships Program.

6.6 **Occupancy Standard**. Owner shall enforce a maximum occupancy per Unit of two (2) persons per bedroom plus one additional person.

7. AUTHORITY SUBORDINATE LOAN DEED OF TRUST

Until the Authority Subordinate Loan Note has been paid in full, the Authority Subordinate Loan Deed of Trust shall secure performance of all of Owner's obligations under this Regulatory Agreement.

8. SALE OR TRANSFER OF PROPERTY

8.1 **Assumption Required**. Owner covenants and agrees not to sell, transfer or otherwise dispose of the Property, or any portion of it (other than for individual tenant use as contemplated under this Agreement), unless and until the Executive Director has received (a) reasonably satisfactory evidence that the proposed transferee has (i) in the then recent past successfully maintained, managed and operated affordable housing of a type similar to the Property, (b) financial resources sufficient to perform Owner's obligations under this Regulatory Agreement, and (c) an assumption agreement, in form and substance satisfactory to the Executive Director, pursuant to which the transferee assumes in full Owner's duties and obligations under this Regulatory Agreement. This section shall not be deemed, construed or interpreted to prohibit any transfer of the Property (a) to Senior Lender with or without Authority's consent, (b) or to National Community Renaissance of California, a California nonprofit, public benefit corporation, or an affiliate thereof after a Certificate of Completion has been issued.

8.2 **Transfers in Violation**. The Property and any interest in title to it shall not be transferred or conveyed to any person or entity except as provided in this Regulatory Agreement. Any such conveyance or other transfer in violation of the terms of this Regulatory Agreement shall be voidable at the election of Authority.

9. NONDISCRIMINATION

Owner covenants and agrees that there shall be no discrimination against or segregation of any person or group of persons on account of race, color, creed, religion, sex, sexual orientation, marital status, ancestry or national origin in the sale, lease, sublease, transfer, use, occupancy, tenure or enjoyment of the Property, or any part thereof, nor shall Owner itself, or any person claiming under or through it, establish or permit any such practice or practices of discrimination or segregation with reference to the selection, location, number, use or occupancy of tenants, lessees, subtenants, sublessees, or vendors of the Property.

10. INDEMNIFICATION AND INSURANCE

10.1 **Indemnification**. Owner shall defend (by counsel reasonably satisfactory to Authority), indemnify, save and hold harmless the Indemnitees from and against all claims,

damages, demands, actions, losses, liabilities, costs and expenses (including, without limitation, reasonable attorneys' fees and court costs) arising from or relating to the ownership, occupancy, maintenance or use of the Property. Notwithstanding the foregoing, Owner shall not be obligated to indemnify Authority with respect to the consequences of any act of gross negligence or willful misconduct of Authority. Owner's obligations under this Section shall survive the termination of this Regulatory Agreement.

10.2 **Insurance**. Throughout the term of this Regulatory Agreement, Owner shall maintain the following types of insurance in the forms and amounts (as may be increased each calendar year by the corresponding increase in the CPI) set forth below, at Owner's sole expense. Notwithstanding the amounts of insurance set forth below, the Executive Director shall have the right, but not the obligation, to reduce the amounts required from time to time.

(a) Comprehensive General Liability in an amount not less than Two Million Dollars ($2,000,000.00) combined single limit for each occurrence or Four Million Dollars ($4,000,000.00) general aggregate for bodily injury, personal injury and property damage including contractual liability. The limits of this insurance shall be increased to an amount not less than Five Million Dollars ($5,000,000.00) combined single limit upon the recordation of the Certificate of Completion in the Official Records. The Indemnitees shall be covered as additional insureds with respect to liability arising out of activities by or on behalf of Owner or in connection with the use or occupancy of the Property. Coverage shall be in a form acceptable to the City Risk Manager and shall be primary and noncontributing with any insurance or self insurance maintained by City or Authority.

(b) Automobile Liability in an amount not less than One Million Dollars ($1,000,000.00) combined single limit per accident for bodily injury and property damage covering owned, non owned and hired vehicles.

(c) Workers' Compensation as required by the Labor Code of the State of California and Employers' Liability insurance in an amount not less than One Million Dollars ($1,000,000.00).

(d) "All Risk" property including builder's risk protection during the course of construction, covering the full replacement value of the Improvements constructed on or about the Property by Owner. Said insurance shall include debris removal, and, if typically carried upon similar affordable housing projects in San Bernardino County, California, coverage for earthquake and flood if this protection is required by the Senior Lender. Authority shall be named as insured under a standard loss payable endorsement. [Insurance subject to current market conditions]

10.3 **Other Insurance**. Owner shall also obtain and maintain such other insurance in forms and amounts reasonably required from time to time by Authority or the City Risk Manager for protection against the same or other insurable hazards which are then typically insured against by similar properties in San Bernardino County, California, provided that such coverage is available at commercially reasonable rates.

10.4 **Contractors**. All contractors employed by Owner with contracts of Fifty Thousand Dollars ($50,000.00) or more shall be required to furnish evidence of Comprehensive General Liability insurance subject to all the requirements stated herein with limits of not less than One Million Dollars ($1,000,000.00) combined single limit each occurrence. The Indemnitees shall have the right to receive evidence of compliance with the foregoing by contractors at any time upon written request therefor.

10.5 **Acceptable Terms of Coverage**. Acceptable insurance coverage shall be placed with carriers admitted to write insurance in California, or carriers with a rating of or equivalent to A-:VIII by A.M. Best & Company. Any deviation from this rule shall require specific approval in writing from the City's Risk Manager. Any deductibles in excess of Ten Thousand Dollars ($10,000.00) per occurrence or self insured retentions must be declared to and approved by the City Risk Manager. At the option of the City Risk Manager, Owner may be required to reduce or eliminate such deductibles or self insured retentions or to procure a bond guaranteeing payment of losses and related investigations, claim administration and defense costs. In the event such insurance provides for deductibles or self insured retention, Owner agrees that it will fully protect the Indemnitees in the same manner as those interests would have been protected had the policy or policies not contained a deductible or retention. Coverage under each policy shall not be suspended, avoided or canceled by either party except after thirty (30) days' prior written notice to Authority. Owner shall furnish the Indemnitees with certificates of insurance and with original endorsements effecting coverage as required under this Article. The certificates and endorsements for each insurance policy shall be signed by a person authorized by the insurer to bind coverage on its behalf. The Indemnitees reserve the right to require complete certified copies of all insurance policies not previously provided at any time.

10.6 **Blanket Coverage**. Notwithstanding anything to the contrary set forth in this Article [10], Owner's obligations to carry the insurance provided for herein may be brought within the coverage of a so-called blanket policy or policies of insurance carried and maintained by Owner; provided, however, (i) that the Indemnitees and other parties in interest to it shall be named as additional insureds as their interests may appear, and (ii) that the coverage afforded the Indemnitees will not be reduced or diminished by reason of the use of such blanket policy of insurance, and (iii) that the requirements set forth in this Article [10] are otherwise satisfied.

10.7 **Waiver of Subrogation**. Each policy of insurance procured pursuant to this Article [10] shall contain, if obtainable upon commercially reasonable terms, either (i) a waiver by the insurer of the right of subrogation against either party hereto for negligence of such party, or (ii) a statement that the insurance shall not be invalidated should any insured waive in writing prior to a loss any or all right of recovery against any party for loss accruing to the property described in the insurance policy. Each of the parties hereto waives any and all rights of recovery against the other, or against the officers, employees, agents and representatives of such other party, for loss or damage to such waiving party or its property or the property of others under its control, arising from any cause insured against under the form of insurance policies required to be carried pursuant to this Article [10] or under any other policy of insurance carried by such waiving party.

11. DEFAULTS

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The occurrence of any of the following, whatever the reason therefor, shall constitute an "Event of Default" by Owner:

(a) Owner fails to perform any obligation for the payment of money under this or any other Authority Subordinate Loan Document, and such failure is not cured within fifteen (15) days after Owner's receipt of written notice that such obligation was not performed when due; or

(b) Owner fails to perform any obligation (other than obligations described in subparagraph (a), above) under this Regulatory Agreement, and such failure is not cured within thirty (30) days after Owner's receipt of written notice that such obligation was not performed; provided that, if cure cannot reasonably be effected within such 30-day period, such failure shall not be an Event of Default so long as Owner (in any event, within fifteen (15) Business Days after receipt of such notice) commences cure, and thereafter diligently and continuously prosecutes such cure to completion; or

(c) Owner is enjoined or otherwise prohibited by any governmental agency (other than City) from occupying all or any of the Property and such injunction or prohibition continues unstayed for ninety (90) days or more for any reason; unless Owner is diligently and continuously attempting to have such injunction or prohibition stayed or lifted and Owner demonstrates, to the reasonable satisfaction of the Manager, that such stay or lifting will occur within a reasonable time; or

(d) Owner is dissolved, liquidated or terminated without the Manager's prior written consent; or

(e) Owner is the subject of an order for relief by a bankruptcy court, or is unable or admits its inability to pay its debts as they mature, or makes an assignment for the benefit of creditors; or Owner applies for or consents to the appointment of any receiver, trustee, custodian, conservator, liquidator, rehabilitator or similar officer for it or any part of its property; or any receiver, trustee, custodian, conservator, liquidator, rehabilitator or similar officer is appointed without the application or consent of Owner and the appointment continues undischarged or unstayed for ninety (90) days; or Owner institutes or consents to any bankruptcy, insolvency, reorganization, arrangement, readjustment of debt, dissolution, custodianship, conservatorship, liquidation, rehabilitation or similar proceeding relating to it or any part of its property; or any similar proceeding is instituted without the consent of Owner and continues undismissed or unstayed for ninety (90) days; or any judgment, writ, warrant of attachment or execution, or similar process is issued or levied against the Property and is not released, vacated or fully bonded within ninety (90) days after its issue or levy.

11.2 **Right to Cure**. Notwithstanding anything to the contrary contained in this Regulatory Agreement, prior to declaring any default or taking any remedy permitted under this Regulatory Agreement or applicable law based upon an alleged default, __[the tax credit limited partner and the senior lender]_____ shall have a period of not less than thirty (30) days to cure such alleged default; provided, however, if in order to cure such default _____ reasonably believes that it must remove a general partner of Owner, or all of them, pursuant to the Partnership Agreement, _____ shall so notify Authority

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and so long as _____is reasonably and diligently attempting to remove the general partner or general partners, _____ shall have until the date thirty (30) days after the effective date of the removal of the general partner or general partners to cure such default.

