



CITY OF ONTARIO

Regular City Council/Housing Authority Meeting JUNE 6, 2023

City Hall

303 East B Street, Ontario, CA 91764

MAYOR PAUL S. LEON • MAYOR PRO TEM DEBRA DORST-PORADA
COUNCIL MEMBERS ALAN D. WAPNER, JIM W. BOWMAN AND RUBEN VALENCIA

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.

Comments will be limited to 3 minutes. Speakers will be alerted when they have 1 minute remaining and when their time is up. Speakers are then to return to their seats and no further comments will be permitted.

In accordance with State Law, remarks during public comment are to be limited to subjects within Council's jurisdiction. Remarks on other agenda items will be limited to those items.

Remarks from those seated or standing in the back of the chamber will not be permitted. All those wishing to speak including Council and Staff need to be recognized by the Chair before speaking.

ACCOMODATIONS

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 5:30 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

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

CLOSED SESSION PUBLIC COMMENT

The Closed Session Public Comment portion of the Council/Housing Authority meeting is limited to a maximum of 3 minutes for each speaker and comments will be limited to matters appearing on the Closed Session. Additional opportunities for further Public Comment will be given during and at the end of the meeting.

Council Member Wapner will be participating for Closed Session via teleconference from:

The Westin Book Cadillac Detroit
1114 Washington Blvd.
Detroit, MI 48226

CLOSED SESSION

GC 54956.8, CONFERENCE WITH REAL PROPERTY NEGOTIATORS

Property: APN: 1048-363-01; 434 North Euclid Avenue; City/Authority negotiator: Scott Ochoa or his designee; Negotiating parties: Faisal Afsari; Under negotiation: Price and terms of payment.

GC 54956.8, CONFERENCE WITH REAL PROPERTY NEGOTIATORS

Property: APN: 1048-481-07; 935 East Holt Boulevard; City/Authority negotiator: Scott Ochoa or his designee; Negotiating parties: Jose G. Jimenez; Under negotiation: Price and terms of payment.

GC 54956.8, CONFERENCE WITH REAL PROPERTY NEGOTIATORS

Property: APN: 0110-321-43; 2151 East Convention Center Way; City/Authority negotiator: Scott Ochoa or his designee; Negotiating parties: ONT Gateway LLC; Under negotiation: Price and terms of payment.

GC 54656.9(d)(1), CONFERENCE WITH LEGAL COUNSEL, EXISTING LITIGATION Cucamonga Valley Water District v. City of Ontario Case No. CIVSB2309354

GC 54957.6, CONFERENCE WITH LABOR NEGOTIATIONS: City Negotiator: City Manager or his designees; Bargaining Units: Ontario Police Officers Association, Ontario Police Management Group, Ontario Professional Firefighters Association Local 1430, Ontario Fire Management Group, Department Heads, Executives, AFSCME Local 3061, Teamsters Local 1932, Association of Management Employees, Confidential Group, and Part-time Employees.

GC 54656.9(d)(1), CONFERENCE WITH LEGAL COUNSEL, EXISTING LITIGATION
Ruben Valencia v. City of Ontario, Case No. CIVSB2302751

ATTACHMENT: [20230606 Closed Session](#)

PLEDGE OF ALLEGIANCE

Council Member Valencia

INVOCATION

Pastor Richard Hernandez, The Church of God

REPORT ON CLOSED SESSION

City Attorney

PUBLIC COMMENTS

6:30 P.M.

The Public Comment portion of the Council/Housing Authority meeting is limited to 30 minutes with each speaker given a maximum of 3 minutes. An opportunity for further Public Comment may be given at the end of the meeting. Under provisions of the Brown Act, Council is prohibited from taking action on oral requests.

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.

CONSENT CALENDAR

All matters listed under CONSENT CALENDAR will be enacted by one motion in the form listed below – there will be no separate discussion on these items prior to the time Council votes on them, unless a member of the Council requests a specific item be removed from the Consent Calendar for a separate vote.

Each member of the public wishing to address the City Council on items listed on the Consent Calendar will be given a total of 3 minutes.

1. **APPROVAL OF MINUTES**

Minutes for the regular meetings of the City Council and Housing Authority of May 2, 2023 and approving same as on file in the Records Management Department.

ATTACHMENT: [20230502 Minutes \(Not official until approved\)](#)

2. **BILLS & PAYROLL**

Bills April 28, 2023 through May 18, 2023, and Payroll April 23, 2023 through May 6, 2023 when audited by the Finance Committee.

3. **INTRODUCING THE NEW SISTER CITY POLICY**

That the City Council adopt a policy to establish guidelines for establishing relationships, create an internal Sister Cities committee, and join the Sister Cities International Organization.

ATTACHMENT: [060623_DraftPolicy.pdf](#)

4. **A RESOLUTION APPROVING FINAL TRACT MAP NOS. 20158, 20159 AND 20160 LOCATED ON THE EAST SIDE OF MILL CREEK AVENUE, APPROXIMATELY 530 FEET NORTH OF EUCALYPTUS AVENUE**

That the City Council adopt a Resolution approving Final Tract Map Nos. 20158, 20159 and 20160 located on the east side of Mill Creek Avenue, approximately 530 feet north of Eucalyptus Avenue, within the Esperanza Specific Plan.

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF ONTARIO, CALIFORNIA,

APPROVING FINAL TRACT MAP NOS. 20158, 20159 AND 20160 LOCATED ON THE EAST SIDE OF MILL CREEK AVENUE, APPROXIMATELY 530 FEET NORTH OF EUCALYPTUS AVENUE.

ATTACHMENT: [20230606 Tract Map 20158_20159_20160^01^Exh^A.pdf](#)

ATTACHMENT: [20230606 Tract Map 20158_20159_20160^02^RESO^RM](#)

5. **A PROFESSIONAL SERVICES AGREEMENT FOR DATA STRATEGY CONSULTING AND IMPLEMENTATION SERVICES**

That the City Council authorize the City Manager or his designee to execute a Professional Services Agreement (on file with the Records Management Department) with Resultant, LLC, of Indianapolis, Indiana, to provide consulting and implementation services to support the City's data strategy in a not-to-exceed amount of \$300,000 from July 1, 2023, through June 30, 2026.

6. **A GOODS AND SERVICES AGREEMENT WITH STACCATO 2011, LLC**

That City Council authorize the City Manager or his designee to execute a Goods and Services Agreement ("Agreement") with Staccato 2011, LLC to purchase the Staccato Weapons System in substantially the same form as the Agreement on file with Records Management for an amount not to exceed \$1,201,702 and for the City Manager to review and approve insurance requirements of the Agreement.

7. **A RESOLUTION ADOPTING THE LIST OF PROJECTS FOR FISCAL YEAR 2023-24 FUNDED BY SENATE BILL 1, THE ROAD REPAIR AND ACCOUNTABILITY ACT OF 2017**

That the City Council adopt a Resolution approving the FY 2023-24 Project List for Senate Bill 1 (SB1), the Road Repair and Accountability Act of 2017.

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF ONTARIO, CALIFORNIA,
ADOPTING A LIST OF PROJECTS FOR FISCAL YEAR 2023-24 FUNDED BY SENATE BILL
1, THE ROAD REPAIR AND ACCOUNTABILITY ACT OF 2017.

ATTACHMENT: [Road Maintenance and Rehabilitation Account^01^RESO^RM](#)

ATTACHMENT: [Exhibit A-Road Maintenance and Rehabilitation Account^02](#)

8. **AN AMENDMENT TO THE SOFTWARE LICENSE AGREEMENT FOR THE LAND MANAGEMENT SYSTEM FOR THE COMMUNITY DEVELOPMENT AGENCY, FIRE DEPARTMENT, AND THE ONTARIO MUNICIPAL UTILITIES COMPANY**

That the City Council authorizes the City Manager or his designee to execute Amendment No.1 to the current Agreement (on file with the Records Management Department) with Accela, Inc., of San Ramon, California, for the use of the Accela Automation Land Management System, used by Community Development, Fire Department, and the Ontario Municipal Utilities Company in the amount not to exceed \$670,425.

9. **AN AMENDMENT TO THE DESIGN SERVICES AGREEMENT WITH KLEINFELDER, INC. FOR ON-**

CALL ARCHITECTURAL AND DESIGN SERVICES

That the City Council authorize the City Manager or his designee to execute Amendment No. 10 to the on-call Design Services Agreement (on file in the Records Management Department) with Kleinfelder, Inc. of Ontario, California, to provide on-call design services for the demolition of the structure located at 404 N. Euclid Ave. in the amount of \$53,750 for a new not-to-exceed total of \$2,034,716.

10. AN AMENDMENT TO THE SEWER CONNECTION FEE REIMBURSEMENT PILOT PROGRAM

That the City Council consider and approve Amendment No. 1 to the Sewer Connection Fee Reimbursement Pilot Program (on file with the Records Management Department) and authorize the City Manager or his designee to make any necessary program adjustments and execute all necessary documents to implement the Sewer Connection Fee Reimbursement Pilot Program.

11. AUTHORIZE THE PURCHASE OF FLEET VEHICLES

That the City Council authorize the cooperative purchase and delivery of the following vehicles from National Auto Fleet Group of Watsonville, California, consistent with the terms and conditions of the Sourcewell Cooperative Contract No. 091521-NAF for a total amount not-to-exceed \$403,236 for:

- A. One Ford F150 PD Responder for the Police Department in the amount of \$53,180 plus a 20% contingency of \$10,636 for a total amount not-to-exceed \$63,816;
- B. One Ford E-Transit Van for the Police Department in the amount of \$66,850 plus a 20% contingency of \$13,370 for a total amount not-to-exceed \$80,220; and
- C. Five Ford F150's, three for the Parks & Maintenance Department, one for the Utilities Department, and one for the Engineering Department in the amount of \$216,000 plus a 20% contingency of \$43,200 for a total amount not-to-exceed \$259,200.

12. AN AMENDMENT TO THE DESIGN SERVICES AGREEMENTS FOR ON-CALL LANDSCAPE ARCHITECTURAL SERVICES FOR THE DE ANZA PARK SKATE PARK IMPROVEMENTS AND WALKWAY MODERNIZATION PROJECT

That the City Council Authorize the City Manager or his designee to execute Amendment No. 3 to the Design Services Agreement (on file in the Records Management Department) for Contract No. PM 1819-1 with Community Works Design Group of Riverside, California, to provide landscape architectural services for the De Anza Park Skate Park Improvements and Walkway Modernization Project in the amount of \$159,935 and a total not-to-exceed amount of \$359,935.

13. AN AMENDMENT TO THE MAINTENANCE SERVICES AGREEMENT WITH CAL BUILDING SYSTEMS FOR SPRINKLER AND HOOD SUPPRESSION MAINTENANCE AND REPAIR SERVICES

That the City Council authorize the City Manager or his designee to execute Amendment No. 1 to exercise the optional two (2) one-year extensions to the Maintenance Services Agreement

(on File in the Records Management Department) with Cal Building Systems, of Yorba Linda, California, for Sprinkler and Hood Suppression System Maintenance and Repairs.

14. [AN ORDINANCE APPROVING FILE NO. PUD22-005, A PLANNED UNIT DEVELOPMENT FOR A 2.38-ACRE PARCEL OF LAND LOCATED AT THE NORTHEAST CORNER OF EUCLID AVENUE AND D STREET, BORDERED BY E STREET ON THE NORTH AND LEMON AVENUE ON THE EAST](#)

That the City Council adopt an Ordinance approving File No. PUD22-005, the D Block Planned Unit Development, establishing development standards and design guidelines to facilitate a commercial and residential mixed-use development located at the northeast corner of Euclid Avenue and D Street.

AN ORDINANCE OF THE CITY COUNCIL OF THE CITY OF ONTARIO, CALIFORNIA, APPROVING FILE NO. PUD22-005, A PLANNED UNIT DEVELOPMENT TO ESTABLISH DEVELOPMENT AND PERFORMANCE STANDARDS AND DESIGN GUIDELINES FOR 2.38-ACRES OF LAND LOCATED AT THE NORTHEAST CORNER OF EUCLID AVENUE AND D STREET, BORDERED BY E STREET ON THE NORTH AND LEMON AVENUE ON THE EAST WITHIN THE LUA-1 (EUCLID AVENUE ENTERTAINMENT) OF THE MU-1 (DOWNTOWN MIXED USE) ZONING DISTRICT, AND MAKING FINDINGS IN SUPPORT THEREOF - APNS: 1048-363-05, 1048-363-04, 1048-363-03 AND 1048-363-02.

ATTACHMENT: [File No. PUD22-005 ORD D Block PUD^02^RM](#)

ATTACHMENT: [File No. PUD22-005 PUD ORD^03 ATTACH A](#)

15. [AN ORDINANCE APPROVING A DEVELOPMENT AGREEMENT \(FILE NO. PDA21-005\) BETWEEN THE CITY OF ONTARIO AND GROVE LAND VENTURE LLC, TO ESTABLISH THE TERMS AND CONDITIONS ASSOCIATED WITH TENTATIVE PARCEL MAP 20161 \(FILE NO. PMTT20-011\), A 159.95 ACRE PROPERTY BORDERED BY EUCALYPTUS AVENUE TO THE NORTH, BON VIEW AVENUE TO THE WEST, MERRILL AVENUE TO THE SOUTH, AND GROVE AVENUE TO THE EAST, WITHIN THE INDUSTRIAL AND BUSINESS PARK LAND USE DISTRICTS OF THE SOUTH ONTARIO LOGISTICS CENTER SPECIFIC PLAN \(FILE NO. PSP19-001\) AND MAKING FINDINGS IN SUPPORT THEREOF - APNS: 1054-071-01, 1054-071-02, 1054-081-03, 1054-091-01, 1054-091-02, 1054-101-01, 1054-101-02, 1054-231-01, 1054-231-02, 1054-241-01, 1054-241-02, 1054-311-01, 1054-311-02, 1054-321-01 AND 1054-321-02\)](#)

That the City Council consider and adopt an Ordinance approving a Development Agreement (File No. PDA21-005) between the City of Ontario and Grove Land Venture LLC, to establish the terms and conditions associated with Tentative Parcel Map 20161 (File No. PMTT20-011), a 159.95-acre property bordered by Eucalyptus Avenue to the north, Bon View Avenue to the west, Merrill Avenue to the south, and Grove Avenue to the east, within the Industrial and Business Park land use districts of the South Ontario Logistics Center Specific Plan.

AN ORDINANCE OF THE CITY COUNCIL OF THE CITY OF ONTARIO, CALIFORNIA, APPROVING FILE NO. PDA21-005, A DEVELOPMENT AGREEMENT BETWEEN THE CITY OF ONTARIO AND GROVE LAND VENTURE LLC, TO ESTABLISH THE TERMS AND CONDITIONS ASSOCIATED WITH TENTATIVE PARCEL MAP 20161 (FILE NO.

PMTT20-011), A 159.95 ACRE PROPERTY BORDERED BY EUCALYPTUS AVENUE TO THE NORTH, BON VIEW AVENUE TO THE WEST, MERRILL AVENUE TO THE SOUTH, AND GROVE AVENUE TO THE EAST, WITHIN THE INDUSTRIAL AND BUSINESS PARK LAND USE DISTRICTS OF THE SOUTH ONTARIO LOGISTICS CENTER SPECIFIC PLAN (FILE NO. PSP19-001) AND MAKING FINDINGS IN SUPPORT THEREOF - APNS: 1054-071-01, 1054-071-02, 1054-081-03, 1054-091-01, 1054-091-02, 1054-101-01, 1054-101-02, 1054-231-01, 1054-231-02, 1054-241-01, 1054-241-02, 1054-311-01, 1054-311-02, 1054-321-01 AND 1054-321-02.

ATTACHMENT: [File No. PDA21-005 Grove Land Venture LLC^01 EXH A&B](#)

ATTACHMENT: [File No. PDA21-005 Grove Land Venture LLC^03 ORD_RM.docx](#)

ATTACHMENT: [File No. PDA21-005 Grove Land Venture LLC^04 DEV AGR](#)

16. [AN ORDINANCE APPROVING A ZONE CHANGE \(FILE NO. PZC23-001\) LOCATED SOUTH OF EUCALYPTUS AVENUE, NORTH OF MERRILL AVENUE, WEST OF BON VIEW AVENUE, AND EAST OF CAMPUS AVENUE](#)

That the City Council adopt an Ordinance for File No. PZC23-001, a Zone Change to establish the SP/AG (Specific Plan/Agriculture Overlay) zoning district on the Project site.

AN ORDINANCE OF THE CITY COUNCIL OF THE CITY OF ONTARIO, CALIFORNIA, APPROVING FILE NO. PZC23-001, A REQUEST TO ESTABLISH THE SP(AG) (SPECIFIC PLAN/AGRICULTURE OVERLAY) ZONING DISTRICT ON THE 71.6-ACRE PROJECT SITE GENERALLY LOCATED SOUTH OF EUCALYPTUS AVENUE, NORTH OF MERRILL AVENUE, WEST OF BON VIEW AVENUE, AND EAST OF CAMPUS AVENUE, AND MAKING FINDINGS IN SUPPORT THEREOF - APNS: 1054-051-01, 1054-051-02, 1054-061-01, 1054-061-02, 1054-251-01, 1054-251-02, 1054-301-01 AND 1054-301-02.

ATTACHMENT: [File Nos. PSPA22-008 and PZC23-001 SOLC SPA 06 Ord and Attach A - Zone Change ORD^RM](#)

ATTACHMENT: [File Nos. PSPA22-008 and PZC23-001 SOLC SPA^03 Ord Attach B - PLN COA](#)

17. [A PROFESSIONAL DESIGN SERVICES AGREEMENT FOR THE EUCLID AVENUE RECYCLED WATER PROJECT](#)

That the City Council approve and authorize the City Manager or designee to execute a Professional Services Agreement (on file in the Records Management Department) with Ardurra Group Inc. of Newport Beach, California, to design and provide bid support services for the Euclid Avenue Recycled Water Project for a total not-to-exceed amount of \$1,179,747 and a term ending February 1, 2025.

ATTACHMENT: [Exhibit A - RW Euclid Phase Map.pdf](#)

18. [AN AMENDMENT TO THE AGREEMENT TO RENEW THE SUBSCRIPTION FOR THE AIRHUB PREMIUM PLAN WITH AIRSPACE LINK, INC](#)

That the City Council authorize the City Manager or his designee to execute Amendment No.1

to the current Agreement (on file with the Records Management Department) with Airspace Link, Inc., Detroit, Michigan, for the Airhub Premium Subscription Renewal, in the amount not-to-exceed \$384,000.

19. [A CONSTRUCTION CONTRACT FOR INTERIM FIRE STATION 11](#)

That the City Council take the following actions:

- A. Authorize the City Manager or his designee to execute a Construction Contract with Wakeco, Inc. of Temecula, California, to provide construction services for Contract No. D&C22-011 Interim Fire Station 11 in the amount of \$1,716,966;
- B. Authorize a 15% project contingency of \$257,545, for a total contract amount not-to-exceed \$1,974,511; 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 agreements, assessments, easements, lot line adjustments, reduction of retention accounts, contracts and contract amendments within the authorization limits, and filing a notice of completion at the conclusion of all construction related activities.

20. [AN AMENDMENT TO THE PROFESSIONAL SERVICES AGREEMENT WITH AMERICAN THREAT ASSESSMENT CONSULTING INC. \(A.T.A.C.\)](#)

That City Council authorize the City Manager or his designee to execute Amendment No. 6 to the Professional Services Agreement (on file in the Records Management Department) with American Threat Assessment Consulting Inc. (A.T.A.C.) of Rancho Cucamonga, California to extend the current funding threshold and add additional work and funding to accommodate the purchase of cameras and Facial Recognition Software upon receiving approval from Cal OES through a non-competitive procurement request.

ADMINISTRATIVE REPORTS/DISCUSSION/ACTION

21. [INTRODUCTION OF AN ORDINANCE AMENDING CHAPTER 8B, OF TITLE 6, SECTIONS 6-8.49 AND 6-8.50 OF THE ONTARIO MUNICIPAL CODE RELATING TO COLLECTION AND PAYMENT AND THE DISABLED PERSON'S AND SENIOR CITIZEN'S DISCOUNT](#)

That the City Council introduce and waive further reading of an Ordinance amending Chapter 8B, of Title 6, Sections 6-8.49 and 6-8.50, of the Ontario Municipal Code relating to Collection and Payment and the Disabled Person's and Senior Citizen's Discount.

AN ORDINANCE OF THE CITY COUNCIL OF THE CITY OF ONTARIO, CALIFORNIA, AMENDING CHAPTER 8B (WATER SERVICES) OF TITLE 6 (SANITATION AND HEALTH) OF THE ONTARIO MUNICIPAL CODE, RELATING TO WATER ACCOUNTS, PAYMENTS, AND SENIOR / DISABLED DISCOUNTS.

ATTACHMENT: [Amending OMC Chapter 8B Water Service SB 998 and Senior-Disabled Discount^ORD^RM.docx](#)

STAFF MATTERS

City Manager Ochoa

COUNCIL MATTERS

BOARD AND COMMISSION APPOINTMENTS

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

ADJOURNMENT

CITY OF ONTARIO
CLOSED SESSION REPORT
City Council // Housing Authority // Other // (GC 54957.1)
June 6, 2023

ROLL CALL: Dorst-Porada __, Wapner __, Bowman __, Valencia __, Mayor / Chairman Leon __.

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

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

- GC 54956.8, CONFERENCE WITH REAL PROPERTY NEGOTIATORS
Property: APN: 1048-363-01; 434 North Euclid Avenue; City/Authority negotiator: Scott Ochoa or his designee; Negotiating parties: Faisal Afsari; Under negotiation: Price and terms of payment.

No Reportable Action	Continue	Approved
/ /	/ /	/ /

Disposition: _____

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

- GC 54956.8, CONFERENCE WITH REAL PROPERTY NEGOTIATORS
Property: APN: 1048-481-07; 935 East Holt Boulevard; City/Authority negotiator: Scott Ochoa or his designee; Negotiating parties: Jose G. Jimenez; Under negotiation: Price and terms of payment.

No Reportable Action	Continue	Approved
/ /	/ /	/ /

Disposition: _____

CITY OF ONTARIO
CLOSED SESSION REPORT
City Council // Housing Authority // Other // (GC 54957.1)
June 6, 2023
(continued)

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

- GC 54956.8, CONFERENCE WITH REAL PROPERTY NEGOTIATORS
Property: APN: 0110-321-43; 2151 East Convention Center Way; City/Authority negotiator: Scott Ochoa or his designee; Negotiating parties: ONT Gateway LLC; Under negotiation: Price and terms of payment

No Reportable Action	Continue	Approved
/ /	/ /	/ /

Disposition: _____

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

- GC 54656.9(d)(1), CONFERENCE WITH LEGAL COUNSEL, EXISTING LITIGATION
Cucamonga Valley Water District v. City of Ontario Case No. CIVSB2309354

No Reportable Action	Continue	Approved
/ /	/ /	/ /

Disposition: _____

**CITY OF ONTARIO
CLOSED SESSION REPORT**
City Council // Housing Authority // Other // (GC 54957.1)
June 6, 2023
(continued)

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

- GC 54957.6, CONFERENCE WITH LABOR NEGOTIATIONS: City Negotiator: City Manager or his designees; Bargaining Units: Ontario Police Officers Association, Ontario Police Management Group, Ontario Professional Firefighters Association Local 1430, Ontario Fire Management Group, Department Heads, Executives, AFSCME Local 3061, Teamsters Local 1932, Association of Management Employees, Confidential Group, and Part-time Employees.

No Reportable Action	Continue	Approved
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Disposition: _____

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

- GC 54656.9(d)(1), CONFERENCE WITH LEGAL COUNSEL, EXISTING LITIGATION
Ruben Valencia v. City of Ontario, Case No. CIVSB2302751

No Reportable Action	Continue	Approved
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/ /	/ /	/ /
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Disposition: _____

Reported by:

City Attorney / City Manager / Executive Director

**ONTARIO CITY COUNCIL/
ONTARIO HOUSING AUTHORITY
MINUTES
MAY 2, 2023
(Not Official Until Approved)**

JOINT MEETINGS

The regular meetings of the Ontario City Council and the Housing Authority were held on Tuesday, May 2, 2023 at Ontario City Hall, 303 E. B Street Ontario, California.

CALL TO ORDER

Mayor Leon called the joint meetings to order at 5:01 p.m.

ROLL CALL

PRESENT: Mayor/Chairman: Paul S. Leon
Mayor pro Tem/Vice Chair: Debra Dorst-Porada
Council/Authority Members: Jim W. Bowman and Ruben Valencia

ABSENT: Council/Authority Members: Alan D. Wapner (excused).

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

CLOSED SESSION

Mayor Leon inquired whether persons were present who wished to speak to the Closed Session items. Hearing no one, City Attorney Duran announced the matters for discussion as listed on the agenda, with the exception of Council Member Wapner and with Council Member Valencia recused from the first item on the Closed Session agenda, the City Council recessed to Closed Session at 5:02 p.m. for discussion of the following:

- GC 54656.9(d)(1), CONFERENCE WITH LEGAL COUNSEL, EXISTING LITIGATION: Ruben Valencia v. City of Ontario, Case No. CIVSB2302751.
- GC 54956.9 (d)(1), CONFERENCE WITH LEGAL COUNSEL, EXISTING LITIGATION
Agustin Martinez v. City of Ontario, and Does 1-10, inclusive, U.S. District Court, Central District of California, Case No. 5:21-cv-01099-JGB-SP
- GC 54957.6, CONFERENCE WITH LABOR NEGOTIATIONS: City Negotiator: City Manager or his designees; Bargaining Units: Ontario Police Officers Association, Ontario Police Management Group, Ontario Professional Firefighters Association Local 1430, Ontario Fire Management Group, Department Heads,

Executives, AFSCME Local 3061, Teamsters Local 1932, Association of Management Employees, Confidential Group, and Part-time Employees.

- GC 54956.8, CONFERENCE WITH REAL PROPERTY NEGOTIATORS
Property: APN: 1011-382-09; 801-805 South Mountain Avenue; City/Authority Negotiator: Scott Ochoa or his designee; Negotiating parties: Peter Stuart Dejager and Michelle Julie Dejager; Under negotiation: Price and terms of payment
- GC 54956.8, CONFERENCE WITH REAL PROPERTY NEGOTIATORS
Property: APN: 1011-382-65; 1045 West Mission Boulevard; City/Authority Negotiator: Scott Ochoa or his designee; Negotiating parties: Kalpesh P. Solanki; Under negotiation: Price and terms of payment.
- GC 54956.8, CONFERENCE WITH REAL PROPERTY NEGOTIATORS
Property: APNs: 1048-472-24 and 1048-472-25; 1131 East Holt Boulevard; City/Authority Negotiator: Scott Ochoa or his designee; Negotiating parties: Patty Bashoura; Under negotiation: Price and terms of payment.
- GC 54956.8, CONFERENCE WITH REAL PROPERTY NEGOTIATORS
Property: APN: 0110-061-21; 1217 East Holt Boulevard; City/Authority Negotiator: Scott Ochoa or his designee; Negotiating parties: Kulendra N Rami; Under negotiation: Price and terms of payment.
- GC 54956.8, CONFERENCE WITH REAL PROPERTY NEGOTIATORS
- Property: APN: 0110-061-25; 1241 East Holt Boulevard; City/Authority Negotiator: Scott Ochoa or his designee; Negotiating parties: Babubhai Prajapati Shashikalaben Premchandbhai Prajapati; Under negotiation: Price and terms of payment.

OPEN MEETING CALLED TO ORDER

Mayor Leon reconvened the meetings at 6:31 p.m. for the regular session.

PLEDGE OF ALLEGIANCE

The Pledge of Allegiance was led by Council Member Bowman.

INVOCATION

The invocation was led by Pastor Taylor Kern, Ontario United Reformed Church

REPORT ON CLOSED SESSION

City Attorney Duran announced there was no reportable action.

SPECIAL CEREMONIES

RECOGNITION OF WATER POSTER CONTEST WINNERS

Council Member Dorst-Porada announced the winners and invited the children up to receive a certificate of acknowledgement.

PUBLIC COMMENTS

Assistant City Clerk Isbell announced there were two written public comments and items specific to Item Nos. 7 and 14:

Jayne Sjodin, regarding a local business.

Stephen Rogers, regarding employment verification.

Susan Monell, in opposition to Item No. 7 of the consent calendar.

Carlos Rodriguez, in support of Item No. 14 of the consent calendar.

Mayor Leon called upon the first speaker.

Rachel Flores, brought awareness to mental health issues.

Andrew Quinones, spoke in support of Amy's Farm.

Heidi Ollman, spoke in support of Amy's Farm.

Randy Bekendam, spoke in support of Amy's Farm.

Tori Mohamed, introduced the Momand Foundation DBA Lifting Humanity.

Mario Huante, spoke on the U.S. Constitution.

Jesus Medrano, spoke in opposition of warehouses.

Karen Haughey, representative of San Bernardino County Board Supervisor Hagman's office spoke of upcoming events.

AGENDA REVIEW/ANNOUNCEMENTS

City Manager Ochoa made no announcements.

CONSENT CALENDAR

MOTION: Moved by Mayor pro Tem Dorst-Porada seconded by Council Member Bowman and carried by a unanimous vote 4-0, with Council Member Wapner absent, to approve the Consent Calendar as presented.

1. APPROVAL OF MINUTES

Minutes for the regular meetings of the City Council, Housing Authority and Ontario Public Financing Authority of April 4, 2023, and approving same as on file in the Records Management Department.

2. BILLS & PAYROLL

Bills March 31, 2023 through April 13, 2023 in the amount of \$85,436,190.70, and Payroll March 26, 2023 through April 8, 2023 in the amount of \$3,978,770.26, when audited by the Finance Committee.

3. A RESOLUTION APPROVING AN IMPROVEMENT AGREEMENT, IMPROVEMENT SECURITY AND FINAL PARCEL MAP NO. 20267 LOCATED AT 1250 WEST PHILLIPS STREET

The City Council adopted a Resolution approving an Improvement Agreement, Improvement Security and Final Parcel Map No. 20267 located at 1250 West Phillips Street.

RESOLUTION NO. 2023-030 A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF ONTARIO, CALIFORNIA, APPROVING AN IMPROVEMENT AGREEMENT, IMPROVEMENT SECURITY AND FINAL PARCEL MAP NO. 20267 LOCATED AT 1250 WEST PHILLIPS STREET.

4. A RESOLUTION APPROVING AMENDMENT TO IN-LIEU AGREEMENT FOR PARCEL NO. 20273

The City Council considered and:

- A. Approved an amendment (the "Amendment") to a certain Agreement regarding Community Facilities District Formation for Parcel Map No. 20273 and Fee In-Lieu (the "Agreement"), which was executed on November 23, 2021, by and between the City and Prologis L.P. (the "Developer"); and
- B. Authorized the City Manager or his designee to finalize, execute, and record the Amendment.

RESOLUTION NO. 2023-031 A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF ONTARIO, CALIFORNIA, AUTHORIZING THE EXECUTION AND DELIVERY OF A FIRST AMENDMENT TO IN-LIEU AGREEMENT FOR PARCEL MAP NO. 20273.

5. AN AGREEMENT FOR AUTOMATIC AID AND MUTUAL AID BETWEEN TWO FIRE DISTRICTS AND CITY OF ONTARIO

The City Council authorized the City Manager to execute the Agreements with Chino Valley Fire District and Rancho Cucamonga Fire Protection District for Fire Mutual Aid and Automatic Aid for rapid dispatch services.

6. AMENDMENTS TO DESIGN SERVICE AGREEMENTS FOR ON-CALL WATER SUPPLY STUDIES

The City Council took the following actions:

- A. Approved and authorized the City Manager, or his designee to execute Amendment No. 5 to the Design Services Agreement with Albert A. Webb Associates of Riverside, California, for a total not-to-exceed amount of \$50,000 for Fiscal Year 2023-24, a total not-to-exceed amount of \$50,000 for Fiscal Year 2024-25, and a term from June 16, 2020, to June 16, 2025, for on-call as needed services in preparing Water Supply Assessments (WSA's) and Written Verifications (WV's).
- B. Approved and authorized the City Manager, or his designee to execute Amendment No. 3 to the Design Services Agreement with PlaceWorks Inc. of Santa Ana, California, for a total not-to-exceed \$50,000 for Fiscal Year 2023-24, a total not-to-exceed \$50,000 for Fiscal Year 2024-25, and a term from June 16, 2020, to June 16, 2025, for on-call as needed services in preparing WSA's and WV's.

7. AN ORDINANCE AMENDING THE ZONING DESIGNATIONS ON 95 PROPERTIES LOCATED THROUGHOUT THE CITY

The City Council adopted an Ordinance approving a Zone Change (File No. PZC22-001) amending the zoning designations on 95 parcels located citywide to make the Official Zoning Map consistent with The Ontario Plan 2050 Policy Plan (General Plan) Land Use Plan (Exhibit LU-01).

ORDINANCE NO. 3245 AN ORDINANCE OF THE CITY COUNCIL OF THE CITY OF ONTARIO, CALIFORNIA, APPROVING FILE NO. PZC22-001, A CITY INITIATED REQUEST TO CHANGE THE ZONING DESIGNATIONS ON 95 PROPERTIES LOCATED THROUGHOUT THE CITY TO MAKE THE OFFICIAL ZONING MAP CONSISTENT WITH THE ONTARIO PLAN 2050 POLICY PLAN (GENERAL PLAN) LAND USE PLAN (EXHIBIT LU-01), AND MAKING FINDINGS IN SUPPORT THEREOF — APNS: 1008-522-04, 1008-522-01, 1008-522-02, 1008-522-03, 1008-513-16, 1008-441-01, 1048-525-12, 1049-094-07, 1049-094-10, 1049-094-08, 1049-094-09, 1048-525-14, 1048-525-13, 1048-525-15, 1048-523-15, 1048-523-16, 1048-523-18, 1048-522-08, 1048-522-09, 1048-522-10, 1048-522-11, 1048-524-14, 1048-524-15, 1048-524-16, 1048-524-17, 1048-525-16, 1048-525-17, 1048-525-18, 1048-525-19, 1048-525-20, 1048-523-17, 1049-094-04, 1049-094-14, 1049-094-02, 1049-094-01, 1049-093-10, 1049-093-09, 1049-093-07, 1049-093-06, 1049-093-04,

1049-093-03, 1049-093-02, 1049-093-01, 1049-091-04, 1049-091-03, 1049-091-02, 1049-091-01, 1049-094-13, 1049-094-05, 1049-094-11, 1049-094-06, 1049-093-08, 1049-093-05, 1010-502-08, 1010-502-09, 1048-604-15, 0210-551-02, 0210-551-03, 1050-272-20, 1050-272-01, 1050-272-21, 1050-284-01, 1051-221-07, 1051-222-13, 1051-222-12, 1051-222-01, 1051-221-08, 1051-222-11, 1051-221-09, 1051-222-10, 1051-221-10, 1051-222-09, 1051-221-11, 1051-222-08, 1051-221-12, 1051-221-13, 1051-221-14, 1051-221-16, 1051-221-15, 1051-221-20, 1051-271-66, 1051-271-67, 1051-271-06, 1048-556-05, 1048-556-04, 1048-556-03, 1048-556-02, 1048-556-01, 1048-556-14, 0110-071-01, 0110-061-01, 0110-071-06, 0110-071-02, 0110-072-11, 0110-072-10, AND 0110-071-07.

8. AN ORDINANCE APPROVING A DEVELOPMENT CODE AMENDMENT REVISING AND CLARIFYING CERTAIN PROVISIONS OF THE CITY OF ONTARIO DEVELOPMENT CODE

The City Council adopted an Ordinance approving File No. PDCA23-001, a Development Code Amendment revising and clarifying certain provisions of Chapters 1.0 (Development Code Enactment and General Provisions), 2.0 (Administration and Procedures), 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. 3246 AN ORDINANCE OF THE CITY COUNCIL OF THE CITY OF ONTARIO, CALIFORNIA, APPROVING FILE NO. PDCA23-001, A DEVELOPMENT CODE AMENDMENT REVISING AND CLARIFYING CERTAIN PROVISIONS OF CHAPTERS 2.0 (ADMINISTRATION AND PROCEDURES), 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.

9. AN ORDINANCE OF THE CITY COUNCIL OF THE CITY OF ONTARIO, CALIFORNIA, LEVYING SPECIAL TAXES WITHIN CITY OF ONTARIO COMMUNITY FACILITIES DISTRICT NO. 64 (SUNSET RANCH)

The City Council considered and adopted an Ordinance authorizing the levy of special taxes within City of Ontario Community Facilities District No. 64 (Sunset Ranch). First reading and introduction took place at a regular meeting on April 18, 2023.

ORDINANCE NO. 3247 AN ORDINANCE OF THE CITY COUNCIL OF THE CITY OF ONTARIO, CALIFORNIA, LEVYING A SPECIAL TAX WITHIN THE CITY OF ONTARIO COMMUNITY FACILITIES DISTRICT NO. 64 (SUNSET RANCH).

10. APPROVE PROFESSIONAL SERVICES AGREEMENTS FOR ON-CALL MATERIAL TESTING AND GEOTECHNICAL ENGINEERING SERVICES

The City Council took the following actions:

- A. Approved and authorized the City Manager or his designee to execute Amendment No. 3 to the Professional Services Agreement with Kleinfelder, Inc., of Ontario, California, in the amount of \$400,000 for a total amount of \$466,554 for On-call Geotechnical and Material Testing Services.
- B. Approved and authorized the City Manager or his designee to execute the following three-year Professional Services Agreements for On-call Geotechnical and Material Testing Services for a total compensation amount of \$650,000:
 - 1. RMA Group, Inc., of Rancho Cucamonga, California, for a total contract amount not-to-exceed \$200,000;
 - 2. Ninyo & Moore Geotechnical & Environmental Sciences Consultants, Inc., of Irvine, California, for a total contract amount not-to-exceed \$150,000;
 - 3. Smith-Emery Laboratories, Inc., of Anaheim, California, for a total contract amount not-to-exceed \$150,000; and
 - 4. Twining, Inc., of Riverside, California, for a total contract amount not-to-exceed \$150,000.
- C. Authorized the City Manager or his designee to extend the agreements for up to two additional consecutive one-year periods.

11. AN AMENDMENT FOR ADDITIONAL CONSTRUCTION MANAGEMENT AND INSPECTION SERVICES FOR THE EQUIPPING WELL NO. 43 PROJECT

The City Council approved and authorized the City Manager, or designee to execute Amendment No. 5 to the Professional Services Agreement with AKM Consulting Engineers Inc. of Irvine, California, for a total not-to-exceed amount of \$58,224 for construction management and inspection services, and a term from September 17, 2019, to October 2, 2024.

12. AUTHORIZE THE PURCHASE OF FLEET VEHICLES

The City Council:

- A. Authorized the cooperative purchase and delivery of four BMW Police Motorcycles in the amount of \$144,131 from Long Beach BMW Motorcycles of Long Beach, California, consistent with the terms and conditions of the Los Angeles County Sheriff's Contract PO-SH-22009476-1, Bid RFB-IS-22201046-1;
- B. Authorized a 20% contingency of \$28,826 to mitigate any unforeseen issues with supply chain surcharges and manufactures price increases, for a total amount not-to-exceed \$172,957 for four BMW Police Motorcycles;
- C. Authorized the cooperative purchase and delivery of the following vehicles from National Auto Fleet Group of Watsonville, California, consistent with the

terms and conditions of the Sourcewell Cooperative Contract No. 091521-NAF for a total amount not-to exceed \$228,648:

1. One Ford Expedition for the Police Department in the amount of \$54,956 plus a 20% contingency of \$10,991 for a total amount not-to-exceed \$65,947;
2. One Ford F150 for the Integrated Waste Department in the amount of \$46,472 plus a 20% contingency of \$9,294 for a total amount not-to-exceed \$55,766; and
3. One Ford F350 Utility for the Parks & Maintenance Department in the amount of \$89,112 plus a 20% contingency of \$17,823 for a total amount not-to-exceed \$106,935.

13. ONE-YEAR ACTION PLAN FOR THE COMMUNITY DEVELOPMENT BLOCK GRANT ("CDBG"), HOME INVESTMENT PARTNERSHIPS ("HOME"), AND EMERGENCY SOLUTIONS GRANT ("ESG") PROGRAMS FOR FISCAL YEAR 2023-24

The City Council:

- A. Approved the One-Year Action Plan for Fiscal Year 2023-24 for the Community Development Block Grant ("CDBG"), HOME Investment Partnerships ("HOME"), and Emergency Solutions Grant ("ESG") Programs;
- B. Directed staff to prepare and transmit the final documents to U.S. Department of Housing and Urban Development ("HUD"); and
- C. Authorized the City Manager, or his designee, to take all actions necessary or desirable to implement the One-Year Action Plan for Fiscal Year 2023-24 and Subrecipient Agreements.

14. A RESOLUTION APPROVING A TEMPORARY REDUCTION IN CERTAIN BUILDING PERMIT FEES

The City Council adopted a Resolution approving a temporary reduction in certain building permit fees.

RESOLUTION NO. 2023-032 A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF ONTARIO, CALIFORNIA, APPROVING A TEMPORARY REDUCTION IN CERTAIN BUILDING PERMIT FEES.