12. **REMEDIES**

12.1 **Remedies Upon Default**. Upon the occurrence of any Event of Default, Authority may, at its option and in its absolute discretion, do any or all of the following:

(a) **Specific Performance**. By mandamus or other suit, action or proceeding at law or in equity, require Owner to perform its obligations and covenants hereunder or enjoin any acts or things which may be unlawful or in violation of the rights of Authority hereunder.

(b) **Disgorgement of Excess Rents**. Demand and receive payment from Owner of any Excess Rents received by Owner together with interest thereon, at the highest rate permitted by law, from the time such Excess Rents were received by Owner until paid to Authority.

(c) **Exercise Other Rights**. Exercise any other rights provided by law or in the other Authority Subordinate Loan Documents, including, without limitation, the Authority Subordinate Loan Deed of Trust, all in such order and manner as Authority elects in its sole and absolute discretion.

(d) **Terminate Regulatory Agreement**. Terminate this Regulatory Agreement. Termination in such event shall be effective immediately upon Owner's receipt of written termination notice from Authority. No act by Authority other than giving notice to Owner shall terminate this Regulatory Agreement. In the event of such a termination, any rights or remedies for breach of this Regulatory Agreement shall survive.

(e) **Lease Units**. If the Event of Default is the collection of Excess Rents, then for each Unit producing Excess Rents, for the length of the Term and for as long as the Event of Default continues, Authority shall have the right to lease each such Unit for a rental of one dollar ($1.00) per Unit per year. Authority shall sublease such Units to the extent necessary to comply with the provisions of Section [3.2]. Any rent paid under such sublease shall be paid to Owner after Authority has been reimbursed for any expenses reasonably incurred by it in connection with the sublease.

12.2 **Cumulative Remedies; No Waiver**. Authority's rights and remedies under this Regulatory Agreement are cumulative and in addition to all rights and remedies provided by law or in the other Authority Subordinate Loan Documents, including, without limitation, the Authority Subordinate Loan Deed of Trust, from time to time. The exercise by Authority of any right or remedy shall not constitute a cure or waiver of any default, nor invalidate any notice of default or any act done pursuant to any such notice, nor prejudice Authority in the exercise of any other right or remedy. No waiver of any default shall be implied from any omission by Authority to take action on account of such default if such default persists or is repeated. No waiver of any default shall affect any default other than the default expressly waived, and any such waiver shall be operative only for the time and to the extent stated. No waiver of any provision of this

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Regulatory Agreement shall be construed as a waiver of any subsequent breach of the same provision. Authority's consent to or approval of any act by Owner requiring further consent or approval shall not be deemed to waive or render unnecessary Authority's consent to or approval of any subsequent act. Authority's acceptance of the late performance of any obligation shall not constitute a waiver by Authority of the right to require prompt performance of all further obligations. Authority's acceptance of any performance following the sending or filing of any notice of default shall not constitute a waiver of Authority's right to proceed with the exercise of its remedies for any unfulfilled obligations; and Authority's acceptance of any partial performance shall not constitute a waiver by Authority of any rights relating to the unfulfilled portion of the applicable obligation.

13. COVENANTS TO RUN WITH THE LAND

Owner hereby subjects the Property to the covenants, reservations and restrictions set forth in this Regulatory Agreement. Authority hereby declares its express intent that the covenants, reservations and restrictions set forth herein shall be deemed covenants running with the land and shall pass to and be binding upon Owner's successors in interest to all or any part of the Property; provided, however, that on the termination of this Regulatory Agreement said covenants, reservations and restrictions shall expire. Each and every contract, deed or other instrument hereafter executed covering or conveying all or any part of the Property, or any interest therein, shall conclusively be held to have been executed, delivered and accepted subject to such covenants, reservations and restrictions, regardless of whether such covenants, reservations and restrictions are set forth in such contract, deed or other instruments.

14. BURDEN AND BENEFIT

Authority and Owner hereby declare their understanding and intent that the burden of the covenants set forth herein touch and concern the land in that the Owner's legal interest in the Property is rendered less valuable thereby. Authority and Owner hereby further declare their understanding and intent that the benefit of such covenants touch and concern the land by enhancing and increasing the enjoyment and use of the Property by the Tenants, the intended beneficiaries of such covenants, reservations and restrictions, and by furthering the public purposes for which this Regulatory Agreement was made.

15. UNIFORMITY; COMMON PLAN

The covenants, reservations and restrictions hereof shall apply uniformly to the Property in order to establish and carry out a common plan for the use, development and improvement of the Property.

16. MISCELLANEOUS

16.1 **Governing Law**. This Regulatory Agreement shall be governed by the laws of the State of California.

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16.2 **Amendments**. This Regulatory Agreement shall be amended only by a written instrument executed by the parties hereto or their successors in title, and duly recorded in the Official Records.

16.3 **Notice**. All notices, certificates or communications shall be sufficiently given and shall be deemed given on the second day following the date on which the same have been personally delivered or mailed by certified mail, return receipt requested, postage prepaid, addressed as follows:

If to Owner: National Community Renaissance of California
9692 Haven Avenue, Suite 100
Rancho Cucamonga, CA 91730
Attn: Chief Financial Officer

with a copy to: [Tax Credit Partner]
_____
_____
_____

If to Authority: Ontario Housing Authority
303 East "B" Street
Ontario, California 91764
Attn: Executive Director

Any of the foregoing persons may, by notice given hereunder, designate any further or different addresses to which subsequent notices, certificates or communications shall be sent.

16.4 **Severability**. If any provision of this Regulatory Agreement shall be invalid, illegal or unenforceable, the validity, legality and enforceability of the remaining portions hereof shall not in any way be affected or impaired thereby.

16.5 **Multiple Counterparts**. This Regulatory Agreement may be simultaneously executed in multiple counterparts, all of which shall constitute one and the same instrument, and each of which shall be deemed to be an original.

16.6 **Construction of Titles**. The captions, headings and titles of the sections of this Regulatory Agreement have been inserted for convenience of reference only, and are not to be considered a part hereof and shall not in any way modify or restrict any of the terms or provisions hereof or be considered or given any effect in construing this Regulatory Agreement or any provisions hereof or in ascertaining intent, if any question of intent shall arise.

16.7 **No Partnership with Authority**. Owner is, and shall be deemed to be, an independent contractor and is not an employee of Authority and shall not become an agent of Authority.

16.8 **Attorney's Fees**. In case any action at law or in equity, including an action for declaratory relief, is brought against Owner to enforce the provisions of this Regulatory

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Agreement, the losing party agrees to pay reasonable attorney's fees and other reasonable expenses incurred by the prevailing party.

16.9 **Successors and Assigns**. The terms and provisions of this Regulatory Agreement bind and benefit the heirs, legal representatives, successors and assigns of the parties.

16.10 Subordination. If required by the Senior Lender, this Regulatory Agreement shall be subordinate to the Senior Loan Documents.

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IN WITNESS WHEREOF, Authority and Owner have executed this Regulatory Agreement by duly authorized representatives, all on the date first written hereinabove.

"Owner"

NATIONAL COMMUNITY RENAISSANCE OF CALIFORNIA, a California nonprofit, public benefit corporation

By: _____
_____, President

Date: _____ [Mandatory]

"Authority"

ONTARIO HOUSING AUTHORITY, a public body, corporate and politic

By: _____
Scott Ochoa,
Executive Director

APPROVED AS TO FORM:

Best, Best & Krieger LLP
Authority Counsel

By: _____

Date: _____

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EXHIBIT ["A"]
TO EXHIBIT ["L"]

AFFORDABLE HOUSING REGULATORY AGREEMENT

LEGAL DESCRIPTION

The real property situated in the City of Ontario, County of San Bernardino, State of California, and described as follows:

Holt Blvd.
APN: 1048-481-06-0000

38,768 SF/.89 acres

Lot Number: 6 District: 07 City, Municipality, Township: CITY OF COLTON Brief Description: REVISED MAP OF HANSON AND CO ADD E 87 FT S 1/2 W 1/2 E 1/2 LOT 6

935 E Holt Blvd.
APN: 1048-481-07-0000

40,129 SF/.92 acres

Lot Number: 6 District: 07 City, Municipality, Township: ONTARIO Brief Description: REVISED MAP OF HANSON AND CO ADD E 43.5 FT S 297.5 FT E 1/2 W 1/2 AND W 87 FT S 1/2 W 1/2 E 1/2 LOT 6 EX ST

905 E Holt Blvd
APN: 1048-481-08-0000

68,389 SF/1.57 acres

Lot Number: 6 District: 07 Brief Description: REVISED MAP OF HANSON AND CO ADD E 1/2 W 1/2 LOT 6 EX E 43.5 FT S 297.5 ST EX N 153 FT AND EX ST 1.57 AC M/L

957 E Holt Blvd.
APN: 1048-481-28-0000

51,531 SF/1.18 acres

District: 07 City, Municipality, Township: ONTARIO Brief Description: PARCEL 2 OF THAT CERTAIN LLA 08-007 IN THE CITY ONTARIO COUNTY OF SAN BERNARDINO STATE OF CA RECORDED NOVEMBER 10, 2008 AS

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957 E Holt Blvd.
APN: 1048-481-29-0000

50,965 SF/1.17 acres

District: 07 City, Municipality, Township: ONTARIO Brief Description: ALL THAT CERTAIN REAL PROPERTY SITUATED IN THE COUNTY OF STATE OF CA DESCRIBED AS FOLLOWS PARCEL 1 OF THAT CERTAIN LLA 08-007

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EXHIBIT ["B"]
TO EXHIBIT ["L"]

AFFORDABLE HOUSING REGULATORY AGREEMENT

CERTIFICATE OF CONTINUING PROGRAM COMPLIANCE

[Ontario Phase 2 Multifamily Affordable Housing Project]

The undersigned (the "Owner") has read and is thoroughly familiar with the provisions of the Agreement Containing Covenants dated as of _____, 202_ by and between Owner and the Ontario Housing Authority (the "Regulatory Agreement"). Capitalized terms when used herein shall have the same meanings ascribed to them in the Regulatory Agreement, unless otherwise defined herein.

As of the date of this Certificate, the following percentages of residential Units (i) are occupied by 30%, 50% or 60% of Median Income Tenants (as such terms are defined in the Regulatory Agreement), or (ii) are currently vacant and being held available for such occupancy and have been so held continuously since the date a tenant vacated such Unit; as indicated:

Occupied by 30% of Median Income Tenants: ____%; Unit Nos. _____

Held vacant for occupancy continuously since last occupied by 30% of Median Income Tenant:

Vacant Units: ____%; Unit Nos. _____

Occupied by 50% of Median Income Tenants: ____%; Unit Nos. _____

Held vacant for occupancy continuously since last occupied by 30% of Median Income Tenant:

Vacant Units: ____%; Unit Nos. _____

Occupied by 60% of Median Income Tenants: ____%; Unit Nos. _____

Held vacant for occupancy continuously since last occupied by 60% of Median Income Tenant:

Vacant Units: ____%; Unit Nos. _____

Occupied by % of Median Income Tenants: ____%; Unit Nos. _____

Held vacant for occupancy continuously since last occupied by __% of Median Income Tenant:

Vacant Units: ____%; Unit Nos. _____

The undersigned hereby certifies that the Owner is not in default under any of the terms and provisions of the Regulatory Agreement.