PUBLIC HEARING

15. A PUBLIC HEARING TO CONSIDER THE SECOND AMENDMENT TO THE CONSOLIDATED PLAN ANNUAL ACTION PLAN FOR THE 2021-22 PROGRAM YEAR TO ALLOCATE FUNDS RECEIVED FROM THE AMERICAN RESCUE PLAN (ARP) ACT HOME SUPPLEMENTAL ALLOCATION

The City Council ("City") and the Board of the Ontario Housing Authority ("Authority") took the following actions:

- A. Approved the Second Amendment to the FY 2021-22 Annual Action Plan (on file in the Records Management Department) (“Substantial Amendment”); and
- B. Authorized the City Manager/Executive Director or his designee to sign all documents necessary to implement the Agreements.

Notice of public hearing was duly given and affidavits of compliance are on file in the Records Management Department. 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 Mayor pro Tem Dorst-Porada seconded by Council Member Bowman and carried by a unanimous vote 4-0, with Council Member Wapner absent, to approve the Second Amendment to the FY 2021-22 Annual Action Plan.

ADMINISTRATIVE REPORTS/DISCUSSION/ACTION

16. IMPLEMENTATION OF VOLUNTARY WATER CONSERVATION STAGE

The City Council rescinded the Stage 3 Water Conservation Plan measures (Section 6-8.28 of the Ontario Municipal Code) and implement the Voluntary Conservation Stage of the Ontario Municipal Code Water Conservation Plan (Section 6-8.25 of the Ontario Municipal Code).

Notice of public hearing was duly given and affidavits of compliance are on file in the Records Management Department. There were no written communications.

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

MOTION: Moved by Council Member Bowman seconded by Mayor pro Tem Dorst-Porada and carried by a unanimous vote 4-0, with Council Member Wapner absent, to rescind the Stage 3 Water Conservation Plan and implement Section 6-8.25 of the Ontario Municipal Code.

STAFF MATTERS

City Manager Ochoa made no comments.

COUNCIL MATTERS

Council Member Valencia talked about the valuable information in the Ontario Living Magazine.

Council Member Bowman made no comments.

Mayor pro Tem Dorst-Porada spoke about museums.

ADJOURNMENT

Mayor Leon adjourned the meetings of the Joint Agencies at 7:17 p.m. and announced the next regular meeting on May 16, 2023.

Respectfully submitted,

SHEILA MAUTZ, CITY CLERK/SECRETARY

APPROVED:

PAUL S. LEON, MAYOR/CHAIRMAN

CITY OF ONTARIO

Agenda Report
June 6, 2023

SECTION: CONSENT CALENDAR

Department: Economic Development
Prepared By: Peak Approver
Staff Member Presenting:
Jennifer McLain Hiramoto, Economic
Development Director
Approved By: 

Submitted To: Council/OHA
Approved: _____
Continued To: _____
Denied: _____
Item No: 3

SUBJECT: INTRODUCING THE NEW SISTER CITY POLICY

RECOMMENDATION: That the City Council adopt a policy to establish guidelines for establishing relationships, create an internal Sister Cities committee, and join the Sister Cities International Organization.

THE FOLLOWING COUNCIL GOALS ARE BEING ACHIEVED:

Pursue City's Goals and Objectives by Working with Other Governmental Agencies

FISCAL IMPACT: There will be an annual cost of \$1,030 to join the Sister Cities International Organization. The Fiscal Year 2022-23 Adopted Budget includes appropriations in the General Fund.

BACKGROUND & ANALYSIS: The City Council has been a member of the Sister Cities International program for several years, which has allowed for cultural exchange and collaboration with other cities around the world. The City of Ontario, through the Economic Development Agency, is invested in developing new business relationships and boosting Ontario's economic growth.

City Staff is proposing that the City Council implement a formal policy that will provide guidelines for the vetting and adoption of future Sister Cities. The proposed Sister Cities Policy (Attachment 1) would establish guidelines for selecting and maintaining relationships with Sister Cities, while also introducing a new concept, called "Friendship Cities." Additionally, the Policy introduces a new internal Sister City Committee led by the Economic Development Agency. The goal of this Committee is to provide opportunities for City Officials and citizens to experience and explore other cultures through long-term community partnerships with a direction toward focusing on economic development. By managing the Sister Cities formal approval process, Economic Development will ensure that opportunities for economic development, tourism, and workforce development take priority in this cultural exchange.



CITY OF ONTARIO ADMINISTRATIVE POLICY

ATTACHMENT 1 - ADMINISTRATIVE POLICY TEMPLATE

SUBJECT SISTER CITY POLICY	Number:
	Effective Date:
	Revision Date:
	Policy Owner(s): Economic Development

PURPOSE

The purpose of this policy is to provide guidelines in establishing and developing municipal partnerships with an emphasis on economic development initiatives between the City of Ontario and similar jurisdictions across the globe. These relationships are developed in an effort to learn, share and exchange ideas and policies focused on enhancing economic development opportunities, such as business attraction, tourism, real property development, and best practices in urban planning all while still maintaining the integrity of the City's overall economic development. This policy also establishes parameters for an internal Sister City Committee to manage and oversee the process of establishing new sister cities, as well as tracking existing ones.

SCOPE

To pursue the City's goals and objectives by working with other governmental agencies, this policy is for the use of relevant Ontario and potential Sister City administrators.

DEFINITIONS

Sister City – A Sister City (county or state) relationship is a broad-based, long-term partnership between two communities in two countries. A relationship is officially recognized after the highest elected or appointed official from both communities sign off on an agreement to become sister cities.

Friendship City – A Friendship City (country or state) relationship is considered slightly less formal in comparison to a sister city and is sometimes used as a step towards the development of a sister city agreement.

Sister City Committee – A group of people who have the responsibility of setting up and maintaining the relationship between two cities. The committee must work with both sides to promote the economic, commercial, and cultural exchanges between them, as well as establish programs that help their citizens learn about each other's countries.



CITY OF ONTARIO ADMINISTRATIVE POLICY

ATTACHMENT 1 - ADMINISTRATIVE POLICY TEMPLATE

POLICY

1.0 ESTABLISHMENT OF SISTER CITY COMMITTEE

- 1.1 The City of Ontario shall establish their own internal Sister City Committee:
- a. The Committee shall maintain, enhance, and maximize Ontario's involvement and exposure to the global economy, cultural environment, educational and business opportunities for Ontario companies in the regions or countries of our Sister Cities.
 - b. The Committee shall be led by the staff members in the Economic Development Agency and include members from Community, Life and Culture, Ontario Convention Center, and the Ontario International Airport.
 - c. The Committee will review applications for Sister City affiliations and forward recommendations to the City Council for the establishment of future agreements.
 - d. The Committee will establish themselves as members of the Sister Cities International network.
 - e. The City Council may also direct staff to seek out and pursue forging a Sister City or Friendly City relationship. Staff will review each request, and make a recommendation based on analysis of the criteria laid out in Section 3.0 of this policy.
 - f. The Committee will meet bi-annually in April and October and as needed.

2.0 ESTABLISHMENT OF SISTER CITY AND/OR FRIENDSHIP CITY

- 2.1 The City of Ontario may establish, at the City Council's direction, Sister City Relationships under the following conditions:
- a. The City shall be presented with a formal request, including a letter and an application, which must be sent to the Economic Development Agency for the establishment of a Friendship City and/or Sister City.
 - b. The application will request information detailed in Section 3.0 of this policy.
 - c. The request shall clearly describe the expectations for the proposed relationship, the benefits to each City, as well as background information including location, city history, and city amenities.
 - i. Proposals can come from agencies including, but not limited to:
 - (1) A permanent for profit or non-profit organization which is located in the City or has major and continuing ties to residents or groups in the City;
 - (2) The Economic Development Agency of proposed City or from City of Ontario.
 - (3) Official City representatives.
 - d. The Committee will evaluate each proposal based on the ability to deliver on the conditions of approval detailed in Section 3.0, including an application, letter and evaluation criteria.
 - e. Upon approval by the City Council by resolution, the proposed City will be informed through formal correspondence and a Memorandum of Understanding will be established to finalize the agreement.
 - f. The Friendship City will be re-evaluated after 2 years to determine if steps are to be taken to establish the City as a Sister City.
 - g. The Sister City relationship will be re-evaluated every 4 years and the relationship may be continued or terminated by Council after this time.



CITY OF ONTARIO

ADMINISTRATIVE POLICY

ATTACHMENT 1 - ADMINISTRATIVE POLICY TEMPLATE

- h. All Sister City Agreements will have an 8-year term. If the City Council determines that the partnership is still valuable and relevant, they can choose to extend the agreement. If not, the agreement will expire at the end of the 8-year term.

3.0 CONDITIONS OF APPROVAL

3.1 In the application and letter, Sister Cities must demonstrate an ability to provide a mutually beneficial relationship with a City from another Country and the residents by:

- a. Creating an environment where economic development opportunities can be explored, implemented, and strengthened.
- b. Creating opportunities for cultural exchanges between cities, such as art exhibitions, music festivals, and language exchange programs. These exchanges help people understand and appreciate different cultures, traditions, and lifestyles.
- c. Creating dialogue and addressing/discussing issues about culture, economic development, municipal management, education, environmental issues and/or technology.
- d. Creating a partnership where both cities can creatively learn from one another.
- e. Establishing regular correspondence between cities, and in person or virtual visits and/or meetings at least once every five years with selected city officials.
 - i. This includes but is not limited to meetings during which established projects, goals, and policies may be discussed.

3.2 Sister Cities must also align with the City in at least one of the following ways:

- a. Sister City has a cultural or historic connection to Ontario.
 - i. Examples include Brockville, Canada where George and William Chaffey were born; and Mildura, Australia where the brothers were instrumental in developing the city.
- b. Sister City has a similar economic composition to Ontario, including, but not limited to,
 - i. An Airport.
 - ii. A major tourist attraction like a Convention Center, Arena, major shopping center, and/or a thriving downtown.
 - iii. Similar industries, such as logistics, retail, etc.
 - iv. Demographic composition, such as population, income, races, and ethnicities, etc.
- c. Sister City has a notable business with commerce that is desirable.
- d. Upon receiving direction from City Council, staff will research the proposed Sister City utilizing the above stated criteria, and present findings and recommendations to the City Council for consideration.

3.3 An evaluation of each application and letter will be completed by the Committee to ensure that the proposed Sister City can meet all the conditions detailed above.

4.0 CONDITIONS OF DISSOLUTION



CITY OF ONTARIO ADMINISTRATIVE POLICY

ATTACHMENT 1 - ADMINISTRATIVE POLICY TEMPLATE

4.1 Sister City agreements may be dissolved following approval by the City Council. Both cities reserve the right to dissolve a Sister City agreement via a resolution to dissolve that includes reasons for terminating the Sister City relationship. Reasons for dissolution may include:

- a. Limited opportunities for cultural exchanges.
- b. Sister City environment does not provide opportunities for economic development growth and exploration.
- c. Sister City no longer aligns with Ontario's values and goals.
- d. Disorganization or malpractice within Sister City government.
- e. Correspondence and a mutual dialogue are not being maintained.
- f. Conditions of approval no longer met.

CITY OF ONTARIO

Agenda Report
June 6, 2023

SECTION: CONSENT CALENDAR

Department: Engineering
Prepared By: Miguel Sotomayor
Staff Member Presenting:
Scott Murphy, Executive Director Community
Development
Reviewed By: Raymond Lee, Khoi Do
Approved By: 

Submitted To: Council/OHA
Approved: _____
Continued To: _____
Denied: _____
Item No: 4

SUBJECT: A RESOLUTION APPROVING FINAL TRACT MAP NOS. 20158, 20159 AND 20160 LOCATED ON THE EAST SIDE OF MILL CREEK AVENUE, APPROXIMATELY 530 FEET NORTH OF EUCALYPTUS AVENUE

RECOMMENDATION: That the City Council adopt a Resolution approving Final Tract Map Nos. 20158, 20159 and 20160 located on the east side of Mill Creek Avenue, approximately 530 feet north of Eucalyptus Avenue, within the Esperanza Specific Plan.

THE FOLLOWING COUNCIL GOALS ARE BEING ACHIEVED:

Invest in the Growth and Evolution of the City's Economy

Focus Resources in Ontario's Commercial and Residential Neighborhoods

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

FISCAL IMPACT: There is not a direct fiscal impact associated with this action. All public infrastructure improvements required for this subdivision will be constructed by the Developer at its sole cost.

BACKGROUND & ANALYSIS: Final Tract Map No. 20158, consisting of 31 numbered lots and 16 lettered lots on approximately 15 acres of land, Final Tract Map No. 20159, consisting of 15 numbered lots and 5 lettered lots on approximately 14 acres of land, and Final Tract Map No. 20160, consisting of 113 numbered lots and 32 lettered lots on approximately 22 acres of land (see Exhibit A), have been submitted by the Developer, KB Home Coastal Inc., a California Corporation. The tentative tract maps for all three maps were approved by the Planning Commission on August 27, 2019.

Improvements for Final Tract Map Nos. 20158, 20159 and 20160 include pavement, curb, gutter, sidewalk, landscape parkways, fiber optic conduits, fire hydrants, sewer, water, recycled water mains, storm drain and streetlights. The improvements in parkway landscaping will be consistent

with current City approved drought measures. These maps meet all conditions of the Subdivision Map Act and the Ontario Municipal Code and have been reviewed and approved by the City Engineer.

EXHIBIT A

**TM 20158
MOONSTONE**

**TM 20159
BELMONT**

**TM 20160
TORREY**

MILL CREEK AVENUE

TRACT
BOUNDARY

TRACT
BOUNDARY

TRACT
BOUNDARY

TRACT BOUNDARY

PROJECT
LOCATION

VICINITY MAP

NOT TO SCALE

PROACTIVE ENGINEERING CONSULTANTS

0 250
SCALE: 1"=250'

TRACTS 20158, 20159 & 20160

RESOLUTION NO. _____

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF ONTARIO, CALIFORNIA, APPROVING FINAL TRACT MAP NOS. 20158, 20159 AND 20160 LOCATED ON THE EAST SIDE OF MILL CREEK AVENUE APPROXIMATELY 530 FEET NORTH OF EUCALYPTUS AVENUE.

WHEREAS, Tentative Tract Map Nos. 20158, 20158 and 20160 submitted for approval by RWT Preserve Holdings, LLC were approved by the Planning Commission of the City of Ontario on August 27, 2019; and

WHEREAS, Tentative Tract Map No. 20158 consists of 31 numbered lots and 16 lettered lots being a subdivision of lots 1, 2, B, and a portion of lot C of Tract Map No. 20157, recorded in book 363, pages 100 through 107, inclusive, of Maps, in the Office of the County Recorder of San Bernardino; and

WHEREAS, Tentative Tract Map No. 20159 consists of 15 numbered lots and 5 lettered lots being a subdivision of lots 3, 4, and a portion of lot C of Tract Map No. 20157, recorded in book 363, pages 100 through 107, inclusive, of Maps, in the Office of the County Recorder of San Bernardino; and

WHEREAS, Tentative Tract Map No. 20160 consists of 113 numbered lots and 32 lettered lots being a subdivision of lots 5, A, and D of Tract Map No. 20157, recorded in book 363, pages 100 through 107, inclusive, of Maps, in the Office of the County Recorder of San Bernardino; and

WHEREAS, Tentative Tract Map Nos. 20158, 20159 and 20160 were subsequently sold to KB Home Coastal Inc., a California Corporation; and

WHEREAS, all necessary public improvements for Final Tract Map Nos. 20158, 20159 and 20160 will be constructed per the previously approved Final Tract Map No. 20157 (A-Map); and

WHEREAS, the requirement for the preparation of Covenants, Conditions and Restrictions (CC&R's), approved by the City Attorney's Office, to ensure the right to mutual ingress and egress and continued maintenance of common facilities by the commonly affected property owners has been deferred to a date that coincides with the recordation of the subject Tract Maps.

NOW, THEREFORE, BE IT RESOLVED by the City Council of the City of Ontario, as follows:

SECTION 1. That Final Tract Map Nos. 20158, 20159 and 20160 be approved and that the City Clerk be authorized to execute the statement thereon on behalf of said City.

The City Clerk of the City of Ontario shall certify as to the adoption of this Resolution.

PASSED, APPROVED, AND ADOPTED this 6th day of June 2023.

PAUL S. LEON, MAYOR

ATTEST:

SHEILA MAUTZ, CITY CLERK

APPROVED AS TO LEGAL FORM:

BEST, BEST & KREIGER 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. 2023- was duly passed and adopted by the City Council of the City of Ontario at their regular meeting held June 6, 2023 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. 2023- duly passed and adopted by the Ontario City Council at their regular meeting held June 6, 2023.

SHEILA MAUTZ, CITY CLERK

(SEAL)

CITY OF ONTARIO

Agenda Report
June 6, 2023

SECTION:
CONSENT CALENDAR

Department: Information Technology
Prepared By: Samantha Robles
Staff Member Presenting:
Colin Fernandes, Executive Director Information
Technology
Approved By: 

Submitted To: Council/OHA
Approved: _____
Continued To: _____
Denied: _____
Item No: 5

SUBJECT: A PROFESSIONAL SERVICES AGREEMENT FOR DATA STRATEGY CONSULTING AND IMPLEMENTATION SERVICES

RECOMMENDATION: That the City Council authorize the City Manager or his designee to execute a Professional Services Agreement (on file with the Records Management Department) with Resultant, LLC, of Indianapolis, Indiana, to provide consulting and implementation services to support the City's data strategy in a not-to-exceed amount of \$300,000 from July 1, 2023, through June 30, 2026.

THE FOLLOWING COUNCIL GOALS ARE BEING ACHIEVED:
Operate in a Businesslike Manner

FISCAL IMPACT:

The Fiscal Year 2022-23 Adopted Budget includes appropriations from the Information Technology Fund for Information Technology Agency consulting services. The proposed Professional Services Agreement has a not-to-exceed contract amount of \$300,000 for three years. The fixed billing rates specified in the current Agreement will determine the amount charged for services and reflect the actual services provided. If approved, appropriations will be added to the future years' budgets consistent with the annual budget adoption process.

BACKGROUND & ANALYSIS:

The City has identified a need for a more robust and consistent data management and utilization strategy. Staff has embarked on a path to develop a data strategy in Fiscal Year 2022-23. To augment the City's efforts and to ensure industry best practices are applied, the proposed vendor, Resultant LLC, will provide ongoing data consulting.

On February 10, 2023, the City opened a Request for Proposal (RFP #1612) to identify and engage experienced and knowledgeable industry consultants. The City received seven (7) bids from the following companies:

Company	Location
Blacksmith Integrations, LLC	McKinney, Texas
COGENT Infotech Corporation	Pittsburgh, Pennsylvania
DiLytics Inc	San Mateo, California
Intellectyx	Pasadena, California
Resultant, LLC	Indianapolis, Indiana
Software Staffers	San Jose, California
TruePoint Solutions	Loomis, California

Resultant, LLC was selected and provided the most balanced and cost-effective proposal. They showed experience and expertise in data consulting and implementation services and offered a range of well-priced strategy data assessment packages. Staff requests City Council approval for a not-to-exceed amount of \$300,000 and a three-year term.

CITY OF ONTARIO

Agenda Report
June 6, 2023

SECTION:
CONSENT CALENDAR

Department: Police Department
Prepared By: Lizceth Zazueta
Staff Member Presenting:
Mike Lorenz, Chief of Police
Approved By: 

Submitted To: Council/OHA
Approved: _____
Continued To: _____
Denied: _____
Item No: 6

SUBJECT: A GOODS AND SERVICES AGREEMENT WITH STACCATO 2011, LLC

RECOMMENDATION: That City Council authorize the City Manager or his designee to execute a Goods and Services Agreement ("Agreement") with Staccato 2011, LLC to purchase the Staccato Weapons System in substantially the same form as the Agreement on file with Records Management for an amount not to exceed \$1,201,702 and for the City Manager to review and approve insurance requirements of the Agreement.

THE FOLLOWING COUNCIL GOALS ARE BEING ACHIEVED:

Maintain the Current High Level of Public Safety

Operate in a Businesslike Manner

FISCAL IMPACT: Appropriations for the Goods and Services Agreement for a not-to-exceed amount of \$1,201,702 will be included in the DOJ Asset Seizure Fund in the next quarterly budget adjustment for Fiscal Year 2023-24 Budget. Appropriations for future fiscal years will be included in the respective fiscal years' budgets for City Council consideration and approval.

BACKGROUND & ANALYSIS: Over a thousand agencies across the nation have purchased from Staccato 2011, LLC (Staccato). All Staccato weapons are manufactured in the USA with American steel, materials, and parts.

The Staccato Weapons System is a combination of equipment and accompanying lifetime warranty. In addition, the Staccato Weapons System provides annual inspections, replacement of any parts or firearms at no additional cost, and will provide an armory course and firearms transition course for Ontario Police Department Range Armorers and Firearm Instructors.

Staccato's weapons have demonstrated reduced recoil and consistent improvement in qualification scores and groupings. By utilizing Staccato's weapons, the Ontario Police Department will experience a reduced long-term cost in maintenance and training. The level of detail on each equipment paired with the services offered by Staccatos is not available for purchase through any other vendor.

Based off Staccato's excellent reviews, satisfactory performance, and providing the best value to the City in price and services, City staff unanimously recommends entering a three (3) year contract with two (2) one-year term extensions.

CITY OF ONTARIO

Agenda Report
June 6, 2023

SECTION:
CONSENT CALENDAR

Department: Engineering
Prepared By: Leonard Lui
Staff Member Presenting:
Scott Murphy, Executive Director Community
Development
Approved By: 

Submitted To: Council/OHA
Approved: _____
Continued To: _____
Denied: _____
Item No: 7

SUBJECT: A RESOLUTION ADOPTING THE LIST OF PROJECTS FOR FISCAL YEAR 2023-24 FUNDED BY SENATE BILL 1, THE ROAD REPAIR AND ACCOUNTABILITY ACT OF 2017

RECOMMENDATION: That the City Council adopt a Resolution approving the FY 2023-24 Project List for Senate Bill 1 (SB1), the Road Repair and Accountability Act of 2017.

THE FOLLOWING COUNCIL GOALS ARE BEING ACHIEVED:

Pursue City's Goals and Objectives by Working with Other Governmental Agencies

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: This spending plan identifies the recommended uses for the City's Fiscal Year 2023-24 apportionment of Road Maintenance and Rehabilitation Account (RMRA) funds from SB1, which is projected to be at \$4,437,678 for the upcoming fiscal year. The proposed projects for Fiscal Year 2023-24 are consistent with the projects included in the City's proposed Five-Year Capital Improvement Program to be adopted by City Council as part of the Fiscal Year 2023-24 budget.

BACKGROUND & ANALYSIS: On April 28, 2017, the Governor signed SB1 (Beall, Chapter 5, Statutes of 2017), which is known as the Road Repair and Accountability Act of 2017. To address basic road maintenance, rehabilitation and critical safety needs on both the State highway and local streets and road system, RMRA increases per gallon fuel excise taxes, increases diesel fuel sales taxes and vehicle registration fees, and provides for inflationary adjustments to tax rates in future years.

Prior to receiving an annual apportionment of RMRA funds from the California State Controller, the City must submit an adopted list of projects to the California Transportation Commission (CTC) by July 1st. The proposed project list must be adopted by Resolution (with public record of the action taken) of the City Council at a regular public meeting each fiscal year.

The proposed projects for FY 2023-24 (Exhibit "A" of the Resolution) are consistent with the projects included in the City's proposed Five-Year Capital Improvement Program submitted to the City Council for the upcoming fiscal year's budget.

RESOLUTION NO. _____

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF ONTARIO, CALIFORNIA, ADOPTING A LIST OF PROJECTS FOR FISCAL YEAR 2023-24 FUNDED BY SENATE BILL 1, THE ROAD REPAIR AND ACCOUNTABILITY ACT OF 2017.

WHEREAS, Senate Bill 1 (SB1), the Road Repair and Accountability Act of 2017 (Chapter 5, Statutes of 2017) was passed by the Legislature and Signed into law by the Governor in April 2017 to address the significant multi-modal transportation funding shortfalls statewide; and

WHEREAS, SB1 includes accountability and transparency provisions that will ensure the residents of our City are aware of the projects proposed for funding in our community and which projects have been completed each fiscal year; and

WHEREAS, the City must adopt by resolution a list of all projects proposed to receive fiscal year funding from the Road Maintenance and Rehabilitation Account (RMRA), created by SB1, which must include a description and the location of each proposed project, a proposed schedule for the project's completion, and the estimated useful life of the improvement; and

WHEREAS, the City will receive an estimated \$4,437,678 in RMRA funding in Fiscal Year 2023-24 from SB1; and

WHEREAS, this is the seventh year in which the City is receiving SB 1 funding and will enable the City to continue essential road maintenance and rehabilitation projects, safety improvements, repairing and replacing aging bridges, and increasing access and mobility options for the traveling public that would not have otherwise been possible without SB1; and

WHEREAS, the City has undergone a robust public process to ensure public input into our community's transportation priorities/the project list; and

WHEREAS, the City used a Pavement Management System to develop the SB1 project list to ensure revenues are being used on the most high-priority and cost-effective projects that also meet the community's priorities for transportation investment; and

WHEREAS, the funding from SB1 will help the City maintain and rehabilitate streets/roads, bridges, and add active transportation infrastructure throughout the City this year and many similar projects into the future; and

WHEREAS, the 2018 California Statewide Local Streets and Roads Needs Assessment found that the City's streets and roads are in a "good" condition and this revenue will help us increase the overall quality of our road system and over the next decade will bring our streets and roads to an "excellent" condition; and

WHEREAS, the SB1 project list and overall investment in our local streets and roads infrastructure, with a focus on basic maintenance and safety, investing in complete streets infrastructure, and using cutting-edge technology, materials and practices, will have significant positive co-benefits statewide.

NOW, THEREFORE, BE IT RESOLVED by the City Council of the City of Ontario as follows:

SECTION 1. Incorporation of Recitals. The foregoing recitals are true and correct and are incorporated herein and made an operative part of this Resolution.

SECTION 2. That the attached list (Exhibit A) of proposed projects will be funded in-part or solely with Fiscal Year 2023-24 Road Maintenance and Rehabilitation Account revenues.

The City Clerk of the City of Ontario shall certify as to the adoption of this Resolution.

PASSED, APPROVED, AND ADOPTED this 6th day of June 2023.

PAUL S. LEON, MAYOR

ATTEST:

SHEILA MAUTZ, CITY CLERK

APPROVED AS TO LEGAL FORM:

BEST, BEST & KREIGER, 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. 2023- was duly passed and adopted by the City Council of the City of Ontario at their regular meeting held June 6, 2023 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. 2023- duly passed and adopted by the Ontario City Council at their regular meeting held June 6, 2023.

SHEILA MAUTZ, CITY CLERK

(SEAL)

EXHIBIT A
Local Streets and Roads Program
Fiscal Year 2023-24 Proposed Projects List

AGENCY NAME: City of Ontario
AGENCY CONTACT: Tricia Espinoza
tespinoza@ontarioca.gov

Project Title and Description	Project Type	Project Limits	Begin Project	End Project	Estimated Useful Life
FY 2023-24					
FY 2023-24 Alley Rehabilitation Program	Asphalt Overlay	Alley between G Street and Del Norte Avenue Alley between Del Norte Avenue and Imperial Avenue Alley between El Morado Court and G Street Alley between Allyn Avenue and Virginia Avenue	4/3/2024	6/11/2024	15-25 years
<i>Reconstruction of alleys with new concrete ribbon gutters, drive approaches and asphalt pavement.</i>					
ATP Cycle 5 Bicycle Improvements (Construction)	Bicycle Safety	B Street and Vine Avenue	5/1/2024	4/30/2025	15-35 years
<i>Construction of 2 miles of combined Class III and IV bike facilities and street improvements including curb extensions, high visibility crosswalks, traffic circles and street lights.</i>					
FY 2023-24 Pavement Rehabilitation Project (Spring)	Asphalt Overlay	Fourth Street - Vineyard Avenue to I-10 Freeway G Street - Allyn Avenue to Grove Avenue I Street - Mountain Avenue to San Antonio Avenue	3/1/2024	6/20/2024	15-35 years
<i>Construction of Rubberized Asphalt Hot Mix pavement including removal and replacement of failing pavement areas, replacement of damaged sidewalk, curb and gutter, placement of ADA ramps, updated signage and striping. This rubberized asphalt mix is a high performing asphalt product that extends the pavement life while providing an environmentally friendly recycled tire usage.</i>					
FY 2023-24 Slurry Seal/Cape Seal Program	Slurry/Cape Seal	Select streets in area bounded by Helen Avenue to the west, SR-60 to the south, Phillips Street to the north, and Campus Avenue to the east. Select streets bounded by Sultana Avenue to the west, Holt Boulevard to the south, D Street to the north, and Campus avenue to the east. Select Streets bounded by Euclid Avenue to the west, Walnut Street to the south, SR-60 to the north, and Marigold Place to the east.	8/14/2023	12/1/2023	10-15 years
<i>Application of Type II Polymer Modified slurry seal, Reclaimed Asphalt Pavement cape seal, and PCC curb ramp construction</i>					
Downtown Traffic Study	Traffic Study	Euclid Avenue from the I-10 Freeway to State Street	7/1/2023	6/1/2024	5-10 years
<i>Mobility Analysis of the Euclid Downtown Corridor examining road diet, truck rerouting, traffic calming and complete streets elements for the area</i>					

CITY OF ONTARIO

Agenda Report
June 6, 2023

SECTION:
CONSENT CALENDAR

Department: Information Technology
Prepared By: Samantha Robles
Staff Member Presenting:
Colin Fernandes, Executive Director Information
Technology
Approved By: 

Submitted To: Council/OHA
Approved: _____
Continued To: _____
Denied: _____
Item No: 8

SUBJECT: AN AMENDMENT TO THE SOFTWARE LICENSE AGREEMENT FOR THE LAND MANAGEMENT SYSTEM FOR THE COMMUNITY DEVELOPMENT AGENCY, FIRE DEPARTMENT, AND THE ONTARIO MUNICIPAL UTILITIES COMPANY

RECOMMENDATION: That the City Council authorizes the City Manager or his designee to execute Amendment No.1 to the current Agreement (on file with the Records Management Department) with Accela, Inc., of San Ramon, California, for the use of the Accela Automation Land Management System, used by Community Development, Fire Department, and the Ontario Municipal Utilities Company in the amount not to exceed \$670,425.

THE FOLLOWING COUNCIL GOALS ARE BEING ACHIEVED:
Operate in a Businesslike Manner

FISCAL IMPACT: The Fiscal Year 2022-23 Adopted Budget includes appropriations from the Information Technology Fund for annual licensing for Accela software. The proposed Amendment to the Software License Agreement increases the authorized contract amount of \$558,480 by \$111,945. The cost of year one increases by \$1,172 for a total not-to-exceed amount of \$181,857. The cost of year two increases by \$23,175 plus a 15% contingency amount of \$31,393 for a total not-to-exceed amount of \$240,674. The cost of year three increases by \$23,871 plus a 15% contingency amount of \$32,334 for a total not-to-exceed amount of \$247,894. This brings the total not-to-exceed contract amount to \$670,425. The fixed billing rates specified in the current Agreement will determine the amount charged for services and reflect the actual services provided. If approved, appropriations will be added to the future years' budgets consistent with the annual budget adoption process.

BACKGROUND & ANALYSIS: The Community Development Agency and Fire Department have been using the Accela Automation Land Management System since 2010 to manage permits issued by the City. In 2016, the Ontario Municipal Utilities Company Environmental Department also started to use it to manage Wastewater Permits. The software calculates and collects permit fees, manages the permit approval process, and tracks credits issued and used as part of the Developers Impact Fee program. Citizens and Developers can track the status of the permits using the Accela Citizen Access website. On May 3, 2022, the City Council approved a one (1) year Agreement with an

optional renewal period of two (2) years. Accessing this system requires a user license, which due to recent staff growth, we have exceeded our available licenses. This Amendment to the Agreement allows us to purchase the additional licenses needed to access the system to process permits. Staff requests City Council approval for a not-to-exceed amount of \$670,425.

CITY OF ONTARIO

Agenda Report
June 6, 2023

SECTION:
CONSENT CALENDAR

Department: Municipal Services
Prepared By: Daniel P Beers
Staff Member Presenting:
Tito Haes, Executive Director Public Works
Reviewed By: Bonnie Tam, Andrea Ampig
Approved By: 

Submitted To: Council/OHA
Approved: _____
Continued To: _____
Denied: _____
Item No: 9

SUBJECT: AN AMENDMENT TO THE DESIGN SERVICES AGREEMENT WITH KLEINFELDER, INC. FOR ON-CALL ARCHITECTURAL AND DESIGN SERVICES

RECOMMENDATION: That the City Council authorize the City Manager or his designee to execute Amendment No. 10 to the on-call Design Services Agreement (on file in the Records Management Department) with Kleinfelder, Inc. of Ontario, California, to provide on-call design services for the demolition of the structure located at 404 N. Euclid Ave. in the amount of \$53,750 for a new not-to-exceed total of \$2,034,716.

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 Amendment No. 10 increases the authorized contract amount by \$53,750 for a total contract amount not-to-exceed \$2,034,716 and would require an increase in appropriations in the Capital Projects Fund that will be included in the Fiscal Year 2023-24 First Quarter Budget Update.

BACKGROUND & ANALYSIS: To begin the City Hall Campus Expansion Project, which includes the new Fire Station 1, a parking structure, and a new City Hall Annex Building, the parking lot behind City Hall will be closed. Kleinfelder, Inc. will be responsible for preparing bidding documents for the demolition of the vacant structure located at 404 W. Euclid Avenue, which will then be converted into a temporary parking lot to compensate for the temporary loss of existing parking. This conversion will provide approximately 100 temporary parking stalls. The successful completion of this step is crucial for the construction progress of the new City Hall parking structure and Fire Station 1.

CITY OF ONTARIO

Agenda Report
June 6, 2023

SECTION:
CONSENT CALENDAR

Department: Economic Development
Prepared By: Karen Khukoyan
Staff Member Presenting:
Jennifer McLain Hiramoto, Economic
Development Director
Approved By: 

Submitted To: Council/OHA
Approved: _____
Continued To: _____
Denied: _____
Item No: 10

SUBJECT: AN AMENDMENT TO THE SEWER CONNECTION FEE REIMBURSEMENT PILOT PROGRAM

RECOMMENDATION: That the City Council consider and approve Amendment No. 1 to the Sewer Connection Fee Reimbursement Pilot Program (on file with the Records Management Department) and authorize the City Manager or his designee to make any necessary program adjustments and execute all necessary documents to implement the Sewer Connection Fee Reimbursement Pilot Program.

THE FOLLOWING COUNCIL GOALS ARE BEING ACHIEVED:

Invest in the Growth and Evolution of the City's Economy

Operate in a Businesslike Manner

Focus Resources in Ontario's Commercial and Residential Neighborhoods

FISCAL IMPACT: The Sewer Connection Fee Reimbursement program provides loans, up to \$50,000, to eligible restaurant owners who are subject to paying Inland Empire Utilities Agency (IEUA) fees. The program was originally written as a pilot program for restaurants, with the intent that it may be altered for future uses.

In an effort to expand the program to further promote economic development activity in underdeveloped sections of the City, the recommended Amendment to the program will call for additional funding in the amount of \$450,000. Funding will come from the General Fund and will be included in the next quarterly budget update.

BACKGROUND & ANALYSIS: To further encourage the ongoing development in Ontario, in April of 2022 the City implemented a pilot program to assist businesses and developers by reimbursing Inland Empire Utilities Agency (IEUA) - imposed sewer connection fees. IEUA fees are collected by the City on behalf of the agency to cover the cost of capital improvements to their regional sewage treatment plants. The sewer connection fee is a one-time fee paid indirectly to IEUA for any new or upsized connection to a sewer collection system within the IEUA service area.

The program currently caters to restaurants that have IEUA fees that exceed \$100,000, and are located in high-pedestrian areas, including but not limited to Downtown and Piemonte Overlay District, which is just north of the 10-Freeway and surrounds the Toyota Arena. It was designed as an incentive to attract high-quality restaurateurs in difficult-to-develop sites in the City. To date, one restaurant has successfully received this loan and another is in the application process.

The total outstanding balance of the loan is reduced by (\$10,000) per year on the anniversary of the date of the approval of the loan. The restaurant is not required to make any payments during the term. The loan is forgivable and discharged after five (5) years.

As developers continue to grapple with the high cost of IEUA fees, and as the City continues to focus on improving blighted neighborhoods, Staff is proposing an Amendment to the pilot program that will extend the project eligibility to certain residential developments. The program guidelines will remain the same for restaurants. However, qualifying residential developments will now be eligible to apply for a forgivable loan up to \$300,000 to cover 100 percent of the cost of IEUA fees. Eligibility criteria includes the following:

- Project is limited to residential developments that do not exceed 40 units.
- Project must not contain retail.
- Applicant must demonstrate a public benefit associated with this project, such as: project will result in reduction of blight; will reduce or remove a public nuisance; will help the City achieve its Regional Housing Needs Allocation; or will contribute to the health, safety and welfare of the City's residents, etc.
- Project is located in one of three underdeveloped intersections of the City: 1) Mission and Mountain avenues, 2) Mountain Avenue and Holt Boulevard, and 3) East Riverside Drive and Euclid Avenue.
- Applicant has demonstrated a financial hardship associated with the Development that indicates the project would not be able to advance.
- Applicant must provide receipts that all development fees have been paid.
- Applicant and development is in good standing with the City (i.e. there are no active code enforcement violations, all fees have been paid, etc.).
- A Developer is limited to receiving only one IEUA reimbursement loan from the City.

Funding is available on a first come, first served basis and the funds must be used by December 31, 2023, whichever comes first. A Deed of Trust will also be required.

If the applicant is successful in meeting the criteria as described above, and assuming that funding is still available, the applicant will be reimbursed for the IEUA fees up to \$300,000 for any one project. This loan may be forgiven once a Certificate of Occupancy is obtained through the City of Ontario.

Implementation of this program will further the goals and objectives of the City's general plan by:

- Strengthening the City's land use and social structure
- Increasing the housing supply
- Alleviating economic and physical blight on the Property and in the surrounding community;

and,

- Eliminating a vacant site that creates nuisance conditions.

The Economic Development Agency will review all applications to ensure the applicant meets the qualifications. The City Council must approve any loan allocated in excess of \$100,000.

CITY OF ONTARIO

Agenda Report
June 6, 2023

SECTION: CONSENT CALENDAR

Department: Municipal Services
Prepared By: Manuel Rebolledo
Staff Member Presenting:
Tito Haes, Executive Director Public Works
Reviewed By: Bonnie Tam, Andrea Ampig
Approved By: 

Submitted To: Council/OHA
Approved: _____
Continued To: _____
Denied: _____
Item No: 11

SUBJECT: AUTHORIZE THE PURCHASE OF FLEET VEHICLES

RECOMMENDATION: That the City Council authorize the cooperative purchase and delivery of the following vehicles from National Auto Fleet Group of Watsonville, California, consistent with the terms and conditions of the Sourcewell Cooperative Contract No. 091521-NAF for a total amount not-to exceed \$403,236 for:

- A. One Ford F150 PD Responder for the Police Department in the amount of \$53,180 plus a 20% contingency of \$10,636 for a total amount not-to-exceed \$63,816;
- B. One Ford E-Transit Van for the Police Department in the amount of \$66,850 plus a 20% contingency of \$13,370 for a total amount not-to-exceed \$80,220; and
- C. Five Ford F150's, three for the Parks & Maintenance Department, one for the Utilities Department, and one for the Engineering Department in the amount of \$216,000 plus a 20% contingency of \$43,200 for a total amount not-to-exceed \$259,200.

THE FOLLOWING COUNCIL GOALS ARE BEING ACHIEVED:

Maintain the Current High Level of Public Safety
Operate in a Businesslike Manner

FISCAL IMPACT: The Fiscal Year 2022-23 Adopted Budget includes appropriations for the purchase of vehicles in the Equipment Services Fund and Police Department Fund. The total cost of the vehicles recommended for purchase is \$336,030 plus a 20% contingency of \$67,206 to mitigate any unforeseen issues with supply chain surcharges and manufacture price increases, for a total amount not-to-exceed \$403,236.

BACKGROUND & ANALYSIS: The vehicles recommended for replacement have outlived their useful life and are no longer cost effective to maintain. They are scheduled for replacement pursuant to ongoing efforts to reduce expenses, maximize useful life expectancy and extend replacement cycles of fleet equipment, while ensuring safe and reliable operations. This procurement action will result in the replaced vehicles being available to surplus, with any auction sale proceeds returning to the Equipment Services Fund.

The two vehicles requested by the Police Department, and the three vehicles requested by the Parks and Maintenance Department, are a result of growth throughout the City leading to increased operations. The Ford F150 requested by the Utilities Department and the Ford F150 requested by the Engineering Department are replacements for existing vehicles.

In general conformation with the provisions of Government Code Section 54201 through 54204, Ontario Municipal Code Section 2-6.29 allows for the purchase of supplies and equipment through cooperative purchasing programs, pursuant to California Government Code Section 6502 and City of Ontario Resolution No. 91-141. Cooperative purchasing allows the City to pool its procurement power with other public agencies to obtain lower pricing than otherwise might be possible.

QUANTITY	TYPE	AGENCY	PRICE
1	Ford F150 Police Responder	Police Department	\$63,816
1	Ford E-Transit Van	Police Department	\$80,220
5	Ford F150	Public Works Agency Ontario Municipal Utilities Company Community Development Agency	\$259,200
TOTAL			TOTAL
7			\$403,236

CITY OF ONTARIO

Agenda Report
June 6, 2023

SECTION:
CONSENT CALENDAR

Department: Public Works
Prepared By: Bonnie Tam
Staff Member Presenting:
Tito Haes, Executive Director Public Works
Reviewed By: Bonnie Tam
Approved By: 

Submitted To: Council/OHA
Approved: _____
Continued To: _____
Denied: _____
Item No: 12

SUBJECT: AN AMENDMENT TO THE DESIGN SERVICES AGREEMENTS FOR ON-CALL LANDSCAPE ARCHITECTURAL SERVICES FOR THE DE ANZA PARK SKATE PARK IMPROVEMENTS AND WALKWAY MODERNIZATION PROJECT

RECOMMENDATION: That the City Council Authorize the City Manager or his designee to execute Amendment No. 3 to the Design Services Agreement (on file in the Records Management Department) for Contract No. PM 1819-1 with Community Works Design Group of Riverside, California, to provide landscape architectural services for the De Anza Park Skate Park Improvements and Walkway Modernization Project in the amount of \$159,935 and a total not-to-exceed amount of \$359,935.

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 2022-23 Adopted Budget includes appropriations in the Capital Projects Fund for landscape architectural services for the De Anza Park Skate Park Improvements and Walkway Modernization Project. The recommended Amendment in the amount of \$159,935 will increase the current total not-to-exceed amount to \$359,935.

BACKGROUND & ANALYSIS: The proposal for landscape architectural services from Community Works Design Group for the De Anza Park Skate Park Improvements and Walkway Modernization Project is in the amount of \$159,935. The design services will include schematic planning, construction plans, specifications, cost estimates, bidding support, and construction administration for the design of a new skate park at De Anza Park, including walkway modernization and any site work needed to rehabilitate the areas affected by the project.

On November 1, 2022, the City Council approved Community Works Design Group for the design services for the De Anza Park Splash Pad Improvement Project. The De Anza Park is a major park asset to the community and is home to the De Anza Community and Teen Center. Improving the De Anza Park with additional amenities including the Skate Park will benefit the community.

CITY OF ONTARIO

Agenda Report
June 6, 2023

SECTION:
CONSENT CALENDAR

Department: Municipal Services
Prepared By: Manuel Rebolledo
Staff Member Presenting:
Tito Haes, Executive Director Public Works
Reviewed By: Bonnie Tam, Andrea Ampig
Approved By: 

Submitted To: Council/OHA
Approved: _____
Continued To: _____
Denied: _____
Item No: 13

SUBJECT: AN AMENDMENT TO THE MAINTENANCE SERVICES AGREEMENT WITH CAL BUILDING SYSTEMS FOR SPRINKLER AND HOOD SUPPRESSION MAINTENANCE AND REPAIR SERVICES

RECOMMENDATION: That the City Council authorize the City Manager or his designee to execute Amendment No. 1 to exercise the optional two (2) one-year extensions to the Maintenance Services Agreement (on File in the Records Management Department) with Cal Building Systems, of Yorba Linda, California, for Sprinkler and Hood Suppression System Maintenance and Repairs.

THE FOLLOWING COUNCIL GOALS ARE BEING ACHIEVED:

Maintain the Current High Level of Public Safety

Operate in a Businesslike Manner

FISCAL IMPACT: The annual cost of option year one is \$69,698 plus a contingency of \$15,000 for a total amount of \$84,698. The Fiscal Year 2023-2024 Proposed Budget includes appropriations in the Facilities Maintenance Fund for this agreement. The annual cost of option year two is \$69,698 plus a contingency of \$15,000 for a total amount of \$84,698. Executing both option years will increase the contract amount by \$169,396 and the total amount of the agreement would be a not-to-exceed amount of \$266,221, which includes a previously authorized contract amount of \$96,825. New service locations and additional tasks in the proposed amendment have caused the annual contract amount to increase in cost compared to previous years.

BACKGROUND & ANALYSIS: The City has fire sprinkler and hood suppression systems at various locations throughout the City. The systems require scheduled inspections and testing to ensure proper detection, operation, and notification to prevent loss of life, maintain fire building code compliance, and minimize property damage in case of a fire.

The City solicited proposals from vendors on June 18, 2020 for Fire Sprinklers & Hood Suppression Systems Test, Maintenance, and Repair Services. Cal Building Systems' Proposal was the sole bid received through the City's electronic bid management system in response to Bid No. 1324.

Staff recommends the approval of Amendment No. 1 to the Maintenance Services Agreement to exercise the optional two (2) one-year extensions.

CITY OF ONTARIO

Agenda Report
June 6, 2023

SECTION:
CONSENT CALENDAR

Department: Planning
Prepared By: Diane Ayala
Staff Member Presenting:
Scott Murphy, Executive Director Community
Development
Approved By: 

Submitted To: Council/OHA
Approved: _____
Continued To: _____
Denied: _____
Item No: 14

SUBJECT: AN ORDINANCE APPROVING FILE NO. PUD22-005, A PLANNED UNIT DEVELOPMENT FOR A 2.38-ACRE PARCEL OF LAND LOCATED AT THE NORTHEAST CORNER OF EUCLID AVENUE AND D STREET, BORDERED BY E STREET ON THE NORTH AND LEMON AVENUE ON THE EAST

RECOMMENDATION: That the City Council adopt an Ordinance approving File No. PUD22-005, the D Block Planned Unit Development, establishing development standards and design guidelines to facilitate a commercial and residential mixed-use development located at the northeast corner of Euclid Avenue and D Street.

THE FOLLOWING COUNCIL GOALS ARE BEING ACHIEVED:

Invest in the Growth and Evolution of the City's Economy

Operate in a Businesslike Manner

Focus Resources in Ontario's Commercial and Residential Neighborhoods

FISCAL IMPACT: There is not a direct fiscal impact associated with this action. The proposed D Block Planned Unit Development (PUD) establishes development standards and guidelines to facilitate the development of commercial and residential mixture of use. Implementation of the PUD would result in an increase in property taxes from future development and the one-time payment to the City for plan check fees and development impact fees.

BACKGROUND & ANALYSIS: On May 16, 2023, the City Council introduced and waived further reading of an Ordinance approving the Planned Unit Development. On June 8, 2022, the Ontario Place D Block, LLC., filed a Planned Unit Development (PUD) application, File No. PUD22-005, in conjunction with a Tentative Tract Map (TTM 20556), File No. PMTT22-019, a Development Plan, File No. PDEV22-031, and a Certificate of Appropriateness, File No. PHP22-010, to facilitate construction of a commercial and residential mixed-use development.

The Project site is comprised of 2.38 acres of land located within the historic downtown, at the northeast corner of Euclid Avenue and D Street, bordered by E Street on the north and Lemon Avenue on the east, within the LUA-1 (Euclid Avenue Entertainment) of the MU-1 (Downtown Mixed-Use) and Euclid Avenue Overlay zoning districts. The Project site is developed with a vacant

commercial retail center, paved surface parking lot, and 3 automatic teller machines that have been recently removed. The commercial retail center was constructed during the 1960s and then remodeled during the early 2000s.

On the same block, at the northwest corner, is a 0.12-acre lot that is improved with a fueling station. The block south of the Project site is developed with a 5-level public parking structure and vacant land slated for construction of a mixed-use development consisting of 144 residential apartment units and approximately 4,050 square feet of ground floor retail. Other surrounding land uses include commercial to the west, across Euclid Avenue, and a mixture of retail and office to the east and north.

The Policy Plan specifies that the Downtown Mixed-Use Area is to be implemented through the approval of an Area Plan or Planned Unit Development prior to the development of properties. In compliance with this requirement, the Applicant has submitted the D Block Planned Unit Development (included as Attachment "A" to the Ordinance), which is consistent with the vision, goals, and policies of the Policy Plan. A Planned Unit Development is comparable to a Specific Plan in that it establishes development regulations that are unique to a specific area. However, it is unlike a Specific Plan in that a Planned Unit Development is typically intended to apply to a single development project or several interrelated development projects that function together as a single, comprehensive project.

Key components of the D Block Planned Unit Development include the following:

- Land Use and Development Regulations — The MU-1 (Downtown Mixed Use) zoning district allows for commercial and residential mixed-use development at a density of 25.1 to 75 dwelling units per acre and a building intensity of 2.0 Floor Area Ratio. Consistent with the MU-1 zoning district and TOP Downtown District Place Type, the D Block PUD allows for development of 60 to 178 dwelling units, with a maximum building height of 55 feet (4 stories) and up to 65 feet for architectural projections and elevators.
- Landscaping — The landscaping concept is centered around the use of sustainable and low water use plant materials. As an example, varying species of evergreen and deciduous trees with interest in form and foliage color may be integrated in the landscape design. Pattern and planting should accentuate the common open space areas and create a visible connection to pedestrian pathways and sidewalks. The PUD also requires the landscaping be drought tolerant and irrigation meet the current Water Use Classifications of Landscape Species requirements. Due to building placement, the use of container landscapes is encouraged and may be used along street frontages.
- Parking and Circulation — In order to achieve the preferred density and building intensities, the PUD allows for a combination of on-site and on-street parking to provide an adequate parking supply to meet the anticipated parking demand for the Project. All resident parking will be provided on site, while guest parking and retail visitor spaces will be provided on-street. The Project site is located within a mixed-use area where on-street parking is available along the Project frontage and on surrounding blocks.
- Access to Mass Transit — An existing bus stop is located on the northeast corner of Euclid Avenue and D Street for Omnitrans Route 83. Additionally, located near Euclid Avenue on Holt

Boulevard is Omnitrans Route 61 which has been identified as the future West Valley Connector Bus Rapid Transit (BRT).

- Architectural Character — The PUD includes architectural design guidelines, specific to the downtown location and mixed-use building type, and establishes the following design principles:
 - Create an architectural character that reflects the various styles within the historic downtown by using similar proportions, building details and building material;
 - New buildings should appear to fit in contextually with existing historic buildings by using similar proportions, articulation, building details and building material;
 - The overall character should feel like a modern interpretation of a traditional American small town; and
 - Create compatibility between the mixed-use architecture and the residential architecture within the downtown area; the introduction of unifying elements such as similar materials and colors should be considered; however, “sameness” is discouraged.

On April 25, 2023, the Planning Commission conducted a public hearing to consider the Project and concluded the hearing on that date. After considering all public testimony on the application, the Planning Commission voted unanimously (6-0) to approve a Resolution recommending that the City Council approve the D Block Planned Unit Development. At the same meeting, the Planning Commission approved the related Tentative Tract Map, Development Plan, and Certificate of Appropriateness contingent upon City Council approval of the PUD.

HOUSING ELEMENT COMPLIANCE: The Project is consistent with the Housing Element of the Policy Plan (General Plan) component of The Ontario Plan, as the Project site is not one of the properties in the Housing Element Sites contained in Tables B-1 and B-2 (Housing Element Sites Inventory) of the Housing Element Technical Report.

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 ONT ALUCP, establishing the Airport Influence Area for Ontario International Airport, 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 ONT ALUCP compatibility factors, including [1] Safety Criteria (ONT ALUCP Table 2-2) and Safety Zones (ONT ALUCP Map 2-2), [2] Noise Criteria (ONT ALUCP Table 2-3) and Noise Impact Zones (ONT ALUCP Map 2-3), [3] Airspace protection Zones (ONT ALUCP Map 2-4), and [4] Overflight Notification Zones (ONT 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 ONT ALUCP.

ENVIRONMENTAL REVIEW: The Project is categorically exempt from the requirements of the California Environmental Quality Act (CEQA) pursuant to Section 15332 (Class 32, In-fill Development Projects) of the CEQA Guidelines, and meets all of the following conditions:

- The proposed Project is consistent with the applicable general plan designation and all applicable general plan policies as well as with applicable zoning designation and regulations. The proposed Project is located within the Downtown Mixed Use land use designation of the Policy Plan (general plan) Land Use Map, and the MU-1/LUA-1 (Downtown Mixed Use/Euclid Avenue Entertainment) zoning district. The proposed Project is consistent with all applicable Policy Plan policies, as well as with the requirements of the MU-1/LUA-1 (Downtown Mixed Use/Euclid Avenue Entertainment) zoning district and the related proposed D Block Planned Unit Development, which, at the Project location, intends to accommodate housing units at a density of 25 to 75 du/ac.
- The proposed development occurs within city limits on a project site of no more than five acres substantially surrounded by urban uses. The Project is proposed within the established boundaries of the City of Ontario, on a project site totaling 2.38-acres of land, which is surrounded by established development on all sides and consists of a mix of multiple-family, civic, retail, and commercial land uses.
- The Project site has no value as habitat for endangered, rare, or threatened species. The site is located in an urbanized area that has been fully developed with a commercial building and a large, paved surface for vehicular parking, and as such is not suitable habitat for any endangered, rare, or threatened species. Additionally, the site has not been identified on federal or state designation map.
- Approval of the Project would not result in any significant effects relating to traffic, noise, air quality, or water quality. The proposed mixed-use commercial and residential development is similar to, and of no greater impact than other allowed uses and development projects within the MU-1/LUA-1 (Downtown Mixed Use/Euclid Avenue Entertainment) zoning district. The Project would not result in any significant impacts through implementation of required state, regional, and local development and performance standards, and as demonstrated in the Air Quality and GHG, Noise, Traffic, and Parking Studies, and the Preliminary Water Quality Management Plan ("PWQMP") prepared for the Project.
- The site is adequately served by all required utilities and public services. All necessary wet and dry utilities are within the public street and are readily available for connection; and
- The application of the categorical exemption is not barred by one of the exceptions set forth in CEQA Guidelines Section 15300.2.

ORDINANCE NO. _____

AN ORDINANCE OF THE CITY COUNCIL OF THE CITY OF ONTARIO, CALIFORNIA, APPROVING FILE NO. PUD22-005, A PLANNED UNIT DEVELOPMENT TO ESTABLISH DEVELOPMENT AND PERFORMANCE STANDARDS AND DESIGN GUIDELINES FOR 2.38-ACRES OF LAND LOCATED AT THE NORTHEAST CORNER OF EUCLID AVENUE AND D STREET, BORDERED BY E STREET ON THE NORTH AND LEMON AVENUE ON THE EAST WITHIN THE LUA-1 (EUCLID AVENUE ENTERTAINMENT) OF THE MU-1 (DOWNTOWN MIXED USE) ZONING DISTRICT, AND MAKING FINDINGS IN SUPPORT THEREOF - APNS: 1048-363-05, 1048-363-04, 1048-363-03 AND 1048-363-02.

WHEREAS, Ontario Place D Block LLC ("Applicant") has filed an Application for the approval of a Planned Unit Development ("PUD"), File No. PUD22-005, as described in the title of this Ordinance (hereinafter referred to as "Application" or "Project"); and

WHEREAS, the Application applies to .38 acres of land located at the northeast corner of Euclid Avenue and D Street, bordered by E Street on the north and Lemon Avenue on the east, at 414 North Euclid Avenue within the LUA-1 (Euclid Avenue Entertainment) of the MU-1 (Downtown Mixed Use) zoning district, and is presently improved with a vacant commercial retail center and paved surface parking lot; and

WHEREAS, on the same block as the Project site, at the northwest corner, is a 0.12-acre lot that is improved with a fueling station. The property to the north of the Project site is within the MU-1 (Mixed Use Downtown) zoning district and is developed with a fueling station and paved parking lot. The property to the east is within the OL (Low Intensity Office) zoning district and is developed with retail and office. The property to the south is within the Downtown Civic Center PUD zoning district and is developed with a 5-level public parking structure and the vacant land is slated for construction of a mixed-use development consisting of 144 residential apartment units and approximately 4,050 square feet of ground floor retail. The property to the west, across Euclid Avenue, is within the MU-1 (Mixed Use Downtown) zoning district and is developed with commercial; and

WHEREAS, an existing bus stop is located on the northeast corner of Euclid Avenue and D Street for Omnitrans Route 83. Additionally, located near Euclid Avenue on Holt Boulevard is Omnitrans Route 61 which has been identified as the future West Valley Connector Bus Rapid Transit (BRT); and

WHEREAS, the MU-1 (Downtown Mixed Use) zoning district allows for commercial and residential mixed-use development at a density of 25.1 to 75 dwelling units per acre and a building intensity of 2.0 Floor Area Ratio. Consistent with the MU-1 zoning district and TOP Downtown District Place Type, the D Block PUD allows for mixed-use development of 60 to 178 dwelling units, with a maximum building height of 55 feet (4 stories) and up to 65 feet for architectural projections and elevators and a maximum of 2.0 Floor Area Ratio; and

WHEREAS, buildings shall be orientated towards Euclid Avenue with ground floor commercial units, including retail, restaurants, offices, conference rooms, and all other residential amenities and support services, are designed as traditional storefronts with bulkhead (base), display windows, transom windows above display windows and entry door, and a mid-panel floor to distinguish from the upper residential floors; and

WHEREAS, residential dwelling units shall be located on the ground floor behind commercial storefronts, or on the upper stories; and

WHEREAS, the PUD requires a minimum of 1 resident parking space per bedroom, 0.20 guest parking per dwelling unit, and 0.25 parking space per Gross Floor Area of commercial; and

WHEREAS, in order to achieve the preferred density and building intensities, the PUD allows for a combination of on-site and on-street parking to provide an adequate parking supply to meet the anticipated parking demand for the Project. All resident parking is provided on site, while guest parking and retail visitor spaces are allowed on-street; and

WHEREAS, the PUD includes architectural design guidelines, specific to the downtown location and mixed-use building type, and establishes the following design principles:

(a) Create an architectural character that reflects the various styles within the historic downtown by using similar proportions, building details and building material.

(b) New buildings should appear to fit in contextually with existing historic buildings by using similar proportions, articulation, building details and building material.

(c) The overall character should feel like a modern interpretation of a traditional American small town.

(d) Create compatibility between the mixed-use architecture and the residential architecture within the downtown area; the introduction of unifying elements such as similar materials and colors should be considered; however, "sameness" is discouraged; and

WHEREAS, the PUD requires a Certificate of Appropriateness, in conjunction with a Development Plan, in order to safeguard Euclid Avenue position on the National Register of Historic Places; and

WHEREAS, the Application is a project pursuant to the California Environmental Quality Act (Public Resources Code Section 21000 et seq.) ("CEQA"); and

WHEREAS, the Project is exempt from CEQA pursuant to a categorical exemption (listed in CEQA Guidelines Article 19, commencing with Section 15300) and the application of that categorical exemption is not barred by one of the exceptions set forth in CEQA Guidelines Section 15300.2; and

WHEREAS, Ontario Development Code Table 2.02-1 (Review Matrix) grants the City Council the responsibility and authority to review and act on the subject Application; and

WHEREAS, the Project is located within the Airport Influence Area of Ontario International Airport ("ONT"), which encompasses lands within parts of San Bernardino, Riverside, and Los Angeles Counties, and is subject to, and must be consistent with, the policies and criteria set forth in the Ontario International Airport Land Use Compatibility Plan (ALUCP), which applies only to jurisdictions within San Bernardino County, and addresses the noise, safety, airspace protection, and overflight impacts of current and future airport activity; and

WHEREAS, City of Ontario Development Code Division 2.03 (Public Hearings) prescribes the manner in which public notification shall be provided and hearing procedures to be followed, and all such notifications and procedures have been completed; and

WHEREAS, on April 25, 2023, the Planning Commission of the City of Ontario conducted a hearing to consider the initial study, Addendum, and the Project, and concluded said hearing on that date, voting to issue Resolution No. PC23-026 recommending the City Council approve the Application; and

WHEREAS, on May 16, 2023, the City Council of the City of Ontario conducted a hearing to consider the Project, and concluded said hearing on that date; 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 administrative record for the Project. Based upon the facts and information contained in the administrative record, including all written and oral evidence presented to the City Council, the City Council finds as follows:

(1) The administrative record has been completed in compliance with CEQA, the State CEQA Guidelines, and the City of Ontario Local CEQA Guidelines; and

(2) The Project is categorically exempt from environmental review pursuant to Section 15332 (Class 32, In-fill Development Projects) of the CEQA Guidelines, and meets all of the following conditions:

(a) The proposed Project is consistent with the applicable general plan designation and all applicable general plan policies as well as with applicable zoning designation and regulations. The proposed Project is located within the Downtown Mixed Use land use designation of the Policy Plan (general plan) Land Use Map, and the MU-1/LUA-1 (Downtown Mixed Use/Euclid Avenue Entertainment) zoning district. The

proposed Project is consistent with all applicable Policy Plan policies, as well as with the requirements of the MU-1/LUA-1 (Downtown Mixed Use/Euclid Avenue Entertainment) zoning district and the related proposed D Block Planned Unit Development, which, at the Project location, intends to accommodate housing units at a density of 25 to 75 du/ac.

(b) The proposed development occurs within city limits on a project site of no more than five acres substantially surrounded by urban uses. The Project is proposed within the established boundaries of the City of Ontario, on a project site totaling 2.38-acres of land, which is surrounded by established development on all sides and consists of a mix of multiple-family, civic, retail, and commercial land uses.

(c) The Project site has no value as habitat for endangered, rare, or threatened species. The site is located in an urbanized area that has been fully developed with a commercial building and a large paved surface for vehicular parking, and as such is not suitable habitat for any endangered, rare, or threatened species. Additionally, the site is not been identified on federal or state designation map.

(d) Approval of the Project would not result in any significant effects relating to traffic, noise, air quality, or water quality. The proposed mixed-use commercial and residential development is similar to, and of no greater impact than other allowed uses and development projects within the MU-1/LUA-1 (Downtown Mixed Use/Euclid Avenue Entertainment) zoning district. The Project would not result in any significant impacts through implementation of required state, regional, and local development and performance standards, and as demonstrated in the Air Quality and GHG, Noise, Traffic, and Parking Studies, and the Preliminary Water Quality Management Plan ("PWQMP") prepared for the Project.

(e) The site is adequately served by all required utilities and public services. All necessary wet and dry utilities are within the public street and are readily available for connection; and

(3) The application of the categorical exemption is not barred by one of the exceptions set forth in CEQA Guidelines Section 15300.2; and

(4) The determination of CEQA exemption reflects the independent judgment of the City Council.

SECTION 2. 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.

(1) On April 19, 2011, the City Council of the City of Ontario approved and adopted the Ontario International Airport Land use Compatibility Plan, establishing the Airport Influence Area for Ontario International Airport, 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 ONT ALUCP compatibility factors, including [1] Safety Criteria (ONT ALUCP Table 2-2) and Safety Zones (ONT ALUCP Map 2-2), [2] Noise Criteria (ONT ALUCP Table 2-3) and Noise Impact Zones (ONT ALUCP Map 2-3), [3] Airspace protection Zones (ONT ALUCP Map 2-4), and [4] Overflight Notification Zones (ONT 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 ONT ALUCP; and

SECTION 3. Concluding Facts and Reasons. Based upon the substantial evidence presented to the City Council during the above-referenced hearing, and upon the specific findings set forth in Section 1 and 2, above, the City Council hereby concludes as follows:

(1) ***The proposed PUD, or amendment thereto, is consistent with the goals, policies, plans and exhibits of the Vision, Policy Plan (General Plan), and City Council Priorities components of The Ontario Plan.*** The Project is consistent with Vision, Policy Plan (General Plan), and City Council Priorities components of The Ontario Plan. Section 1.1, The Ontario Plan Objectives of the DCCPUD, describes the manner in which the PUD complies with the Policy Plan goals and policies.

(2) ***The proposed PUD, or amendment thereto, would not be detrimental to the public interest, health, safety, convenience, or general welfare of the City.*** The City Council has required certain safeguards through conditions of approval, which have been established to ensure that: [i] the purposes of the Planned Unit Development are maintained; [ii] the project will not endanger the public health, safety or general welfare; [iii] the project will not result in any significant environmental impacts; [iv] the project will be in harmony with the area in which it is located; and [v] the project will be in full conformity with the Vision, City Council Priorities and Policy Plan components of The Ontario Plan.

(3) ***In the case of an application affecting specific property(ies), the proposed PUD, or amendment thereto, will not adversely affect the harmonious relationship with adjacent properties and land uses.*** The D Block PUD area is situated in the heart of Ontario's downtown and is adjacent to residential and commercial land uses and development. The surrounding development supports the objective of the D Block PUD further commercial and residential mixed-use development. The Project does not affect the harmonious relationship with adjacent properties and land use.

(4) ***In the case of an application affecting specific property(ies), the subject site is physically suitable, including, but not limited to, parcel size, shape, access, and availability of utilities, for the request and anticipated development.*** In preparing the proposed D Block PUD, a thorough review and analysis of the proposed Project and the subject site's physical suitability for the Project was completed, including analysis of the project size, shape, intensity of development, building height, building

setbacks, site access, site landscaping and drainage, fences and walls, vehicle circulation, pedestrian connections, availability of mass transit, necessary street dedication and easements, public right-of-way improvements, availability of utilities and other infrastructure needs, off-street parking and circulation, building orientation and streetscapes, architectural character, building materials and color, and site signage. Based upon this review and analysis, the subject site has been deemed physically suitable, including but not limited to parcel size, shape, access, and availability of utilities, for the proposed Planned Unit Development and the proposed development.

(5) ***The proposed PUD is superior to that which could be obtained through the application of the Development Code or a specific plan.*** The D Block PUD will establish minimum building setbacks, parking and open space requirements, allow on-street parking, and establish a planting palette. These standards will facilitate the commercial and residential mixed-use development of 109 apartment dwelling units and 4,050-square feet of ground floor commercial, parking facilities and private and common open space areas. The proposed D Block PUD will allow for subsequent development that is superior to that which could be obtained through the application of the Development Code by itself.

SECTION 4. ***City Council Action.*** Based upon the findings and conclusions set forth in Sections 1 through 3, above, the City Council hereby APPROVES the herein described Application, attached hereto as "Attachment A," and incorporated herein by this reference.

SECTION 5. ***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 6. ***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 7. ***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 8. ***Effective Date.*** This Ordinance shall become effective 30 days following its adoption.

SECTION 9. **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 6th day of June 2023.

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. 3248 was duly introduced at a regular meeting of the City Council of the City of Ontario held May 16, 2023 and adopted at the regular meeting held June 6, 2023 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. 3248 duly passed and adopted by the Ontario City Council at their regular meeting held June 6, 2023 and that Summaries of the Ordinance were published on May 23, 2023 and June 13, 2023 in the Inland Valley Daily Bulletin newspaper.

SHEILA MAUTZ, CITY CLERK

(SEAL)

ATTACHMENT A:

**File No. PUD22-005;
D Block PUD**

(Document follows this page)

D Block Planned Unit Development



Prepared for:
The City of Ontario
(2023)

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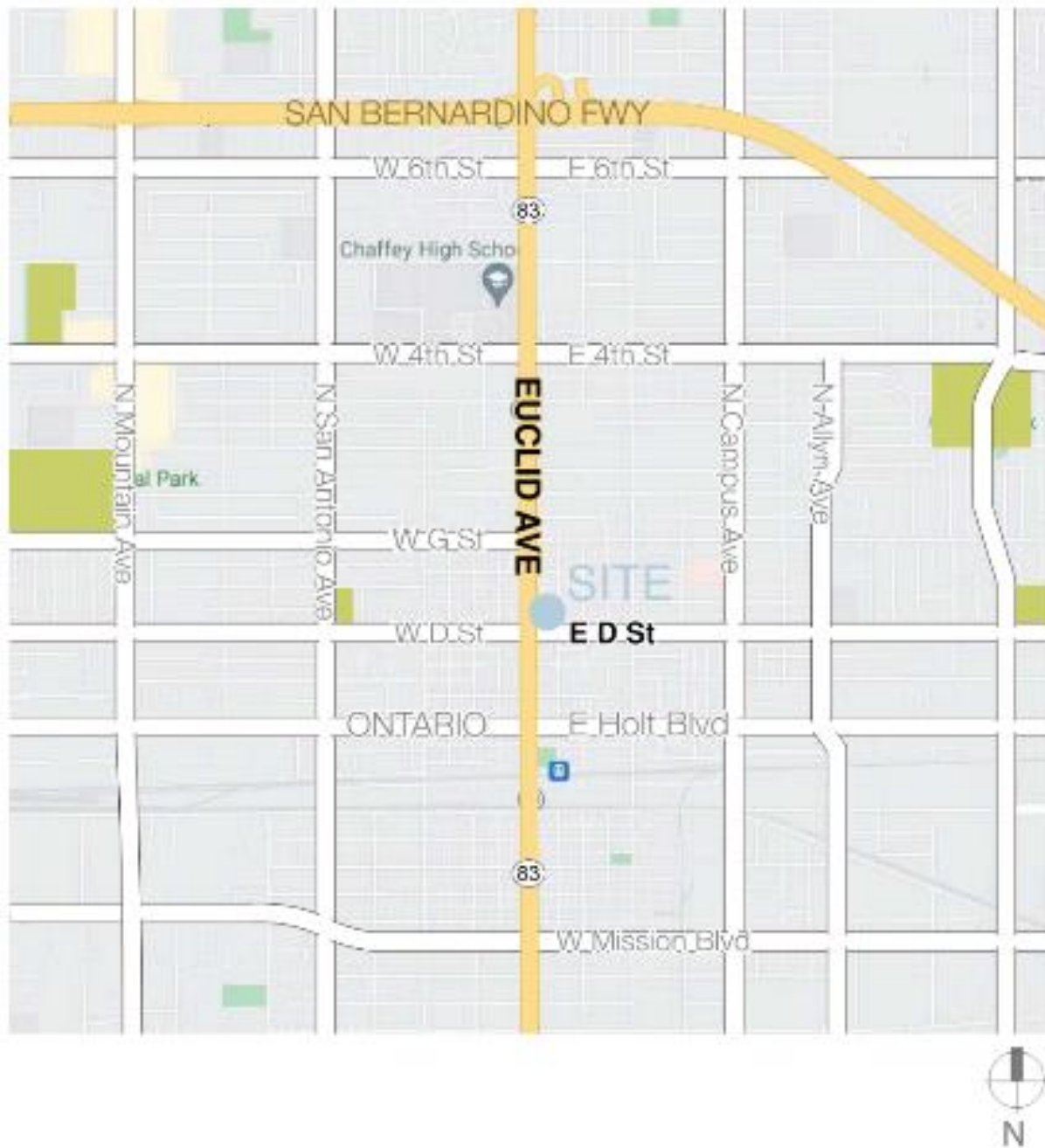
1.0 INTRODUCTION

The D-lock Planned Unit Development (“PUD”) is intended to function as a set of planning and design principles, development regulations, and performance standards to guide and govern the development of the entire block between East E Street and East D Street on the north and south and Euclid Avenue and North Lemon Avenue on the west and east, with the exception of a 0.124-acre single parcel of land (APN: 1048-363-01) located at the southwest corner of Euclid Avenue and E Street. This property is situated within the City of Ontario’s historic downtown and is adjacent to the civic center area (see Exhibit 1-1: Project Location Map). This PUD will facilitate the development of a mixture of residential and commercial components - commercial spaces and amenity spaces on the ground floor along Euclid Avenue, and will turn the corner to the south with pedestrian friendly program spaces at the ground level with an abundance of store frontages that will help achieve the City’s goals to economically revitalize and aesthetically enhance the project area.

This document is organized to fulfill the requirements for a PUD, as set forth in the Ontario Development Code. As such, this PUD will replace the existing zone district designations and zoning standards that apply to the affected properties. Unless otherwise defined herein, definitions and interpretations contained in the Development Code shall apply.

City staff and private developers will rely upon this PUD to determine whether precise plans for development (“Development Plans”) will adequately meet the City’s land use and design objectives for this key part of Ontario’s original downtown. The objectives have been defined over the last 20+ years in the Redevelopment Plan for the Center City Redevelopment Project (1983), and The Ontario Plan (TOP) and are summarized below.

Exhibit 1-1: Project Location Map



1.1 TOP POLICY OBJECTIVES

The Ontario Plan's Policy Plan (general plan) establishes "Districts" that have been categorized as "Place Types," which are geographically large, culturally unique, and regionally significant areas of the city that fulfill different but complementary roles in creating a complete community. As regional destinations, districts serve as the "face of the city." Each district has a distinct identity that reflects its role within the city context and establishes a defined sense of place through the creation of an amenity-rich, transit-accessible, mixed-use environments where people can live, work, shop, dine, and have many of their daily needs met within a comfortable and convenient walk or bike ride from their residence, transit stop, or parked vehicle.

This PUD area is located within the "Downtown District," which is envisioned as the place-based, people-focused, commercial, and cultural "heart" of the City and features several designated historic districts and landmarks. Downtown will support a variety of businesses, housing opportunities for residents with a variety of income levels, creative spaces, entertainment options, and institutional and civic uses, while preserving its historic character, buildings, neighborhoods, and places. Complementing the wide mix of uses are designs, layouts and public spaces that give residents, visitors, and businesses a strong sense of connection and creates a place where people want to spend time.

This PUD area has a TOP land use designation of Mixed Use- Downtown (see Exhibit 2-1: Mixed Use- Downtown) and intends to develop as an intense mixture of uses that, when concentrated, create focal points for community activity and identity and facilitate walking, biking, and the use of transit. The Mixed Use land use category accommodates a horizontal and/or vertical mixture of retail, service, office, restaurant, entertainment, and cultural at a maximum intensity of 2.0 Floor Area Ratio, and residential uses within a density range of 25.1 to 75 dwelling units per acre of land.

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Exhibit 2-1: TOP Land Use Mixed Use- Downtown



Land Use Designation	Residential Density & Non-Residential Intensity	Intention
Low Density	2.1 to 5.0 dwelling units per acre	Single-family detached residences.
Low-Medium Density	5.1 to 11.0 dwelling units per acre	Single/multi-family attached and detached residences, including small lot subdivisions, townhouses, and courtyard homes.
Medium Density	11.1 to 25.0 dwelling units per acre	Single/multi-family attached and detached residences including townhouses, courtyard homes, stacked flats, and small lot single-family subdivisions.
High Density	25.1 to 45.0 dwelling units per acre	Multi-family dwellings including stacked flats and mid-rise and high-rise residential complexes.
Mixed Use - Downtown	25.0 to 75.0 dwelling units per acre 2.0 FAR for retail and office uses	Envisioned as an intensive vertical and horizontal mixture of retail, office, and residential uses in a pedestrian friendly atmosphere. The historic character is enhanced. The most intensive uses are envisioned along Euclid and Holt Avenues.
Neighborhood Commercial	0.40 FAR	Local serving retail, personal service, office, and dining uses, typically located within a predominantly residential neighborhood.
Office Commercial	0.75 FAR	An intense mixture of professional office, supported by regional serving retail, service, tourist-serving, entertainment, dining, and supporting service uses that capitalize on strategic locations in Ontario. This designation also allows for professional offices such as financial, legal, insurance, medical, and other similar uses in a neighborhood setting and/or as adaptive reuse.
Industrial	0.55 FAR	Variety of light industrial uses, including warehousing / distribution, assembly, light manufacturing, research and development, storage, repair facilities, and supporting retail and professional office uses. This designation also accommodates activities that could potentially generate impacts, such as noise, dust, and other nuisances.
Open Space - Recreation	Not applicable	Open space that includes utility easements, and drainage channels. We desire to realize multiple uses from these open spaces, such as trails, greenways, joint-use recreational amenities, landscaped parkways/medians, parking lots, and nurseries.
Public Facility	Not applicable	Public facilities including civic centers, governmental institutions, police and fire stations, transportation facilities, museums, and public libraries.
Public School	Not applicable	Public schools (K-12) and universities.

The D Block PUD is Project is consistent with the principles, goals and policies contained within the Vision, Governance, Policy Plan (general plan), and City Council Priorities components of The Ontario Plan ("TOP"). More specifically, the goals and policies of TOP that are furthered by the proposed Project are as follows:

(1) **City Council Goals.**

- Invest in the Growth and Evolution of the City's Economy
- Operate in a Businesslike Manner
- Focus Resources in Ontario's Commercial and Residential Neighborhoods

(2) **Vision.**

Distinctive Development:

- Commercial and Residential Development
 - Development quality that is broadly recognized as distinctive and not exclusively tied to the general suburban character typical of much of Southern California.

(3) **Governance.**

Decision Making:

- Goal G1: Sustained decision-making that consistently moves Ontario towards its Vision by using The Ontario Plan as a framework for assessing choices.
 - G 1-2. Long-term Benefit. We require decisions to demonstrate and document how they add value to the community and support the Ontario Vision.

(4) **Policy Plan (General Plan)**

Land Use Element:

- Goal LU-1 Balance: A community that has a spectrum of housing types and price ranges that match the jobs in the City and that make it possible for people to live and work in Ontario and maintain a quality of life.
 - LU-1.1 Strategic Growth. We concentrate growth in strategic locations that help create place and identity, maximize available and planned infrastructure, foster the

development of transit, and support the expansion of the active and multimodal transportation networks throughout the City.

➤ LU-1.6 Complete Community. We incorporate a variety of land uses and building types in our land use planning efforts that result in a complete community where residents at all stages of life, employers, workers, and visitors have a wide spectrum of choices of where they can live, work, shop and recreate within Ontario.

▪ Goal LU-2 Compatibility: Compatibility between a wide range of uses and a resultant urban patterns and forms.

➤ LU-2.6 Infrastructure Compatibility. We require infrastructure to be aesthetically pleasing and in context with the community character.

Housing Element:

▪ Goal H-2 Housing Supply & Diversity: Diversity of types of quality housing that are affordable to a range of household income levels, accommodate changing demographics, and support and reinforce the economic sustainability of Ontario.

➤ H-2.5 Housing Design. We require architectural excellence through adherence to City design guidelines, thoughtful site planning, environmentally sustainable practices, and other best practices.

▪ Goal H-5 Special Needs: A full range of housing types and community services that meet the special housing needs for all individuals and families in Ontario, regardless of income level, age, or other status.

Community Economics Element:

▪ Goal CE-1 Complete Community: A complete community that provides for all incomes and stages of life.

➤ CE-1.6 Diversity of Housing. We collaborate with residents, housing providers, and the development community to provide housing opportunities for every stage of life; we plan for a variety of housing types and price points to encourage the development of housing supportive of our efforts to attract business in growing sectors of the community while being respectful of existing viable uses.

▪ Goal CE-2 Placemaking: A City of distinctive neighborhoods, districts, corridors, and centers where people choose to be.

D Block Planned Unit Development

➤ CE-2.1 Development Projects. We require new development and redevelopment to create unique, high-quality places that add value to the community.

➤ CE-2.2 Development Review. We require those proposing new development and redevelopment to demonstrate how their projects will create appropriately unique, functional, and sustainable places that will compete well with their competition within the region.

➤ CE-2.4 Protection of Investment. We require that new development and redevelopment protect existing investment by providing architecture and urban design of equal or greater quality.

➤ CE-2.5 Private Maintenance. We require adequate maintenance, upkeep, and investment in private property because proper maintenance on private property protects property values.

Safety Element:

▪ Goal S-1 Seismic & Geologic Hazards: Minimized risk of injury, loss of life, property damage, and economic and social disruption caused by earthquake-induced and other geologic hazards.

➤ S-1.1 Implementation of Regulations and Standards. We require that all new habitable structures be designed in accordance with the most recent California Building Code adopted by the City, including provisions regarding lateral forces and grading.

Community Design Element:

▪ Goal CD-1 Image & Identity: A dynamic, progressive city containing distinct and complete places that foster a positive sense of identity and belonging among residents, visitors, and businesses.

➤ CD-1.1 City Identity. We take actions that are consistent with the City being a leading urban center in Southern California while recognizing, enhancing, and preserving the character of our existing viable neighborhoods.

➤ CD-1.2 Place Types. We establish Place Types in urban, mixed use, and transit-oriented areas to foster the City's identity as a premier community and require new development within each Place Type to incorporate prescribed urban patterns, forms, and placemaking priorities.

➤ CD-1.3 Existing *Neighborhoods*. We require the existing character of viable residential and non-residential neighborhoods be preserved, protected, and enhanced.

▪ Goal CD-2 Design Quality: A high level of design quality resulting in neighborhoods, public spaces, parks, and streetscapes that are attractive, safe, functional, human-scale, and distinct.

➤ CD-2.1 Quality Building Design and Architecture. We encourage all development projects to convey visual interest and character through:

- Building volume, massing, and height to provide context-appropriate scale and proportion;
- A true architectural style which is carried out in plan, section, and elevation through all aspects of the building and site design and appropriate for its setting; and
- Exterior building materials that are articulated, high quality, durable, and appropriate for the architectural style.

➤ CD-2.2 Neighborhood Design. We create distinct residential neighborhoods that promote a sense of community and identity by emphasizing access, connectivity, livability, and social interaction through such elements as:

- A pattern of smaller, walkable blocks that promote activity, safety, and access to nearby amenities and services;
- Varied parcel sizes and lot configurations to accommodate a diversity of housing types;
- Traffic calming measures to slow traffic and promote walkability while maintaining acceptable traffic flows and emergency evacuation access;
- Floor plans that encourage views onto the street and de-emphasize the visual and physical dominance of garages (introducing the front porch as the "outdoor living room"), as appropriate; and
- Landscaped parkways, with sidewalks separated from the curb and designed to maximize safety, comfort, and aesthetics for all users.