"Owner"

NATIONAL COMMUNITY RENAISSANCE OF CALIFORNIA, a California nonprofit, public benefit corporation

By: _____
_____, President

Date: _____ [Mandatory]

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EXHIBIT "C"
TO EXHIBIT ["L"]
AFFORDABLE HOUSING REGULATORY AGREEMENT

INCOME COMPUTATION AND CERTIFICATION

NOTE TO APARTMENT OWNER: This form is designed to assist you in computing Annual Income in accordance with the method set forth in the Department of Housing and Urban Development ("HUD") Regulations (24 CFR 813). You should make certain that this form is at all times up to date with the HUD Regulations.

Re: _____ Apartments, Ontario, California

I/We, the undersigned state that I/we have read and answered fully, franldy and personally each of the following questions for all persons who are to occupy the unit being applied for in the above apartment project. Listed below are the names of all persons who intend to reside in the unit:

1. Names of Members of Household	2. Relationship to Head of Household	3. Age	4. Social Security Number	5. Place/Source of Employment	6. Monthly Gross Income Amount (before deducations)
	HEAD				
	SPOUSE				

Income Computation

7. The total anticipated income, calculated in accordance with the provisions of this paragraph 7, of all persons over the age of 18 years listed above for the 12-month period beginning the date that I/we plan to move into a unit is $_____.

Included in the total anticipated income listed above are:

(a) all wages and salaries, overtime pay, commissions, fees, tips and bonuses and other compensation for personal services, before payroll deductions;

(b) the net income from the operation of a business or profession or from the rental of real or personal property (without deducting expenditures for business expansion or amortization of capital indebtedness or any allowance for depreciation of capital assets),

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(c) interest and dividends (including income from assets excluded below);

(d) the full amount of periodic payments received from social security, annuities, insurance policies, retirement funds, pensions, disability or death benefits and other similar types of periodic receipts, including any lump sum payment for the delayed start of a periodic payment;

(e) payments in lieu of earnings, such as unemployment and disability compensation, workmen's compensation and severance pay;

(f) the maximum amount of public assistance available to the above persons other than the amount of any assistance specifically designated for shelter and utilities;

(g) periodic and determinable allowances, such as alimony and child support payments and regular contributions and gifts received from persons not residing in the dwelling;

(h) all regular pay, special pay and allowances of a member of the Armed Forces (whether or not living in the dwelling) who is the head of the household or spouse; and

(i) any earned income tax credit to the extent that it exceeds income tax liability.

Excluded from such anticipated income are:

(a) casual, sporadic or irregular gifts;

(b) amounts which are specifically for or in reimbursement of medical expenses;

(c) lump sum additions to family assets, such as inheritances, insurance payments (including payments under health and accident insurance and workmen's compensation), capital gains and settlement for personal or property losses;

(d) amounts of educational scholarships paid directly to the student or the educational institution, and amounts paid by the government to a veteran for use in meeting the costs of tuition, fees, books and equipment. Any amounts of such scholarships or payments to veterans not used for the above purposes are to be included in income;

(e) special pay to a household member who is away from home and exposed to hostile fire;

(f) relocation payments under Title II of the Uniform Relocation Assistance and Real Property Acquisition Policies Act of 1970;

(g) foster child care payments;

(h) the value of coupon allotments for the purchase of foods pursuant to the Food Stamp Act of 1977;

(i) payments to volunteers under the Domestic Volunteer Service Act of 1973;

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(j) payments received under the Alaska Native Claims Settlement Act;

(k) income derived from certain submarginal land of the United States that is held in trust for certain Indian tribes;

(l) payments or allowances made under the Department of Health and Human Services' Low-Income Home Energy Assistance Program;

(m) payments received from the Job Training Partnership Act;

(n) income derived from the disposition of funds of the Grand River Band of Ottawa Indians; and

(o) the first $2,000.00 of per capita shares received from judgment funds awarded by the Indian Claims Commission or the Court of Claims.

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8. Do the persons whose income or contributions are included in item 6 above:

(a) have savings, stocks, bonds, equity in real property or other form of capital investment (excluding the values of necessary items of personal property such as furniture and automobiles and interests in Indian trust land);

_____ Yes _____ No

(b) have they disposed of any assets (other than at a foreclosure or Credit Bankruptcy sale) during the last two years at less than fair market value?

_____ Yes _____ No

(c) If the answer to (a) or (b) above is yes, does the combined total value of all such assets owned or disposed of by all such persons total more than $5,000?

_____ Yes _____ No

(d) If the answer to (c) above is yes, state:

(1) the amount of income expected to be derived from such assets in the 12-month period beginning on the date of initial occupancy in the unit that you propose to rent:

$ _____

(2) the amount of such income, if any, that was included in item 7 above:

$ _____

9. (a) Are all of the individuals who propose to reside in the unit full-time students*?

_____ Yes _____ No

*A full-time student is an individual enrolled as a full-time student during each of 5 calendar months during the calendar year in which occupancy of the unit begins at an educational organization which normally maintains a regular faculty and curriculum and normally has a regularly enrolled body of students in attendance and is not an individual pursuing a full-time course of institutional or farm training under the supervision of an accredited agent of such an educational organization or of a state or political subdivision thereof.

(b) If the answer to 8(a) is yes, is at least 1 of the proposed occupants of the unit a husband and wife entitled to file a joint federal income tax return?

_____ Yes _____ No

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10. Neither myself nor any other occupant of the unit I/we propose to rent is the owner of the rental housing project in which the unit is located (hereinafter the "Owner"), has any family relationship to the Owner, or owns directly or indirectly any interest in the Owner. For purposes of this paragraph, indirect ownership by an individual shall mean ownership by a family member, ownership by a corporation, partnership, estate or trust in proportion to the ownership or beneficial interest in such corporation, partnership, estate or trustee held by the individual or a family member; and ownership, direct or indirect, by a partner of the individual.

11. This certificate is made with the knowledge that it will be relied upon by the Owner to determine maximum income for eligibility to occupy the unit, and I/we declare that all information set forth herein is true, correct and complete and based upon information I/we deem reliable and that the statement of total anticipated income contained in paragraph 6 is reasonable and based upon such investigation as the undersigned deemed necessary.

12. I/we will assist the Owner in obtaining any information or documents required to verify the statements made herein, including either an income verification from my/our present employer(s) or copies of federal tax returns for the immediately preceding calendar year.

13. I/we acknowledge that I/we have been advised that the making of any misrepresentation or misstatement in this declaration will constitute a breach of my/our agreement with the Owner to lease the unit and will entitle the Owner to prevent or terminate my/our occupancy of the unit by institution of an action for ejection or other appropriate proceedings.

14. Housing Authority Statistical Information (Optional - will be used for reporting purposes only).

Race (Head of Household)

White	_____	Black	_____	Asian	_____
Hispanic	_____	Native American	_____	Other	_____

Physical Disability: Yes _____ No _____

I/we declare under penalty of perjury that the foregoing is true and correct.

Executed this _____ day of _____ in the County of _____, California.

_____
Applicant

_____
Applicant

[Signatures of all persons over the age of 18 years listed in number 2 above required.]

EXHIBIT ["C"]
TO EXHIBIT ["L"]

DRAFT

FOR COMPLETION BY APARTMENT OWNER ONLY:

1. Calculation of eligible income:

(a) Enter amount entered for entire household in 6 above: $ _____

(b) (1) If answer to 7(c) above is yes, enter the total amount entered in 7(d)(1), subtract from that figure the amount entered in 7(d)(2) and enter the remaining balance ($_____)

(2) Multiply the amount entered in 7(c) times the current passbook savings rate to determine what the total annual earnings on the amount in 7(c) would be if invested in passbook savings ($_____), subtract from that figure the amount entered in 7(d)(2) and enter the remaining balance ($ _____)

(3) Enter at right the greater of the amount calculated under (1) and (2) above: $ _____

(c) TOTAL ELIGIBLE INCOME (line 1.a plus line 1.b(3)): $ _____

2. The amount entered in 1.c:

_____ Qualifies the applicant(s) as Very Low-Income Tenant(s).

_____ Does not qualify the applicant(s) as Very Low-Income Tenant(s)

3. Number of apartment unit assigned: ____Bedroom Size: _____ Rent: $_____

Tenant-Paid Utilities

Water _____ Gas _____ Electric _____

Trash _____ Other (list Type) _____

4. Was this apartment unit last occupied for a period of 31 consecutive days by persons whose aggregate anticipated annual income as certified in the above manner upon their initial occupancy of the apartment unit qualified them as Very Low-Income Tenants? _____ Yes _____ No

5. Method used to verify applicant(s) income:

EXHIBIT ["C"]
TO EXHIBIT ["L"]

DRAFT

_____ Employer income verification

_____ Social Security Administration verification

_____ Department of Social Services verification

_____ Copies of Tax returns

_____ Other: (_____)

_____

Manager

DRAFT

INCOME VERIFICATION
(For Employed Persons)

The undersigned employee has applied for a rental unit located in a project financed under the _____ Multifamily Housing Program for persons of low income. Every income statement of a prospective tenant must be stringently verified. Please indicate below the employee's current annual income from wages, overtime, bonuses, commissions or any other form of compensation received on a regular basis.

Annual Wages: _____

Overtime: _____

Bonuses: _____

Commissions: _____

Total Current Income: _____

I hereby certify that the statements above are true and complete to the best of my knowledge.

Dated:_____ _____
Signature

Title: _____

I hereby grant you permission to disclose my income to _____ in order that they may determine my income eligibility for rental of an apartment located in their project which has been financed under _____Multifamily Housing Program.

Dated:_____ _____
Signature

Please send form to:

_____

_____

_____

_____

DRAFT

INCOME VERIFICATION
(For Social Security Recipients)

TO: SOCIAL SECURITY ADMINISTRATION

Ladies and Gentlemen:

I have applied for a rental unit located in a project financed under the _____ Multifamily Housing Program for persons of low income. Every income statement of a prospective tenant must be stringently verified. In connection with my application for a rental unit, I hereby give my consent to release to _____ the specific information requested below.

Dated:_____ _____
Signature

Social Security No.: _____ Name (Print) _____
Address (Print): _____
_____
Monthly Benefits Began/Will Begin: _____
Social Security Benefit Amount: _____
Other Benefit(s): _____ Amount: $_____
Medicare Deduction: _____
Are benefits expected to change? _____ Yes _____ No
If yes, please state date and amount of change: Date: _____ Amount: _____

If recipient is not receiving full benefit amount, please indicate reason and date recipient will start receiving full benefit amount:

Reason: _____ Date of Resumption: _____ Amount: $_____

Dated: _____ _____
Signature

Telephone: _____ Name (Print): _____
Title: _____

Please send form to:

_____
_____
_____
_____

EXHIBIT ["C"]
TO EXHIBIT ["L"]

DRAFT

INCOME VERIFICATION
(For Department of Social Services Aid Recipients)

TO: CALIFORNIA DEPARTMENT OF SOCIAL SERVICES

Ladies and Gentlemen:

I am receiving assistance through your office. I have applied for a rental unit located in a project financed under the _____Multifamily Housing Program for persons of very low income. Every income statement of a prospective tenant must be stringently verified. In connection with my application for a rental unit, I hereby authorize the Department of Social Services to release to the specific information requested below.

Dated: _____ _____
Signature

Caseload Number: _____ Name (Print):_____

Case Number: _____ Case Worker: _____

1. Number of persons included in budget: _____

2. Total monthly budget:$ _____

a. Amount of grant: $_____ Date aid last began: _____

b. Other income and source: _____

c. Is other income included in total budget? _____ Yes _____ No

3. Please specify type of aid _____
(AFDC, FR, Food Stamps, ANB, Medical, etc.)

4. If recipient is not receiving full grant, please indicate reason:

_____ Overpayment due to client's failure to report other income

_____ Computation error

_____ Other

DRAFT

5. Date when full grant will resume: _____

Dated: _____ _____
Case Worker's Signature

Telephone: _____ _____
District Office

Your very early response will be appreciated.

Please return form to:

_____
_____
_____
_____

DRAFT

INCOME VERIFICATION
(For Self-Employed Persons)

I hereby attach copies of my individual federal and state income tax returns for the immediately preceding calendar year and certify that the information shown in such income tax returns is true and complete to the best of my knowledge.

Dated: _____ _____
Signature

DRAFT

EXHIBIT ["C"]
TO EXHIBIT ["L"]

EXHIBIT "M"

[INTENTIONALLY OMITTED]

DRAFT

EXHIBIT "N"

ONTARIO HOUSING AUTHORITY

_____, 202_

[Construction Lender]

Re: **National Community Renaissance of California**
Ontario, California

Dear_____:

Reference is hereby made to that certain "Building Loan Agreement," dated as of_____, 202_, by and between National Community Renaissance of California, a California nonprofit corporation ("Borrower"), and _____ ("Lender"). Capitalized words and terms used herein shall have the meanings ascribed thereto in the Building Loan Agreement.

Pursuant to the Building Loan Agreement, Lender will open the Housing Authority Funds Account into which will be deposited $_____ of Housing Authority Loan proceeds. Housing Authority hereby expressly agrees that Lender shall have the right, without further consent or authorization of Housing Authority, to disburse said proceeds to pay project costs pursuant to the Building Loan Agreement. By executing this letter below, Lender acknowledges and agrees that pending such disbursement, Lender holds said Housing Authority Loan proceeds in trust for Housing Authority and will, upon written demand from Housing Authority actually received by Lender at the address above prior to disbursement of said funds, and provided that Lender has received no other written claims to said funds, promptly return said funds to Housing Authority. Housing Authority hereby agrees not to make any such demand unless and until it has given notice to Borrower with a copy to Lender of a default under the Disposition and Development Agreement, dated as of _____, 202_, by and between Housing Authority and Borrower or under the documents evidencing and/or securing the Housing Authority Loan. In the event that Housing Authority makes such a written demand and Lender receives one or more competing claims to the subject funds, Housing Authority agrees that Lender may hold the funds pending unanimous agreement of the claimants thereto to the disposition thereof or pending the order of a court of competent jurisdiction.

ONTARIO HOUSING AUTHORITY, a public body, corporate and politic

By: _____
Scott Ochoa,
Executive Director

DRAFT

[SIGNATURES CONTINUED]

APPROVED AS TO FORM:

Best, Best & Krieger LLP
Authority Counsel

By: _____

Date: _____

AGREE:

[CONSTRUCTION LENDER]

By: _____

Its: _____

DRAFT

RESOLUTION NO. _____

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF ONTARIO, CALIFORNIA, APPROVING THAT CERTAIN CITY GRANT AGREEMENT [HOLT/ALLYN MULTIFAMILY HOUSING PROJECT] CONCERNING THE GRANT OF AFFORDABILITY IN-LIEU FEE FUNDS TO THE ONTARIO HOUSING AUTHORITY FOR THE HOLT/ALLYN MULTIFAMILY HOUSING PROJECT

WHEREAS, the City of Ontario ("City") holds Fifteen Million Dollars ($15,000,000.00) in Affordability In-Lieu Fees collected from developers for the purpose of increasing the City's supply of affordable housing available to persons and families of low-income.

WHEREAS, the Ontario Housing Authority ("Authority") is the owner of certain real property in the City comprised of approximately 5.73 acres located on East Holt Boulevard east of Allyn Avenue (the "Property").

WHEREAS, the Authority has negotiated the terms of a Disposition and Development Agreement ("DDA") with National Community Renaissance of California, a California non-profit public benefit corporation ("Developer") setting forth the terms for the sale of the Property to Developer and the development thereon of a 130-150-unit affordable rental housing project (the "Development").

WHEREAS, the Authority desires to provide assistance to the Development by, among other things, providing a loan to Developer in an amount not to exceed the lesser of One Hundred Thousand Dollars ($100,000) per unit, or a maximum assistance amount of Fifteen Million Dollars ($15,000,000).

WHEREAS, the City desires to develop and support affordable rental housing, and stabilize the community through the grant of the funds described herein.

WHEREAS, the City wishes to extend to the Authority financial assistance in the form of a grant (the "Grant") from the Affordability In-Lieu Fees in the amount of $15,000,000.00 (the "Funds").

WHEREAS, the City desires to make the Grant in accordance with the terms and conditions set forth in the City Grant Agreement [Holt/Allyn Multifamily Housing Project] included in the agenda documents accompanying this Resolution, and the Authority desires to receive the Grant from the City.

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

SECTION 1. Recitals. The above recitals are true and correct, and are incorporated into this Resolution by reference as though fully set forth herein.

SECTION 2. Approval of City Grant Agreement [Holt/Allyn Multifamily Housing Project]. The City Council hereby approves the City Grant Agreement [Holt/Allyn Multifamily Housing Project] in the form on file at the Offices of the City.

SECTION 3. Authorization. The City Council hereby authorizes the City Manager (with the concurrence of the City Attorney) to execute and deliver on behalf of the City the agreement referenced herein, with such changes as may be authorized by the City Attorney, and such other documents and instruments as may be necessary or convenient in the furtherance of the actions authorized in this Resolution.

SECTION 4. Direction. City staff is hereby directed to do all that is necessary to effectuate the intent of this Resolution.

SECTION 5. CEQA Compliance. The City has determined that it can be seen with certainty that there is no possibility that approval of the actions authorized under this Resolution will have a significant adverse effect on the environment. Thus, the adoption of this Resolution is exempt from the requirements of the California Environmental Quality Act ("CEQA") pursuant to Section 15061(b)(3) of the CEQA Guidelines.

SECTION 6. Certification. The City Clerk shall certify the adoption of this Resolution.

SECTION 7. Effective Date. This Resolution shall become effective upon its adoption.

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

PASSED, APPROVED, AND ADOPTED this 17th day of December, 2024.

_____
PAUL S. LEON, MAYOR

ATTEST:

_____
SHEILA MAUTZ, CITY CLERK

APPROVED AS TO FORM:

_____
BEST BEST & KRIEGER LLP
CITY ATTORNEY

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

I, SHEILA MAUTZ, City Clerk of the City of Ontario, DO HEREBY CERTIFY that foregoing Resolution No. 2024- was duly passed and adopted by the City Council of the City of Ontario at their regular meeting held December 17, 2024 by the following roll call vote, to wit:

AYES: COUNCIL MEMBERS:

NOES: COUNCIL MEMBERS:

ABSENT: COUNCIL MEMBERS:

_____
SHEILA MAUTZ, CITY CLERK

(SEAL)

The foregoing is the original of Resolution No. 2024- duly passed and adopted by the Ontario City Council at their regular meeting held December 17, 2024.

_____
SHEILA MAUTZ, CITY CLERK

(SEAL)

CITY GRANT AGREEMENT
[HOLT/ALLYN MULTIFAMILY HOUSING PROJECT]

THIS CITY GRANT AGREEMENT ("Agreement") dated, for identification purposes only, as of December __, 2024, is made and entered into by and between the **CITY OF ONTARIO,** a California municipal corporation and general law city (the **"City"),** and **ONTARIO HOUSING AUTHORITY,** a public body, corporate and politic (the **"Authority"),** with reference to the following:

RECITALS

A. Authority owns certain real property in the City commonly described as an approximately 5.73-acre site located on East Holt Boulevard east of Allyn Avenue (the **"Property").**

B. Authority has negotiated the terms of a Disposition and Development Agreement **("DDA")** with National Community Renaissance of California **("Developer")** setting forth the terms for the sale of the Property to Developer and the development thereon of a 130-150-unit affordable rental housing project (the **"Development").**

C. Authority desires to provide assistance to the Development by, among other things, providing a loan to Developer in an amount not to exceed the lesser of One Hundred Thousand Dollars ($100,000) per unit, or a maximum assistance amount of Fifteen Million Dollars ($15,000,000).

D. City holds Fifteen Million Dollars ($15,000,000) in Affordability In-Lieu Fees **("AI-LF Funds")** collected for the purpose of increasing the supply in the City of affordable housing to persons and families of low-income.

E. City, on certain terms and conditions, desires to supply the AI-LF Funds to Authority for Authority to use to finance the Development pursuant to the DDA.

NOW, THEREFORE, in consideration of the promises contained below and other good and valuable consideration, the receipt and sufficiency of which is hereby acknowledged, City and Authority agree as follows:

1. **Grant of AI-LF Funds.** City hereby conditionally grants to Authority the AI-LF Funds in an amount not to Fifteen Million Dollars ($15,000,000). The AI-LF Funds shall only be paid by City to Authority if, as determined by the City Manager, the conditions set forth in the DDA to Authority's obligation to make the gap loan to Developer has been satisfied or waived.