➤ CD-2.7 Sustainability. We collaborate with the development community to design and build neighborhoods, streetscapes, sites, outdoor spaces, landscaping, and buildings to reduce energy demand through solar orientation, maximum use of natural

daylight, passive solar and natural ventilation, building form, mechanical and structural systems, building materials, and construction techniques.

➤ CD-2.8 Safe Design. We incorporate defensible space design into new and existing developments to ensure the maximum safe travel and visibility on pathways, corridors, and open space and at building entrances and parking areas by avoiding physically and visually isolated spaces, maintaining visibility and accessibility, and using lighting.

➤ CD-2.9 Landscape Design. We encourage durable, sustainable, and drought-tolerant landscaping materials and designs that enhance the aesthetics of structures, create and define public and private spaces, and provide shade and environmental benefits.

➤ CD-2.10 Parking Areas. We require all development, including single-family residential, to minimize the visual impact of surface, structured, and garage parking areas visible from the public realm in an aesthetically pleasing, safe and environmentally sensitive manner. Examples include:

- Surface parking: Shade trees, pervious surfaces, urban run-off capture and infiltration, and pedestrian paths to guide users through the parking field.

➤ CD-2.11 Entry Statements. We encourage the inclusion of amenities, signage, and landscaping at the entry to neighborhoods, commercial centers, mixed use areas, industrial developments, and public places that reinforce them as uniquely identifiable places.

➤ CD-2.12 Site and Building Signage. We encourage the use of sign programs that utilize complementary materials, colors, and themes. Project signage should be designed to effectively communicate and direct users to various aspects of the development and complement the character of the structures.

➤ CD-2.13 Entitlement Process. We work collaboratively with all stakeholders to ensure a high degree of certainty in the efficient review and timely processing of all development plans and permits.

- Goal CD-3 Urban, Mixed Use, and Transit-Oriented Place Types: Vibrant urban environments that are organized around intense buildings, pedestrian and transit areas, public plazas, and linkages between and within developments that are conveniently located, visually appealing and safe during all hours.

➤ CD-3.2 Comfortable, Human-Scale Public Realm. We require that public spaces, including streets, parks, and plazas on both public and private property be designed

to maximize safety, comfort and aesthetics and connect to the citywide pedestrian, vehicular, and bicycle networks.

➤ CD-3.3 Complete and Connected Network. We require that pedestrian, vehicular, and bicycle circulation on both public and private property be coordinated to provide connections internally and externally to adjacent neighborhoods and properties (existing and planned) through a system of local roads and trails that promote walking and biking to nearby destinations (including existing and planned parks, commercial areas, and transit stops) and are designed to maximize safety, comfort, and aesthetics.

➤ CD-3.4 Context-Aware and Appropriate Design. We require appropriate building and site design that complements existing development, respects the intent and identity of the Place Type, and provides appropriate transitions and connections between adjacent uses to ensure compatibility of scale, maintain an appropriate level of privacy for each use, and minimize potential conflicts.

➤ CD-3.5 Active Frontages. We create lively pedestrian streetscapes by requiring primary building, business, and residential entrances, outdoor dining, and storefronts be located on ground floors adjacent to sidewalks or public spaces and designed to maximize safety, comfort, aesthetics, and the intended functionality (as defined by the Place Type).

➤ CD-3.6 Managed Infrastructure. We collaborate with developers and property owners to facilitate development that realizes the envisioned character and functionality of the Place Type through the use of green and shared infrastructure within each Place Type.

▪ Goal CD-5 Protection of Investment: A sustained level of maintenance and improvement of properties, buildings, and infrastructure that protects the property values and encourages additional public and private investments.

➤ CD-5.1 Maintenance of Buildings and Property. We require all public and privately-owned buildings and property (including trails and easements) to be properly and consistently maintained.

➤ CD-5.2 Maintenance of Infrastructure. We require the continual maintenance of infrastructure.

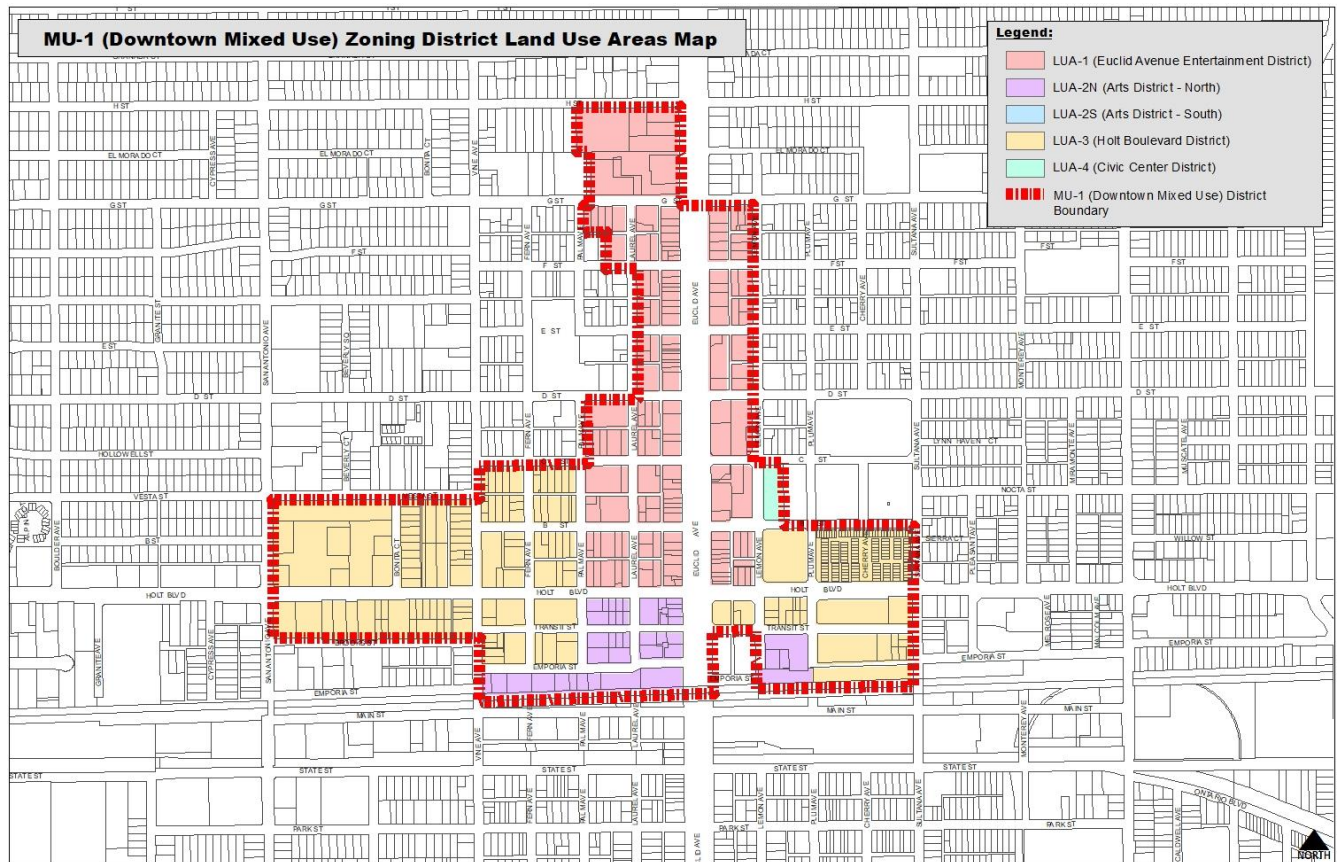
1.2 MIXED-USE (DOWNTOWN) ZONING DISTRICT OBJECTIVES

This PUD area is located within the LUA-1 (Euclid Avenue Entertainment) district of the MU-1 (Downtown Mixed Use) zoning district. The MU-1 zoning district was established to accommodate a fairly intensive mixture of vertical and horizontal retail, entertainment, and office uses at a development intensity of up to 2.0 FAR, and residential uses at a density of 25 to 75 DU/AC, with the most intensive uses envisioned along Euclid Avenue and Holt Boulevard. Development projects should seek to maintain a pedestrian friendly atmosphere, while at the same time enhance the historic character of the area.

Furthermore, the MU-1 zoning district seeks to: [i] recognize, protect, and enhance the visual character and quality of Ontario's historic downtown area as a historic resource; [ii] establish and recognize Ontario's historic downtown as the arts and entertainment mecca for the surrounding region, to include a wide range of allowed uses, such as shopping, restaurants, outdoor dining, cultural offerings, street fairs, artist festivals, galleries, work/live lofts, breweries, and artisan co-ops; [iii] recognize Holt Boulevard as a vital east-west link to Ontario's historic downtown, offering opportunities for vertical and horizontal mixed use developments consisting of market rate and below market rate housing, retail and offices, and work/live uses; and [iv] recognize Ontario's civic center for its significant outdoor spaces, amenities and services, which serve to enhance the historic downtown's shopping, dining, and living experiences.

In order to carry out the purposes and provisions of the Land Use component of The Ontario Plan and this Development Code, the MU-1 zoning district is divided into four Land Use Areas. The boundaries of each Land Use Area (LUA) is shown in Exhibit 2-2: MU-1 (Downtown Mixed Use) Land Use Areas Map, below.

Exhibit 1-2: MU-1 (Downtown Mixed Use) Land Use Areas Map



The LUA-1 (Euclid Avenue Entertainment) District is a central urban location intended to provide the vitality, amenities, and a range of entertainment, shopping, restaurant, outdoor dining, and cultural offerings. The District is further intended to promote a variety of dense housing options; enhanced public and private rights-of-way to improve pedestrian, bicyclist, and vehicular connectivity; and grow employment opportunities.

1.3 PUD OBJECTIVES

The PUD meets the following objectives:

- Continue the revitalization of the downtown area and enhance its economic growth by creating a mixed-use neighborhood with a mixture of housing, retail, and office uses within a historic downtown setting
- Develop high quality, mixed-use housing, consisting of market rate multi-family

housing (rental housing opportunities), retail, and office spaces

- Establish appropriate relationships among new residential neighborhoods as well as with existing adjacent land use
- Provide for a circulation network which promotes pedestrian walkways and bicycle activity as alternative modes of travel while also providing for safe and efficient movement of automobile travel through the project site
- Ensure that development addresses TOP (general plan) policies and objectives

2.0 COMMERCIAL/RESIDENTIAL MIXED USE

The PUD area will be developed with vertically mixed commercial and residential uses, in a mid-rise configuration, with commercial uses on the ground floor level oriented to Euclid Avenue, and attached, single level housing units on ground level behind commercial storefronts and on upper levels. At grade parking area for the residential use may be considered if it is dedicated and developed towards the rear of the building and fully screened from Euclid Avenue and “D” Street public views. Public street and parking garages within the downtown area provide opportunities for visitors to engage in specialty shopping, eating/drinking, and limited personal and business services while also catering to local residents and local employers/employees. Because of the vertical integration of housing over commercial, and the potential for conflicts involving noise and intrusion on the residential environment, entertainment venues such as standalone bars and nightclubs will not be permitted. Refer to Chapter 5, Zoning and Land Use, of the Ontario Development Code, for additional land use restrictions and protection corridors.

The residential units will be designed to accommodate a variety of households that prefer a low- maintenance, urban lifestyle, within a pedestrian-friendly environment, and conveniently located shopping, dining, and personal services. As transit linkages improve in the downtown area, these units may attract residents that are reliant upon the regional transit system to commute to jobs outside of the Ontario/Western San Bernardino County area.

2.1 PERMITTED LAND USES

- Refer to **Chapter 5.0 – Zoning and Land Use, Table 5.02-1: Land Use Matrix** of the Ontario Development Code for a list of the uses permitted by right, by Conditional Use Permit, with an Administrative Use Permit, and as ancillary to an on-site permitted use,
- Home occupations within residential units, in accordance with the Ontario Development Code,
- Small household pets, with a maximum combination of 2 cats, dogs, or other small domesticated animals as may be allowed by the Ontario Development Code, and
- Limited commercial uses to ground floor within storefronts units located along street sides,
- Residential uses may be allowed on ground floor behind storefront units and on upper levels,
- Commercial structure parking facility which is appropriately screened with building façade.

Other land uses may be allowed, provided that the Zoning Administrator or his or her designee makes a finding that such other use is similar to or no more objectionable than those uses listed in **Chapter 5.0 – Zoning and Land Use, Table 5.02-1: Land Use Matrix**.

3.0 REGULATIONS FOR DEVELOPMENT

This section sets forth standards to govern the placement, height and bulk of permitted buildings and other structures, to establish locational criteria for vehicular access to development sites, to establish parking and loading requirements, to specify minimum requirements for recreational amenities for residential uses, and outline sign standards for commercial uses to be incorporated into Development Plans. Unless otherwise stated herein, all development within the project area shall meet the applicable standards and requirements of the Ontario Development Code.

Design principles and desired architectural features for the mixed-use block are derived from the architectural style and elements set forth in of the Downtown Design Guidelines, with respect to: setbacks, storefront modulation, entrances, roof design, mechanical equipment, building elements (cornices, storefront frame, mid-floor panel, transom windows, bulkheads), awnings, materials and colors. Those guidelines, together with the following, shall be incorporated into the Development Plans.

3.1 BUILDING INTENSITIES

- The total floor area ratio (as defined in the Ontario Development Code) for all development in each block shall not exceed 2.7
- Residential units shall be developed at a density of 25.1 to 75 dwelling units/acre
- Total building area of commercial uses shall not exceed a 0.4 floor area ratio, based on the net site area

3.2 BUILDING STANDARDS

- Commercial, public safety, and/or academic uses shall be limited to the ground floor level.
- Residential units shall be located primarily on the second floor and higher levels, but may be allowed on ground floor behind commercial storefronts which front Euclid Ave.
- Total building height (to flat roofline) shall not exceed 55 feet above the highest existing sidewalk elevation. Architectural projections, such as parapets, roofed towers and gable

roofs, or elevator towers may extend up to 65 feet above the highest existing sidewalk elevation. Any rooftop mechanical, venting or communications equipment shall be built within or otherwise screened by the roof structure, so that they do not project above parapets and are not visible from any public rights-of-way or neighboring buildings. Temporary construction and/or maintenance machinery shall not exceed a height of 122 feet, measured from existing grade.

- Buildings along Euclid Avenue shall be placed at the edge of the public right-of-way no more than 3 feet. Buildings along D Street and E Street shall be placed a minimum of 4 feet and a maximum of 10 feet from edge of public right-of-way. Buildings along Lemon Avenue may be placed no less than 2 feet and no more than 15 feet from the back of the sidewalk. Building setbacks and projections shall be specified in the Development Plan submitted for a development project. Awnings, canopies, residential balconies, commercial signs, and decorative architectural elements may encroach into the public rights-of-way.
- A minimum 8-foot wide area, inclusive of a four-foot parkway, and four-foot sidewalk, shall be maintained for sidewalk/pedestrian circulation within the public right-of-way.
- Any yard areas provided between the main building and the adjacent right-of-way may shall be finished with landscape elements.
- Above ground utility closets, electrical transformers, backflow prevention devices, fire department connections and similar items may be placed anywhere within a perimeter yard area, and shall require screening measures, as approved by the Planning Director.
- Entries to upper floor residential uses shall be from the side or rear of the block, and if on a side street, the visible entry shall be no wider than 15 feet at the street level, to avoid disturbing the rhythm of the retail spaces.

STOREFRONTS

- Buildings must provide continuous commercial use and storefronts along Euclid Avenue.
- Storefronts should provide an individual look for each store or establishment while still blending in with the overall design.

- Storefronts shall incorporate high quality building materials. A durable base material (18 inches high min.) such as brick, tile, exterior cement plaster, or pre-cast architectural concrete shall be used. Storefront glazing and exterior plaster shall not terminate at the ground plane.
- Storefront glazing shall be clear glass to permit clear views into the interior space. The amount of such glass shall provide a balance between high visibility into the store interior and architectural character/quality.
- Entrance doors shall be of a traditional style and transparent as possible; however, an all glass door is prohibited.
- No part of any open doors shall extend into the public right-of-way.
- Storefront openings should not exceed 30 feet in width without the interruption of a vertical building element (column or wall).
- Storefront openings may extend up to 16 feet in height; the height should range from 8 to 16 feet.
- Incorporate human-scaled details such as canopies and awnings, transparent windows and windows displays. These are required at public entrances and along heavily trafficked outdoor areas.

ARCHITECTURE

- New buildings should appear to fit in contextually with existing historic buildings by using similar proportions, articulation, building details and building material.
- The overall character should feel like a modern interpretation of a traditional American small town.
- Create compatibility between the mixed-use architecture and the residential architecture within the downtown area; the introduction of unifying elements such as similar materials and colors should be considered; however, “sameness” is discouraged.
- Prominent street corners where buildings are located shall be designed to incorporate architectural features such as corner entries and corner tower elements.

- Employ simple, yet varied massing, with wall openings that create shadow line and provide visual relief. Monolithic buildings and extensive blank wall surfaces are not allowed.
- Emphasize massing and height of corner elements.
- Building increments should be a maximum of 50 feet in width. Buildings that exceed 50 feet.
- Fifty feet of frontage should use various architectural devices to replicate the building increments and pattern of the existing downtown, including:
 - Horizontal breaks and offsets every 25 to 50 feet
 - The upper portion of the buildings should reflect the same increment of articulation as the ground level (storefront level)
 - The cornices and moldings at the top of facades should also reflect the vertical massing (increments) of the building
 - Use strong and identifiable building forms to demarcate street intersections for instance, a taller building mass, tower element/clock tower, or cupola may be considered.
- Where adjacent buildings will be of varying heights, they should be sensitively designed to promote a compatible transition in massing and avoid abrupt changes in scale along the streetscape.
- Design buildings with 3-dimensional quality; building facades should be based upon a pleasing set of proportions and a clear pattern of building openings.
- Differentiate between the base, middle and top levels of a building; for instance, street-oriented shops may feature a 1) a bulkhead; 2) display windows; and 3) transom and detailed cornice.
- Avoid monotonous or blank facades on a building; buildings shall be articulated on all sides. Use fenestration (windows and doors), as well as changes in wall plane, material, texture, color, etc. to create shadow lines and articulate building walls.
- Provide highly visible public entrances, preferably oriented to streets and outdoor spaces; shop entrances may be clearly expressed with recesses, overhangs, special

materials, and/or detailing.

- Require a high degree of street level transparency, especially along sidewalks, important outdoor spaces and heavily trafficked areas; the use of reflective, opaque, and darkly tinted glass should be restricted.
- Use materials that exhibit permanence and quality, and that unify a building's appearance on all sides; materials and colors should accentuate the architectural details of the building and promote visual harmony. Brick, tile, pre-cast architectural concrete, stone veneers or stucco are preferred.
- To create visual interest, use at least 3 different building materials for each block. Materials may be used to highlight a building entrance or distinguish the building base.

3.3 VEHICULAR ACCESS AND PARKING FACILITIES

- Up to 3 vehicular access points may be permitted along E Street, Lemon Avenue or D Street as approved by the City Engineer. However, no vehicular access shall be taken from Euclid Avenue.
- Integration of fully structured parking facilities with building features and facades compatible with surrounding development are preferred for mixed use development.
- Residential parking may be located on the ground level if parking spaces are dedicated and developed towards the rear of the building and are fully screened from Euclid Avenue and "D" Street public views or within fully screened parking structure.
- Surface parking lots shall be landscaped and developed pursuant to the requirements established in the Ontario Development Code and this PUD.
- Parking lots shall be setback from mixed use buildings a minimum of 20 feet, 10 feet from recreation or open space, and no less than 7 feet from back of sidewalk.
- Drive aisle setback shall be no less than 15 feet.
- Special consideration made be made for securing parking lots and parking facilities at the discretion of the City Engineer.

3.4 PARKING SUPPLY AND DESIGN

- Commercial: Minimum 1 space per 250 square feet gross floor area for all permitted or conditionally permitted use
- Residential Units: 1 space/bedroom, and 0.20 spaces/unit guest parking
- Parking space dimensions, drive aisles, etc. shall generally conform to the design standards set forth in Division 6.03 (Off-Street Parking and Loading) of the Ontario Development Code.
- Parking spaces shall not obstruct access to building entrances, trash storage areas or loading areas.
- Parking spaces within on-site parking area may include shade structures throughout lot.
- Tandem parking is provided on a per unit basis, up to 45 % of required parking. Tandem spaces are limited to two-bedroom units and will be assigned as such so as to eliminate competition and confusion for parking space.
- Commercial and visitor parking may be considered for off-site location within the public parking facilities or on-street with a parking demand and supply study approved by the Planning Director. It is the intent, within the Downtown, to support a park once strategy in which business patrons and visitors park in a single location and make multiple trips on foot, given the pedestrian-oriented nature of the area. Additionally, the project site has access to mass transit which is located in the northeast corner of Euclid Avenue and D Street for Omnitrans Route 83. Additionally, located near Euclid Avenue on Holt Boulevard is Omnitrans Route 61 which has been identified as the future West Valley Connector Bus Rapid Transit (BRT).
- A parking management plan shall be submitted for Planning Director approval, prior to issuance of building permits. This plan will ensure that tandem parking spaces will be assigned to residents of the same homes.

3.5 RESIDENTIAL RECREATION AREA

- Private outdoor open space (balconies) shall be provided for at least 90 percent of all homes.
- Private open space shall be a minimum of 60 square feet per unit in the form of a balcony or patio no less than 5 feet in any direction.
- Common open space/recreational amenities shall be a minimum of 188 square feet per residential unit (average). Types of amenities and recreational areas may include passive and active, indoor and outdoor spaces, open landscaped and hardscaped areas with fountains, seating, fire pits, or play structures, pool, and indoor fitness center. Other open space provided can include roof-top decks and patios available to the building community.
- Examples of recreational areas for residents and amenities are displayed below.



Recreational Area: Community Pool



Recreational Area: Conference Room



Recreational Area: Fitness Room



Recreational Area: Rooftop Deck and Clubhouse

3.6 SIGNS

A Master Sign Program shall be submitted for approval by the Planning Department, prior to issuance of a building permit. The sign program shall be consistent with the Downtown Ontario Design Guidelines, and shall include tenant signs, pedestrian signs, directional signs, historical markers, etc.

3.7 LANDSCAPE

Landscaping concept is to use sustainable and low water use plant materials. As an example, varying species of evergreen and deciduous trees with interest in form and foliage color may be integrated in the landscape design. Pattern and planting should accentuate the common open space areas. The landscape plan shall be drought tolerant and meet the current Water Use Classifications of Landscape Species requirements. Use landscape elements to reinforce pedestrian connections through attractive paving and planting design to highlight these connections. To further improve upon the pedestrian experience, the use of container landscapes may be used along commercial street frontages.

A detailed landscape plan shall be submitted with the Development Plan, specifying all landscape and hardscape elements of the common open space area, as well as the perimeter yards abutting the street rights-of-way and all street trees. The final plan shall also show the location of all ground level utility boxes and mechanical equipment, along with methods of screening such devices from the public right-of-way and adjacent residences, where possible. The minimum landscape coverage is 12 percent of the total project site area.

3.8 SERVICE FACILITIES

- Loading/Unloading areas shall be provided on-site, at the ground level, or on-street adjacent to commercial buildings with City Engineer approval.
- Trash receptacles/recyclable container storage areas shall be provided for all commercial and residential uses, within the ground floor parking area or within an enclosed room inside the buildings.

- Commercial trash/recyclable receptacles that are located within the ground floor parking structure area shall be partially enclosed and residential receptacle/storage areas shall be fully enclosed, to house the outlet of the trash chute system required for the condominium levels. Such receptacle/storage area may receive trash from commercial and residential sources. Locations, sizes and design of such areas shall be readily accessible by trash disposal company equipment and work crews, as reviewed and approved through the Development Plan Approving Authority.
- No garage type loading doors shall be located on a building façade directly facing an accessible street. All types of loading doors within view of public streets shall be screened with walls, berms or plant material.

3.9 OUTDOOR LIGHTING

- All lighting of facades, decorative fixtures, store window interiors, awnings, and signs shall be designed in accordance with the criteria set forth in Section 2D of the Downtown Ontario Design Guidelines.
- The use of building lighting and recessed wall mounted step lights to light pathways are encouraged. Decorative pole lights and fixtures shall be used which compliments the architectural design theme throughout the project area.

3.10 INFRASTRUCTURE

It is important that projects maintain and enhance the quality of life for residents and consumer alike, and that new projects enhance the community within which it is built. To that end, all projects constructed within the City shall be properly served by a full array of utilities – water, sanitary sewer, storm drain, electrical, gas, telecoms, data, etc. The surrounding streets (East E Street, Lemon Avenue, East D Street, and Euclid Avenue) contain existing lines to which the project will connect to provide necessary utilities serving the building and its uses.

3.11 SUMMARY OF DEVELOPMENT

Exhibit 3-1: Development Standards

Intensities (maximum)		Open Space/Amenities	
Density	45-75 dwelling units per acre	Common	188 square feet per unit
Commercial	2.0 FAR	Private	60 sf (min. 5 ft dimension)
Building Setbacks		Parking	
Euclid Avenue	0-3 feet	Residential	1 space per bedroom on-site
East D Street	3-10 feet	Guest Residential	0.20 per unit (off-site with parking study)
North Lemon Avenue	2-15 feet	Commercial	1 space per 250 sf of GFA (off-site with parking study)
East E Street	3-10 feet	Tandem	Max of % (assigned to 2-bedroom units only)
Height (maximum)		Parking Setbacks	
Building	55 feet to top of roof/4-stories	Building	20 feet
Architectural projections	60 feet	Recreation	10 feet

4.0 HISTORIC PRESERVATION

Ontario's history remains one of its greatest assets. Its historic districts and resources, physical layout and the legacy of its people, businesses, social and community organizations, and industries contribute to the City's identity. Beyond having been declared the "Model Colony," by an act of Congress, Ontario's history includes citrus farming, viniculture in Guasti, and dairy farming in Ontario Ranch. Additionally, Ontario has some of the most authentic historically distinct residential neighborhoods in Southern California and is among a

handful of communities whose creative and proactive approach to historic preservation ensures that “infill” projects are designed to be compatible with and complimentary to its historic resources.

Downtown Ontario is the historic economic, cultural, and civic hub of Ontario, organized by a simple, walkable network of treelined streets, laid out as a new “Model Colony” in the 1880s. The District’s history, historic buildings, and distinct urban form define downtown’s unique identity as a local proposed historic district. These aspects should be preserved, celebrated, and enhanced to reinforce the area’s existing identity.

The public right-of-way of Euclid Avenue from Philadelphia Street to the I-10 was designated as Local Landmark No. 67 on January 16, 2001 by the Ontario City Council. On August 10, 2005, the public right-of-way of Euclid Avenue from Philadelphia Street in Ontario to 24th Street in Upland was listed on the National Register of Historic Places as a significant cultural landscape. The public right-of way includes north and south bound streets, sidewalks, light fixtures, parkways, median, trees, and stone and concrete curbs and gutters. Contributing character-defining features include the 60-foot wide median, historic rock curb, scored sidewalks, King standard light posts, double planting of California pepper trees (*Schinus molle*), silk oaks trees (*Grevillea robusta*), and other mature vegetation such as deodar trees (*Cedrus deodara*) and Canary Island palms (*Phoenix canariensis*).

Within the Euclid Avenue retail core, buildings from various time periods comfortably mix with newer buildings, unified by a number of important shared characteristics including, 1) tall, clear glass ground floor shopfronts, 2) welcoming entries along the sidewalk that reflect original 25-foot wide lots, and 3) upper floor windows that relate to ground floor articulation consistent with a historic main street pattern.

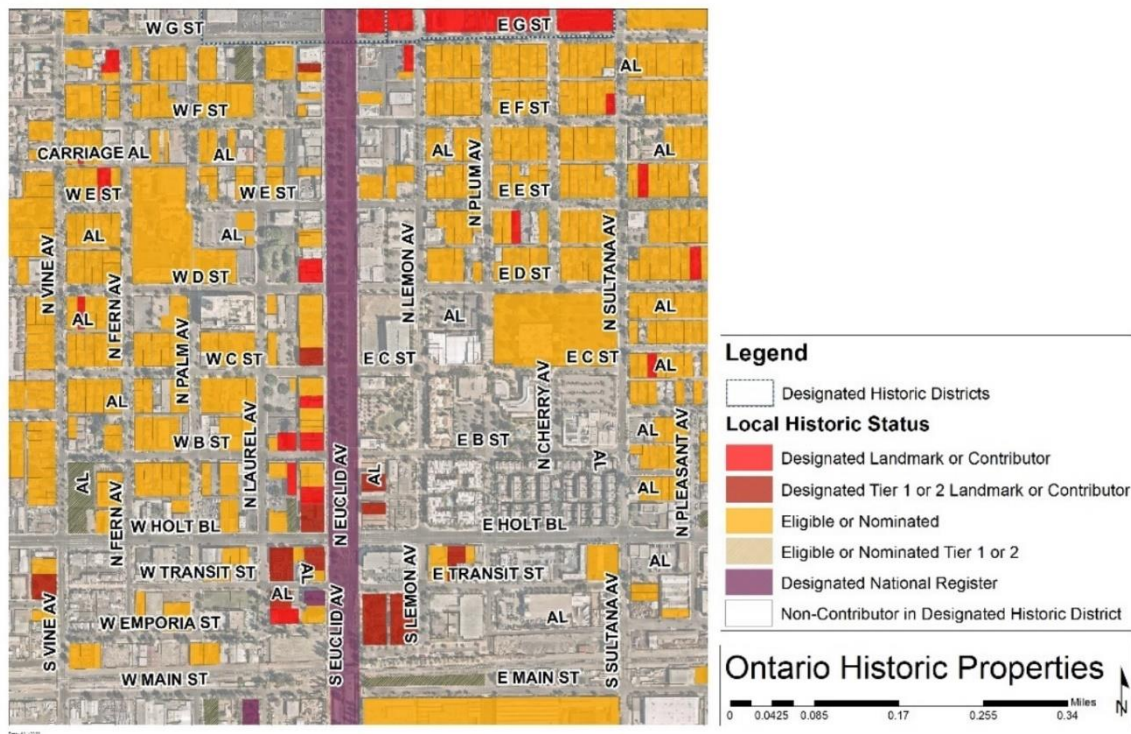
An assessment of historic properties throughout the downtown area has been completed and this PUD area does not contain any potential or proposed historic resources. As such, the Project site is developed with a vacant commercial retail center, paved surface parking lot, and 3 automatic teller machines that have been recently removed. The commercial retail center was constructed during the 1960s and then remodeled during the early 2000s, removing of any character defining features of a historically significant architectural style and has no association with business or person of historical significance. While there are properties along Euclid Avenue where preservation efforts will be necessary, this PUD will facilitate new

D Block Planned Unit Development

construction and redevelopment of existing developed area. Ideally, such new infill development will complement and exemplify historic elements and should not introduce building materials that are not already found in the historic downtown.

Future infill development and renovations should respect and reflect established facade patterns to preserve Downtown's historic character by implementing the Downtown Design Guidelines (1998) and the Secretary of the Interior Standards for the Treatment of Historic Resources. The architecture of new buildings should reflect the time in which they are built, while harmonizing with the scale, rhythm, and character of their historic predecessors. Development projects within the PUD area will require a Certificate of Appropriateness to ensure architectural compatibility, and to protect the historic designation to ensure alterations and building forms (design, scale/massing and site layout) are appropriate to the character of the historic Euclid Avenue frontage (right-of-way) and the various individually listed, eligible, and proposed historic resources. A map of historic assets in the vicinity is included below.

Exhibit 4-1: Ontario Historic Properties Map



DESIGN GUIDELINES

The design of the building responds to the different character of the adjacent context. The development character along Euclid Avenue frontage is commercial and the

northeast is a heavily single-family residential neighborhood. New development is should provide a strong urban edge to D Street, E Street and Euclid Avenue commercial corners to and allow the massing to break down to a lower scale adjacent to the neighborhood. The building design should reflect a more classical or art deco character to align with the Downtown Design Guidelines that aim to reflect the multi-decade feel. Building façades should articulated a mixture of horizontal and vertical projections and changes that visually break up the building mass into varying modulations that provide greater identity to individual clusters of units. Prominent corners of the building, specially facing Euclid Avenue and D Street, should incorporate a tower element that marks the corner identity of the building but also articulates significant entry points to ground floor commercial uses. Ground level commercial should also receive special consideration and create a pleasant pedestrian experience with a recessed glass line that widens the sidewalk and encourages the opportunity for outdoor dining experiences.

The design seeks to be current with the level of articulation that would be reflective of more traditional building styles. Building forms should offer a variety of materials that will visually break the massing into smaller volumes. Development should not present as a large monolithic building, but as a series of smaller buildings to provide appropriate scale and massing. Simple materials such as smooth exterior plaster, textured plaster, corrugated metal, and brick veneers with surface articulation should provide for textural change.

5.0 ARCHITECTURAL CONCEPTUAL RENDERINGS



Northeast corner of Euclid Avenue and D Street



Pedestrian Pass-thru on Euclid Avenue

D Block Planned Unit Development



Northeast Perspective (Euclid Avenue and D Street)



Southwest Perspective (Lemon Avenue and E Street)

6.0 ENVIRONMENTAL PERFORMANCE STANDARDS

All land uses shall adhere to the environmental performance standards set forth in the Ontario Development Code, to avoid and minimize impacts involving noise, vibration, dust and paint, smoke, light, glare and heat, odors and gasses, hazardous and radioactive materials, and electromagnetic interference.

Architectural plans for all residential uses shall be submitted to the City of Ontario Building Department for an acoustical plan check, prior to the issuance of building permits, to assure that construction methods use standard materials that will attenuate 20 dBA of sound from outside to inside, or such that indoor noise does not exceed 45 dBA.

7.0 ADMINISTRATION

7.1 DEVELOPMENT CODE GOVERNS

Any terms not defined herein and any issues affecting the design and development of the subject project area that not specifically addressed in this PUD shall be governed by the provisions of the Ontario Development Code and the City's Standard Conditions of Approval Resolution No. R2017-027 for development.

7.2 PLANNING APPLICATIONS TO FACILITATE IMPLEMENTATION OF PUD

- Tentative Parcel/Tract Map to consolidate a minimum of 2.38 acres of land.
- Development Plan to facilitate construction of the commercial and residential mixed-use building.
- Certificate of Appropriateness to ensure historic resource preservation of the downtown area, an application for Certificate of Appropriateness ("C of A") shall be required in conjunction with each block Development Plan.

7.3 ADMINISTRATIVE EXCEPTIONS

Exceptions to a maximum of 10 percent of any development standards set forth in this PUD may be granted by the Zoning Administrator pursuant to the Ontario Development Code.

APPENDIX A: Ordinance Adopting PUD
(Appendix A follows this page)

CITY OF ONTARIO

Agenda Report
June 6, 2023

SECTION:
CONSENT CALENDAR

Department: Development Administration
Prepared By: Derrick E Womble
Staff Member Presenting:
Scott Murphy, Executive Director Community
Development
Approved By: 

Submitted To: Council/OHA
Approved: _____
Continued To: _____
Denied: _____
Item No: 15

SUBJECT: AN ORDINANCE APPROVING A DEVELOPMENT AGREEMENT (FILE NO. PDA21-005) BETWEEN THE CITY OF ONTARIO AND GROVE LAND VENTURE LLC, TO ESTABLISH THE TERMS AND CONDITIONS ASSOCIATED WITH TENTATIVE PARCEL MAP 20161 (FILE NO. PMTT20-011), A 159.95 ACRE PROPERTY BORDERED BY EUCALYPTUS AVENUE TO THE NORTH, BON VIEW AVENUE TO THE WEST, MERRILL AVENUE TO THE SOUTH, AND GROVE AVENUE TO THE EAST, WITHIN THE INDUSTRIAL AND BUSINESS PARK LAND USE DISTRICTS OF THE SOUTH ONTARIO LOGISTICS CENTER SPECIFIC PLAN (FILE NO. PSP19-001) AND MAKING FINDINGS IN SUPPORT THEREOF - APNS: 1054-071-01, 1054-071-02, 1054-081-03, 1054-091-01, 1054-091-02, 1054-101-01, 1054-101-02, 1054-231-01, 1054-231-02, 1054-241-01, 1054-241-02, 1054-311-01, 1054-311-02, 1054-321-01 AND 1054-321-02)

RECOMMENDATION: That the City Council consider and adopt an Ordinance approving a Development Agreement (File No. PDA21-005) between the City of Ontario and Grove Land Venture LLC, to establish the terms and conditions associated with Tentative Parcel Map 20161 (File No. PMTT20-011), a 159.95-acre property bordered by Eucalyptus Avenue to the north, Bon View Avenue to the west, Merrill Avenue to the south, and Grove Avenue to the east, within the Industrial and Business Park land use districts of the South Ontario Logistics Center Specific Plan.

THE FOLLOWING COUNCIL GOALS ARE BEING ACHIEVED:

Invest in the Growth and Evolution of the City's Economy

Operate in a Businesslike Manner

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

Ensure the Development of a Well Planned, Balanced, and Self-Sustaining Community in Ontario Ranch

FISCAL IMPACT: The proposed Development Agreement (File No. PDA21-005) will not have a direct impact on the City's General Fund. The Development Agreement will provide funding from the formation of a Community Facilities District (CFD) for City services and facilities required to support the South Ontario Logistics Center 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 May 16, 2023, the City Council held a public hearing to introduce and waive further reading of an Ordinance approving the Development Agreement (File No. PDA21-005).

On March 1, 2022, the City Council approved the introduction (first reading) of Ordinance No. 3206 for the South Ontario Logistics Center Specific Plan (the “Specific Plan”, File No. PSP19-001), adopted Resolution No. 2022-015, certifying the Specific Plan Final Environmental Impact Report (“Certified EIR”; State Clearinghouse No. 2021010318), and adopted Resolution No. 2022-016, approving the associated General Plan Amendment (File No. PGPA19-004), thereby establishing the Business Park and Industrial land use districts on the Project site. On March 15, 2022, the City Council adopted Ordinance No. 3206, approving the Specific Plan. The Specific Plan establishes the land use designations, development standards, and design guidelines on 219.39 acres of land, which include the potential development of up to 5,333,518 square feet of industrial and business park land uses.

Grove Land Venture LLC has submitted Tentative Parcel Map 20161 (File No. PMTT20-011) and Development Plan (File No. PDEV20-028) applications requesting to subdivide the Project site into ten (10) parcels and develop ten (10) industrial buildings totaling 3,021,375 square feet.

The Ontario Ranch financial commitments required for construction of properties within a specific plan are substantial. Therefore, in order to adequately forecast these costs and gain assurance that the project may proceed under the existing policies, rules, and regulations, Grove Land Venture LLC (“Owner”), has requested that the City enter into negotiations to create a Development Agreement (“Agreement”).

In accordance with California Government Code Section 65865, which in part states that “[a]ny city... may enter into a Development Agreement with any person having a legal or equitable interest in real property for the development of such property...” and California Government Code Section 65865.52, which in part states that “a Development Agreement shall specify the duration of the Agreement, the permitted uses of the property... and may include conditions, terms, restrictions...,” the City of Ontario adopted Resolution No. 2002-100 setting forth the procedures and requirements for consideration of Development Agreements. Pursuant to these procedures and requirements, Staff entered into negotiations with the Owner to create a Development Agreement for consideration by the Planning Commission and City Council.

The Agreement is proposed outside of the NMC Builders’ Construction Agreement development area and was established in coordination between the City Attorney and the Owner’s legal counsel. The provisions of the Agreement are consistent with the commitments to assure adequate public infrastructure improvements and are constructed or funded by the Owner.

The Agreement proposes to include 159.95 acres of land within the Industrial and Business Park land use districts of the Specific Plan, as shown on the attached Exhibit A. The Agreement grants the Owner a vested right to develop Tentative Parcel Map 20161 (the “Map”), provided the Owner

complies with the terms and conditions of the Specific Plan and related EIR.

The Map (see attached Exhibit B) is bordered by Eucalyptus Avenue to the north, Bon View Avenue to the west, Merrill Avenue to the south, and Grove Avenue to the east, and proposes to subdivide 159.95 acres of land into ten (10) parcels, for the potential development of ten (10) industrial buildings totaling 3,021,375 square feet for business park and industrial uses.

The term of the Agreement is for 10 years, with a 5-year option to renew. The main points of the Agreement address funding for all new City expenses created by the project, which includes Development Impact Fees ("DIF") for construction of public improvements (i.e., streets and bridges, sewer, water, storm drain and fiber); Public Service Funding to ensure adequate provisions of public services (police, fire and other public services); and the creation of a Community Facilities District ("CFD") for the maintenance of public facilities. Additionally, Owner shall pay in lieu-fees to the City for the future construction and completion of Ontario Ranch Regional Water and Storm Drain improvements.

In considering the Agreement at their meeting on April 25, 2023, the Planning Commission found the Agreement to be consistent with State law, The Ontario Plan, and the City's Development Agreement policies. As a result, the Planning Commission adopted Resolution No. PC23-032 with a 6 to 0 vote, recommending City Council approval of the Agreement.

ENVIRONMENTAL REVIEW: The environmental impacts of this Project were previously reviewed in conjunction with the South Ontario Logistics Center Specific Plan (File No. PSP19-001), for which a(n) EIR (SCH#2021010318) was certified by the City Council on March 1, 2022. This Application introduces no new significant environmental impacts. All previously adopted mitigation measures are a condition of Project approval and are incorporated herein by this reference.