2. **Development Commencement Date.** If the AI-LF Funds will be utilized, Authority shall be required to ensure that construction of the Development is commenced and completed in accordance with the terms of the DDA.

3. **Accounting Records; Return of Unused Funds.** Authority shall return to City any unused portion of the AI-LF Funds following completion of the Development.

4. **Termination of Agreement.** If, prior to "Close of Escrow" under the DDA, the DDA is terminated, this Agreement and the grant of AI-LF Funds hereunder shall terminate.

5. **Incorporation of Recitals.** The Recitals set forth above are true and correct and are incorporated into this Agreement by reference as though fully set forth herein.

6. **Entire Agreement.** This Agreement constitutes the complete, exclusive and final statement of the terms of the Agreement.

[Signatures on the following pages]

SIGNATURE PAGE TO
CITY GRANT AGREEMENT
[HOLT/ALLYN MULTIFAMILY HOUSING PROJECT]

IN WITNESS WHEREOF, City and Authority have caused this Agreement to be duly executed as of the date first above written.

CITY:

CITY OF ONTARIO, a California municipal corporation and general law city

By: _____

Title: _____

City's Address:
303 East "B" Street
Ontario, CA 91764

ATTEST:

By: _____

Title: _____

APPROVED AS TO LEGAL FORM:

By: _____

Title: _____

[Signatures continued on following page]

SIGNATURE PAGE TO
CITY GRANT AGREEMENT
[HOLT/ALLYN MULTIFAMILY HOUSING PROJECT]

IN WITNESS WHEREOF, City and Authority have caused this Agreement to be duly executed as of the date first above written.

AUTHORITY

ONTARIO HOUSING AUTHORITY, a public body, corporate and politic

By: _____

Title: _____

Authority's Address:
208 W. Emporia Street
Ontario, CA 91762-3803

ATTEST:

By: _____

Title: _____

APPROVED AS TO LEGAL FORM:

By: _____

Title: _____

RESOLUTION NO. _____

A RESOLUTION OF THE ONTARIO HOUSING AUTHORITY OF THE CITY OF ONTARIO, CALIFORNIA, APPROVING A DISPOSITION AND DEVELOPMENT AGREEMENT BETWEEN THE ONTARIO HOUSING AUTHORITY AND NATIONAL COMMUNITY RENAISSANCE OF CALIFORNIA FOR PROPERTY GENERALLY LOCATED ON EAST HOLT BOULEVARD EAST OF ALLYN AVENUE

WHEREAS, the Ontario Housing Authority, a California public agency ("Authority"), currently owns certain real property generally located on East Holt Boulevard east of Allyn Avenue and more specifically described in Exhibit A attached to this Resolution and incorporated herein by this reference (“Property”); and

WHEREAS, the Authority proposes to enter into a certain Disposition and Development Agreement (the "DDA"), dated as of December 3, 2024, with National Community Renaissance of California, a non-profit public benefit corporation (the "Developer"), pursuant to which (a) the Authority will sell to Developer the Property; and (b) the Developer will develop thereon an approximately 130 to 150-unit, multifamily, affordable, rental housing project (the "Project"); and

WHEREAS, the DDA further provides for the Authority to assist the Project by (a) providing a loan to Developer in the amount of the purchase price of the Property, as shall be determined pursuant to an appraisal; and a loan to Developer in an amount not to exceed the lesser of One Hundred Thousand Dollars ($100,000) per unit, or a maximum assistance amount of Fifteen Million Dollars ($15,000,000); and

WHEREAS, the Project is consistent with the Housing Element of the General Plan of the City of Ontario and with the City's Consolidated Plan; and

WHEREAS, on December 6, 2024, the Authority published notice of the public hearing to consider the disposition of the Property pursuant to the DDA; and

WHEREAS, Developer’s proposed acquisition of the Property and the Developer’s anticipated construction of the Project on the Property in accordance with the terms of the DDA, are in the best interest of the Authority and of the health, safety and welfare of the residents of the City, and are in accordance with the public purposes set forth in applicable law. Implementation of the DDA will further the goals and objectives of the City’s general plan and the goals and objectives of the Authority by creating new, high quality affordable housing in the City; and

WHEREAS, Authority has duly considered all of the terms and conditions of the DDA and believes that the Project is in the best interests of the City of Ontario and the health, safety, morals and welfare of its residents, and is in accord with the public purposes and provisions of applicable state and local law and requirements.

NOW, THEREFORE, THE AUTHORITY DOES HEREBY RESOLVE AND DECLARE AS FOLLOWS:

Section 1. Recitals. The Recitals set forth above are true and correct and are incorporated into this Resolution by this reference.

Section 2. Findings. The Authority intends to sell the Property to Developer in accordance with the terms of the DDA, and based on the Recitals and all other information and testimony provided, the Authority Board finds and determines that the sale and development of the Property pursuant to the DDA will provide housing for very low and low-income persons and is consistent with Authority's obligations under the California Housing Authority Law, and any obligations under the former California Redevelopment Law.

Section 3. Hearing. In accordance with California Health and Safety Code Section 34312.3 (the Housing Authority law) a duly noticed public hearing was held by the Authority on December 3, 2024.

Section 4. CEQA. The Authority's approval of the DDA does not constitute approval of any development of the Property or of other activity on the Property that would have a direct or reasonably foreseeable indirect environmental impact pursuant to CEQA. (See 14 C.C.R. §§ 15060(c); 15378(b).) Moreover, close of escrow on the Property under the DDA, and Developer's future use or development of the Project is expressly conditioned on CEQA compliance.

Section 5. Approval of Agreement. The Authority Board hereby approves the DDA, a copy of which is on file with the Secretary of the Authority, subject to any non-substantive revisions which do not increase the Authority's liability and are approved by the Authority counsel, and authorizes the Executive Director to sign and enter into the DDA and perform the obligations of the Authority under the DDA.

Section 6. Severability. If any provision of this Resolution or the application of any such provision to any person or circumstance is held invalid, such invalidity shall not affect other provisions or applications of this Resolution that can be given effect without the invalid provision or application, and to this end the provisions of this Resolution are severable. The Authority declares that the Authority would have adopted this Resolution irrespective of the invalidity of any particular portion of this Resolution.

Section 7. Effective Date. This Resolution shall become effective immediately upon its adoption.

The Secretary of the Ontario Housing Authority shall certify as to the adoption of this Resolution.

PASSED, APPROVED, AND ADOPTED this 17th day of December, 2024.

_____
PAUL S. LEON, CHAIRMAN

ATTEST:

_____
SHEILA MAUTZ, AUTHORITY SECRETARY

APPROVED AS TO FORM:

_____
AUTHORITY COUNSEL

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

I, SHEILA MAUTZ, Secretary of the Ontario Housing Authority, DO HEREBY CERTIFY that the foregoing Resolution No. OHA- was duly passed and adopted by the Board Members of the Ontario Housing Authority at their regular meeting held December 17, 2024 by the following roll call vote, to wit:

AYES: CHAIRMAN/BOARD MEMBERS:

NOES: BOARD MEMBERS:

ABSENT: BOARD MEMBERS:

_____
SHEILA MAUTZ, AUTHORITY SECRETARY

(SEAL)

The foregoing is the original of Resolution No. OHA- duly passed and adopted by the Ontario Housing Authority at their regular meeting held December 17, 2024.

_____
SHEILA MAUTZ, AUTHORITY SECRETARY

(SEAL)

RESOLUTION NO. _____

A RESOLUTION OF THE ONTARIO HOUSING AUTHORITY OF THE CITY OF ONTARIO, CALIFORNIA, APPROVING THAT CERTAIN CITY GRANT AGREEMENT [HOLT/ALLYN MULTIFAMILY HOUSING PROJECT] CONCERNING THE GRANT OF AFFORDABILITY IN-LIEU FEE FUNDS TO THE ONTARIO HOUSING AUTHORITY FOR THE HOLT/ALLYN MULTIFAMILY HOUSING PROJECT

WHEREAS, the City of Ontario ("City") holds Fifteen Million Dollars ($15,000,000.00) in Affordability In-Lieu Fees collected from developers for the purpose of increasing the City's supply of affordable housing available to persons and families of low-income.

WHEREAS, the Ontario Housing Authority ("Authority") is the owner of certain real property in the City comprised of approximately 5.73 acres located on East Holt Boulevard east of Allyn Avenue (the "Property").

WHEREAS, the Authority has negotiated the terms of a Disposition and Development Agreement ("DDA") with National Community Renaissance of California, a California non-profit public benefit corporation ("Developer") setting forth the terms for the sale of the Property to Developer and the development thereon of a 130-150-unit affordable rental housing project (the "Development").

WHEREAS, Authority desires to provide assistance to the Development by, among other things, providing a loan to Developer in an amount not to exceed the lesser of One Hundred Thousand Dollars ($100,000) per unit, or a maximum assistance amount of Fifteen Million Dollars ($15,000,000).

WHEREAS, the City desires to develop and support affordable rental housing, and stabilize the community through the grant of the funds described herein.

WHEREAS, the City wishes to extend to the Authority financial assistance in the form of a grant (the "Grant") from the Affordability In-Lieu Fees in an amount not to exceed $15,000,000.00 (the "Funds").

WHEREAS, the City desires to make the Grant in accordance with the terms and conditions set forth in the City Grant Agreement [Holt/Allyn Multifamily Housing Project] included in the agenda documents accompanying this Resolution, and the Authority desires to receive the Grant from the City.

NOW, THEREFORE, BE IT RESOLVED by the Ontario Housing Authority as follows:

SECTION 1. Recitals. The above recitals are true and correct, and are incorporated into this Resolution by reference as though fully set forth herein.

SECTION 2. Approval of City Grant Agreement [Holt/Allyn Multifamily Housing Project]. The Authority hereby approves the City Grant Agreement [Holt/Allyn Multifamily Housing Project] in the form on file at the Offices of the Authority.

SECTION 3. Authorization. The Authority hereby authorizes the Executive Director (with the concurrence of the Authority Counsel) to execute and deliver on behalf of the Authority the agreement referenced herein, with such changes as may be authorized by the Authority Counsel, and such other documents and instruments as may be necessary or convenient in the furtherance of the actions authorized in this Resolution.

SECTION 4. Direction. Authority staff is hereby directed to do all that is necessary to effectuate the intent of this Resolution.

SECTION 5. CEQA Compliance. The Authority has determined that it can be seen with certainty that there is no possibility that approval of the actions authorized under this Resolution will have a significant adverse effect on the environment. Thus, the adoption of this Resolution is exempt from the requirements of the California Environmental Quality Act ("CEQA") pursuant to Section 15061(b)(3) of the CEQA Guidelines.

SECTION 6. Certification. The Authority Secretary shall certify the adoption of this Resolution.

SECTION 7. Effective Date. This Resolution shall become effective upon its adoption.

The Secretary of the Ontario Housing Authority shall certify as to the adoption of this Resolution.

PASSED, APPROVED, AND ADOPTED this 17th day of December, 2024.

_____
PAUL S. LEON, CHAIRMAN

ATTEST:

_____
SHEILA MAUTZ, AUTHORITY SECRETARY

APPROVED AS TO FORM:

_____
AUTHORITY COUNSEL

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

I, SHEILA MAUTZ, Secretary of the Ontario Housing Authority, DO HEREBY CERTIFY that the foregoing Resolution No. OHA- was duly passed and adopted by the Board Members of the Ontario Housing Authority at their regular meeting held December 17, 2024 by the following roll call vote, to wit:

AYES: CHAIRMAN/BOARD MEMBERS:

NOES: BOARD MEMBERS:

ABSENT: BOARD MEMBERS:

_____
SHEILA MAUTZ, AUTHORITY SECRETARY

(SEAL)

The foregoing is the original of Resolution No. OHA- duly passed and adopted by the Ontario Housing Authority at their regular meeting held December 17, 2024.

_____
SHEILA MAUTZ, AUTHORITY SECRETARY

(SEAL)

CITY OF ONTARIO *Agenda Report* **December 17, 2024**	**SECTION:** **ADMINISTRATIVE REPORTS/DISCUSSION/ACTION**
Department: Development Administration Prepared By: Pablo De Lara Staff Member Presenting: Rudy Zeledon, Executive Director Community Development Approved By:	Submitted To: Council/OHA Approved: _____ Continued To: _____ Denied: _____ Item No: 15

SUBJECT: **AN ORDINANCE APPROVING A THIRD AMENDMENT TO THE DEVELOPMENT AGREEMENT (FILE NO. PDA05-001) BETWEEN THE CITY OF ONTARIO AND EDENGLEN ONTARIO, LLC**

RECOMMENDATION: That the City Council consider and waive further reading of an Ordinance approving a Third Amendment to the Development Agreement (File No. PDA05-001) between the City of Ontario and Edenglen Ontario, LLC.

THE FOLLOWING COUNCIL GOALS ARE BEING ACHIEVED:
Invest in the Growth and Evolution of the City's Economy
Invest in the City's Infrastructure (Water, Streets, Sewers, Parks, Storm Drains and Public Facilities)
Ensure the Development of a Well Planned, Balanced, and Self-Sustaining Community in Ontario Ranch
Focus Resources in Ontario's Commercial and Residential Neighborhoods

FISCAL IMPACT: There is not a direct fiscal impact associated with this action. The Development Agreement continues to provide the mechanism for funding from the formation of a Community Facilities District (CFD) for City services and facilities required to support the Edenglen Specific Plan (Specific Plan) development, thereby mitigating the increased costs associated with such services. In addition, the City will receive public service funding fees plus development impact, compliance processing, licensing, and permitting fees. No General Fund revenue will be used to support the Ontario Ranch development.

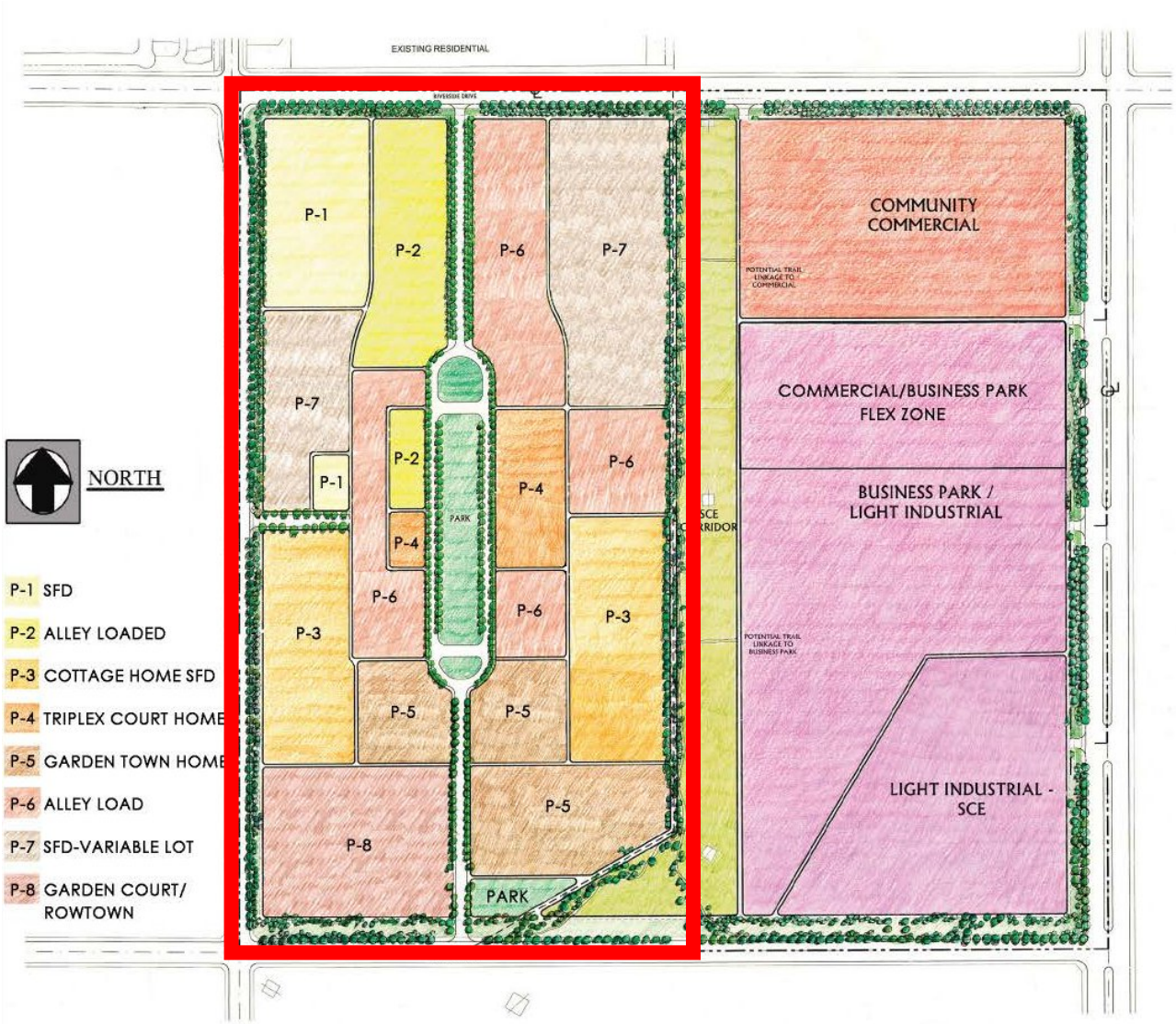
BACKGROUND & ANALYSIS: On November 1, 2005, the City Council approved the Edenglen Specific Plan and the Environmental Impact Report (EIR). Subsequently, The City Council approved two amendments to the Edenglen Specific Plan on May of 2009 and February 2021. The Specific Plan established land use designations, development standards, and design guidelines for approximately 153 gross acres of land, which included the potential development of 584 single-family units, 40,000 square feet of commercial space, and 951,500 square feet of business park/light industrial space. In conjunction with the City Council approval of the Edenglen Specific Plan in 2005, a Development Agreement, File No. PDA05-001, between the City of Ontario and Brookfield Edenglen, LLC, was approved. The Agreement applied to 80 acres of land located within

residential Planning Areas 1 through 8 of the Edenglen Specific Plan and granted Brookfield a vested right to develop the project as long as Brookfield complied with the Terms and Conditions of the Edenglen Specific Plan and EIR. Since that initial Development Agreement approval, several agreements and two amendments have been approved by the City to provide the Applicant flexibility in constructing the Edenglen Community during the economic recession 2007-08 and extend the term of the Development Agreement and clarified and updated the phasing of the construction of public infrastructure to serve various tract maps within the Specific Plan.

On August 26, 2022, the Planning Commission approved Tract Map 20524, for condominium purposes, to accommodate a Rowtown development of 108 units on the last remaining undeveloped residential pad within the Edenglen Specific Plan. Earlier this year, Brookfield commenced construction of the 108 townhome units. On April 3, 2024, the Development Agreement expired, however the City and Brookfield Edenglen LLC agreed to fully reinstate the Development Agreement. The reinstatement of the Development Agreement will ensure that Brookfield Edenglen LLC continues to meet the obligations of their Development Agreement and infrastructure requirements to facilitate the compilation of Tract Map 20524. Staff is recommending that the Development Agreement be extended an additional two years. The extension would allow Brookfield adequate time to complete the required infrastructure work and ensure compliance with the conditions necessary for the successful completion of Tract Map 20524. This extension will also facilitate the timely development of the 108 townhome units and allow the developer to address any unforeseen delays while still adhering to the overall goals of the Edenglen Specific Plan and Development Agreement.

ENVIRONMENTAL REVIEW: The environmental impacts of this project were previously reviewed in conjunction with the Edenglen Specific Plan EIR (SCH# 2004051108) that was adopted by the City Council on October 4, 2005. This project introduces no new significant environmental impacts. All previously adopted mitigation measures are to be a condition of project approval and are incorporated herein by reference.

Exhibit A— Edenglen Specific Plan Land Use Plan



ORDINANCE NO. _____

AN ORDINANCE OF THE CITY COUNCIL OF THE CITY OF ONTARIO, CALIFORNIA, APPROVING THE THIRD AMENDMENT TO THE DEVELOPMENT AGREEMENT, FILE NO. PDA05-001, BETWEEN THE CITY OF ONTARIO AND EDENGLEN ONTARIO, LLC, TO EXTEND THE TERM OF THE DEVELOPMENT AGREEMENT ASSOCIATED WITH TRACT MAP NO'S 17392, 17558, 17559, 17560, 17561, 17562, 17563, 17564, 18789, 18790,18791, AND 20524, GENERALLY LOCATED NORTH OF CHINO AVENUE, SOUTH OF RIVERSIDE DRIVE, EAST OF MILL CREEK AVENUE, AND WEST OF THE SCE UTILITY CORRIDOR, WITHIN PLANNING AREAS 1 THROUGH 8 OF THE EDENGLEN SPECIFIC PLAN, AND MAKING FINDINGS IN SUPPORT THEREOF — APN: 0218-171-15; 0218-921-07, 08, 16, 19, 22, AND 30; 0218-931-01 THROUGH 25; 218-931-75 THROUGH 89; 0218-932-01 THROUGH 21; 0218-933-01 THROUGH 17; 0218-934-01 THROUGH 24; 0218-935-01- THROUGH 04; 0218-935-12 THROUGH 19; 0218-935-22 THROUGH 38; 0218-941-01 THROUGH 39; 0218-941-55 THROUGH 93; 0218-951-01 THROUGH 70; 0218-952-19 THROUGH 82; 0218-954-01 THROUGH 42; 0218-955-01 THROUGH 42; 0218-956-01 THROUGH 58; 0218-961-07 THROUGH 88.