Exhibit A— SOUTH ONTARIO LOGISTICS CENTER SPECIFIC PLAN LAND USE MAP

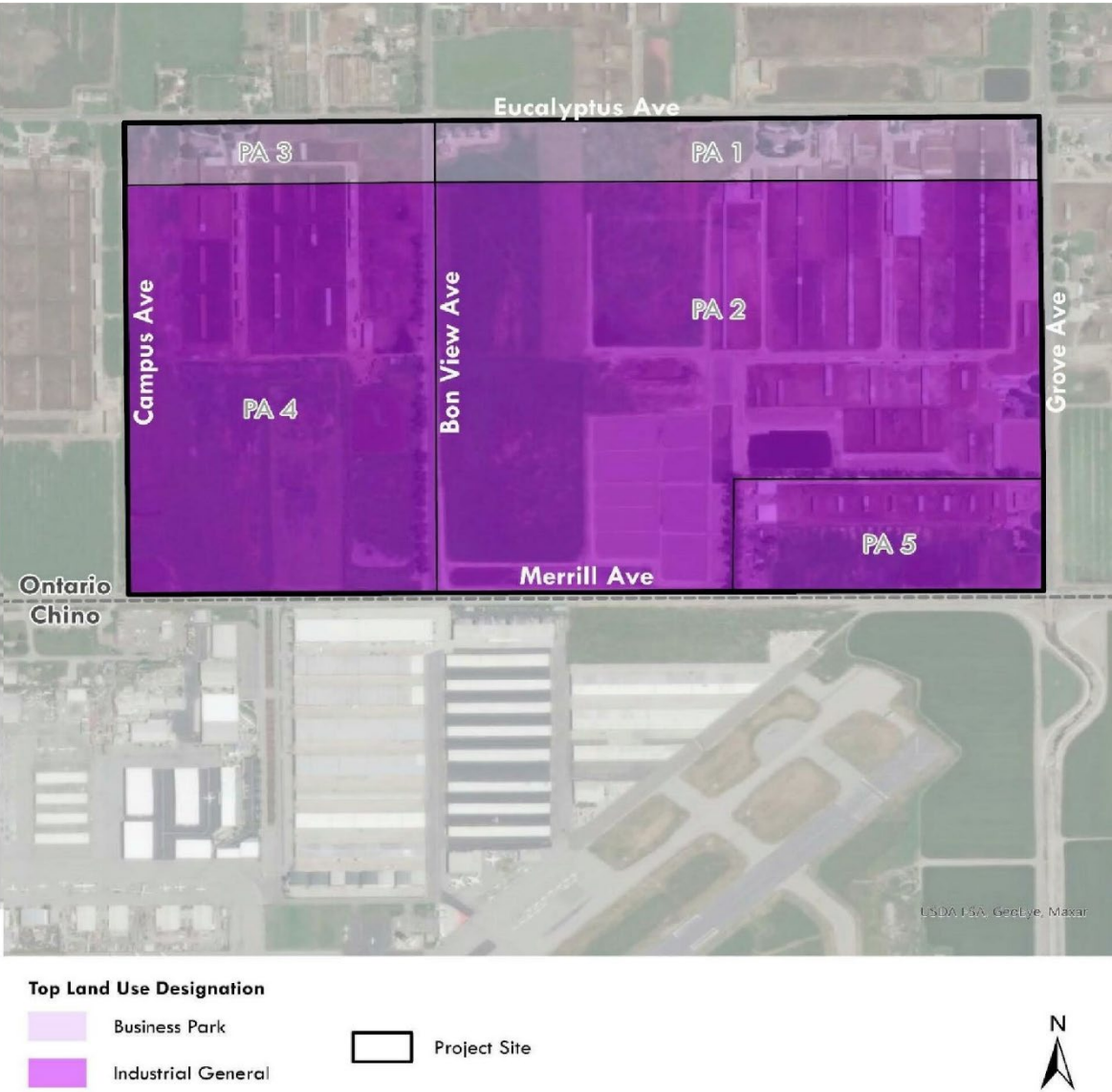
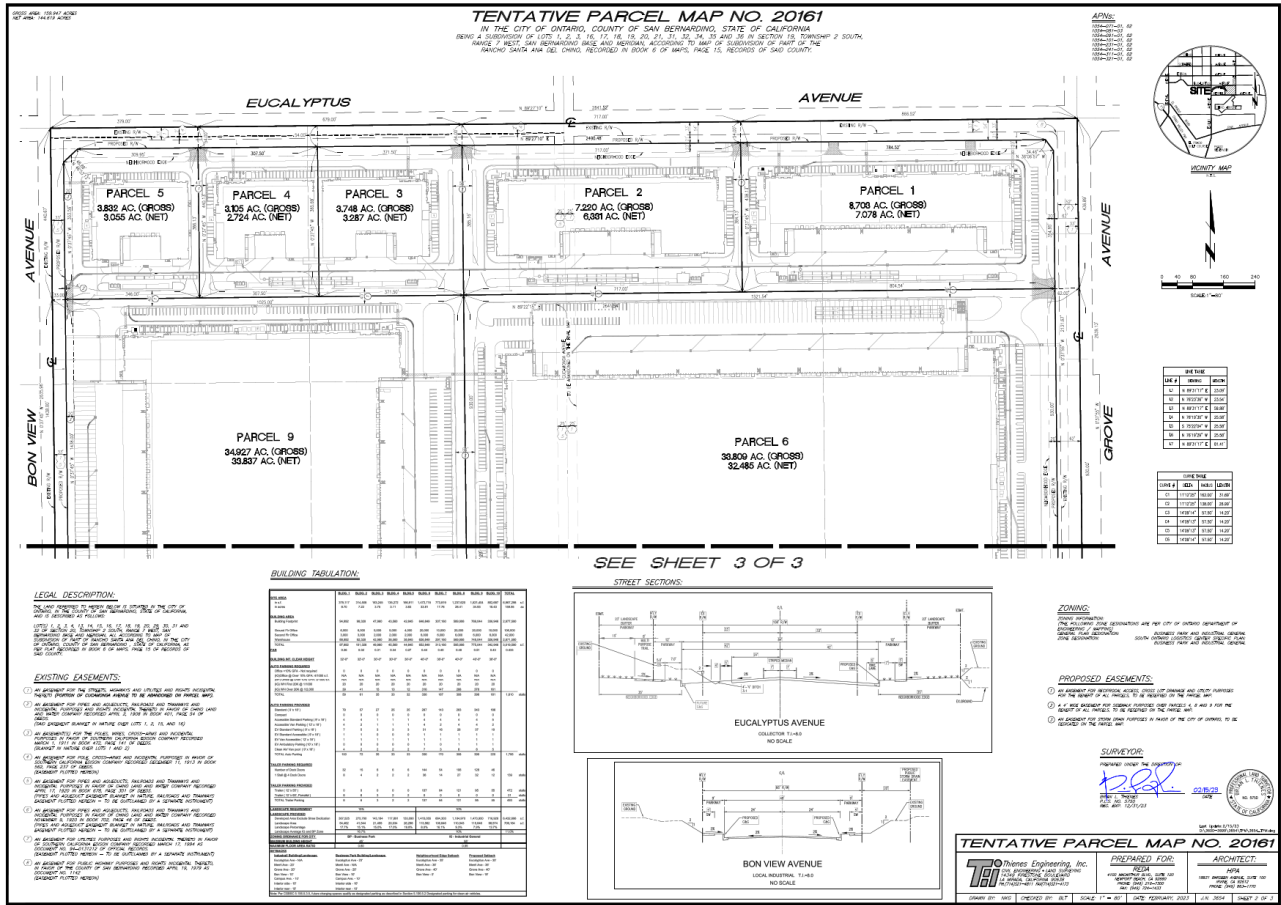


Exhibit B— TENTATIVE PARCEL MAP 20161



ORDINANCE NO. _____

AN ORDINANCE OF THE CITY COUNCIL OF THE CITY OF ONTARIO, CALIFORNIA, APPROVING FILE NO. PDA21-005, A DEVELOPMENT AGREEMENT BETWEEN THE CITY OF ONTARIO AND GROVE LAND VENTURE LLC, TO ESTABLISH THE TERMS AND CONDITIONS ASSOCIATED WITH TENTATIVE PARCEL MAP 20161 (FILE NO. PMTT20-011), A 159.95 ACRE PROPERTY BORDERED BY EUCALYPTUS AVENUE TO THE NORTH, BON VIEW AVENUE TO THE WEST, MERRILL AVENUE TO THE SOUTH, AND GROVE AVENUE TO THE EAST, WITHIN THE INDUSTRIAL AND BUSINESS PARK LAND USE DISTRICTS OF THE SOUTH ONTARIO LOGISTICS CENTER SPECIFIC PLAN (FILE NO. PSP19-001) AND MAKING FINDINGS IN SUPPORT THEREOF - APNS: 1054-071-01, 1054-071-02, 1054-081-03, 1054-091-01, 1054-091-02, 1054-101-01, 1054-101-02, 1054-231-01, 1054-231-02, 1054-241-01, 1054-241-02, 1054-311-01, 1054-311-02, 1054-321-01 AND 1054-321-02.

WHEREAS, Grove Land Venture LLC ("Applicant") has filed an Application for the approval of a Development Agreement, File No. PDA21-005, as described in the title of this Resolution (hereinafter referred to as "Application" or "Project"); and

WHEREAS, the Application applies to 159.95 acres of land generally bordered by Eucalyptus Avenue to the north, Bon View Avenue to the west, Merrill Avenue to the south, and Grove Avenue to the east, within the Industrial and Business Park land use districts of the South Ontario Logistics Center Specific Plan; and

WHEREAS, the Applicant has submitted a Tentative Parcel Map 20161 (File No. PMTT20-011) to subdivide 159.95 acres of land into 10 parcels, to facilitate the potential development of 5,333,518 square feet of business park and industrial uses; and

WHEREAS, the environmental impacts of this project were previously reviewed in conjunction with the South Ontario Logistic Center Specific Plan (File No. PSP19-001), for which an Environmental Impact Report - State Clearinghouse No. 2021010318 - (hereinafter referred to as "Certified EIR") was adopted by the City Council on March 1, 2022, and this Application introduces no new significant environmental impacts; and

WHEREAS, the City's "Local 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; and

WHEREAS, Ontario Development Code Table 2.02-1 (Review Matrix) grants the City Council the responsibility and authority to review and act on the subject Application; and

WHEREAS, the Project is located within the Airport Influence Area of Ontario International Airport ("ONT"), which encompasses lands within parts of San Bernardino, Riverside, and Los Angeles Counties, and is subject to, and must be consistent with, the policies and criteria set forth in the Ontario International Airport Land Use Compatibility Plan (ALUCP), which applies only to jurisdictions within San Bernardino County, and addresses the noise, safety, airspace protection, and overflight impacts of current and future airport activity; and

WHEREAS, City of Ontario Development Code Division 2.03 (Public Hearings) prescribes the manner in which public notification shall be provided and hearing procedures to be followed, and all such notifications and procedures have been completed; and

WHEREAS, the Project has been reviewed for consistency with the Housing Element of the Policy Plan component of The Ontario Plan, as State Housing Element law (as prescribed in Government Code Sections 65580 through 65589.8) requires that development projects must be consistent with the Housing Element, if upon consideration of all its aspects, it is found to further the purposes, principals, goals, and policies of the Housing Element; and

WHEREAS, on April 25, 2023, the Planning Commission of the City of Ontario conducted a hearing to consider the Project, and concluded said hearing on that date, voting to issue Resolution No. PC23-032 recommending the City Council approve the Application; and

WHEREAS, on May 16, 2023, the City Council of the City of Ontario conducted a hearing to consider the Project, and concluded said hearing on that date; and

WHEREAS, all legal prerequisites to the adoption of this Resolution 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 administrative record for the Project. Based upon the facts and information contained in the administrative record, including all written and oral evidence presented to the City Council, the City Council finds as follows:

(1) The environmental impacts of this project were previously reviewed in conjunction with the South Ontario Logistics Center Specific Plan (File No. PSP19-001), for which a Certified EIR was adopted by the City Council on March 1, 2022; and

(2) The previous Certified EIR contains a complete and accurate reporting of the environmental impacts associated with the Project; and

(3) The previous Certified EIR was completed in compliance with CEQA and the Guidelines promulgated thereunder; and

(4) The previous Certified EIR reflects the independent judgment of the Planning Commission; and

(5) The proposed project will introduce no new significant environmental impacts beyond those previously analyzed in the previous Certified EIR, and all mitigation measures previously adopted with the Certified EIR, are incorporated herein by this reference.

SECTION 2. Subsequent or Supplemental Environmental Review Not Required. Based on the 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 Certified EIR 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 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 Compliance. 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, as the project site is not one of the properties in the Housing Element Sites Inventory contained in Tables B-1 and B-2 of the Housing Element Technical Report.

SECTION 4. *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.

(1) On April 19, 2011, the City Council of the City of Ontario approved and adopted the Ontario International Airport Land use Compatibility Plan, establishing the Airport Influence Area for Ontario International Airport, 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 ONT ALUCP compatibility factors, including [1] Safety Criteria (ONT ALUCP Table 2-2) and Safety Zones (ONT ALUCP Map 2-2), [2] Noise Criteria (ONT ALUCP Table 2-3) and Noise Impact Zones (ONT ALUCP Map 2-3), [3] Airspace protection Zones (ONT ALUCP Map 2-4), and [4] Overflight Notification Zones (ONT 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 ONT ALUCP; and

(2) On August 2, 2022, the City Council of the City of Ontario approved and adopted a Development Code Amendment to establish the Chino Airport ("CNO") Overlay Zoning District ("OZD") and Reference I, Chino Airport Land Use Compatibility Plan ("CNO ALUCP"). The CNO OZD and CNO ALUCP established the Airport Influence Area for Chino Airport, solely within the City of Ontario, and limits future land uses and development within the Airport Influence Area, as they relate to safety, airspace protection, and overflight impacts of current and future airport activity. The CNO ALUCP is consistent with policies and criteria set forth within the Caltrans 2011 California Airport Land Use Planning Handbook. The proposed Project is located within the Airport Influence Area of Chino Airport and was evaluated and found to be consistent with the California Airport Land Use Planning Handbook and the CNO ALUCP. 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 CNO ALUCP compatibility factors, including Safety, Airspace Protection, Overflight. 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 California Airport Land Use Planning Handbook and the Chino ALUCP.

SECTION 5. *Concluding Facts and Reasons.* Based upon the substantial evidence presented to the City Council during the above-referenced hearing, and upon the specific findings set forth in Section 1 through 4, above, the City Council hereby concludes as follows:

(1) The Development Agreement applies to approximately 159.95 acres of land bordered by Eucalyptus Avenue to the north, Bon View Avenue to the west, Merrill Avenue to the south, and Grove Avenue to the east, within the Industrial and Business Park land use districts of the South Ontario Logistics Center Specific Plan (File No. PSP19-001); and

(2) The Development Agreement establishes parameters for the development of land within the South Ontario Logistics Center Specific Plan. The Development Agreement also grants the Applicant, the right to develop, the ability to quantify the fees; and establish the terms and conditions that apply to those projects. These terms and conditions are consistent with The Ontario Plan Policy Plan (General Plan), design guidelines and development standards for the South Ontario Logistics Center Specific Plan; and

(3) The Development Agreement grants the Owner a vested right to develop Tentative Parcel Map 20161 (File No. PMTT20-011) as long as the Owner complies with the terms and conditions of the Specific Plan and EIR. Tentative Parcel Map 20161 is bordered by Eucalyptus Avenue to the north, Bon View Avenue to the west, Merrill Avenue to the south, and Grove Avenue to the east, and proposes to subdivide 159.95 acres of land into 10 parcels, to facilitate the potential development of 5,333,518 square feet of business park and industrial uses; and

(4) The Development Agreement has been prepared in conformance with the goals and policies of The Ontario Plan Policy Plan (General Plan); and

(5) The Development Agreement does not conflict with the Land Use Policies of The Ontario Plan Policy Plan (General Plan) and will provide for development, within the district, in a manner consistent with the Policy Plan and with related development; and

(6) This Development Agreement will promote the goals and objectives of the Land Use Element of the Policy Plan; and

(7) This Development Agreement will not be materially injurious or detrimental to the adjacent properties and will not have a significant impact on the environment or the surrounding properties. The environmental impacts of this project were previously reviewed in conjunction with the South Ontario Logistics Center Specific Plan (File No. PSP19-001), for which an Environmental Impact Report (State Clearinghouse No. 2021010318) was certified by City Council on March 1, 2022; and

(8) This Application introduces no new significant environmental impacts. All previously adopted mitigation measures are a condition of project approval and are incorporated herein by this reference.

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 herein described Development Agreement (File No. PDA21-005), attached hereto as "Attachment A," and incorporated herein by this reference.

SECTION 7. ***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 8. ***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 9. ***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 10. ***Effective Date.*** This Ordinance shall become effective 30 days following its adoption.

SECTION 11. ***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 6th day of June 2023.

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. 3249 was duly introduced at a regular meeting of the City Council of the City of Ontario held May 16, 2023 and adopted at the regular meeting held June 6, 2023 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. 3249 duly passed and adopted by the Ontario City Council at their regular meeting held June 6, 2023 and that Summaries of the Ordinance were published on May 23, 2023 and June 13, 2023, in the Inland Valley Daily Bulletin newspaper.

SHEILA MAUTZ, CITY CLERK

(SEAL)

ATTACHMENT A:

File No. PDA21-005

DEVELOPMENT AGREEMENT

By and Between

**CITY OF ONTARIO
a California municipal corporation**

and

**GROVE LAND VENTURE LLC
a Delaware limited liability company**

(Development Agreement to follow this page)

**RECORDING REQUESTED BY AND
WHEN RECORDED RETURN TO:**

CITY OF ONTARIO
CITY CLERK / RECORDS MANAGEMENT
303 EAST "B" STREET
ONTARIO, CA 91764-4196

Space above this line for Recorder's Use Only

Exempt from Fees Per Gov. Code § 6103

File No. PDA21-005

DEVELOPMENT AGREEMENT

By and Between

**CITY OF ONTARIO
a California municipal corporation**

and

**GROVE LAND VENTURE, LLC.
a Delaware limited liability company**

_____, 2023

San Bernardino County, California

DEVELOPMENT AGREEMENT NO. PDA21-005

This Development Agreement (hereinafter "Agreement") is dated for reference purposes only as of the ____ day of _____, 2023 by and among the City of Ontario, a California municipal corporation (hereinafter "CITY"), and Grove Land Venture, LLC., a Delaware limited liability company (hereinafter "OWNER"):

RECITALS

WHEREAS, CITY is authorized to enter into binding development agreements with persons having legal or equitable interests in real property for the development of such property, pursuant to Section 65864, et seq. of the Government Code and Section 4.01.015 of the Ontario Development Code; and

WHEREAS, OWNER has requested CITY to enter into a development agreement and proceedings have been taken in accordance with the rules and regulations of CITY; and

WHEREAS, by electing to enter into this Agreement, CITY shall bind future City Councils of CITY by the obligations specified herein and limit the future exercise of certain governmental and proprietary powers of CITY; and

WHEREAS, the terms and conditions of this Agreement have undergone extensive review by CITY and the City Council and have been found to be fair, just and reasonable; and

WHEREAS, the best interests of the citizens of the CITY and the public health, safety and welfare will be served by entering into this Agreement; and

WHEREAS, all of the procedures of the California Environmental Quality Act, Pub. Res. Code § 21000, et seq. ("CEQA") have been met with respect to the Project and the Agreement in that certain South Ontario Logistics Center Specific Plan Environmental Impact Report (State Clearinghouse No. 2021010318) (the "FEIR"); and

WHEREAS, on March 1, 2022, the City Council found and determined that the FEIR was prepared in accordance with the requirements of CEQA and adequately describes the impacts of the Project described in the FEIR, which included consideration of this Agreement; and

WHEREAS, this Agreement and the Project are consistent with the CITY's Comprehensive General Plan and the South Ontario Logistics Center Specific Plan; and

WHEREAS, all actions taken and approvals given by CITY have been duly taken or approved in accordance with all applicable legal requirements for notice, public hearings, findings, votes, and other procedural matters; and

WHEREAS, development of the Project Site, as more particularly described and depicted in **Exhibits A** and **B**, respectively (the "Property") in accordance with this

Agreement will provide substantial benefits to CITY and will further important policies and goals of CITY; and

WHEREAS, this Agreement will eliminate uncertainty in planning and provide for the orderly development of the Property, ensure progressive installation of necessary improvements, provide for public services appropriate to the development of the Project, and generally serve the purposes for which development agreements under Section 65864 et seq. of the Government Code are intended; and

WHEREAS, OWNER has incurred and will in the future incur substantial costs in order to assure development of the Property in accordance with this Agreement; and

WHEREAS, OWNER has incurred and will in the future incur substantial costs in excess of the generally applicable requirements in order to assure vesting of legal rights to develop the Property in accordance with this Agreement.

COVENANTS

NOW, THEREFORE, in consideration of the above recitals and of the mutual covenants hereinafter contained and for other good and valuable consideration, the receipt and sufficiency of which is hereby acknowledged, the parties agree as follows:

1. DEFINITIONS AND EXHIBITS.

1.1 Definitions. The following terms when used in this Agreement shall be defined as follows:

1.1.1 "Agreement" means this Development Agreement.

1.1.2 "CITY" means the City of Ontario, California, a California municipal corporation.

1.1.3 "Development" means the improvement of the Property for the purposes of completing the structures, improvements and facilities comprising the Project including, but not limited to: grading; the construction of public infrastructure and public facilities related to the Project whether located within or outside the Property; the construction of buildings and structures; and the installation of landscaping. "Development" does not include the maintenance, repair, reconstruction or redevelopment of any building, structure, improvement or facility after the construction and completion thereof.

1.1.4 "Development Approvals" means all permits and other entitlements for use subject to approval or issuance by CITY in connection with development of the Property including, but not limited to:

(a) general plans and general plan amendments; and specific plans and specific plan amendments;

(b) tentative and final subdivision and parcel maps;

(c) development plan review.

1.1.5 "Development Exaction" means any requirement of CITY in connection with or pursuant to any Land Use Regulation or Development Approval for the dedication of land, the construction of improvements or public facilities, or the payment of fees in order to lessen, offset, mitigate or compensate for the impacts of development on the environment or other public interests.

1.1.6 "Development Impact Fee" means a monetary exaction, other than a tax or special assessment, whether characterized as a fee or a tax and whether established for a broad class of projects by legislation of general applicability or imposed on a specific project on an ad hoc basis, that is charged by a local agency to the applicant in connection with approval of a development project for the purpose of defraying all or a portion of the cost of public facilities related to the development project, and, for purposes of this Agreement only, includes fees collected under development agreements adopted pursuant to Article 2.5 of the Government Code (commencing with Section 65864) of Chapter 4. For purposes of this Agreement only, "Development Impact Fee" shall not include processing fees and charges imposed by CITY to cover the estimated actual costs to CITY of processing applications for Development Approvals or for monitoring compliance with any Development Approvals granted or issued, including, without limitation, fees for zoning variances; zoning changes; use permits; building inspections; building permits; filing and processing applications and petitions filed with the local agency formation commission or conducting preliminary proceedings or proceedings under the Cortese-Knox-Hertzberg Local Government Reorganization Act of 2000, Division 3 (commencing with Section 56000) of Title 5 of the Government Code; the processing of maps under the provisions of the Subdivision Map Act, Division 2 (commencing with Section 66410) of Title 7 of the Government Code; or planning services under the authority of Chapter 3 (commencing with Section 65100) of Division 1 of Title 7 of the Government Code, fees and charges as described in Sections 51287, 56383, 57004, 65104, 65456, 65863.7, 65909.5, 66013, 66014, and 66451.2 of the Government Code, Sections 17951, 19132.3, and 19852 of the Health and Safety Code, Section 41901 of the Public Resources Code, and Section 21671.5 of the Public Utilities Code, as such codes may be amended or superseded, including by amendment or replacement.

1.1.7 "Development Plan" means the Existing Development Approvals and the Existing Land Use Regulations applicable to development of the Property.

1.1.8 "Effective Date" means the date that the ordinance approving this Agreement goes into effect.

1.1.9 "Existing Development Approvals" means all Development Approvals approved or issued on or prior to the Effective Date. Existing Development Approvals includes the Approvals incorporated herein as Exhibit "C" and all other Approvals which are a matter of public record on the Effective Date.

1.1.10 "Existing Land Use Regulations" means all Land Use Regulations in effect on the date of the first reading of the ordinance adopting and approving this Agreement.

Existing Land Use Regulations includes the Regulations incorporated herein as Exhibit "D" and all other Land Use Regulations that are in effect and a matter of public record on such date.

1.1.11 "General Plan" means The Ontario Plan adopted August 16, 2022, as amended up to the date of the first reading of the ordinance adopting and approving this Agreement.

1.1.12 "Improvement" or "Improvements" means those public improvements required to support the development of the Project as described in the Parcel Map conditions for Parcel Map No. 20161 ("Parcel Map") as further described in Exhibit "E" and depicted in Exhibit "F" (together, the "Infrastructure Improvements Exhibit").

1.1.13 "Land Use Regulations" means all ordinances, resolutions, codes, rules, regulations and official policies of CITY governing the development and use of land, including, without limitation, the permitted use of land, the density or intensity of use, subdivision requirements, timing and phasing of development, the maximum height and size of buildings, the provisions for reservation or dedication of land for public purposes, and the design, improvement and construction standards and specifications applicable to the development of the Property. "Land Use Regulations" does not include any CITY ordinance, resolution, code, rule, regulation or official policy, governing:

- (a) the conduct of businesses, professions, and occupations;
- (b) taxes and assessments;
- (c) the control and abatement of nuisances;
- (d) the granting of encroachment permits and the conveyance of similar rights and interests that provide for the use of or the entry upon public property;
- (e) the exercise of the power of eminent domain.

1.1.14 "Mortgagee" means a mortgagee of a mortgage, a beneficiary under a deed of trust or any other security-device lender, and their successors and assigns.

1.1.15 "OWNER" means the persons and entities listed as owner on page 1 of this Agreement and their permitted successors in interest to all or any part of the Property.

1.1.16 "Owner Affiliate" shall mean, (i) any entity that directly or indirectly controls, is controlled by, or is under common control with OWNER, or (ii) an entity at least a majority of whose economic interest is owned by OWNER. For purposes of this definition, the term "control" means the power to direct the management of such entity through voting rights, ownership or contractual obligations.

1.1.17 "Phase" means the development area described in the Infrastructure Improvements Exhibit to this Agreement.

1.1.18 "Phase 2 Water Participation Fee" means the fee paid to the CITY for the Project, to fund the Property's respective share of the project costs of the design and construction of the Phase 2 Water Improvements by the CITY. The Phase 2 Water Participation Fee shall be the calculated amount of the Regional Water DIF for the Project based upon the number of square feet, acreage, and land use category for non-residential square footage of the Project.

1.1.19 "Project" means the development of the Property contemplated by the Development Plan, as such Plan may be further defined, enhanced or modified pursuant to the provisions of this Agreement.

1.1.20 "Property" means the real property described on Exhibit "A" and shown on Exhibit "B" to this Agreement.

1.1.21 "Reservations of Authority" means the rights and authority excepted from the assurances and rights provided to OWNER under this Agreement and reserved to CITY under Section 3.4 of this Agreement.

1.1.22 "Specific Plan" means that certain specific plan adopted by the City Council, and entitled, "South Ontario Logistics Center Specific Plan".

1.1.23 "Subsequent Development Approvals" means all discretionary Development Approvals required subsequent to the Effective Date in connection with development of the Property. Subsequent Development Approvals shall be deemed to be subject to the provisions of this Agreement, without any further action needed on the part of either the CITY or OWNER.

1.1.24 "Subsequent Land Use Regulations" means any discretionary Land Use Regulations adopted and effective after the Effective Date of this Agreement.

1.2 Exhibits. The following documents are attached to, and by this reference made a part of, this Agreement:

Exhibit "A" — Legal Description of the Property.

Exhibit "B" — Map showing Property and its location.

Exhibit "C" — Existing Development Approvals.

Exhibit "D" — Existing Land Use Regulations.

Exhibit "E" — Description of Required Infrastructure Improvements

Exhibit "F" — Depiction of Infrastructure Improvements Exhibits

Exhibit "G" — Form of Certificate of DIF Credit to be issued by CITY

2. GENERAL PROVISIONS.

2.1 Binding Effect of Agreement. The Property is hereby made subject to this Agreement. Development of the Property is hereby authorized and shall be carried out only in accordance with the terms of this Agreement.

2.2 Ownership of Property. OWNER represents and covenants that it is the owner of fee simple title or the lessee or an optionee of the Property or a portion(s) thereof. . To the extent applicable, OWNER has obtained written consent from the current fee owner of the Property agreeing to the terms of this Agreement and the recordation thereof.

2.3 Term. The term of this Agreement shall commence on the Effective Date and shall continue for an initial term of ten (10) years thereafter unless this term is modified or extended pursuant to the provisions of this Agreement. Upon approval by the City Manager, without the need for City Council approval, the term of this Agreement may be extended for an additional five (5) years following expiration of the initial ten (10) year term, provided the following have occurred:

- (a) OWNER provides at least 180 days written notice to CITY prior to expiration of the initial term; and
- (b) OWNER is not then in uncured default of this Agreement.

2.4 Assignment.

2.4.1 Right to Assign. OWNER shall have the right to sell, transfer or assign the Property in whole or in part (provided that no such partial transfer shall violate the Subdivision Map Act, Government Code Section 66410, et seq.), to any person, partnership, limited liability company, joint venture, firm or corporation at any time during the term of this Agreement; provided, however, that any such sale, transfer or assignment shall include the assignment and assumption of the rights, duties and obligations arising under or from this Agreement with respect to the portion of the Property sold and be made in strict compliance with the following:

(a) Except as expressly provided for herein, no sale, transfer or assignment of any right or interest under this Agreement shall be made unless made together with the sale, transfer or assignment of all or a part of the Property.

(b) Concurrent with any such sale, transfer or assignment, or within fifteen (15) business days thereafter, OWNER shall notify CITY's City Manager, in writing, of such sale, transfer or assignment and shall provide CITY with: (1) an executed agreement, in a form reasonably acceptable to CITY, by the purchaser, transferee or assignee and providing therein that the purchaser, transferee or assignee expressly and unconditionally assumes all the duties and obligations of OWNER under this Agreement with respect to the portion of the Property so sold, transferred or assigned.

(c) Any sale, transfer or assignment not made in strict compliance with the foregoing conditions shall constitute a default by OWNER under this Agreement. Notwithstanding the failure of any purchaser, transferee or assignee to execute the agreement required by Paragraph (b) of this Subsection 2.4.1, the burdens of this

Agreement shall be binding upon such purchaser, transferee or assignee, but the benefits of this Agreement shall not inure to such purchaser, transferee or assignee until and unless such agreement is executed. The City Manager shall have the authority to review, consider and either approve, conditionally approve, or deny any proposed sale, transfer or assignment that is not made in compliance with this section 2.4.

(d) Notwithstanding the foregoing, OWNER shall have the right to assign this Agreement to an Owner Affiliate subject to the notice requirements to CITY as described in Paragraph (b) of this Section 2.4.1, above.

2.4.2 Release of Transferring Owner. Notwithstanding any sale, transfer or assignment, a transferring OWNER shall continue to be obligated under this Agreement unless such transferring owner is given a release in writing by CITY, which release shall be provided by CITY upon the full satisfaction by such transferring owner of the following conditions:

(a) OWNER no longer has a legal or equitable interest in all or any part of the portion of the Property sold, transferred or assigned.

(b) OWNER is not then in default under this Agreement.

(c) OWNER has provided CITY with the notice and executed an agreement as required under Paragraph (b) of Subsection 2.4.1 above.

(d) The purchaser, transferee or assignee provides CITY with security equivalent to any security previously provided by OWNER (if any) to secure performance of its obligations hereunder which are to be performed upon portion of the Property sold, transferred or assigned.

2.4.3 Effect of Assignment and Release of Obligations. In the event of a sale, transfer or assignment pursuant to the provisions of Section 2.4.1 and notwithstanding the release provisions of Section 2.4.2 above:

(a) The assignee shall be liable for the performance of all obligations of OWNER with respect to transferred property, but shall have no obligations with respect to the portions of the Property, if any, not transferred (the "Retained Property").

(b) The owner of the Retained Property shall be liable for the performance of all obligations of OWNER with respect to Retained Property, but shall have no further obligations with respect to the transferred property.

(c) The assignee's exercise, use and enjoyment of the Property or portion thereof shall be subject to the terms of this Agreement to the same extent as if the assignee were the OWNER.

2.4.4 Subsequent Assignment. Any subsequent sale, transfer or assignment after an initial sale, transfer or assignment shall be made only in accordance with and subject to the terms and conditions of this Section 2.4.

2.4.5 Termination of Agreement With Respect to Individual Lots Upon Sale to Public and Completion of Construction. The provisions of Subsection 2.4.1 shall not apply to the sale or lease (for a period longer than one (1) year) of any parcel which has been finally subdivided and is individually (and not in "bulk") sold or leased to a member of the public or other ultimate user of the parcel. Notwithstanding any other provisions of this Agreement, this Agreement shall terminate with respect to any lot and such lot shall be released and no longer be subject to this Agreement without the execution or recordation of any further document upon satisfaction of both of the following conditions:

(a) The lot has been finally subdivided and individually (and not in "bulk") sold or leased (for a period longer than one (1) year) to a member of the public or other ultimate user; and,

(b) A certificate of occupancy has been issued for a building on the parcel, and the fees set forth under Section 4 of this Agreement have been paid.

2.4.6 Partial Assignment and Assumption. CITY and OWNER agree OWNER may partially assign its obligations and rights under this Agreement, and all amendments hereto, to a purchaser, transferee or assignee of a lot, which has been subdivided subject to provisions of a partial assignment and assumption agreement in a form approved by CITY. Any such complete and executed partial assignment and assumption of this Agreement shall be submitted to CITY for approval pursuant to Section 2.4.1 of this Agreement. Within thirty (30) days following such complete submittal, CITY shall review, and if the above conditions are satisfied, may approve the partial assignment and release and notify the purchaser, transferee or assignee in writing thereof. No such release approved pursuant to this Subsection 2.4.6 shall cause, or otherwise affect, a release of OWNER from the duties and obligations under this Agreement that are retained by OWNER and excluded from the transfer or assignment.

2.5 Amendment or Cancellation of Agreement. This Agreement may be amended or cancelled in whole or in part only in the manner provided for in Government Code Section 65868.1. Any amendment of this Agreement, which amendment has been requested by OWNER, shall be considered by the CITY only upon the payment of the applicable processing charge. This provision shall not limit any remedy of CITY or OWNER as provided by this Agreement. Either party or successor in interest, may propose an amendment to or cancellation, in whole or in part, of this Agreement. Any amendment or cancellation shall be by mutual consent of the parties or their successors in interest except as provided otherwise in this Agreement or in Government Code Section 65865.1. For purposes of this section, the term "successor in interest" shall mean any person having a legal or equitable interest in the whole of the Property, or any portion thereof as to which such person wishes to amend or cancel this Agreement. The procedure for proposing and adopting an amendment to, or cancellation of, in whole or in part, this Agreement shall be the same as the procedure for adopting and entering into this Agreement in the first instance. Notwithstanding the foregoing sentence, if the CITY initiates the proposed amendment to, or cancellation of, in whole or in part, this Agreement, CITY shall first give notice to the OWNER of its intention to initiate such proceedings at least sixty (60) days

in advance of the giving the public notice of intention to consider the amendment or cancellation.

2.6 Minor Modification. Upon the written application of OWNER, minor modifications and changes to the Development Plan including modifications to building design or footprint (not affecting minimum setbacks), parking layout and design, and landscape area design may be approved by the Director of the Planning Department without the need to amend this Development Agreement. Other changes in the Development Plan shall be processed pursuant to the City Zoning Ordinance. It is also contemplated by CITY and OWNER that OWNER may, from time to time, seek amendments to one or more of the Development Approvals. Any such amendments are contemplated by CITY and OWNER as being within the scope of this Agreement as long as they are consistent with the Land Use Regulations and shall, upon approval by CITY, continue to constitute the Development Approvals as referenced herein. The parties agree that any such modifications or amendments shall not constitute an amendment to this Agreement nor require an amendment to this Agreement.

2.7 Termination. This Agreement shall be deemed terminated and of no further effect upon the occurrence of any of the following events:

- (a) Expiration of the stated term of this Agreement as set forth in Section 2.3.
- (b) Entry of a final judgment setting aside, voiding or annulling the adoption of the ordinance approving this Agreement.
- (c) The adoption of a referendum measure overriding or repealing the ordinance approving this Agreement.
- (d) Completion of the Project in accordance with the terms of this Agreement including issuance of all required occupancy permits and acceptance by CITY or applicable public agency of all required dedications.

Termination of this Agreement shall not constitute termination of any other land use entitlements approved for the Property. Upon the termination of this Agreement, no party shall have any further right or obligation hereunder except with respect to any obligation to have been performed prior to such termination or with respect to any default in the performance of the provisions of this Agreement which has occurred prior to such termination or with respect to any obligations which are specifically set forth as surviving this Agreement. Upon such termination, any public facilities and service mitigation fees paid pursuant to Section 4.2 of this Agreement by OWNER to CITY on which construction has not yet begun shall be refunded to OWNER by CITY within ten (10) business days.

2.8 Notices.

(a) As used in this Agreement, "notice" includes, but is not limited to, the communication of notice, request, demand, approval, statement, report, acceptance, consent, waiver, appointment or other communication required or permitted hereunder.

(b) All notices shall be in writing and shall be considered given either: (i) when delivered in person, including, without limitation, by courier, to the recipient named below; or (ii) on the date of delivery shown on the return receipt, after deposit in the United States mail in a sealed envelope as either registered or certified mail with return receipt requested, and postage and postal charges prepaid, and addressed to the recipient named below. All notices shall be addressed as follows:

If to CITY:

Scott Ochoa, City Manager
City of Ontario
303 East "B" Street
Ontario, CA 91764

If to OWNER:

Jeff Johnston
Grove Land Venture, LLC.
c/o Real Estate Development Associates
4450 MacArthur Blvd., Suite 100
Newport Beach, CA 92660
jjohnston@redallc.com

with a copy to:

Ruben Duran, City Attorney
Best Best & Krieger, LLP
2855 E Guasti Road
Ontario, CA 91761

With a copy to:

Matt Fogt, Esq.
Allen Matkins Leck Gamble Mallory &
Natsis, LLP
2010 Main Street, 8th Floor
Irvine, CA 92614

Either party may, by notice given at any time, require subsequent notices to be given to another person or entity, whether a party or an officer or representative of a party, or to a different address, or both. Notices given before actual receipt of notice of change shall not be invalidated by the change.

3. DEVELOPMENT OF THE PROPERTY.

3.1 Rights to Develop. Subject to the terms of this Agreement including the Reservations of Authority in Section 3.4, OWNER shall have a vested right to develop the Property in accordance with, and to the extent of, the Development Plan. The Project shall remain subject to all Subsequent Development Approvals required to complete the Project as contemplated by the Development Plan. Except as otherwise provided in this Agreement, the permitted uses of the Property, the density and intensity of use, the maximum height and size of proposed buildings, and provisions for reservation and dedication of land for public purposes shall be those set forth in the Development Plan.

3.2 Effect of Agreement on Land Use Regulations. Except as otherwise provided under the terms of this Agreement including the Reservations of Authority in Section 3.4, the rules, regulations and official policies governing permitted uses of the Property, the density and intensity of use of the Property, the maximum height and size of proposed buildings, and the design, improvement and construction standards and specifications applicable to development of the Property shall be the Existing Land Use Regulations. In

connection with any Subsequent Development Approval, CITY shall exercise discretion in accordance with the same manner as it exercises its discretion under its police powers, including the Reservations of Authority set forth herein; provided however, that such discretion shall not prevent development of the Property for the uses and to the density or intensity of development set forth in this Agreement.

3.3 Timing of Development. The parties acknowledge that OWNER cannot at this time predict when or the rate at which phases of the Property will be developed. Such decisions depend upon numerous factors which are not within the control of OWNER, such as market orientation and demand, interest rates, absorption, completion and other similar factors. Since the California Supreme Court held in Pardee Construction Co. v. City of Camarillo (1984) 37 Cal. 3d 465, that the failure of the parties therein to provide for the timing of development resulted in a later adopted initiative restricting the timing of development to prevail over such parties' agreement, it is the parties' intent to cure that deficiency by acknowledging and providing that OWNER shall have the right to develop the Property in such order and at such rate and at such times as OWNER deems appropriate within the exercise of its subjective business judgment.

3.3.1 Infrastructure Improvement Exhibit. Attached hereto as Exhibits "E" and "F" are a description and depiction, respectively, of the Improvements needed for the development of the Property. In the event of any discrepancy between Exhibit E and Exhibit F, Exhibit F shall control.

3.4 Reservations of Authority.

3.4.1 Limitations, Reservations and Exceptions. Notwithstanding any other provision of this Agreement, the CITY shall not be prevented from applying new rules, regulations and policies upon the OWNER, nor shall a development agreement prevent the CITY from denying or conditionally approving any subsequent development project application on the basis of such new rules, regulations and policies where the new rules, regulations and policies consist of the following:

(a) Processing fees by CITY to cover costs of processing applications for development approvals or for monitoring compliance with any development approvals;

(b) Procedural regulations relating to hearing bodies, petitions, applications, notices, findings, records and any other matter of procedure;

(c) Regulations, policies and rules governing engineering and construction standards and specifications applicable to public and private improvements, including all uniform codes adopted by the CITY and any local amendments to those codes adopted by the CITY; provided however that, OWNER shall have a vested right to develop the Property in accordance with, and to the extent of, the standards and specifications that are expressly identified in the Specific Plan and the building codes in effect as of the Effective Date;

(d) Regulations that may conflict with this Agreement and the Development Plan but that are reasonably necessary to protect the occupants of the Project and/or of the immediate community from a condition perilous to their health or safety;

(e) Regulations that do not conflict with those rules, regulations and policies set forth in this Agreement or the Development Plan and which do not impose additional obligations, costs, and expenses on OWNER or the Project;

(f) Regulations that may conflict with this Agreement but to which the OWNER consents.

3.4.2 Subsequent Development Approvals. This Agreement shall not prevent CITY, in acting on Subsequent Development Approvals, from applying Subsequent Land Use Regulations that do not conflict with the Development Plan and/or the Existing Development Approvals, nor shall this Agreement prevent CITY from denying or conditionally approving any Subsequent Development Approval on the basis of the Existing Land Use Regulations or any Subsequent Land Use Regulation not in conflict with the Development Plan and/or the Existing Development Approvals.

3.4.3 Modification or Suspension by State or Federal Law. In the event that State or Federal laws or regulations, enacted after the Effective Date of this Agreement, prevent or preclude compliance with one or more of the provisions of this Agreement, such provisions of this Agreement shall be modified or suspended as may be necessary to comply with such State or Federal laws or regulations, provided, however, that this Agreement shall remain in full force and effect to the extent it is not inconsistent with such laws or regulations and to the extent such laws or regulations do not render such remaining provisions impractical to enforce. In the event OWNER alleges that such State or Federal laws or regulations preclude or prevent compliance with one or more provisions of this Agreement, and the CITY does not agree, the OWNER may, at its sole cost and expense, seek declaratory relief (or other similar non-monetary remedies); provided however, that nothing contained in this Section 3.4.3 shall impose on CITY any monetary liability for contesting such declaratory relief (or other similar non-monetary relief).

3.4.4 Intent. The parties acknowledge and agree that CITY is restricted in its authority to limit its police power by contract and that the foregoing limitations, reservations and exceptions are intended to reserve to CITY all of its police power which cannot be so limited. This Agreement shall be construed, contrary to its stated terms if necessary, to reserve to CITY all such power and authority which cannot be restricted by contract.

3.5 Public Works; Utilities. If OWNER is required by this Agreement or a condition of Project approval to construct any public works facilities which will be dedicated to CITY or any other public agency upon completion, and if required by applicable laws to do so, OWNER shall perform such work in the same manner and subject to the same standards as would be applicable to CITY or such other public agency should it have undertaken such construction. As a condition of development approval, OWNER shall connect the

Project to all utilities necessary to provide adequate water, recycled water, sewer, gas, electric, and other utility services necessary for the Project, as further described and depicted in the Infrastructure Improvements Exhibit. As a further condition of development approval, OWNER shall to the extent possible contract with the CITY for CITY-owned or operated utilities for this purpose, for such price and on such terms as may be available to similarly situated customers in the CITY. As a further condition of development approval, to the extent OWNER does not own the Property in fee simple, OWNER will provide to CITY the written consent from the current fee owner of the Property agreeing to the terms of this Agreement and the recordation thereof, pursuant to Section 2.2.

3.5.1 OWNER agrees that development of the Project shall require the construction of storm drain Improvements from the Property described in Exhibit E and depicted in Exhibit F. OWNER shall be responsible for payment of a fee in-lieu (the "Euclid Avenue Storm Drain In-Lieu Fee) of actual construction of the ultimate Euclid Avenue storm drain Improvements, south of Merrill Avenue, depicted in Exhibit F. OWNER shall pay the CITY, prior to the request for occupancy of any building on the Property, Four Million Twelve Thousand One Hundred Ninety Dollars (\$4,012,190). Upon OWNER'S complete payment of the Euclid Avenue Storm Drain In-Lieu Fee, the CITY shall issue a Certificate of DIF Credit in the Regional Storm Drain category equal to the amount paid to the CITY. Such Regional Storm Drain DIF Certificate shall be issued by CITY within thirty (30) business days of the receipt of such required payment. OWNER and CITY agree that CITY may issue grading, building and other required permits for OWNER to initiate construction of structures for the Property according to plans approved by CITY, and OWNER agrees that OWNER shall not request and CITY shall not issue a final occupancy permit for any buildings prior to payment of the Euclid Avenue Storm Drain In-Lieu Fee and construction of the storm drain Improvements described in Exhibit E and depicted in Exhibit F. CITY and OWNER mutually acknowledge and agree, that upon OWNER's complete payment of the Euclid Avenue Storm Drain In-Lieu Fee, such obligation shall be deemed satisfied and CITY shall not hold up a request for final occupancy permit for any buildings on the Property, based on the actual construction and completion of the ultimate Euclid Avenue storm drain Improvements. CITY agrees that OWNER may request that CITY issue temporary certificates of occupancy on a building-by-building basis prior to completion of the storm drain improvements.

3.5.2 OWNER agrees that development of the Project shall require the construction of street Improvements as described in Exhibit E and depicted in Exhibit F. OWNER and CITY agree that CITY may issue grading, building and other required permits for OWNER to initiate construction of structures for the Property according to plans approved by CITY, and OWNER agrees that OWNER shall not request, and CITY shall not issue a final occupancy permit for any buildings on the Property prior to Substantial Completion of the street Improvements as described in Exhibit E and depicted in Exhibit F. For purposes of the foregoing, street Improvements shall be deemed "Substantially Complete" even if the final lift of pavement has not been completed (i.e., OWNER may install the final lift after completion of all other construction). CITY agrees that OWNER may request that CITY issue temporary certificates of occupancy on a building-by-building basis prior to completion and subject to final acceptance by CITY of

the street Improvements. OWNER agrees that the street improvements shall be completed and subject to final acceptance by CITY prior to the release of any security for the construction of the street improvements. OWNER and CITY agree that a portion of the street Improvements described in Exhibit E and depicted in Exhibit F may be constructed by others, or pursuant to a cooperative agreement with others. If such street Improvements are constructed by others, or in cooperation with others, and are completed and accepted by CITY prior to OWNER's request to CITY of the required grading, building or other required permits for OWNER to initiate construction of structures for the Property, then OWNER shall not be required to construct those street Improvements constructed and completed by others and accepted by CITY.

3.5.3 OWNER agrees that development of the Property shall require the construction of water utility Improvements as described in Exhibit E and depicted in Exhibit F consisting generally of the construction of the potable water Improvements to serve the Property as described in Exhibit E and depicted in Exhibit F. OWNER and CITY agree that CITY may issue grading, building and other required permits for OWNER to initiate construction of structures for the Property according to plans approved by CITY upon completion of sufficient water improvements to serve the Property from at least one point of connection. OWNER and CITY agree that OWNER may, in-lieu of utilizing recycled water during grading and construction, utilize water from existing agricultural wells on the Property subject to the terms of a separate Well Use Agreement between the CITY and OWNER. OWNER agrees that OWNER shall not request and CITY shall not issue a final occupancy permit for any buildings on the Property until the completion of the potable water improvements described in Exhibit E and depicted in Exhibit F. City agrees that OWNER may request that CITY issue temporary certificates of occupancy on a building-by-building basis prior to completion of the water improvements if there is available permanent water service from a minimum of two (2) points of connection and sufficient water is available for fire protection purposes for any buildings while under construction. OWNER and CITY agree that a portion of the water Improvements described in Exhibit E and depicted in Exhibit F may be constructed by others, or pursuant to a cooperative agreement with others. If such water Improvements are constructed by others, or in cooperation with others, and are completed and accepted by CITY prior to OWNER's request to CITY of the required grading, building or other required permits for OWNER to initiate construction of structures for the Property, then OWNER shall not be required to construct those water Improvements constructed and completed by others and accepted by CITY.

3.5.4 OWNER agrees that development of the Property shall require the construction of sewer Improvements as described in Exhibit E and depicted in Exhibit F. OWNER and CITY agree that CITY may issue grading, building and other required permits for OWNER to initiate construction of structures for the Property according to plans approved by CITY, and OWNER agrees that OWNER shall not request and CITY shall not issue a final occupancy permit for any buildings prior to completion of the sewer improvements described in Exhibit E and depicted in Exhibit F. CITY agrees that OWNER may request that CITY issue temporary certificates of occupancy on a building-by-building basis prior to the completion of the sewer improvements described in Exhibit E and depicted in Exhibit F. OWNER and CITY agree that a portion of the sewer

Improvements described in Exhibit E and depicted in Exhibit F may be constructed by others, or pursuant to a cooperative agreement with others. If such sewer Improvements are constructed by others, or in cooperation with others, and are completed and accepted by CITY prior to OWNER's request to CITY of the required grading, building or other required permits for OWNER to initiate construction of structures for the Property, then OWNER shall not be required to construct those sewer Improvements constructed and completed by others and accepted by CITY.

3.5.5 OWNER agrees that development of the Property shall require the construction of recycled water utility improvements to serve the Property, consisting generally of the construction of recycled water utility Improvements as described in Exhibit E and depicted in Exhibit F. OWNER and CITY agree that the CITY may issue grading, building and other required permits for OWNER to initiate construction of structures for the Property according to plans approved by CITY upon completion of sufficient water and recycled water improvements to serve the Property from at least one (1) point of connection and OWNER agrees that OWNER shall not request and CITY shall not issue any occupancy permit for any buildings on the Property until the completion of the water improvements described in Exhibit E and depicted in Exhibit F. CITY agrees that OWNER may request a temporary occupancy permit for a building and, if OWNER requests that a temporary certificate of occupancy be issued for a building prior to the completion of the extension of permanent master planned recycled water utility Improvements to serve the Property that CITY may consider such request and may issue temporary certificates of occupancy on a building-by-building basis prior to completion of recycled water improvements if there is available permanent recycled water service connection and sufficient recycled water is available. OWNER and CITY agree that all, or a portion of, the permanent master planned recycled water utility Improvements described in Exhibit E and depicted in Exhibit F may be constructed by others. If such recycled water utility Improvements are constructed by others and completed and accepted by CITY prior to OWNER'S request to CITY of the required grading, building, or other required permits for OWNER to initiate construction of structures for the Property, then OWNER shall not be required to construct those permanent master planned recycled water utility Improvements.

3.5.6 OWNER agrees that development of the Property shall require the construction of fiber optic communications infrastructure, at OWNER's sole cost and expense, as described in the attached Exhibit E and depicted in Exhibit F consisting generally of the construction of fiber optic communications infrastructure to serve the Property. OWNER and CITY agree that CITY may issue grading, building and other required permits for OWNER to initiate construction of structures for the Property according to plans approved by CITY and OWNER agrees that OWNER shall not request and CITY shall not issue a final occupancy permit for any buildings prior to completion of the fiber optic communications infrastructure, as described in Exhibit E and depicted in Exhibit F. CITY agrees that OWNER may request that CITY issue temporary certificates of occupancy on a building-by-building basis prior to the completion of the fiber optic communications infrastructure, as described in Exhibit E and depicted in Exhibit F.

3.6 Acquisition of Offsite Provision of Real Property Interests. In any instance where OWNER is required by any Development Approval or Land Use Regulation to construct any public improvement on land not owned by OWNER ("Offsite Improvements"), the CITY and OWNER shall cooperate in acquiring the necessary legal interest ("Offsite Property") as described below in Section 3.7. This Section 3.6 is not intended by the parties to impose upon the OWNER an enforceable duty to acquire land or construct any public improvements on land not owned by OWNER, except to the extent that the OWNER elects to proceed with the development of the Project, and then only in accordance with valid conditions imposed by the CITY upon the development of the Project under the Subdivision Map Act or other legal authority.

3.7 Real Property Interests.

3.7.1 CITY Acquisition of Offsite Property. In the event OWNER is required to construct any public improvements on land not owned by OWNER, Sections 3.7.1 and 3.7.2 shall control the acquisition of the Offsite Property. If the OWNER is unable to acquire such Offsite Property, and following the written request from the OWNER to CITY, CITY agrees to use reasonable and diligent good faith efforts to acquire the Offsite Property from the owner or owners of record by negotiation to the extent permitted by law and consistent with this Agreement. If CITY is unable to acquire the Offsite Property by negotiation within thirty (30) days after OWNER'S written request, CITY may, initiate proceedings utilizing its power of eminent domain to acquire the Offsite Property at a public hearing noticed and conducted in accordance with California Code of Civil Procedure Section 1245.235 for the purpose of considering the adoption of a resolution of necessity concerning the Offsite Property, subject to the conditions set forth in this Section 3.7.1. The CITY and OWNER acknowledge that the timelines set forth in this Section 3.7.1 represent the maximum time periods which CITY and OWNER reasonably believe will be necessary to complete the acquisition of any Offsite Property. CITY agrees to use reasonable good faith efforts to complete the actions described within lesser time periods, to the extent that it is reasonably able to do so, consistent with the legal constraints imposed upon CITY.

3.7.2 Owner's Option to Terminate Proceedings. CITY shall provide written notice to OWNER no later than fifteen (15) days prior to making an offer to the owner of the Offsite Property. At any time within that fifteen (15) day period, OWNER may, at its option, notify CITY that it wants CITY to cease all acquisition proceedings with respect to that Offsite Property, whereupon CITY shall cease such proceedings. CITY may provide written notice to OWNER no later than fifteen (15) days prior to the date of the hearing on CITY's intent to consider the adoption of a resolution of necessity as to any Offsite Property. At any time within that fifteen (15) day period, OWNER may, at its option, notify CITY that it wants CITY to cease condemnation proceedings, whereupon CITY shall cease such proceedings. If OWNER does not notify CITY to cease condemnation proceedings within said fifteen (15) day period, then the CITY may proceed to consider and act upon the Offsite Property resolution of necessity. If CITY adopts such resolution of necessity, then CITY may institute condemnation proceedings and file a complaint in condemnation and seek an order of immediate possession with respect to the Offsite Property.

3.8 Regulation by Other Public Agencies. It is acknowledged by the parties that other public agencies not within the control of CITY possess authority to regulate aspects of the development of the Property separately from or jointly with CITY and this Agreement does not limit the authority of such other public agencies. CITY agrees to cooperate fully, at no cost to CITY, with OWNER in obtaining any required permits or compliance with the regulations of other public agencies provided such cooperation is not in conflict with any laws, regulations or policies of the CITY.

3.9 Tentative Parcel Maps. With respect to applications by OWNER for tentative parcel maps for portions of the Property, CITY agrees that OWNER may file and process tentative maps in accordance with Chapter 4.5 (commencing with Section 66498.1) of Division 2 of Title 7 of the California Government Code and the applicable provisions of CITY's subdivision ordinance, as the same may be amended from time to time. In accordance with the provisions of Section 66452.6 of the Government Code, each tentative subdivision map or tentative parcel map, heretofore or hereafter approved in connection with development of the Property, shall be deemed to have been granted an extension of time to and until the expiration, cancellation, or termination of this Agreement.

3.10 Specific Plan Charge. Pursuant to Government Code section 65456, the City Council may consider adopting a specific plan charge upon persons seeking CITY approvals that are required to be consistent with the Specific Plan. Any such charges shall, in the aggregate, defray, but not exceed, the estimated cost of preparation, adoption, and administration of the Specific Plan, including costs incurred pursuant to the California Environmental Quality Act (Pub. Resources Code, §§ 21000 et seq.). As nearly as can be estimated, the charges shall be a prorated amount in accordance with the applicant's relative benefit derived from the Specific Plan. If such charges are adopted, the CITY shall use such charges to reimburse the OWNER who originally paid the cost of preparing the Specific Plan, including costs incurred pursuant to the California Environmental Quality Act (Pub. Resources Code, §§ 21000 et seq.) to the extent the OWNER paid more than its relative benefit from the Specific Plan. Such charges, if adopted, shall be imposed on persons seeking CITY approvals that are required to be consistent with the Specific Plan, to the extent such person(s) has/have not entered into a reimbursement agreement with, and satisfactory to, the person(s) originally responsible for the cost of preparing the Specific Plan, including costs incurred pursuant to CEQA.

4. PUBLIC BENEFITS.

4.1 Intent. The parties acknowledge and agree that development of the Property will result in substantial public needs that will not be fully met by the Development Plan and further acknowledge and agree that this Agreement confers substantial private benefits on OWNER that should be balanced by commensurate public benefits. Accordingly, the parties intend to provide consideration to the public to balance the private benefits conferred on OWNER by providing more fully for the satisfaction of the public needs resulting from the Project.

4.2 Development Impact Fees.

4.2.1 Amount of Development Impact Fee. Development Impact Fees (DIF) shall be paid by OWNER. The Development Impact Fee amounts to be paid by OWNER shall be the amounts that are in effect at the time such amounts are due. Nothing contained in this Agreement shall affect the ability of the CITY to impose new Development Impact Fees or amend the amounts of existing Development Impact Fees. Additionally, nothing contained in this Agreement shall affect the ability of other public agencies that are not controlled by CITY to impose and amend, from time to time, Development Impact Fees established or imposed by such other public agencies, even though such Development Impact Fees may be collected by CITY.

4.2.2 Time of Payment. The Development Impact Fees required pursuant to Section 4.2.1 shall be paid to CITY prior to the issuance of building permit for each applicable building (subject to the application/use of available fee deferrals or credits), except for the Species, Habitat Conservation, and Open Space Mitigation Development Impact Fee, which shall be paid by OWNER to CITY prior to the issuance of a grading permit.

4.3 Responsibility for Construction of Public Improvements.

4.3.1 Timely Construction of Public Infrastructure. The phasing of the area wide infrastructure construction within the vicinity of the Project shall be as approved by the CITY. OWNER shall be responsible for the timely construction and completion of all public infrastructure required for the Project as described and depicted in the Infrastructure Improvements Exhibit and any and all parcel map conditions. Unless otherwise specified in the Parcel Map conditions, and subject to the provisions of Section 3.5 and 3.6, all other required Improvements for the parcel map, shall be substantially completed and operational prior to, and as a condition precedent to, OWNER requesting and CITY's granting of a final occupancy permit for any buildings to be constructed on the Property within the applicable parcel map. All Infrastructure and Improvements shall be completed as required by the Subdivision Agreement/Parcel Map conditions for Parcel Map No. 20161.

4.3.3 Construction of Public Infrastructure by Third Parties. CITY and OWNER acknowledge that a portion of the Improvements described in Exhibit E and depicted in Exhibit F are necessary for the development of surrounding properties within the Ontario Ranch and the other property owners are also obligated to construct the Improvements or portions thereof. As such, CITY agrees that OWNER's obligation to construct the Improvements may be satisfied by third party owners pursuant to separate written agreements between OWNER and said third party undertaking the construction of the Improvements. Nothing in this Agreement shall be construed to prohibit the coordination of the construction of the Improvements between private parties, including the allocation of costs for the construction of the Improvements. Notwithstanding anything to the contrary herein, any applicable DIF Credits may be transferred and assigned from one (1) party to another with respect to the construction of the Improvements and such transfer or assignment shall not require the conveyance of any real property.

4.3.4 Availability and Use of Recycled Water. OWNER agrees that recycled water shall be available and utilized by OWNER for all construction-related water uses including prior to, and during, any grading of the Property. OWNER and CITY agree that OWNER may, in-lieu of utilizing recycled water during grading and construction, utilize water from existing agricultural wells on the Property subject to the terms of a separate Well Use Agreement between the CITY and OWNER.

4.3.5 Construction of DIF Program Infrastructure. To the extent OWNER is required to construct and completes construction of public improvements that are included in CITY's Development Impact Fee Program CITY agrees that CITY shall issue DIF Credit in accordance with the provisions of a separate Fee Credit Agreement between CITY and OWNER. Limitations on the use of DIF Credit issued to OWNER to offset OWNER's DIF payment obligations shall also be subject to the provisions of a separate Fee Credit Agreement. OWNER may be eligible to receive DIF Credit from OWNER's construction of DIF Program Infrastructure. Any such DIF Credit shall be subject to a Fee Credit Agreement between CITY and OWNER. CITY and OWNER agree that the Fee Credit Agreement between CITY and OWNER shall comply with CITY's adopted policies applicable to such agreements.

4.4 Public Services Funding Fee.

4.4.1 Requirement for Payment of Public Services Funding Fee. In order to ensure that the adequate provision of public services, including without limitation, police, fire and other public safety services, are available to each Project in a timely manner, OWNER shall pay to CITY a "Public Services Funding Fee." The Public Services Funding Fee shall apply to residential and non-residential uses as set forth below.

4.4.2 Public Services Funding Fee Amount. OWNER shall pay a Public Services Funding fee in a single installment payment in the amount of Seventy-Five Cents (\$.75) per square foot of each non-residential building. The single installment for non-residential uses shall be due and payable on a building-by-building basis prior to the issuance of the building permit for a non-residential building. The amount of the Single Installment for non-residential uses shall automatically increase by percentage increase (but no decrease) in the Consumer Price Index (Riverside – San Bernardino – Ontario, CA), (December 2017=100) over the preceding year on January 1st of each year, beginning on January 1, 2024. OWNER may exercise the option to pay any single installment amounts for the remainder of the non-residential square footage within the Project on or before December 31st, before the Single Installment amount is automatically increased.

4.5 Water Availability.

4.5.1 Water Availability. The Property requires the completion of the Phase 2 Water Improvements (Phase 2A and 2B) for permanent water system capacity and supply. Until the Phase 2 Water Improvements are fully constructed and completed, OWNER acknowledges that the Project shall have sufficient water capacity and supply on an interim basis made available through the construction of the Potable Water

Improvements (as described in Exhibit E), the Phase 2A Water Improvements, and the Interim Chino Avenue Loop depicted in Exhibit F. OWNER acknowledges and agrees that the CITY shall not issue final certificates of occupancy for the Project until the completion of the Potable Water Improvements (as described in Exhibit E), the Phase 2A Water Improvements and the Interim Chino Avenue Loop, as depicted in Exhibit F. OWNER further acknowledges and agrees the Property requires the Phase 2 Water Improvements as depicted in Exhibit F.

4.5.2 Phase 2 Water Construction Fee. Prior to CITY's issuance of a grading permit for any parcel of the Property (each, a "Grading Permit"), OWNER shall pay to CITY the applicable Phase 2 Water Construction Fee. The Phase 2 Water Construction Fee shall be calculated based on the following formula: (a) the regional water development impact fee, based on the square footage of developable property and the approved land use category for each Phase of the Project (the "Base Regional Water DIF"), PLUS (b) OWNER's pro rata share of the difference between the total projected cost of construction of the Phase 2 Water Improvements (the "Pro Rata Share") and the Base Regional Water DIF. To determine the Pro Rata Share, which may fluctuate over time, CITY shall, at the time OWNER applies for a Grading Permit, calculate the total projected cost of construction of the Phase 2 Water Improvements and subtract from that amount (y) all Phase 2 Water Construction Fees previously collected and (z) the aggregate Base Regional Water DIF to be paid by OWNER and all developers then at that time obligated to pay a Base Regional Water DIF specifically for use of the Phase 2 Water Improvements (together, the "Phase 2 Water Developers"). If the difference is zero or a number less than zero, then there is no Pro Rata Share and the Phase 2 Water Construction Fee shall equal the sum of all Base Regional Water DIF to be paid by all Phase 2 Water Developers. If the difference results in a positive number, the funding gap (the "Funding Gap") shall be divided by the total acreage of land to be developed by the Phase 2 Water Developers to obtain a Funding Gap "per acre" amount (the "Funding Gap Per Acre Amount"). Each Phase 2 Water Developer's respective total acreage to be developed shall then be multiplied by the Funding Gap Per Acre Amount to obtain each Phase 2 Water Developer's Pro Rata Share, which will then be added to each Phase 2 Water Developer's Base Regional Water DIF to obtain the Phase 2 Water Construction Fee due and payable at the time of issuance of the applicable Grading Permit.

4.5.3 DIF Credit for Phase 2 Water Construction Fees. Within thirty (30) days of OWNER's payment of each Phase 2 Water Construction Fee, CITY shall issue a certificate of DIF Credit which may be used to offset OWNER's DIF obligations in the Regional Water DIF Category. The form of the Certificate of DIF Credit shall be as described in Exhibit G, attached hereto and incorporated herein. OWNER acknowledges that any Regional Water DIF Credit issued to OWNER shall not be used to satisfy Phase 2 Water Construction Fees and may only be used to offset OWNER's DIF obligations in the Regional Water DIF Category.

4.5.4 Additional Contributions for Phase 2 Water Improvements. OWNER acknowledges and agrees that, as of the Effective Date of this Agreement, the CITY does not have sufficient funding to construct and complete the Phase 2 Water Improvements. OWNER agrees to provide the CITY with additional contributions for the Phase 2 Water

Improvements prior to the issuance of a Grading Permit for any Phase within the Project, pursuant to the Pro Rata Share calculation as set forth in Section 4.5.2 above. OWNER acknowledges and agrees that the CITY has the right to conduct subsequent reviews of the available funding for the construction of, or continuation of the construction of, the Phase 2 Water Improvements. If at any time outside of OWNER's submission of a request for a Grading Permit the CITY determines that there is not sufficient funding for the construction of, or continuation of the construction of, the Phase 2 Water Improvements necessary to support current and anticipated future development within the Ontario Ranch area served by the Phase 2 Water Improvements, OWNER agrees to pay such subsequent additional contribution payment necessary from the OWNER (on a pro rata basis with other Phase 2 Water Developers then existing at the time) to the CITY to initiate construction of, or continue construction of, the Phase 2 Water Improvements. The CITY shall determine OWNER's additional contribution amount (above and beyond OWNER's Pro Rata Share) and such amount shall be due and payable to the CITY within thirty (30) days of written notice from the CITY to OWNER.

4.5.5 Future Reimbursement of Pro Rata Share of Phase 2 Water Construction Fees. OWNER agrees that the CITY will be responsible for the construction and completion of the Phase 2 Water Improvements, as depicted in Exhibit F. Subject to the successful completion of the Phase 2 Water Improvements, CITY and OWNER shall meet periodically and/or as needed from the date of completion of the Phase 2 Water Improvements, to jointly develop a plan and mutually enter into an agreement for the reimbursement of OWNER's Pro Rata Share of Phase 2 Water Construction Fees that may be reimbursed from future development in the 925 Zone as depicted in the City's Domestic Water Master Plan, following any reallocation of each Phase 2 Water Developer's Pro Rata Share, CITY's collection of additional Regional Water DIF in connection with construction of the Phase 2 Water Improvements, and after the completion of the Phase 2 Water Improvements. Such agreement shall be approved at the sole discretion of the Ontario City Council.

4.6 Compliance with Public Benefits Requirements.

4.6.1 Failure to Provide Public Benefits. In the event OWNER fails or refuses to comply with any condition referenced in Section 4.1 through 4.5, or challenges (whether administratively or through legal proceedings) the imposition of such conditions, OWNER shall be deemed in default of this Agreement, thereby entitling CITY to any and all remedies available to it, including, without limitation, the right of CITY to withhold OWNER's Project-related building permits, certificates of occupancy, or discretionary approvals, without liability. Nothing herein shall waive OWNER's right to assert a default (or failure to perform) by CITY has excused OWNER's performance under this Agreement.

5. FINANCING OF PUBLIC IMPROVEMENTS.

5.1 Financing Mechanism(s). OWNER agrees that, prior to the recordation of any Parcel Map, the property subject to such Parcel Map shall be included in a CFD to finance CITY services through annual special taxes that will initially be Twenty-Seven Cents

(\$.27) per square foot for non-residential buildings. These amounts shall be subject to an automatic increase at a rate not to exceed four (4%) percent per year. Depending on the fiscal year that the CFD is formed and the CFD tax is levied, the annual special taxes may be higher. CITY shall be the sole and exclusive lead agency in the formation of any CFD, assessment district or other public financing mechanism within the Property; provided however, that the proceeds of any such CFD, assessment district, or financing mechanism may be used, subject to restrictions that may be imposed by applicable law, for the purposes of acquiring, constructing or maintaining public facilities to be owned or operated by other public agencies, including, without limitation those facilities owned or operated by a school district. In addition to the rights of the CITY pursuant to section 5.1 hereof, CITY shall have the right, but not the obligation, to condition the formation of any CFD, assessment district or other public financing mechanism within the Property on the OWNER mitigating all Project-related impacts to the applicable school district(s) as required by such school district(s). Written evidence by such school district(s) may be required by the CITY as the condition to the formation of any CFD, assessment district or other public financing mechanism within the Property, or any steps preliminary thereto, including, without limitation, the adoption of any resolution of intention to form such CFD, assessment district or other public financing mechanism within the Property. It is not the intent of the parties hereto, by this provision, to prohibit or otherwise limit CITY's ability to take any and all necessary steps requisite to the formation of the CFD to finance CITY services through annual special taxes as set forth in this Section 5.1. Formation of any CFD, assessment district or other public financing mechanism within the Property, shall be subject to CITY's ability to make all findings required by applicable law and complying with all applicable legal procedures and requirements including, without limitation, CITY's public financing district policies as such policies may be amended from time to time. Notwithstanding the foregoing, it is acknowledged and agreed by the parties that nothing contained in this Agreement shall be construed as requiring CITY or the City Council to form any such district.

6. [OMITTED]

7. REVIEW FOR COMPLIANCE.

7.1 Periodic and Special Reviews.

7.1.1 Time for and Initiation of Periodic Review. The CITY shall review this Agreement every twelve (12) months from the Effective Date in order to ascertain the good faith compliance by the OWNER with the terms of this Agreement. The OWNER shall submit an Annual Monitoring Report to CITY, in a form acceptable to the City Manager, along with any applicable processing charge within ten (10) days after each anniversary date of the Effective Date of this Agreement. Within fifteen (15) days after the receipt of the Annual Monitoring Report, CITY shall review the Annual Monitoring Report. Prior to the expiration of the fifteen (15) day review period, CITY shall either issue a notice of continuing compliance or a notice of non-compliance and a notice of CITY's intent to conduct a Special Review pursuant to Sections 7.1.2 through 7.1.6. Issuance of a notice of continuing compliance may be issued by the City Manager or his designee.

7.1.2 Initiation of Special Review. A special review may be called either by agreement between the parties or by initiation in one or more of the following ways:

- (a) Recommendation of the Planning staff;
- (b) Affirmative vote of at least four (4) members of the Planning Commission; or
- (c) Affirmative vote of at least three (3) members of the City Council.

7.1.3 Notice of Special Review. The City Manager shall begin the special review proceeding by giving notice that the CITY intends to undertake a special review of this Agreement to the OWNER. Such notice shall be given at least ten (10) days in advance of the time at which the matter will be considered by the Planning Commission.

7.1.4 Public Hearing. The Planning Commission shall conduct a hearing at which the OWNER must demonstrate good faith compliance with the terms of this Agreement. The burden of proof on this issue is upon the OWNER.

7.1.5 Findings Upon Public Hearing. The Planning Commission shall determine upon the basis of substantial evidence whether or not the OWNER has, for the period under review, complied in good faith with the terms and conditions of this Agreement.

7.1.6 Procedure Upon Findings.

(a) If the Planning Commission finds and determines on the basis of substantial evidence that the OWNER has complied in good faith with the terms and conditions of this Agreement during the period under review, the review for that period is concluded.

(b) If the Planning Commission finds and determines on the basis of substantial evidence that the OWNER has not complied in good faith with the terms and conditions of this Agreement during the period under review, the Planning Commission may recommend to the City Council to modify or terminate this Agreement.

(c) The OWNER may appeal a determination pursuant to paragraph (b) to the City Council in accordance with the CITY's rule for consideration of appeals in zoning matters generally.

7.2 Proceedings Upon Modification or Termination. If, upon a finding under Section 7.1.6(b), the CITY determines to proceed with modification or termination of this Agreement, the CITY shall give notice to the property OWNER of its intention so to do. The notice shall contain:

- (a) The time and place of the hearing;
- (b) A statement as to whether or not the CITY proposes to terminate or to modify this Agreement; and

- (c) Other information that the CITY considers necessary to inform the OWNER of the nature of the proceeding.

7.3 Hearing on Modification or Termination. At the time and place set for the hearing on modification or termination, the OWNER shall be given an opportunity to be heard. The OWNER shall be required to demonstrate good faith compliance with the terms and conditions of this Agreement. The burden of proof on this issue shall be on the OWNER. If the City Council finds, based upon substantial evidence in the administrative record, that the OWNER has not complied in good faith with the terms and conditions of the agreement, the City Council may terminate this Agreement or modify this Agreement and impose those conditions to the action it takes as it considers necessary to protect the interests of the CITY. The decision of the City Council shall be final, subject only to judicial review pursuant to Section 1094.5 of the Code of Civil Procedure.

7.4 Certificate of Agreement Compliance. If, at the conclusion of a Periodic or Special Review, OWNER is found to be in compliance with this Agreement, CITY shall, upon written request by OWNER, issue a Certificate of Agreement Compliance ("Certificate") to OWNER stating that after the most recent Periodic or Special Review and based upon the information known or made known to the Planning Director and City Council that (1) this Agreement remains in effect and (2) OWNER is not in default. The Certificate shall be in recordable form, shall contain information necessary to communicate constructive record notice of the finding of compliance, shall state whether the Certificate is issued after a Periodic or Special Review and shall state the anticipated date of commencement of the next Periodic Review. OWNER may record the Certificate with the County Recorder. Whether or not the Certificate is relied upon by assignees or other transferees or OWNER, CITY shall not be bound by a Certificate if a default existed at the time of the Periodic or Special Review, but was concealed from or otherwise not known to the Planning Director or City Council.

8. [OMITTED]

9. DEFAULT AND REMEDIES.

9.1 Remedies in General. It is acknowledged by the parties that CITY would not have entered into this Agreement if it were to be liable in damages under this Agreement, or with respect to this Agreement or the application thereof. In general, each of the parties hereto may pursue any remedy at law or equity available for the breach of any provision of this Agreement, except that (i) CITY shall not be liable in damages to OWNER, or to any successor in interest of OWNER, or to any other person, and OWNER covenants not to sue for damages or claim any damages and (ii) OWNER shall not be liable in damages to CITY, or to any other person, and CITY covenants not to sue for damages or claim any damages:

- (a) For any breach of this Agreement or for any cause of action which arises out of this Agreement; or

- (b) For the taking, impairment or restriction of any right or interest conveyed or provided under or pursuant to this Agreement; or
- (c) Arising out of or connected with any dispute, controversy or issue regarding the application or interpretation or effect of the provisions of this Agreement.

9.2 Specific Performance. The parties acknowledge that money damages and remedies at law generally are inadequate and specific performance and other non-monetary relief are particularly appropriate remedies for the enforcement of this Agreement and should be available to all parties for the following reasons:

- (a) Money damages are unavailable against CITY and OWNER as provided in Section 9.1 above.
- (b) Due to the size, nature and scope of the Project, it may not be practical or possible to restore the Property to its natural condition once implementation of this Agreement has begun. After such implementation, OWNER may be foreclosed from other choices it may have had to utilize the Property or portions thereof. OWNER has invested significant time and resources and performed extensive planning and processing of the Project in agreeing to the terms of this Agreement and will be investing even more significant time and resources in implementing the Project in reliance upon the terms of this Agreement, and it is not possible to determine the sum of money which would adequately compensate OWNER for such efforts.

9.3 Release. Except for non-damage remedies, including the remedies of judicial review and of specific performance as provided for in Sections 7.3 and 9.2, respectively,, OWNER, for itself, its successors and assignees, hereby releases the CITY, its officers, agents and employees from any and all claims, demands, actions, or suits of any kind or nature arising out of any liability, known or unknown, present or future, including, but not limited to, any claim or liability, based or asserted, pursuant to Article I, Section 19 of the California Constitution, the Fifth Amendment of the United States Constitution, or any other law or ordinance which seeks to impose any other liability or damage, whatsoever, upon the CITY because it entered into this Agreement or because of the terms of this Agreement.

9.4 Termination or Modification of Agreement for Default of OWNER. Subject to the provisions contained in Sections 7.2 and 7.3 herein, CITY may terminate or modify this Agreement for any failure of OWNER to perform any material duty or obligation of OWNER under this Agreement, or to comply in good faith with the terms of this Agreement (hereinafter referred to as "default"); provided, however, CITY may terminate or modify this Agreement pursuant to this Section only after providing written notice to OWNER of default setting forth the nature of the default and the actions, if any, required by OWNER to cure such default and, where the default can be cured, OWNER has failed to take such actions and cure such default within 60 days after the effective date of such notice or, in the event that such default cannot be cured within such 60 day period but can be cured within a longer time, has failed to commence the actions necessary to cure such default

within such 60 day period and to diligently proceed to complete such actions and cure such default.

9.5 Termination of Agreement for Default of CITY. OWNER may terminate this Agreement only in the event of a default by CITY in the performance of a material term of this Agreement and only after providing written notice to CITY of default setting forth the nature of the default and the actions, if any, required by CITY to cure such default and, where the default can be cured, CITY has failed to take such actions and cure such default within 60 days after the effective date of such notice or, in the event that such default cannot be cured within such 60 day period but can be cured within a longer time, has failed to commence the actions necessary to cure such default within such 60 day period and to diligently proceed to complete such actions and cure such default.

10. THIRD PARTY LITIGATION.

10.1 General Plan Litigation. CITY has determined that this Agreement is consistent with the General Plan, as such General Plan exists as of the Effective Date ("General Plan"), and that the General Plan meets all requirements of law. OWNER has reviewed the General Plan and concurs with CITY's determination. CITY shall have no liability in damages under this Agreement for any failure of CITY to perform under this Agreement or the inability of OWNER to develop the Property as contemplated by the Development Plan or this Agreement as the result of a judicial determination that on the Effective Date, or at any time thereafter, the General Plan, or portions thereof, are invalid or inadequate or not in compliance with law.

10.2 Third Party Litigation Concerning Agreement. OWNER shall defend, at its expense, including attorneys' fees, indemnify, and hold harmless CITY, its agents, officers and employees from any claim, action or proceeding against CITY, its agents, officers, or employees to attack, set aside, void, or annul the approval of this Agreement or the approval of any permit granted pursuant to this Agreement. CITY shall promptly notify OWNER of any such claim, action or proceeding, and CITY shall cooperate in the defense. If CITY fails to promptly notify OWNER of any such claim, action or proceeding, or if CITY fails to cooperate in the defense, OWNER shall not thereafter be responsible to defend, indemnify, or hold harmless CITY. CITY may in its discretion participate in the defense of any such claim, action or proceeding.

10.3 Indemnity. In addition to the provisions of Section 10.2 above, OWNER shall indemnify and hold CITY, its officers, agents, employees and independent contractors free and harmless from any liability whatsoever, based or asserted upon any act or omission of OWNER, its officers, agents, employees, subcontractors and independent contractors, for property damage, bodily injury, or death (OWNER's employees included) or any other element of damage of any kind or nature, to the extent relating to or in any way connected with or arising from the activities contemplated hereunder, including, but not limited to, the study, design, engineering, construction, completion, failure and conveyance of the public improvements, save and except claims for damages arising through the sole active negligence or sole willful misconduct of CITY. OWNER shall defend, at its expense, including attorneys' fees, CITY, its officers, agents, employees

and independent contractors in any legal action based upon such alleged acts or omissions. CITY may in its discretion participate in the defense of any such legal action. OWNER's indemnity obligation shall terminate following CITY's legal acceptance of (i.e. taking of title to) the Improvements.

10.4 Environment Assurances. OWNER shall indemnify and hold CITY, its officers, agents, and employees free and harmless from any liability, to the extent based or asserted, upon any act or omission of OWNER, its officers, agents, employees, subcontractors, predecessors in interest, successors, assigns and independent contractors for any violation of any federal, state or local law, ordinance or regulation relating to industrial hygiene or to environmental conditions on, under or about the Property during OWNER'S period of ownership of the Property, including, but not limited to, soil and groundwater conditions caused by OWNER, and OWNER shall defend, at its expense, including attorneys' fees, CITY, its officers, agents and employees in any action based or asserted upon any such alleged act or omission. CITY may in its discretion participate in the defense of any such action.

10.5 Reservation of Rights. With respect to Sections 10.2, 10.3 and 10.4 herein, CITY reserves the right to either (1) approve the attorney(s) which OWNER selects, hires or otherwise engages to defend CITY hereunder, which approval shall not be unreasonably withheld, or (2) conduct its own defense, provided, however, that OWNER shall reimburse CITY forthwith for any and all reasonable expenses incurred for such defense, including attorneys' fees, upon billing and accounting therefor.

10.6 Survival. The provisions of this Sections 10.1 through 10.6, inclusive, shall survive the termination of this Agreement.

11. MORTGAGEE PROTECTION.

11.1 Mortgagee Protection. The parties hereto agree that this Agreement shall not prevent or limit OWNER, in any manner, at OWNER's sole discretion, from encumbering the Property or any portion thereof or any improvement thereon by any mortgage, deed of trust or other security device securing financing with respect to the Property. CITY acknowledges that the lenders providing such financing may require certain Agreement interpretations and modifications and agrees upon request, from time to time, to meet with OWNER and representatives of such lenders to negotiate in good faith any such request for interpretation or modification. CITY will not unreasonably withhold its consent to any such requested interpretation or modification provided such interpretation or modification is consistent with the intent and purposes of this Agreement. Any Mortgagee of the Property shall be entitled to the following rights and privileges:

(a) Neither entering into this Agreement nor a breach of this Agreement shall defeat, render invalid, diminish or impair the lien of any mortgage on the Property made in good faith and for value, unless otherwise required by law.