WHEREAS, on April 4, 1995, the City Council of the City of Ontario adopted Resolution No. 95-22 establishing procedures and requirements whereby the City of Ontario may consider Development Agreements; and

WHEREAS, on September 10, 2002, the City Council of the City of Ontario adopted Resolution No. 2002-100 which revised the procedures and requirements whereby the City of Ontario may consider Development Agreements; and

WHEREAS, on November 15, 2005, the City Council of the City of Ontario, adopted Ordinance No. 2820, approving a Development Agreement between Brookfield Edenglen, LLC and the City; and

WHEREAS, the CITY and OWNER have previously supplemented the Development Agreement pursuant to: the Supplemental Memorandum of Agreement By and Between the City of Ontario and Edenglen Ontario LLC, (hereinafter the "First Supplemental Memorandum") dated February 20, 2007; the Second Supplemental Memorandum of Agreement By and Between the City of Ontario and Edenglen Ontario LLC, (hereinafter the "Second Supplemental Memorandum") dated November 14, 2007; the Third Supplemental Memorandum of Agreement By and Between the City of Ontario and Edenglen Ontario LLC, (hereinafter the "Third Supplemental Memorandum") dated January 17th, 2008; the Amended and Restated Fourth Supplemental Memorandum of Agreement By and Between the City of Ontario and Edenglen Ontario LLC, dated, June 7, 2010 and the First Amendment to the Development Agreement by and between the City of Ontario and Edenglen Ontario LLC, dated January 1, 2011 (the "First Amendment"); the Second Amendment to the Development Agreement by and between

the City of Ontario and Edenglen Ontario, LLC dated April 3, 2018 (the "Second Amendment"); and

WHEREAS, OWNER and CITY also previously entered into the "Agreement For Temporary Water Service From and Abandonment of Agricultural Well, dated September 27, 2006 (hereinafter, the "Well Use Agreement"); and

WHEREAS the CITY and OWNER now intend to amend further the Original Development Agreement, as amended by the First and Second Amendments respectively (collectively, the "Development Agreement"), as set forth herein; and

WHEREAS, the Owner has additional infrastructure work to complete on the Project that has been delayed for various reasons, including approvals by Southern California Edison; and

WHEREAS, the environmental impacts of this project were previously reviewed in conjunction with the Edenglen Specific Plan EIR (SCH# 2004051108) that was adopted by the City Council on October 4, 2005. This project introduces no new significant environmental impacts. All previously adopted mitigation measures are a condition of project approval and are incorporated herein by reference; and

WHEREAS, all legal prerequisites to the adoption of this Ordinance have occurred.

NOW, THEREFORE, it is hereby found, determined, and ordained by the City Council of the City of Ontario as follows:

SECTION 1. ***Environmental Determination and Findings.*** As the decision-making body for the Project, the City Council has reviewed and considered the information contained in the previously adopted Edenglen Specific Plan EIR (SCH# 2004051108) that was adopted by the City Council on October 4, 2005, and supporting documentation. Based upon the facts and information contained in the addendum to the Edenglen Specific Plan EIR (SCH# 2004051108) and supporting documentation, the City Council finds as follows:

(1) The environmental impacts of this project were previously reviewed in conjunction with the previously adopted addendum to the Edenglen Specific Plan EIR (SCH# 2004051108) that was adopted by the City Council on October 4, 2005. This application introduces no new significant environmental impacts; and

(2) The Addendum and administrative record have been completed in compliance with CEQA, the State CEQA Guidelines, and the City of Ontario Local CEQA Guidelines; and

(3) The City's "Guidelines for the Implementation of the California Environmental Quality Act (CEQA)" provide for the use of a single environmental assessment in situations where the impacts of subsequent projects are adequately analyzed. This Application introduces no new

significant environmental impacts.

(4) All previously adopted mitigation measures shall be a condition of project approval, as they are applicable to the Project, and are incorporated herein by this reference.

(5) The Addendum contains a complete and accurate reporting of the environmental impacts associated with the Project, and reflects the independent judgment of the City Council; and

(6) There is no substantial evidence in the administrative record supporting a fair argument that the project may result in significant environmental impacts; and

SECTION 2: ***Subsequent or Supplemental Environmental Review Not Required.*** Based on the Addendum, all related information presented to the City Council, and the specific findings set forth in Section 1, above, the City Council finds that the preparation of a subsequent or supplemental Environmental Impact Report is not required for the Project, as the Project:

(1) Does not constitute substantial changes to the Certified EIR that will require major revisions to the Certified EIR due to the involvement of new significant environmental effects or a substantial increase in the severity of previously identified significant effects; and

(2) Does not constitute substantial changes with respect to the circumstances under which the Certified EIR was prepared, that will require major revisions to the Certified EIR due to the involvement of new significant environmental effects or a substantial increase in the severity of the previously identified significant effects; and

(3) Does not contain new information of substantial importance that was not known and could not have been known with the exercise of reasonable diligence at the time the Certified EIR was certified/adopted, that shows any of the following:

(a) The project will have one or more significant effects not discussed in the Certified EIR; or

(b) Significant effects previously examined will be substantially more severe than shown in the Certified EIR; or

(c) Mitigation measures or alternatives previously found not to be feasible would in fact be feasible and would substantially reduce one or more significant effects of the Project, but the City declined to adopt such measures; or

(d) Mitigation measures or alternatives are considerably different from those analyzed in the Certified EIR would substantially reduce one or more significant effects on the environment, but which the City declined to adopt.

SECTION 3. ***Housing Element Consistency.*** Pursuant to the requirements of California Government Code Chapter 3, Article 10.6, commencing with Section 65580, as the decision-making body for the Project, the City Council finds that based on the facts and information contained in the Application and supporting documentation, at the time of Project implementation, The project is consistent with the Housing Element of the Policy Plan (General Plan) component of The Ontario Plan. The project site is one of the properties listed in the Available Land Inventory contained in Table A-3 (Available Land by Planning Area) of the Housing Element Technical Report Appendix, and the proposed project is consistent with the maximum number of dwelling units and density specified within the Edenglen Specific Plan. Per the Available Land Inventory, the Edenglen Specific Plan is required to provide 584 dwelling units.

SECTION 4: ***Ontario International Airport Land Use Compatibility Plan ("ALUCP") Compliance.*** The California State Aeronautics Act (Public Utilities Code Section 21670 et seq.) requires that an Airport Land Use Compatibility Plan be prepared for all public use airports in the State; and requires that local land use plans and individual development proposals must be consistent with the policies set forth in the adopted Airport Land Use Compatibility Plan. On April 19, 2011, the City Council of the City of Ontario approved and adopted the Ontario International Airport Land use Compatibility Plan ("ALUCP"), establishing the Airport Influence Area for Ontario International Airport ("ONT"), which encompasses lands within parts of San Bernardino, Riverside, and Los Angeles Counties, and limits future land uses and development within the Airport Influence Area, as they relate to noise, safety, airspace protection, and overflight impacts of current and future airport activity. As the decision-making body for the Project, the City Council has reviewed and considered the facts and information contained in the Application and supporting documentation against the ALUCP compatibility factors, including [1] Safety Criteria (ALUCP Table 2-2) and Safety Zones (ALUCP Map 2-2), [2] Noise Criteria (ALUCP Table 2-3) and Noise Impact Zones (ALUCP Map 2-3), [3] Airspace protection Zones (ALUCP Map 2-4), and [4] Overflight Notification Zones (ALUCP Map 2-5). As a result, the City Council, therefore, finds and determines that the Project, when implemented in conjunction with the conditions of approval, will be consistent with the policies and criteria set forth within the ALUCP.

SECTION 5. ***Concluding Facts and Reasons.*** The City Council hereby specifically finds as follows:

(a) The Development Agreement applies to approximately 61.1 acres of land generally located north of Chino Avenue, south of Riverside Drive, east of Mill Creek Avenue, and west of the SCE utility corridor, within Planning Areas 1 through 8, of the Edenglen Specific Plan), and is presently improved with residential development and residential construction is on-going; and

(b) The properties to the north of the Project site are within the Creekside

Specific Plan, are developed with open space and residential uses. The property to the south of the project site is developed with a SCE substation. The properties to the east are within the Edenglen Specific Plan, are designated for Utility Corridor, Commercial, Business Park, and Industrial uses and are vacant and developed with a landscape nursery. The property to the west is developed with a high school; and

(c) This Development Agreement will provide for the continued orderly development of the Edenglen Specific Plan; and

(d) This Development Agreement will not be materially injurious or detrimental to the adjacent properties and will have a significant impact on the environment or the surrounding properties. The environmental impacts of this project were previously adopted Edenglen Specific Plan EIR (SCH# 2004051108) that was adopted by the City Council on October 4, 2005, and supporting documentation. This application introduces no new significant environmental impacts; and

(e) All adopted mitigation measures of the related EIR shall be a condition of project approval and are incorporated herein by reference.

Key points addressed in the Third Amendment are the following:

(a) The term of the Development Agreement will be extended for an additional two (2) year period years from the date the Third Amendment becomes effective.

SECTION 6: ***City Council Action.*** Based upon the findings and conclusions set forth in Sections 1 through 5, above, the City Council hereby APPROVES the Third Amendment to the Development Agreement, File No. PDA05-001, attached hereto as "Attachment A," and incorporated herein by this reference.

SECTION 7: ***City Manager Administrative Authority*****.** The City Council acknowledges that refinement and further development of the Ontario Ranch development area may demonstrate that changes are appropriate with respect to the details and performance of the parties under the Development Agreement. The City Council desires to retain a certain degree of flexibility with respect to the details of the Ontario Ranch developments, and with respect to those items covered in general terms under the Development Agreement. If and when the City Manager (or designee) and the Developer mutually find that changes, adjustments, or clarifications are appropriate to further the intended purposes of the Development Agreement, and such are not materially inconsistent with the Development Agreement, they may, unless otherwise required by law, effectuate such changes, adjustments, or clarifications by written amendment to this Agreement, or through one or more memoranda which are mutually approved by the City Manager on behalf of the City and by the Developer, and, after execution, shall be

attached to the Development Agreement and become a part thereof. Unless otherwise required by law, no such changes, adjustments, or clarifications shall require prior notice or hearing before the City Council. The City Manager, with the approval of the City Attorney, shall have authority but not the obligation to execute amendments, memoranda or other documents, and may take any action necessary to implement the Development Agreement.

SECTION 8: ***Indemnification.*** The Applicant shall agree to defend, indemnify and hold harmless, the City of Ontario or its agents, officers, and employees from any claim, action or proceeding against the City of Ontario or its agents, officers or employees to attack, set aside, void or annul this approval. The City of Ontario shall promptly notify the applicant of any such claim, action or proceeding, and the City of Ontario shall cooperate fully in the defense.

SECTION 9: ***Custodian of Records.*** The documents and materials that constitute the record of proceedings on which these findings have been based are located at the City of Ontario City Hall, 303 East "B" Street, Ontario, California 91764. The custodian for these records is the City Clerk of the City of Ontario.

SECTION 10: ***Severability.*** If any section, sentence, clause or phrase of this Ordinance or the application thereof to any entity, person or circumstance is held for any reason to be invalid or unconstitutional, such invalidity or unconstitutionality shall not affect other provisions or applications of this Ordinance which can be given effect without the invalid provision or application, and to this end the provisions of this Ordinance are severable. The People of the City of Ontario hereby declare that they would have adopted this Ordinance and each section, sentence, clause or phrase thereof, irrespective of the fact that any one or more section, subsections, sentences, clauses or phrases be declared invalid or unconstitutional.

SECTION 11: ***Effective Date.*** This Ordinance shall become effective 30 days following its adoption.

SECTION 12: ***Publication and Posting.*** The Mayor shall sign this Ordinance and the City Clerk shall certify as to the adoption and shall cause a summary thereof to be published at least once, in a newspaper of general circulation in the City of Ontario, California within 15 days following the adoption. The City Clerk shall post a certified copy of this ordinance, including the vote for and against the same, in the Office of the City Clerk, in accordance with Government Code Section 36933.

PASSED, APPROVED, AND ADOPTED this _____ day of _____ 2025.

_____
PAUL S. LEON, MAYOR

ATTEST:

_____
SHEILA MAUTZ, CITY CLERK

APPROVED AS TO FORM:

_____
BEST BEST & KRIEGER LLP
CITY ATTORNEY

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

I, SHEILA MAUTZ, City Clerk of the City of Ontario, DO HEREBY CERTIFY that foregoing Ordinance No. _____ was duly introduced at a regular meeting of the City Council of the City of Ontario held _____ and adopted at the regular meeting held _____, 2025 by the following roll call vote, to wit:

AYES: COUNCIL MEMBERS:

NOES: COUNCIL MEMBERS:

ABSENT: COUNCIL MEMBERS:

_____
SHEILA MAUTZ, CITY CLERK

(SEAL)

I hereby certify that the foregoing is the original of Ordinance No. _____ duly passed and adopted by the Ontario City Council at their regular meeting held _____ and that Summaries of the Ordinance were published on _____ and _____, in the Inland Valley Daily Bulletin newspaper.

_____
SHEILA MAUTZ, CITY CLERK

(SEAL)

ATTACHMENT A:

File No. PDA05-001

THIRD AMENDMENT TO THE DEVELOPMENT AGREEMENT

By and Between

City of Ontario
a California municipal corporation,

And

EDENGLEN ONTARIO, LLC
a Delaware limited liability company

(Development Agreement to follow this page)

RECORDING REQUESTED BY AND
WHEN RECORDED MAIL TO:

City of Ontario
303 East “B” Street
Ontario California, California 91764
Attn: City Clerk

Exempt from Fees Per Gov. Code § 6301

Space above this line for Recorder’s Use Only

File No. PDA05-001

THIRD AMENDMENT TO THE DEVELOPMENT AGREEMENT

By and Between

City of Ontario
a California municipal corporation,

And

EDENGLEN ONTARIO, LLC
a Delaware limited liability company

_____, 2024

San Bernardino County, California

THIRD AMENDMENT TO THE DEVELOPMENT AGREEMENT BY AND BETWEEN THE CITY OF ONTARIO AND EDENGLEN ONTARIO LLC

This Third Amendment (hereinafter "Third Amendment") is entered into effective as of the _____ day of _____ 2024 by and among the City of Ontario, a California municipal corporation (hereinafter "CITY"), and Edenglen Ontario LLC, a Delaware limited liability company (hereinafter "OWNER").

RECITALS

A WHEREAS, pursuant to Section 65864, et seq., of the California Government Code, the CITY and OWNER's predecessor have previously entered into that certain Development Agreement dated November 15, 2005 and recorded on November 23, 2005, as Document No. 2005-0883742, in the Official Records of San Bernardino County, California, as supplemented by that certain Supplemental Memorandum of Agreement By and Between the City of Ontario and Edenglen Ontario LLC dated February 20, 2007; Second Supplemental Memorandum of Agreement By and Between the City of Ontario and Edenglen Ontario LLC dated November 14, 2007; Third Supplemental Memorandum of Agreement By and Between the City of Ontario and Edenglen Ontario LLC dated January 17, 2008; Amended and Restated Fourth Supplemental Memorandum of Agreement By and Between the City of Ontario and Edenglen Ontario LLC, dated, June 7, 2010; and amended by that certain First Amendment to Development Agreement by and between the City of Ontario and Edenglen Ontario LLC dated December 7, 2010 and recorded on February 23, 2011, as Document No. 2011-0075859 (the **"First Amendment"**), and that certain Second Amendment to Development Agreement By and Between the City of Ontario and Edenglen Ontario LLC (PDA05- 001) dated April 3, 2018 and recorded on April 29, 2019 as Document No. 2019- 0133239 (the **"Second Amendment"**) (collectively, the Development Agreement); and Fifth Supplemental Memorandum Agreement By and Between the City of Ontario and Edenglen Ontario LLC, dated August 17, 2022; and

WHEREAS the CITY and OWNER now intend to amend further the Original Development Agreement, as amended by the First and Second Amendments respectively (collectively, the "**Development Agreement**"), as set forth herein; and

WHEREAS, the Owner has additional infrastructure work to complete on the Project that has been delayed for various reasons, including approvals by Southern California Edison

AGREEMENTS

NOW, THEREFORE, in consideration of the above recitals and of the mutual agreements hereinafter contained, the parties agree as follows:

1. **Section 2.3 is hereby revised to add subsection (d) as follows:**

   (d) Notwithstanding the above, CITY and OWNER agree that the Term of the Development Agreement will be extended for an additional two (2) years from the date the Third Amendment becomes effective.

2. **Reinstatement**. The term of the Development Agreement, as heretofore extended, has expired, however CITY and OWNER hereby agree that notwithstanding anything to the contrary that may be set forth in the Development Agreement, to fully reinstate the Development Agreement as of the date this Third Amendment is fully executed as if it had never terminated subject to the terms, provisions and modifications set forth in this Third Amendment.

3. **Integration.** All remaining Sections of the Development Agreement and the Exhibits thereto shall not be affected by this Third Amendment.

4. **Additional Documents/Actions.** The City Manager is authorized with the approval of the City Attorney to approve and execute any documents and to take any actions necessary to effectuate the purposes of this Third Amendment to the Development Agreement.

5. **Defined Terms/Other Provisions.** Unless otherwise defined herein, capitalized terms contained in this Third Amendment shall have the meanings ascribed to them in the Development Agreement. Except as expressly amended herein, all provisions of the Development Agreement, as supplemented, restated and amended, shall remain.

6. **Integration.** This Third Amendment reflects the complete understanding of the parties with respect to the subject matter hereof. To the extent this Third Amendment conflicts with the Development Agreement, this Third Amendment supersedes such previous document. In all other respects, the parties hereto re-affirm and ratify all other provisions of the Development Agreement as amended.

7. **Indemnification.** OWNER hereby agrees to indemnify, defend and hold harmless the CITY, its officials, officers, employees, agents, contractors and volunteers from and against any and all claims, suits or proceedings arising from or related to CITY's entering into, or carrying out, this Third Amendment. This indemnification includes the payment of all penalties, fines, judgments, awards, decrees, attorney's fees and related costs or expenses incurred by the CITY.

IN WITNESS WHEREOF, the parties hereto have executed this Third Amendment as of the date the ordinance adopting this Third Amendment becomes effective.

SIGNATURE PAGE
TO THIRD AMENDMENT TO DEVELOPMENT AGREEMENT

EDENGLEN ONTARIO LLC
"OWNER"
Edenglen Ontario LLC, a Delaware limited liability company

By:_____
Name: Nicole Burdette
Title: President
Date: _____

"CITY"

CITY OF ONTARIO

By:_____
Scott Ochoa, City Manager

Date: _____

ATTEST:

_____
City Clerk, Ontario

APPROVED AS TO FORM:
BEST, BEST & KRIEGER LLP

_____
City Attorney

ACKNOWLEDGEMENT

A notary public or other officer completing this certificate verifies only the identity of the individual who signed the document to which this certificate is attached, and not the truthfulness, accuracy, or validity of that document.

STATE OF CALIFORNIA)
COUNTY OF _____)

On _____, 20_____, before me, _____,
Date *Insert Name and Title of the Officer*

personally appeared _____
Name(s) of Signer(s)
_____,
who proved to me on the basis of satisfactory evidence to be the person whose name(s) is/are subscribed to the within instrument and acknowledged to me that he/she/they executed the same in his/her/their authorized capacity, and that by his/her/their signature(s) on the instrument the person(s), or the entity upon behalf of which the person(s) acted, executed the instrument.

I certify under PENALTY OF PERJURY under the laws of the State of California that the foregoing paragraph is true and correct.

WITNESS my hand and official seal.

Signature_____
Signature of Notary Public

Place Notary Seal Above

ACKNOWLEDGEMENT

A notary public or other officer completing this certificate verifies only the identity of the individual who signed the document to which this certificate is attached, and not the truthfulness, accuracy, or validity of that document.

STATE OF CALIFORNIA)
COUNTY OF _____)

On _____, 20_____, before me, _____,
Date *Insert Name and Title of the Officer*

personally appeared _____
Name(s) of Signer(s)
_____,
who proved to me on the basis of satisfactory evidence to be the person whose name(s) is/are subscribed to the within instrument and acknowledged to me that he/she/they executed the same in his/her/their authorized capacity, and that by his/her/their signature(s) on the instrument the person(s), or the entity upon behalf of which the person(s) acted, executed the instrument.

I certify under PENALTY OF PERJURY under the laws of the State of California that the foregoing paragraph is true and correct.

WITNESS my hand and official seal.

Signature_____
Signature of Notary Public