(b) The Mortgagee of any mortgage or deed of trust encumbering the Property, or any part thereof, which Mortgagee, has submitted a request in writing to the CITY in the

manner specified herein for giving notices, shall be entitled to receive written notification from CITY of any default by OWNER in the performance of OWNER's obligations under this Agreement.

(c) If CITY timely receives a request from a Mortgagee requesting a copy of any notice of default given to OWNER under the terms of this Agreement, CITY shall provide a copy of that notice to the Mortgagee within ten (10) days of sending the notice of default to OWNER. The Mortgagee shall have the right, but not the obligation, to cure the default during the remaining cure period allowed such party under this Agreement.

(d) Any Mortgagee who comes into possession of the Property, or any part thereof, pursuant to foreclosure of the mortgage or deed of trust, or deed in lieu of such foreclosure, shall take the Property, or part thereof, subject to the terms of this Agreement. Notwithstanding any other provision of this Agreement to the contrary, no Mortgagee shall have an obligation or duty under this Agreement to perform any of OWNER's obligations or other affirmative covenants of OWNER hereunder, or to guarantee such performance; provided, however, that to the extent that any covenant to be performed by OWNER is a condition precedent to the performance of a covenant by CITY, the performance thereof shall continue to be a condition precedent to CITY's performance hereunder, and further provided that any sale, transfer or assignment by any Mortgagee in possession shall be subject to the provisions of Section 2.4 of this Agreement

(e) In the event of a default by OWNER, any Mortgagee shall have the right to remedy, or cause to be remedied, such default within sixty (60) days following the later to occur of (i) the date of Mortgagee's receipt of the notice referred to in Section 9.4 above, or (ii) the expiration of the period provided herein for OWNER to remedy or cure such default, and CITY shall accept such performance by or at the insistence of the Mortgagee as if the same had been timely made by OWNER; provided, however, that (i) if such default is not capable of being cured within the timeframes set forth in this Section and Mortgagee commences to cure the default within such timeframes, then Mortgagee shall have such additional time as is required to cure the default so long as Mortgagee diligently prosecutes the cure to completion and (ii) if possession of the Property (or portion thereof) is required to effectuate such cure or remedy, the Mortgagee shall be deemed to have timely cured or remedied if it commences the proceedings necessary to obtain possession thereof within sixty (60) days after receipt of the copy of the notice, diligently pursues such proceedings to completion, and, after obtaining possession, diligently completes such cure or remedy.

12. MISCELLANEOUS PROVISIONS.

12.1 Recordation of Agreement. This Agreement and any amendment or cancellation thereof shall be recorded with the San Bernardino County Recorder by the City Clerk within ten (10) days after the CITY executes this Agreement, as required by Section 65868.5 of the Government Code. If the parties to this Agreement or their successors in interest amend or cancel this Agreement as provided for herein and in Government Code Section 65868, or if the CITY terminates or modifies the agreement as provided for herein and in Government Code Section 65865.1 for failure of the applicant to comply in good

faith with the terms or conditions of this Agreement, the City Clerk shall have notice of such action recorded with the San Bernardino County Recorder.

12.2 Entire Agreement. This Agreement sets forth and contains the entire understanding and agreement of the parties, and there are no oral or written representations, understandings or ancillary covenants, undertakings or agreements which are not contained or expressly referred to herein. No testimony or evidence of any such representations, understandings or covenants shall be admissible in any proceeding of any kind or nature to interpret or determine the terms or conditions of this Agreement.

12.3 Severability. If any term, provision, covenant or condition of this Agreement shall be determined invalid, void or unenforceable, the remainder of this Agreement shall not be affected thereby to the extent such remaining provisions are not rendered impractical to perform taking into consideration the purposes of this Agreement. Notwithstanding the foregoing, the provision of the Public Benefits set forth in Section 4 of this Agreement, including the payment of the fees set forth therein, are essential elements of this Agreement and CITY would not have entered into this Agreement but for such provisions, and therefore in the event such provisions are determined to be invalid, void or unenforceable, this entire Agreement shall be null and void and of no force and effect whatsoever.

12.4 Interpretation and Governing Law. This Agreement and any dispute arising hereunder shall be governed and interpreted in accordance with the laws of the State of California. This Agreement shall be construed as a whole according to its fair language and common meaning to achieve the objectives and purposes of the parties hereto, and the rule of construction to the effect that ambiguities are to be resolved against the drafting party shall not be employed in interpreting this Agreement, all parties having been represented by counsel in the negotiation and preparation hereof.

12.5 Section Headings. All section headings and subheadings are inserted for convenience only and shall not affect any construction or interpretation of this Agreement.

12.6 Singular and Plural. As used herein, the singular of any word includes the plural.

12.7 Joint and Several Obligations. Pursuant to Section 2.4, if at any time during the term of this Agreement the Property is subsequently owned, in whole or in part, by more than one owner, all obligations of such owners under this Agreement shall be joint and several, and the default of any such owner shall be the default of all such owners. Notwithstanding the foregoing, no owner of a single lot which has been finally subdivided and sold to such owner as a member of the general public or otherwise as an ultimate user shall have any obligation under this Agreement except as provided under Section 4 hereof.

12.8 Time of Essence. Time is of the essence in the performance of the provisions of this Agreement as to which time is an element.

12.9 Waiver. Failure by a party to insist upon the strict performance of any of the provisions of this Agreement by the other party, or the failure by a party to exercise its

rights upon the default of the other party, shall not constitute a waiver of such party's right to insist and demand strict compliance by the other party with the terms of this Agreement thereafter.

12.10 No Third-Party Beneficiaries. This Agreement is made and entered into for the sole protection and benefit of the parties and their successors and assigns. No other person shall have any right of action based upon any provision of this Agreement.

12.11 Force Majeure. Neither party shall be deemed to be in default where failure or delay in performance of any of its obligations under this Agreement is caused by floods, earthquakes, other Acts of God, fires, wars, riots or similar hostilities, strikes and other labor difficulties beyond the party's control, (including the party's employment force), government regulations, governmental orders related to statewide or national pandemics, any third party court actions challenging the Project (including but not limited to writs of mandate, restraining orders or injunctions), or other causes beyond the party's control. If any such events shall occur, the term of this Agreement and the time for performance by either party of any of its obligations hereunder may be extended by the written agreement of the parties for the period of time that such events prevented such performance, provided that the term of this Agreement shall not be extended under any circumstances for more than five (5) years.

12.12 Mutual Covenants. The covenants contained herein are mutual covenants and also constitute conditions to the concurrent or subsequent performance by the party benefited thereby of the covenants to be performed hereunder by such benefited party.

12.13 Successors in Interest. The burdens of this Agreement shall be binding upon, and the benefits of this Agreement shall inure to, all successors in interest to the parties to this Agreement. All provisions of this Agreement shall be enforceable as equitable servitudes and constitute covenants running with the land. Each covenant to do or refrain from doing some act hereunder with regard to development of the Property: (a) is for the benefit of and is a burden upon every portion of the Property; (b) runs with the Property and each portion thereof; and, (c) is binding upon each party and each successor in interest during ownership of the Property or any portion thereof.

12.14 Counterparts. This Agreement may be executed by the parties in counterparts, which counterparts shall be construed together and have the same effect as if all of the parties had executed the same instrument.

12.15 Jurisdiction and Venue. Any action at law or in equity arising under this Agreement or brought by a party hereto for the purpose of enforcing, construing or determining the validity of any provision of this Agreement shall be filed and tried in the Superior Court of the County of San Bernardino, State of California, and the parties hereto waive all provisions of law providing for the filing, removal or change of venue to any other court.

12.16 Project as a Private Undertaking. It is specifically understood and agreed by and between the parties hereto that the development of the Project is a private development, that neither party is acting as the agent of the other in any respect hereunder, and that

each party is an independent contracting entity with respect to the terms, covenants and conditions contained in this Agreement. No partnership, joint venture or other association of any kind is formed by this Agreement. The only relationship between CITY and OWNER is that of a government entity regulating the development of private property and the owner of such property.

12.17 Further Actions and Instruments. Each of the parties shall cooperate with and provide reasonable assistance to the other to the extent contemplated hereunder in the performance of all obligations under this Agreement and the satisfaction of the conditions of this Agreement. Upon the request of either party at any time, the other party shall promptly execute, with acknowledgment or affidavit if reasonably required, and file or record such required instruments and writings and take any actions as may be reasonably necessary under the terms of this Agreement to carry out the intent and to fulfill the provisions of this Agreement or to evidence or consummate the transactions contemplated by this Agreement. The City Manager may delegate his powers and duties under this Agreement to an Assistant City Manager or other management level employee of the CITY.

12.18 Eminent Domain. No provision of this Agreement shall be construed to limit or restrict the exercise by CITY of its power of eminent domain.

12.19 Agent for Service of Process. In the event OWNER is not a resident of the State of California or it is an association, partnership or joint venture without a member, partner or joint venturer resident of the State of California, or it is a foreign corporation, then in any such event, OWNER shall file with the Planning Director, upon its execution of this Agreement, a designation of a natural person residing in the State of California, giving his or her name, residence and business addresses, as its agent for the purpose of service of process in any court action arising out of or based upon this Agreement, and the delivery to such agent of a copy of any process in any such action shall constitute valid service upon OWNER. If for any reason service of such process upon such agent is not feasible, then in such event OWNER may be personally served with such process out of this County and such service shall constitute valid service upon OWNER. OWNER is amenable to the process so served, submits to the jurisdiction of the Court so obtained and waives any and all objections and protests thereto.

12.20 Estoppel Certificate. Within thirty (30) business days following a written request by any of the parties, the other party shall execute and deliver to the requesting party a statement certifying that (i) either this Agreement is unmodified and in full force and effect or there have been specified (date and nature) modifications to the Agreement, but it remains in full force and effect as modified; and (ii) either there are no known current uncured defaults under this Agreement or that the responding party alleges that specified (date and nature) defaults exist. The statement shall also provide any other reasonable information requested. The failure to timely deliver this statement shall constitute a conclusive presumption that this Agreement is in full force and effect without modification except as may be represented by the requesting party and that there are no uncured defaults in the performance of the requesting party, except as may be represented by the requesting party. OWNER shall pay to CITY all costs incurred by CITY in connection with

the issuance of estoppel certificates requested by OWNER under this Section 12.20 prior to CITY's issuance of such certificates.

12.21 Authority to Execute. The person or persons executing this Agreement on behalf of OWNER warrants and represents that he or she/they have the authority to execute this Agreement on behalf of his or her/their corporation, partnership or business entity and warrants and represents that he or she/they has/have the authority to bind OWNER to the performance of its obligations hereunder.

12.22 Prevailing Wage. OWNER, for itself, its successors, and assigns, agrees, covenants, and warrants that the development of the Property, if any, shall comply with all applicable federal and state labor laws (including, without limitation, the requirement under California law to pay prevailing wages and hire apprentices), and all obligations as set forth herein.

12.22.1 CITY makes no representations concerning prevailing wages in compliance with California Labor Code Section 1770 et seq.

12.22.2 OWNER acknowledges and agrees that it shall be independently responsible for reviewing the applicable laws and regulations with respect to the payment of prevailing wages and complying therewith. OWNER shall bear all risks of payment or non-payment of prevailing wages under California law and/or the implementation of Labor Code Section 1781, as the same may be amended from time to time, and/or any other similar law.

12.22.3 The foregoing indemnity shall survive termination of this Agreement and shall continue after completion of the construction and development of the Property by OWNER, its successors or assigns. OWNER shall be solely responsible for determining and effectuating compliance with such laws.

12.22.4 OWNER, ON BEHALF OF ITSELF, ITS SUCCESSORS, AND ASSIGNS, WAIVES AND RELEASES CITY FROM ANY RIGHT OF ACTION THAT MAY BE AVAILABLE TO OWNER PURSUANT TO LABOR CODE SECTION 1781 OR THE DAVIS BACON ACT. RELATIVE TO THE WAIVER AND RELEASE CONTAINED IN THIS SECTION 12.22, OWNER ACKNOWLEDGES THE PROTECTIONS OF CIVIL CODE SECTION 1542, WHICH READS AS FOLLOWS: A GENERAL RELEASE DOES NOT EXTEND TO CLAIMS THAT THE CREDITOR OR RELEASING PARTY DOES NOT KNOW OR SUSPECT TO EXIST IN HIS OR HER FAVOR AT THE TIME OF EXECUTING THE RELEASE, WHICH IF KNOWN BY HIM OR HER MUST HAVE MATERIALLY AFFECTED HIS OR HER SETTLEMENT WITH THE DEBTOR OR RELEASED PARTY.

INITIALS. BY INITIALING BELOW, OWNER KNOWINGLY AND VOLUNTARILY WAIVES THE PROVISIONS OF SECTION 1542 SOLELY WITH THE MATTERS WHICH ARE THE SUBJECT OF THE FOREGOING WAIVERS AND RELEASES:

(Owner's Initials)

IN WITNESS WHEREOF, the parties hereto have executed this Agreement on the day and year set forth below.

[SIGNATURES CONTAINED ON FOLLOWING PAGE]

**SIGNATURE PAGE
TO DEVELOPMENT AGREEMENT
FILE NO. PDA21-005**

"OWNER"

GROVE LAND VENTURE LLC
a Delaware limited liability company

by: RBV Grove, LLC, a Delaware limited liability company, its managing member

by: REDA Bascom Ventures, LLC, a Delaware limited liability company, its managing member

by: Real Estate Development Associates, LLC, a California limited liability company, its administrative member

by: Waters Edge Property Group, LLC, a California limited liability company, its member

By: _____
Jason Krotts
Authorized Signatory

Date: _____

ATTEST:

"CITY"
CITY OF ONTARIO

City Clerk, Ontario

APPROVED AS TO FORM:

BEST BEST & KRIEGER, LLP

By: _____
Scott Ochoa
City Manager

Date: _____

City Attorney

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 _____, 2023 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)

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 _____, 2023 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)

EXHIBIT "A"
TO DEVELOPMENT AGREEMENT

Legal Description of Property

THE LAND REFERRED TO HEREIN BELOW IS SITUATED IN THE CITY OF ONTARIO, IN THE COUNTY OF SAN BERNARDINO, STATE OF CALIFORNIA, AND IS DESCRIBED AS FOLLOWS:

LOTS 1, 2, 3, 4, 13, 14, 15, 16, 17, 18, 19, 20, 29, 30, 31 AND 32 IN SECTION 20, TOWNSHIP 2 SOUTH, RANGE 7 WEST, SAN BERNARDINO BASE AND MERIDIAN, ACCORDING TO THE MAP OF THE SUBDIVISION OF RANCHO SANTA ANA DEL CHINO, IN THE CITY OF ONTARIO, COUNTY OF SAN BERNARDINO, STATE OF CALIFORNIA, RECORDED IN BOOK 6, PAGE 15 OF MAPS OF RECORDS OF SAID COUNTY.

APNs: 1054-071-01, 1054-071-02, 1054-081-03, 1054-091-01, 1054-091-02, 1054-101-01, 1054-101-02, 1054-231-01, 1054-231-02, 1054-241-01, 1054-241-02, 1054-311-01, 1054-311-02, 1054-321-01, 1054-321-02.

EXHIBIT "B"
TO DEVELOPMENT AGREEMENT

Map showing Property and its location

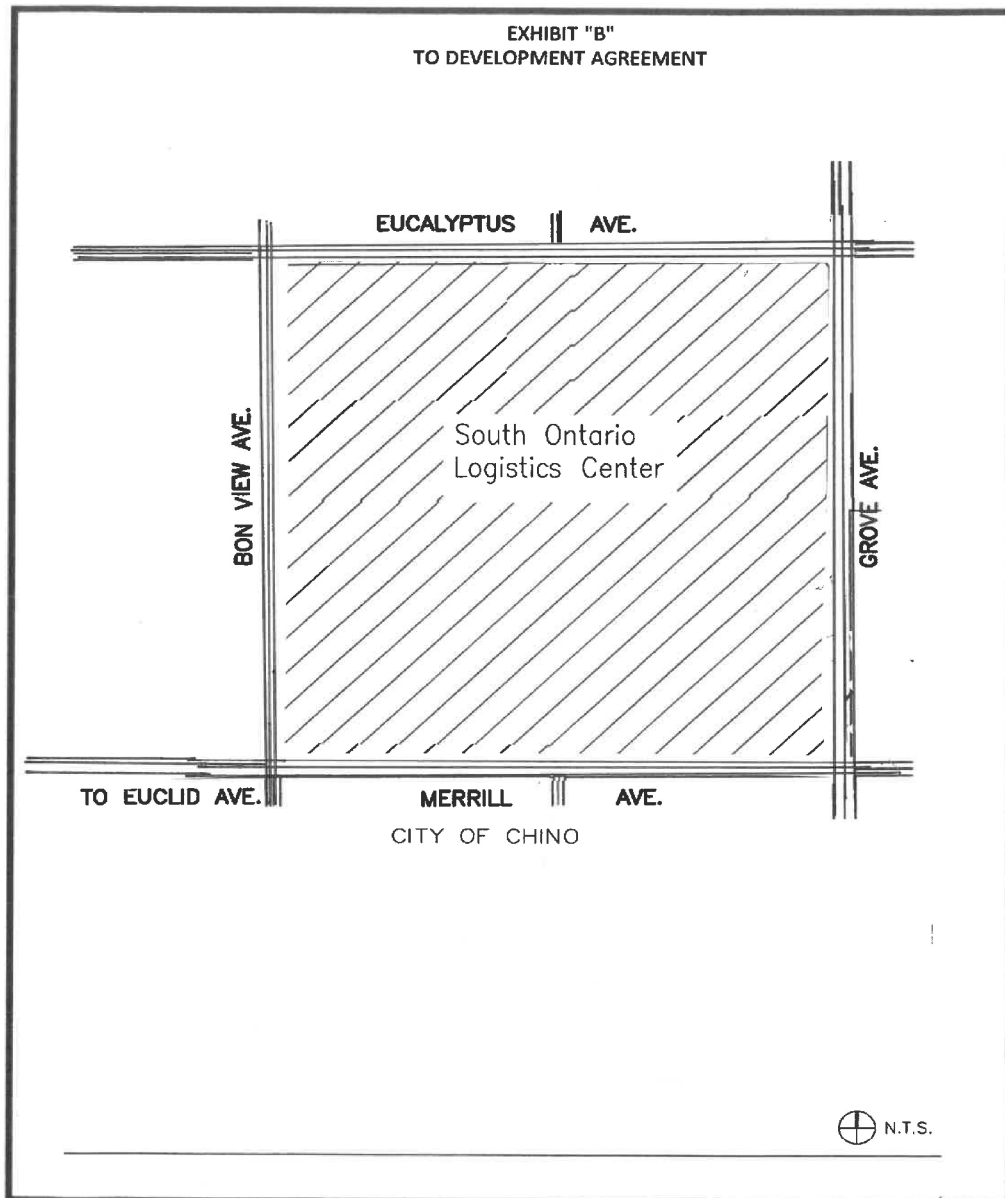


EXHIBIT "C"
TO DEVELOPMENT AGREEMENT

Existing Development Approvals

On January 1, 2022, the Planning Commission:

- a) Approved Resolution No. PC22-004, recommending the City Council certify the Environmental Impact Report (SCH#2021010318) for the South Ontario Logistics Center Specific Plan (File No. PSP19-001).
- b) Approved Resolution No. PC22-005, recommending the City Council approve the General Plan Amendment (File No. PGPA19-004).
- c) Approved Resolution No. PC22-006, recommending the City Council approve the South Ontario Logistics Center Specific Plan (File No. PSP19-001).

On March 1, 2022, the City Council:

- a) Adopted Resolution No. 2022-015, certifying the Environmental Impact Report (SCH#2021010318) for the South Ontario Logistics Center Specific Plan.
- b) Adopted Resolution No. 2022-016, approving the General Plan Amendment (File No. PGPA19-004).

On March 15, 2022, the City Council:

- a) Adopted Ordinance No. 3206, approving the South Ontario Logistics Center Specific Plan (File No. PSP19-001)

EXHIBIT "D"
TO DEVELOPMENT AGREEMENT

Existing Land Use Regulations

These documents are listed for reference only:

1. General Plan Amendment (File No. PGPA19-004)
2. South Ontario Logistics Center Specific Plan (File No. PSP19-001),
Ordinance No. 3206
3. South Ontario Logistics Center Environmental Impact Report
(SCH#2021010318)
4. City of Ontario Municipal Code
 - a. Six – Sanitation & Health
 - b. Seven – Public Works
 - c. Eight – Building Regulations
 - d. Nine – Development Code
 - e. Ten – Parks & Recreation

**EXHIBIT “E”
TO THE DEVELOPMENT AGREEMENT**

DESCRIPTION OF REQUIRED IMPROVEMENTS

OWNER shall design, construct, and complete the following Street, Sewer, Storm Drain, Potable Water, Recycled Water, and Fiber Optic improvements, prior to OWNER's request for any final certificate of occupancy permit for any building within the Property.

1. OWNER shall design, construct, and complete the following Improvements, Potable Water (WT), Storm Drain (SD), Streets (ST), Sewer (SW), Recycled Water (RW), and Fiber Optics (FO), as described, prior to OWNER's request for final occupancy of the first building:
 - a. WT on Grove Avenue between Eucalyptus Avenue and Merrill Avenue (Local Water DIF Project WT-011).
 - b. WT on Bon View Avenue between Eucalyptus Avenue and Merrill Avenue.
 - c. WT on Eucalyptus Avenue between Bon View Avenue and Grove Avenue (Local Water DIF Project WT-011).
 - d. WT on Eucalyptus Avenue between Grove Avenue and Carpenter Avenue (Regional Water DIF Project, portion of Phase 2A Water).
 - e. WT on Merrill Avenue between Bon View Avenue and Carpenter Avenue (Local Water DIF Project WT-011).
 - f. SD onsite detention shall be designed, constructed, and completed by OWNER prior to issuance of the first building permit. However, OWNER is eligible to request from CITY a grading permit prior to the completion of the SD onsite detention.
 - g. SD on Grove Avenue from Eucalyptus Avenue to Merrill Avenue.
 - h. SD on Eucalyptus Avenue between Bon View Avenue and Grove Avenue.
 - i. SD on Bon View Avenue between Eucalyptus Avenue and Merrill Avenue.
 - j. SD on Merrill Avenue between Euclid Avenue and Grove Avenue.

- k. SD bleeder line or alternative interim connection at the discretion of the City on Euclid Ave south of Merrill Ave. This shall connect to the SD on Merrill Ave between Euclid Ave and Grove Avenue.
- l. Two (2) Debris Separation Baffle Boxes at the intersections of Euclid Avenue and Merrill Avenue, and Merrill Avenue and Grove Avenue.
- m. Full half ST improvements on the south half and circulation lane improvements on the north half of Eucalyptus Avenue from Bon View Avenue to Grove Avenue.
- n. Full half ST improvements on both sides of Merrill Avenue between Euclid Avenue and Carpenter Avenue.
- o. Full half ST improvements on the east side and circulation lane improvements on the west side of Bon View Avenue between Eucalyptus Avenue and Merrill Avenue.
- p. Full half ST improvements on the west side and circulation lane improvements on the east side of Grove Avenue between Eucalyptus Avenue and Merrill Avenue.
- q. Traffic Signals at Bon View Avenue/Eucalyptus Avenue, at Bon View Avenue/Merrill Avenue, at Eucalyptus Avenue/Grove Avenue, and at Grove Avenue, at the signalized median break that aligns with Merrill Commerce Center Specific Plan.
- r. Traffic Signal on Merrill Avenue approximately halfway between Bon View and Grove Avenues.
- s. Traffic signal modifications at Euclid Avenue/Merrill Avenue and Euclid Avenue/Eucalyptus Avenue.
- t. SW (Western Trunk Sewer) on Euclid Avenue between Kimball Avenue and Merrill Avenue (Regional Sewer DIF Project SW-002).
- u. SW (Western Trunk Sewer) on Merrill Avenue between Euclid Avenue and Grove Avenue (Regional Sewer DIF Project SW-002).
- v. SW on Bon View Avenue between Merrill Avenue and Eucalyptus Avenue (Local Sewer DIF Project SW-010).
- w. SW on Grove Avenue between Merrill Avenue and Eucalyptus Avenue (Local Sewer DIF Project SW-009).
- x. RW on Bon View Avenue between Eucalyptus Avenue and Merrill

Avenue (Local Water DIF Project WT-016).

- y. RW on Merrill Avenue between Campus Avenue and Grove Avenue (Local Water DIF Project WT-016).
 - z. RW on Grove Avenue between Merrill Avenue and Eucalyptus Avenue (Local DIF Project WT-016).
 - aa. RW on Eucalyptus Avenue between Bon View Avenue and Grove Avenue (Local DIF Project WT-016).
 - bb. FO on Eucalyptus Avenue between Bon View Avenue and Grove Avenue.
 - cc. FO on Bon View Avenue between Eucalyptus Avenue and Merrill Avenue.
 - dd. FO on Merrill Avenue between Bon View Avenue and Grove Avenue.
 - ee. FO on Grove Avenue between Eucalyptus Avenue and Merrill Avenue.
2. CITY shall design, construct, and complete the Phase 2 Water (WT) Improvements and Interim Chino Avenue Loop. The Phase 2 Water Improvements will be constructed by the CITY in phases, with the initial improvements, designated as Phase 2A Water Improvements, Interim Chino Avenue Loop, and Phase 2B Water Improvements as described below.
- a. Phase 2A Water Improvements shall consist of the following:
 - i. WT on Grove Avenue between Eucalyptus Avenue and Chino Avenue (Regional Water DIF Project WT-010).
 - b. Interim Chino Avenue Loop shall consist of the following:
 - i. WT on Chino Avenue between Cucamonga Channel and Grove Avenue, which will provide the second point of connection from the 1010 Pressure Zone (Local Water DIF Project WT-009).
 - ii. Pressure Reducing Station at Grove Avenue and Chino Avenue, which will provide the second point of connection from 1010 Pressure Zone (Future Local Water DIF Project WT-009).

OWNER shall pay one hundred percent (100%) of the costs to construct the Phase 2A Improvements and the Interim Chino Avenue Loop, within forty-five (45) days from the Effective Date of this Agreement, and such payment shall be the "Phase 2A Water Payment". The costs in the foregoing sentence shall equal the actual bid amount of the awarded contracts for the work, plus fifteen percent (15%). Upon OWNER's full and complete payment to CITY, the CITY shall issue a Certificate of DIF Credit in the Regional Water category and/or the Local Adjacent Water category, as appropriate. Each DIF Water Certificate shall be issued by CITY within thirty (30) days of the receipt of such required payment. CITY shall not issue any building permits until receipt of the full Phase 2A Water Payment.

- c. Phase 2B Water Improvements shall consist of the following:
- i. WT on Francis Street between Grove Avenue and Bon View Avenue (Regional Water DIF Project WT-010).
 - ii. WT on Bon View Avenue between Francis Street and the Bon View Reservoir Site (Regional Water DIF Project WT-010).
 - iii. WT – Nine (9) Million Gallon reservoir at Bon View Reservoir Site (Regional Water DIF Project WT-014).
 - iv. WT – Two (2) Groundwater Production Wells in vicinity of Bon View Reservoir Site (Regional Water DIF Project WT-007).
 - v. WT on Grove Avenue between Chino Avenue and Francis Street (Regional Water DIF Project WT-010). The final design and alignment north of Riverside Drive is subject to change at the reasonable discretion of the CITY.

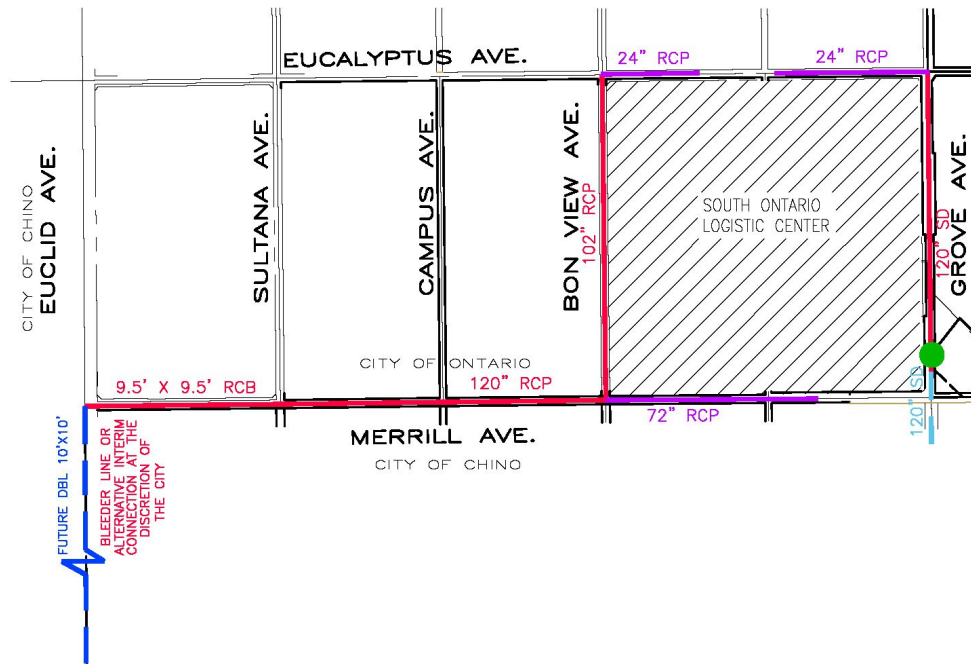
The Phase 2B Water Improvements will be constructed by the CITY and funded by OWNER, pursuant to Section 4.5 of this Agreement. CITY and OWNER mutually agree and understand, that with completion of Phase 2A and the Interim Chino Avenue Loop, the project will be utilizing interim water supply and storage capacity from the 1010' Pressure Zone and OWNER will be required to participate in the funding of future Phase 2 Water Improvements to support the permanent water supply and storage needs of future development within Ontario Ranch.

EXHIBIT "F"
TO DEVELOPMENT AGREEMENT

Required Infrastructure Improvements

(SEE ATTACHED EXHIBITS)

EXHIBIT F-1
STORM DRAIN IMPROVEMENTS



- LEGEND:**
- NEW PUBLIC STORM DRAIN
(TO BE CONSTRUCTED BY PROJECT)
 - NEW PROJECT SPECIFIC STORM DRAIN
(TO BE CONSTRUCTED BY PROJECT)
 - FUTURE STORM DRAIN
(TO BE CONSTRUCTED BY OTHERS)
 - EXISTING PUBLIC STORM DRAIN
 - DSBB OR HYDRODYNAMIC SEPARATOR
(OR APPROVED EQUAL ALTERNATIVE DEVICE)
 - SPECIFIC PLAN AREA



WestLAND
Group, Inc.

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Land Surveyors • Civil Engineers • GIS

South Ontario Logistic Center Specific Plan • Development Agreement

DATE: 03/21/2023

EXHIBIT F-2
STREET IMPROVEMENTS

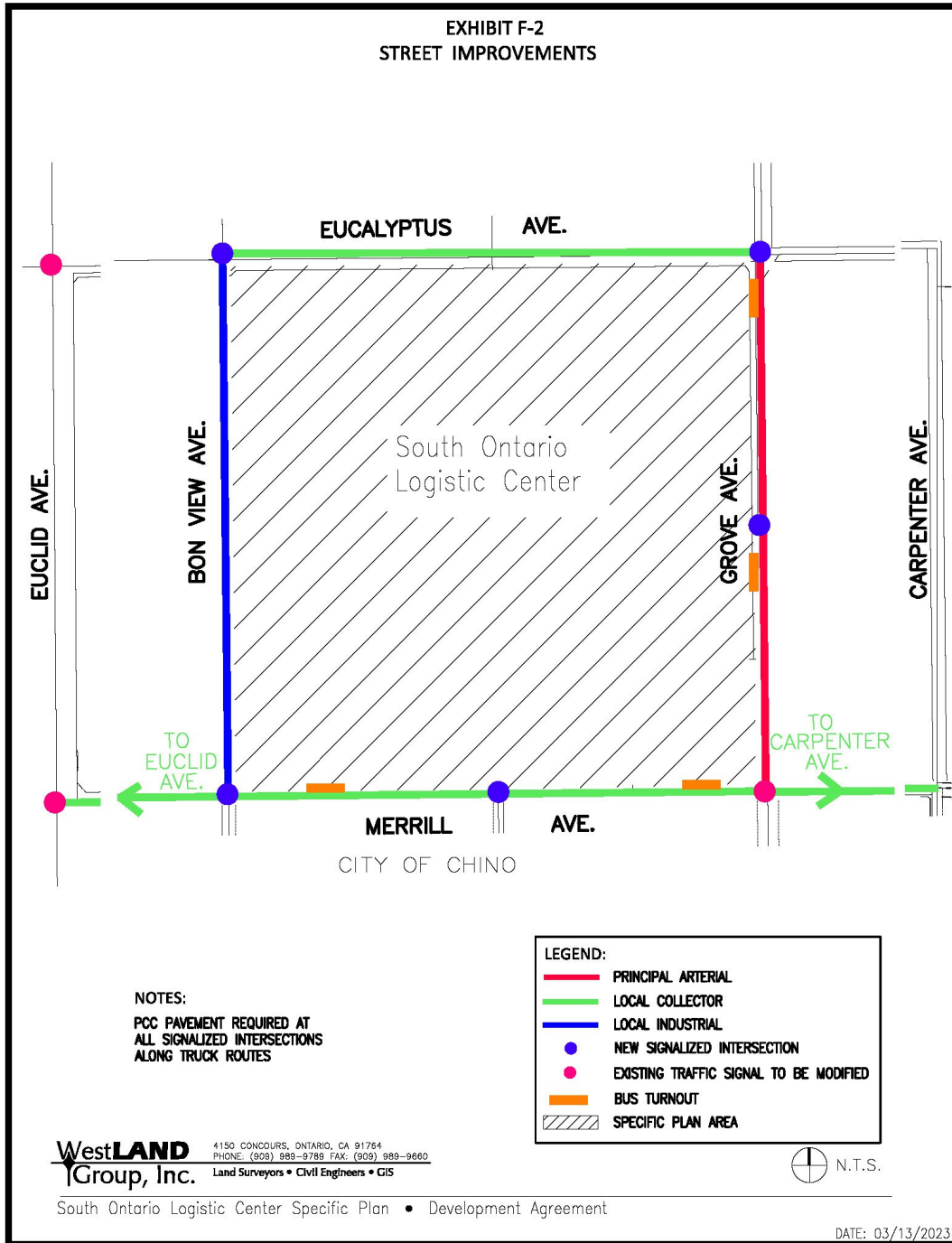


EXHIBIT F-3 POTABLE WATER UTILITY IMPROVEMENTS

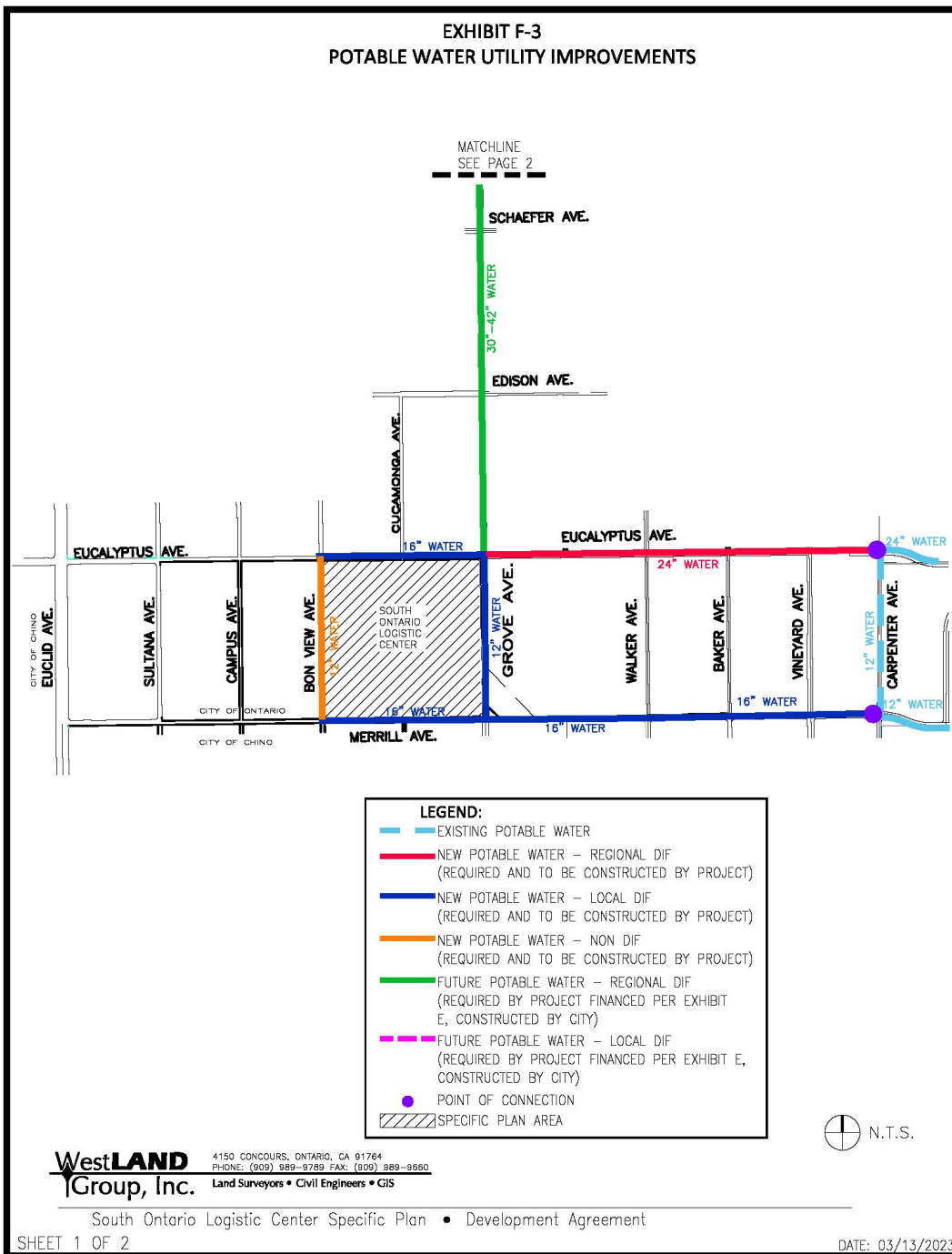


**EXHIBIT F-3
POTABLE WATER UTILITY IMPROVEMENTS**

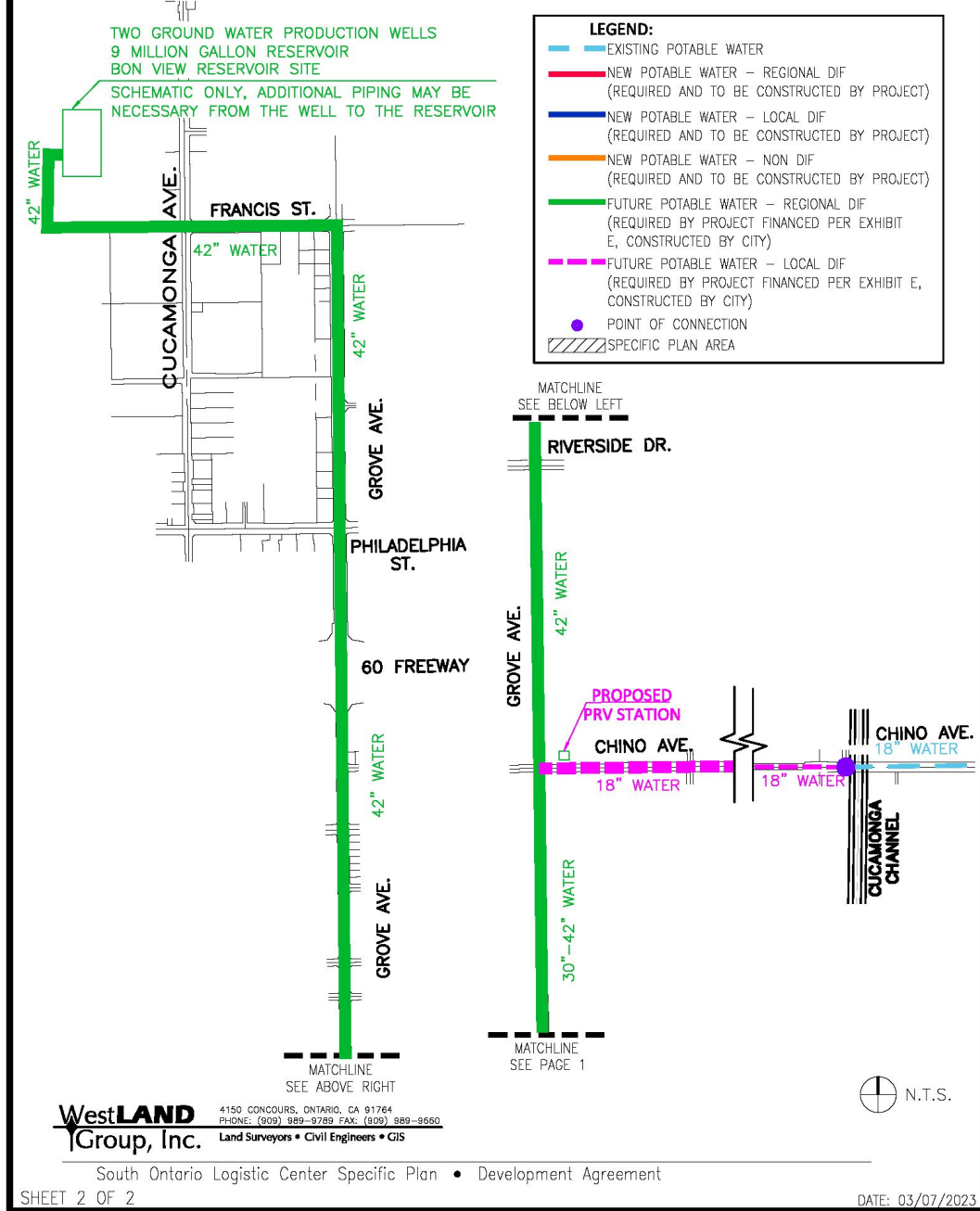
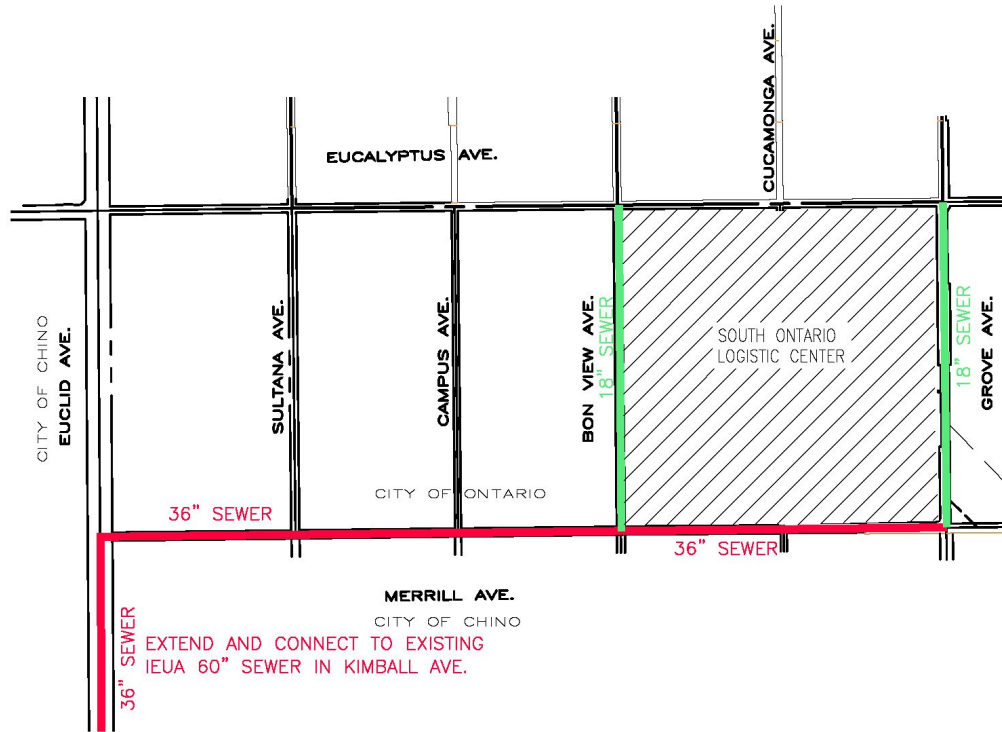


EXHIBIT F-4
SEWER IMPROVEMENTS



LEGEND:
 — NEW SEWER — REGIONAL DIF
 (REQUIRED AND TO BE CONSTRUCTED BY PROJECT)
 — NEW SEWER — LOCAL DIF
 (REQUIRED AND TO BE CONSTRUCTED BY PROJECT)

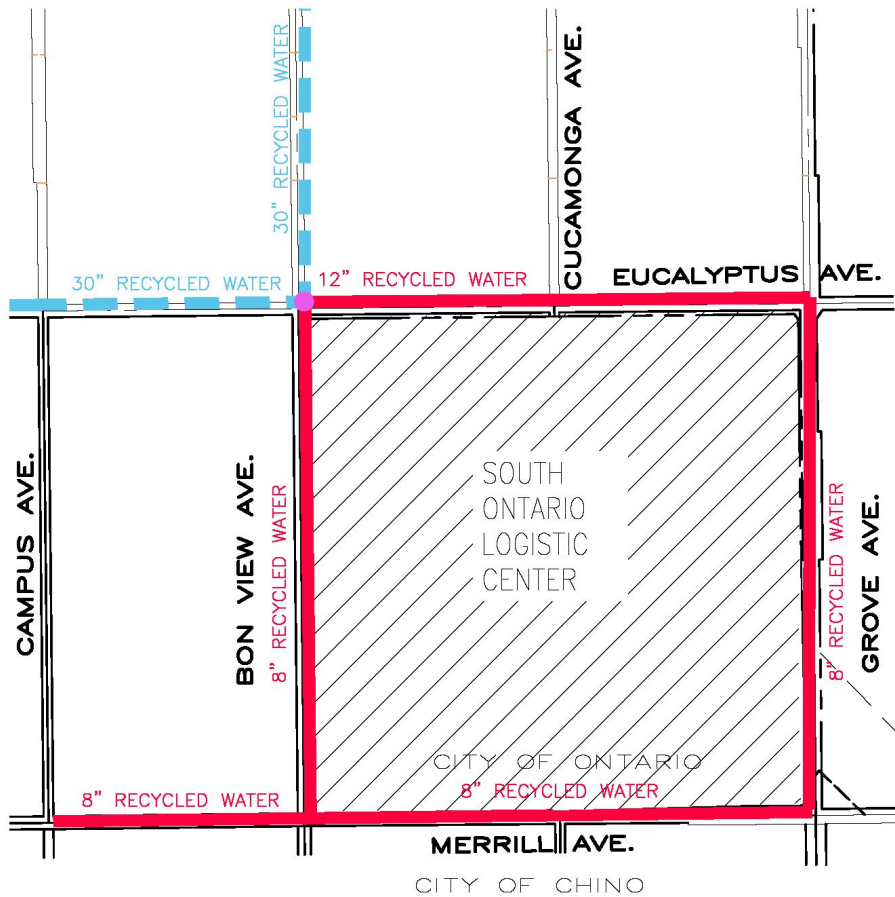
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 Land Surveyors • Civil Engineers • GIS

N.T.S.

South Ontario Logistic Center Specific Plan • Development Agreement

DATE: 03/07/2023

EXHIBIT F-5
RECYCLED WATER UTILITY IMPROVEMENTS



LEGEND:

- EXISTING IEUA 30" RECYCLED WATER
- NEW RECYCLED WATER - LOCAL DIF (REQUIRED AND TO BE CONSTRUCTED BY PROJECT)
- POINT OF CONNECTION
- / / / SPECIFIC PLAN AREA

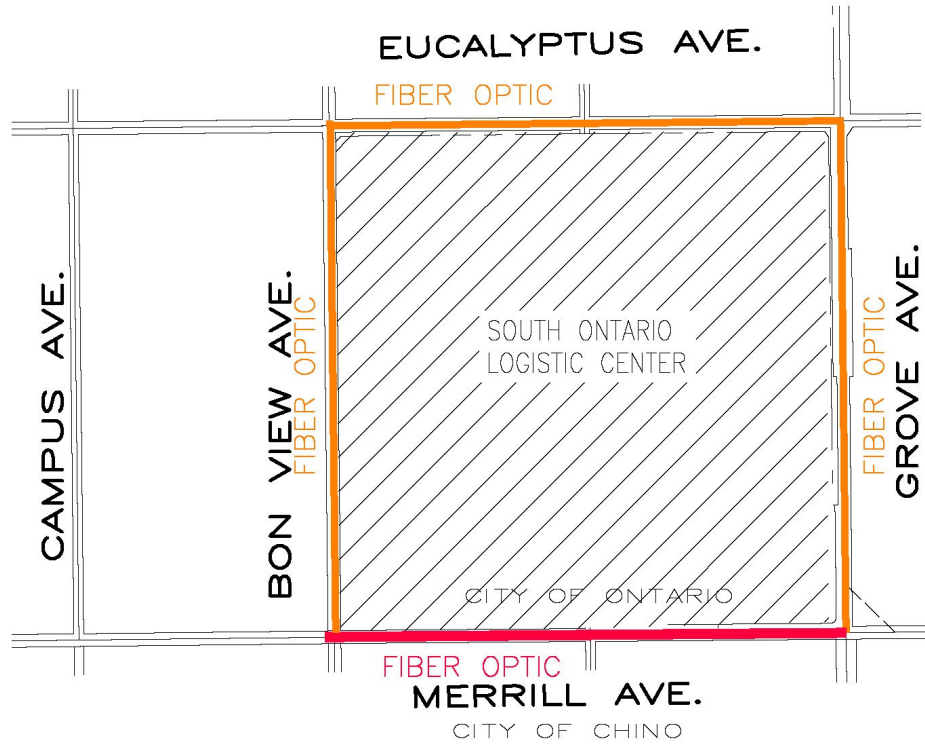
N.T.S.

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South Ontario Logistic Center Specific Plan • Development Agreement

DATE: 03/30/2023

EXHIBIT F-6
FIBER OPTIC IMPROVEMENTS



LEGEND:	
—	NEW PRIMARY RING FIBER OPTIC (TO BE CONSTRUCTED BY PROJECT)
—	NEW LATERAL FIBER OPTIC (TO BE CONSTRUCTED BY PROJECT)
	SPECIFIC PLAN AREA



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 Land Surveyors • Civil Engineers • GIS

South Ontario Logistic Center Specific Plan • Development Agreement

DATE: 03/07/2023

Exhibit "G"

FORM OF CERTIFICATE OF REGIONAL DIF CREDIT

Pursuant to Section 4.5.3 of this Agreement by and between the City of Ontario and _____, dated _____, 20____, the terms and definitions of which are hereby incorporated herein by this reference and hereinafter called the "Development Agreement", the City of Ontario hereby certifies that OWNER is entitled to the following amount and nature of DIF Credits in the Regional Water DIF Infrastructure Category:

Amount of Credit: \$ _____

Scott Ochoa, City Manager

Dated: _____

CITY OF ONTARIO

Agenda Report
June 6, 2023

SECTION: CONSENT CALENDAR

Department: Planning
Prepared By: Alexis Vaughn
Department: Planning
Prepared By: Edmelynne V Hutter
Staff Member Presenting:
Scott Murphy, Executive Director Community
Development
Approved By:



Submitted To: Council/OHA
Approved: _____
Continued To: _____
Denied: _____
Item No: 16

SUBJECT: AN ORDINANCE APPROVING A ZONE CHANGE (FILE NO. PZC23-001) LOCATED SOUTH OF EUCALYPTUS AVENUE, NORTH OF MERRILL AVENUE, WEST OF BON VIEW AVENUE, AND EAST OF CAMPUS AVENUE

RECOMMENDATION: That the City Council adopt an Ordinance for File No. PZC23-001, a Zone Change to establish the SP/AG (Specific Plan/Agriculture Overlay) zoning district on the Project site.

THE FOLLOWING COUNCIL GOALS ARE BEING ACHIEVED:

Ensure the Development of a Well Planned, Balanced, and Self-Sustaining Community in Ontario Ranch
Operate in a Businesslike Manner

FISCAL IMPACT: There is no direct fiscal impact to the City associated with this Zone Change.

BACKGROUND & ANALYSIS: On May 16, 2023, the City Council introduced and waived further reading of an Ordinance approving the Zone Change. The Ontario Plan 2050 Policy Plan (General Plan) provides the basic framework for development within the 8,200-acre area commonly referred to as Ontario Ranch. The Policy Plan requires City Council approval of a Specific Plan for new developments of 10 acres or more within Ontario Ranch. A Specific Plan is required to ensure that sufficient land area is included to achieve cohesive, unified districts and neighborhoods, as well as to incorporate development framework for detailed land use, circulation, infrastructure improvements, public service provisions, and urban design and landscape standards.

On March 1, 2022, the City Council approved the South Ontario Logistics Center Specific Plan (File No. PSP19-001) and associated Environmental Impact Report (State Clearinghouse No. 2021010318), inclusive of the Project site. However, a writ of mandate challenging the project (File No. PSP19-001) was filed on March 30, 2022, and a settlement agreement was entered into by the applicant and the petitioner on October 14, 2022. One term of the settlement agreement was to remove the San Bernardino County-owned parcels (Project site) from the Specific Plan. Thus, the applicant filed for a Specific Plan Amendment on December 6, 2022, to remove the 71.6-acres of

San Bernardino County owned land from the Specific Plan. Subsequently, the City initiated a Zone Change Amendment to re-establish zoning on the 71.6-acre Project Site to replace the Specific Plan designation.

Zone Change — All properties within the City must have a specific plan land use or zoning district assigned to it, and all specific plans and zoning districts within the City must be consistent with The Ontario Plan 2050 Policy Plan - Land Use Plan. As a result of the Specific Plan Amendment, which will remove a portion of land from the Specific Plan, a Zone Change must also be processed to re-establish zoning for the Project site. Prior to establishment of the South Ontario Logistics Center Specific Plan, the Project site was zoned Specific Plan (Agriculture Overlay). As such, Staff is proposing that the Project site zoning revert back to the previous Specific Plan (Agriculture Overlay) zoning designation to allow for interim agricultural activities until a specific plan is established for the 71.6-acre Project Site (see Planning Commission Backup Exhibit C: Zoning Map Change). The proposed Specific Plan (Agriculture Overlay) zoning designation is consistent with The Ontario Plan 2050 Policy Plan - Land Use Plan, as it allows for interim agricultural activities general development and design standards aside from removal of Campus Avenue standards that no longer apply.

On April 25, 2023, the Planning Commission conducted a public hearing to consider the Zone Change (File No. PZC23-001) and concluded the hearing on that date. After considering all public testimony on the applications, the Planning Commission unanimously approved (6-0) Resolution No. PC23-30 recommending that the City Council approve the Zone Change.

CORRESPONDENCE: As of the preparation of this agenda report, Planning Department staff received a phone call from Keith Berk with San Bernardino County Real Estate Services looking for assurance that the Specific Plan Amendment would not affect the current agricultural use on the Project site. Staff clarified that the proposed Amendment would not impact the current use on the Project site and the agricultural use can continue.

AIRPORT LAND USE COMPATIBILITY PLAN 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, establishing the Airport Influence Area for Ontario International Airport, 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 Ontario International Airport Land Use Compatibility Plan compatibility factors, including [1] Safety Criteria (Ontario International Airport Land Use Compatibility Plan Table 2-2) and Safety Zones (Ontario International Airport Land Use Compatibility Plan Map 2-2), [2] Noise Criteria (Ontario International Airport Land Use Compatibility Plan Table 2-3) and Noise Impact Zones (Ontario International Airport Land Use Compatibility Plan Map 2-3), [3] Airspace protection

Zones (Ontario International Airport Land Use Compatibility Plan Map 2-4), and [4] Overflight Notification Zones (Ontario International Airport Land Use Compatibility Plan Map 2-5). As a result, the City Council, 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 Ontario International Airport Land Use Compatibility Plan.

On August 2, 2022, the City Council of the City of Ontario approved and adopted a Development Code Amendment to establish the Chino Airport Overlay Zoning District and Reference I, Chino Airport Land Use Compatibility Plan. The Chino Airport Overlay Zoning District and CNO ALUCP established the Airport Influence Area for Chino Airport, solely within the City of Ontario, and limits future land uses and development within the Airport Influence Area, as they relate to safety, airspace protection, and overflight impacts of current and future airport activity. The Chino Airport Land Use Compatibility Plan is consistent with policies and criteria set forth within the Caltrans 2011 California Airport Land Use Planning Handbook. The proposed Project is located within the Airport Influence Area of Chino Airport and was evaluated and found to be consistent with the California Airport Land Use Planning Handbook and the Chino Airport Land Use Compatibility Plan. 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 Chino Airport Land Use Compatibility Plan compatibility factors, including Safety, Airspace Protection, Overflight. As a result, the City Council, 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 California Airport Land Use Planning Handbook and the Chino Airport Land Use Compatibility Plan.

HOUSING ELEMENT COMPLIANCE: The Project is consistent with the Housing Element of the Policy Plan (general plan) component of The Ontario Plan 2050, as the Project site is not one of the properties in the Housing Element Sites contained in Tables B-1 and B-2 (Housing Element Sites Inventory) of the Housing Element Technical Report.

ENVIRONMENTAL REVIEW: The environmental impacts of this Project were previously reviewed in conjunction with the South Ontario Logistics Center Specific Plan (File No. PSP19-001), for which an Environmental Impact Report (EIR, State Clearinghouse No. 2021010318) was certified by the City Council on March 1, 2022. This Application introduces no new significant environmental impacts. Substantial changes are not proposed with the Project which would require major or any revisions to the previous EIR due to the involvement of no new significant environmental effects or no new substantial increase in the severity of previously identified significant effects. All previously adopted mitigation measures have not changed and are a condition of Project approval and are incorporated herein by this reference. As the Project site is to revert the zoning designation back to Specific Plan (Agriculture Overlay), associated impacts were analyzed as an alternative within the South Ontario Logistics Center Specific Plan EIR.

ORDINANCE NO. _____

AN ORDINANCE OF THE CITY COUNCIL OF THE CITY OF ONTARIO, CALIFORNIA, APPROVING FILE NO. PZC23-001, A REQUEST TO ESTABLISH THE SP(AG) (SPECIFIC PLAN/AGRICULTURE OVERLAY) ZONING DISTRICT ON THE 71.6-ACRE PROJECT SITE GENERALLY LOCATED SOUTH OF EUCALYPTUS AVENUE, NORTH OF MERRILL AVENUE, WEST OF BON VIEW AVENUE, AND EAST OF CAMPUS AVENUE, AND MAKING FINDINGS IN SUPPORT THEREOF—APNS: 1054-051-01, 1054-051-02, 1054-061-01, 1054-061-02, 1054-251-01, 1054-251-02, 1054-301-01, AND 1054-301-02.

WHEREAS, CITY OF ONTARIO ("Applicant") has filed an Application for the approval of a Zone Change, File No. PZC23-001, as described in the title of this Ordinance (hereinafter referred to as "Application" or "Project"); and

WHEREAS, the Application applies to 71.6 acres of land owned by the County of San Bernardino and is generally located south of Eucalyptus Avenue, north of Merrill Avenue, west of Bon View Avenue, and east of Campus Avenue, currently within the South Ontario Logistics Center Specific Plan ("Specific Plan"), and is presently partially improved with agricultural uses and partially vacant; and

WHEREAS, the property to the east of the Project site is located within the South Ontario Logistics Center Specific Plan and is currently vacant, as the site is under entitlement review for industrial development. The property to the west of the Project site is located within the Ontario Ranch Business Park Specific Plan and is currently vacant, as the site is under entitlement review for industrial development. The property to the south of the Project site is located within the City of Chino and is developed with the Chino Airport. The property to the north of the Project site is located within the Medium Density Residential (5.1-11 dwelling units per acre) zoning district and is partially developed with agricultural and dairy land uses and is partially vacant; and

WHEREAS, the Zone Change application has been filed in conjunction with a Specific Plan Amendment, File No. PSPA22-008, and approval of the Zone Change application is contingent on City Council approval of the related Specific Plan Amendment; and

WHEREAS, on March 1, 2022, the City Council approved the South Ontario Logistics Center Specific Plan (File No. PSP19-001) and associated Environmental Impact Report (State Clearinghouse No. 2021010318), inclusive of the Project site; and

WHEREAS, a writ of mandate challenging the Specific Plan project was filed on March 30, 2022, and a settlement agreement was entered into by the Applicant and the challenger on October 14, 2022; and

WHEREAS, a major term of the settlement agreement was to remove the San Bernardino County-owned parcels (Project site) from the Specific Plan. Thus, the applicant filed for a Specific Plan Amendment on December 6, 2022, to remove the 71.6 acres of San Bernardino County-owned land from the Specific Plan. Subsequently, the City initiated a Zone Change Amendment to re-establish zoning on the 71.6-acre Project site to replace the Specific Plan zoning; and

WHEREAS, the Zone Change consists of map changes to re-establish the SP (AG) (Specific Plan – Agricultural Overlay) Zoning District on the Project site, following approval of the Specific Plan Amendment; and

WHEREAS, the environmental impacts of this Project were previously reviewed in conjunction with File No. PSP19-001, the South Ontario Logistics Center Specific Plan for which an Environmental Impact Report — State Clearinghouse No. 2021010318 — (hereinafter referred to as "Certified EIR") was adopted by the City Council on March 1, 2022, and this Application introduces no new significant environmental impacts. The Certified EIR analyzed the impacts of the status quo (SP (AG) (Specific Plan – Agricultural Overlay)) as an alternative to establishment of the South Ontario Logistics Center Specific Plan; and

WHEREAS, the City's "Local 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; and

WHEREAS, Ontario Development Code Table 2.02-1 (Review Matrix) grants the City Council the responsibility and authority to review and act on the subject Application; and

WHEREAS, the Project has been reviewed for consistency with the Housing Element of the Policy Plan component of The Ontario Plan, as State Housing Element law (as prescribed in Government Code Sections 65580 through 65589.8) requires that development projects must be consistent with the Housing Element, if upon consideration of all its aspects, it is found to further the purposes, principals, goals, and policies of the Housing Element; and

WHEREAS, the Project is located within the Airport Influence Area of Ontario International Airport ("ONT"), which encompasses lands within parts of San Bernardino, Riverside, and Los Angeles Counties, and is subject to, and must be consistent with, the policies and criteria set forth in the Ontario International Airport Land Use Compatibility Plan (ALUCP), which applies only to jurisdictions within San Bernardino County, and addresses the noise, safety, airspace protection, and overflight impacts of current and future airport activity; and

WHEREAS, the Project is also located within the Airport Influence Area of Chino Airport, pursuant to the Chino Airport Overlay Zoning District (hereinafter referred to as "CNO OZD") and Reference I, Chino Airport Land Use Compatibility Plan (hereinafter referred to as CNO ALUCP) established in the City of Ontario Development Code; and

WHEREAS, as the decision-making body for the Application, the City Council has reviewed and considered the facts and information contained in the Application and supporting documentation against the ONT ALUCP and CNO ALUCP compatibility factors, including Safety, Airspace Protection, Overflight. 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 ONT ALUCP and the CNO ALUCP.

WHEREAS, City of Ontario Development Code Division 2.03 (Public Hearings) prescribes the manner in which public notification shall be provided and hearing procedures to be followed, and all such notifications and procedures have been completed; and

WHEREAS, on April 25, 2023, the Planning Commission of the City of Ontario conducted a hearing to consider the Project, and concluded said hearing on that date, voting to issue Resolution No. PC23-030 recommending the City Council approve the Application; and

WHEREAS, on May 16, 2023, the City Council of the City of Ontario conducted a hearing to consider the Project, and concluded said hearing on that date; 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 previous Certified EIR and supporting documentation. Substantial changes are not proposed with the Project which would require major or any revisions to the previous EIR due to the involvement of no new significant environmental effects or no new substantial increase in the severity of previously identified significant effects. Based upon the facts and information contained in the previous Certified EIR and supporting documentation, the City Council finds as follows:

(1) The environmental impacts of this Project were previously reviewed in conjunction with File No. PSP19-001, the South Ontario Logistics Center Specific Plan for which a Certified EIR was adopted by the City Council on March 1, 2023.

(2) The previous Certified EIR contains a complete and accurate reporting of the environmental impacts associated with the Project; and

(3) The previous Certified EIR was completed in compliance with CEQA and the Guidelines promulgated thereunder; and

(4) The previous Certified EIR reflects the independent judgment of the City Council; and

(5) The proposed Project will introduce no new significant environmental impacts beyond those previously analyzed in the previous Certified EIR, and all mitigation measures previously adopted with the Certified EIR, are incorporated herein by this reference.

SECTION 2. Subsequent or Supplemental Environmental Review Not Required. Based on the 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 Certified EIR 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 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 Compliance. 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, as the Project site is not one of the properties in the Housing Element Sites Inventory contained in Tables B-1 and B-2 of the Housing Element Technical Report.

SECTION 4. *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.

(1) On April 19, 2011, the City Council of the City of Ontario approved and adopted the Ontario International Airport Land use Compatibility Plan, establishing the Airport Influence Area for Ontario International Airport, 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 ONT ALUCP compatibility factors, including [1] Safety Criteria (ONT ALUCP Table 2-2) and Safety Zones (ONT ALUCP Map 2-2), [2] Noise Criteria (ONT ALUCP Table 2-3) and Noise Impact Zones (ONT ALUCP Map 2-3), [3] Airspace protection Zones (ONT ALUCP Map 2-4), and [4] Overflight Notification Zones (ONT 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 ONT ALUCP; and

(2) On August 2, 2022, the City Council of the City of Ontario approved and adopted a Development Code Amendment to establish the Chino Airport ("CNO") Overlay Zoning District ("OZD") and Reference I, Chino Airport Land Use Compatibility Plan ("CNO ALUCP"). The CNO OZD and CNO ALUCP established the Airport Influence Area for Chino Airport, solely within the City of Ontario, and limits future land uses and development within the Airport Influence Area, as they relate to safety, airspace protection, and overflight impacts of current and future airport activity. The CNO ALUCP is consistent with policies and criteria set forth within the Caltrans 2011 California Airport Land Use Planning Handbook. The proposed Project is located within the Airport Influence Area of Chino Airport and was evaluated and found to be consistent with the California Airport Land Use Planning Handbook and the CNO ALUCP. 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 CNO ALUCP compatibility factors, including Safety, Airspace Protection, Overflight. 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 California Airport Land Use Planning Handbook and the Chino ALUCP.

SECTION 5. *Concluding Facts and Reasons.* Based upon the substantial evidence presented to the City Council during the above-referenced hearing, and upon the specific findings set forth in Section 1 through 4, above, the City Council hereby concludes as follows:

(1) ***The proposed Zone Change is consistent with the goals, policies, plans and exhibits of the Vision, Policy Plan (General Plan), and City Council Priorities components of The Ontario Plan.*** The proposed Zone Change is in response to a settlement agreement affecting the related South Ontario Logistics Center Specific Plan (“Specific Plan”), for which a Specific Plan Amendment (File No. PSPA22-008) was filed. While the original Specific Plan area is consistent with the goals, policies, plans and exhibits of the Vision, Policy Plan (General Plan) and City Council Priorities components of The Ontario Plan, the proposed reversion to the original Zoning District satisfies these items as well. The proposed Zone Change to re-establish the original zoning of SP(AG) (Specific Plan – Agricultural Overlay) is also consistent with the goals, policies, plans, and exhibits of the Vision, Policy Plan (General Plan), and City Council Priorities components of The Ontario Plan, as it allows for interim agricultural land uses to occur on the Project site until such time that a Specific Plan or Specific Plan Amendment is adopted for the land.

(2) ***The proposed Zone Change would not be detrimental to the public interest, health, safety, convenience, or general welfare of the City.*** The proposed Zone Change will not be detrimental to the public interest, health, safety, convenience, or general welfare of the City. The related Specific Plan Amendment proposes to remove a portion of land from the Specific Plan area, in conjunction with a Zone Change to re-establish the original zoning of SP(AG) (Specific Plan – Agricultural Overlay). The proposed agricultural SP(AG) Zoning District was previously reviewed in the Environmental Impact Report for the South Ontario Logistics Center Specific Plan, as it was the “status quo” at the time and represented a “no project” alternative. The proposed re-zoning to SP(AG) will not impose any additional impacts to the public interest, health, safety, convenience, or general welfare of the City above and beyond what currently exists at large in the region. The southern region of the City, south of Riverside Drive and known as Ontario Ranch, is predominantly characterized as agricultural with clusters of residential, commercial, and industrial development.

(3) ***The proposed Zone Change will not adversely affect the harmonious relationship with adjacent properties and land uses.*** While the proposed Zone Change and related Specific Plan Amendment will result in a piece of land inconsistent with the larger industrial corridor, which generally spans from Euclid Avenue to the Cucamonga Creek Channel and from Eucalyptus Avenue to Merrill Avenue, reverting the land to the SP(AG) Zoning District will not adversely affect the harmonious relationship with adjacent properties and land uses, as the area surrounding the Project site is largely characterized by properties also located within the SP(AG) area. Additionally, properties located in neighboring industrial specific plans to the east and west are still phasing out the existing agricultural land uses while the properties are under development.

(4) ***The subject site is physically suitable, including, but not limited to, parcel size, shape, access, and availability of utilities, for the request and anticipated development.*** No physical changes or development projects are proposed for the Project site as a result of the Zone Change or related Specific Plan Amendment, and the site will be reverted to the Zoning District in effect prior to adoption of the Specific Plan. Any future development on the Project site must be in conjunction with an approved Specific Plan or Specific Plan Amendment. Further, the Project site is large enough to

support a new Specific Plan, should integration into an adjacent Specific Plan fail to occur in the future. Lastly, should the Project site be developed in the future, it is physically suitable (including, but not limited to, parcel size and shape, access, and availability of utilities) for industrial development in keeping with the remainder of the industrial corridor in which it is located.

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 herein described Zone Change, attached hereto as "Attachment A: Zone Change Exhibit," in conjunction with "Attachment B: Conditions of Approval" and incorporated herein by this reference.

SECTION 7. ***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 8. ***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 9. ***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 10. ***Effective Date.*** This Ordinance shall become effective 30 days following its adoption.

SECTION 11. ***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 6th day of June 2023.

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. 3250 was duly introduced at a regular meeting of the City Council of the City of Ontario held May 16, 2023 and adopted at the regular meeting held June 6, 2023 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. 3250 duly passed and adopted by the Ontario City Council at their regular meeting held June 6, 2023 and that Summaries of the Ordinance were published on _____ and _____ in the Inland Valley Daily Bulletin newspaper.

SHEILA MAUTZ, CITY CLERK

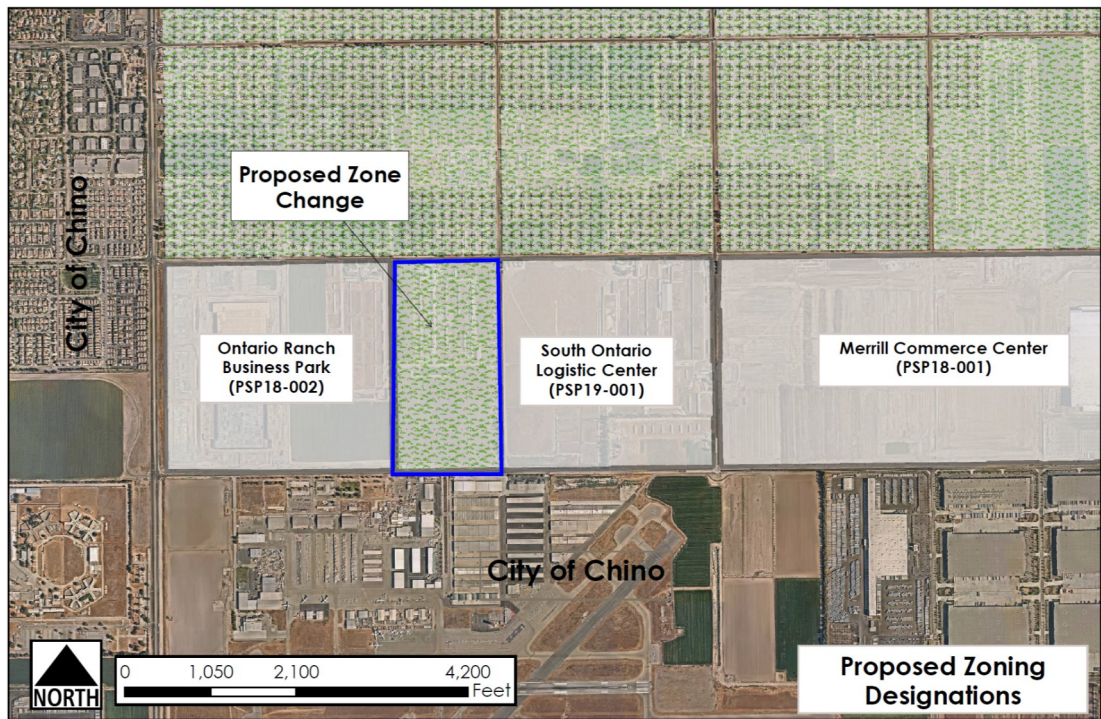
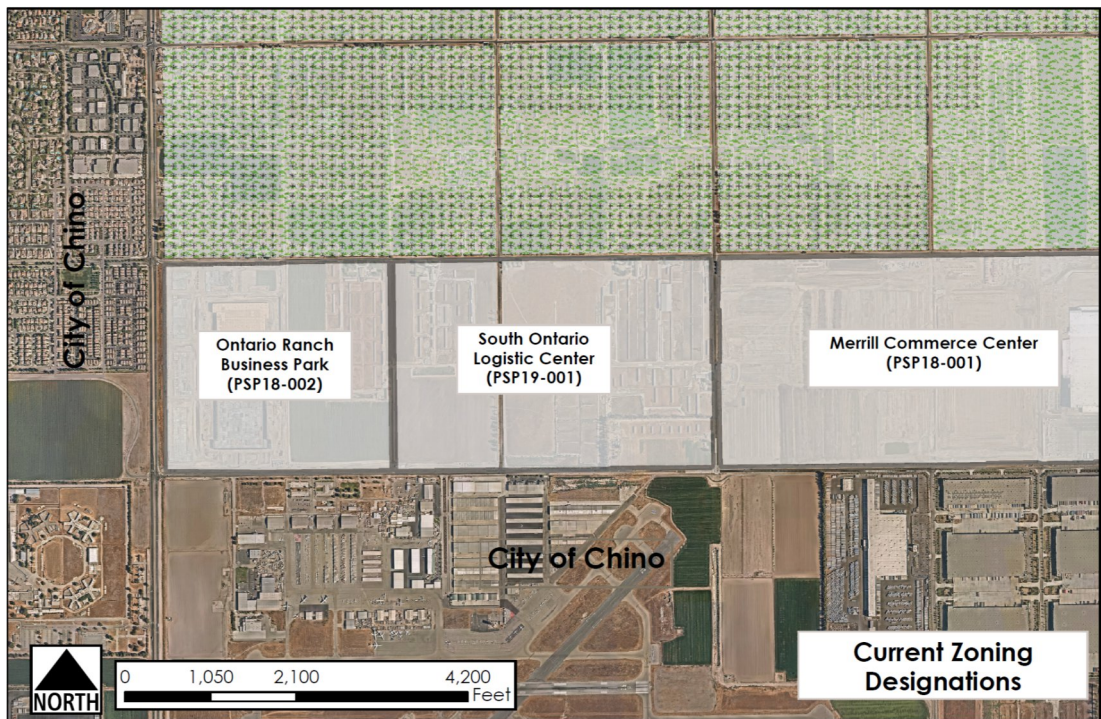
(SEAL)

ATTACHMENT A:

**File No. PZC23-001;
Zone Change Exhibit**

(Document follows this page)

Attachment A: File No. PZC23-001 Zone Change
Exhibit



Legend

Specific Plan Boundary	Zoning Overlays	Zoning Districts
	*** AH Overlay	Other
	AG, Agricultural	SP, Specific Plan

Date Prepared: 4/7/2023
File No: PZC23-001
Related Files: PSPA22-008

Project Description: A request to establish the SP(AG) zoning district on the project site, in conjunction with a request to amend the South Ontario Logistics Center Specific Plan, including map and textual changes to remove a portion of the Specific Plan (File No. PSPA22-008). The Project site is generally located south of Eucalyptus Avenue, north of Merrill Avenue, west of Bon View Avenue, and east of Campus Avenue. (APNs: 1054-051-01, 1054-051-02, 1054-061-01, 1054-061-02, 1054-251-01, 1054-251-02, 1054-301-01, and 1054-301-02); submitted by Grove Land Venture, LLC.

Prepared By: Alexis Vaughn, Associate Planner
Phone: 909.395.2416 (direct)
Email: avaughn@ontarioca.gov

The Planning Department, Land Development Section, conditions of approval applicable to the above-described Project, are listed below. The Project shall comply with each condition of approval listed below:

1.0 Standard Conditions of Approval. The project shall comply with the *Standard Conditions for New Development*, adopted by City Council Resolution No. 2017-027 on April 18, 2017. A copy of the *Standard Conditions for New Development* may be obtained from the Planning Department or City Clerk/Records Management Department.

2.0 Special Conditions of Approval. In addition to the *Standard Conditions for New Development* identified in condition no. 1.0, above, the project shall comply with the following special conditions of approval:

2.1 Signs.

(a) All Project signage shall comply with the requirements of Ontario Development Code Division 8.1 (Sign Regulations).

(b) On-site posting of public noticing shall be provided pursuant to Code Section 2.03.010.C.4, which consists of one or more large, 6-foot-tall, freestanding public notification signs. The sign face shall measure 4 feet tall by 8 feet wide, in a format approved by the Planning Director. The sign shall be posted no later than ten calendar days prior to the Planning Commission hearing date and removed no later than fourteen calendar days following the City Council hearing date, unless otherwise required by the Planning Director. The format is available on the City's website.

2.2 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 any approval of the City of Ontario, whether by its City Council, Planning Commission or other authorized board or officer. 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.

2.3 Additional Fees.

(a) Within 5 days following final application approval, the Notice of Determination ("NOD") filing fee shall be provided to the Planning Department. The fee shall be paid by check, made payable to the "Clerk of the Board of Supervisors", which shall be forwarded to the San Bernardino County Clerk of the Board of Supervisors, along with all applicable environmental forms/notices, pursuant to the requirements of the California Environmental Quality Act ("CEQA"). Failure to provide said fee within the time specified will result in the extension of the statute of limitations for the filing of a CEQA lawsuit from 30 days to 180 days.

2.4 Related Applications. Zone Change (File No. PZC23-001) approval shall not be final and complete until such time that related File No. PSPA22-008 has been approved by the City Council.

CITY OF ONTARIO

Agenda Report
June 6, 2023

SECTION:
CONSENT CALENDAR

Department: Utilities
Prepared By: Thomas Lambertson
Staff Member Presenting:
Scott Burton, Utilities General Manager
Reviewed By: Dennice Raygoza, Albert G
Gastelum, Michael Sigsbee
Approved By: 

Submitted To: Council/OHA
Approved: _____
Continued To: _____
Denied: _____
Item No: 17

SUBJECT: A PROFESSIONAL DESIGN SERVICES AGREEMENT FOR THE EUCLID AVENUE RECYCLED WATER PROJECT

RECOMMENDATION: That the City Council approve and authorize the City Manager or designee to execute a Professional Services Agreement (on file in the Records Management Department) with Ardurra Group Inc. of Newport Beach, California, to design and provide bid support services for the Euclid Avenue Recycled Water Project for a total not-to-exceed amount of \$1,179,747 and a term ending February 1, 2025.

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)

Invest in the Growth and Evolution of the City's Economy

FISCAL IMPACT: The State Water Resources Control Board (SWRCB) Division of Financial Assistance (DFA) has awarded \$10 million in grant funding to the City for the Euclid Avenue Recycled Water project through the California General Fund (AB-179). The grant application filing was approved by the City Council on February 7, 2023. Additionally, the City has applied for other grant funding opportunities related to this project. Any grant proceeds that are awarded will be appropriated to the Water Capital Fund following executed grant agreements in future Quarterly Budget Update Reports to the City Council.

Funding for this agreement will be appropriated from the Water Capital Fund in the next Quarterly Budget Update Report to the City Council and the City will seek reimbursement through eligible grant funding. There is no impact to the General Fund.

BACKGROUND & ANALYSIS: The City's adopted 2020 Urban Water Management Plan identifies the use of recycled water as part of Ontario's plan for providing a long-term sustainable water supply to the City. Developing recycled water service reduces the City's reliance on imported water supplies

and is not subject to the same drought conditions as other potable supplies. The City's adopted Recycled Water Master Plan includes a Capital Improvement Program for enhancements to the recycled water system, which is used for irrigation and industrial applications approved by the California SWRCB Division of Drinking Water.

The Euclid Avenue Recycled Water Project is planned to establish a network of transmission and distribution main lines that will deliver recycled water to an area approximately bounded by Vineyard Avenue and the Inland Empire Utilities Agency (IEUA) Regional Water Recycling Plant No. 1 (RP-1) to the east, the Euclid Avenue Median and G Street to the north, Oaks Street and Homer Briggs Park to the west, and Riverside Drive to the south. The work will consist of several phases of construction (Exhibit A) and total up to 13 miles of 8-inch to 24-inch pipe to irrigate street corridors, schools, parks, and other developments.

The initial phase of the Project includes new proposed pipelines that will deliver recycled water for irrigation use in the Euclid Avenue median north of Holt Boulevard to G-Street, James Bryant Park, and the City Civic Center. Existing irrigation facilities at those locations currently utilize potable water and will be retrofitted to use recycled water. A 24-inch recycled water transmission main will also be designed on Riverside Drive from the IEUA Regional Water Recycling Plant No. 1 to Euclid Avenue for irrigation use and to supply future recycled water use projects. Both segments of the Project require coordination with IEUA. As a result, final alignments and end-users may be subject to change for this initial phase.

Professional design services includes a preliminary design report with CEQA document updates, completed construction documents and estimates, and construction bidding support services.

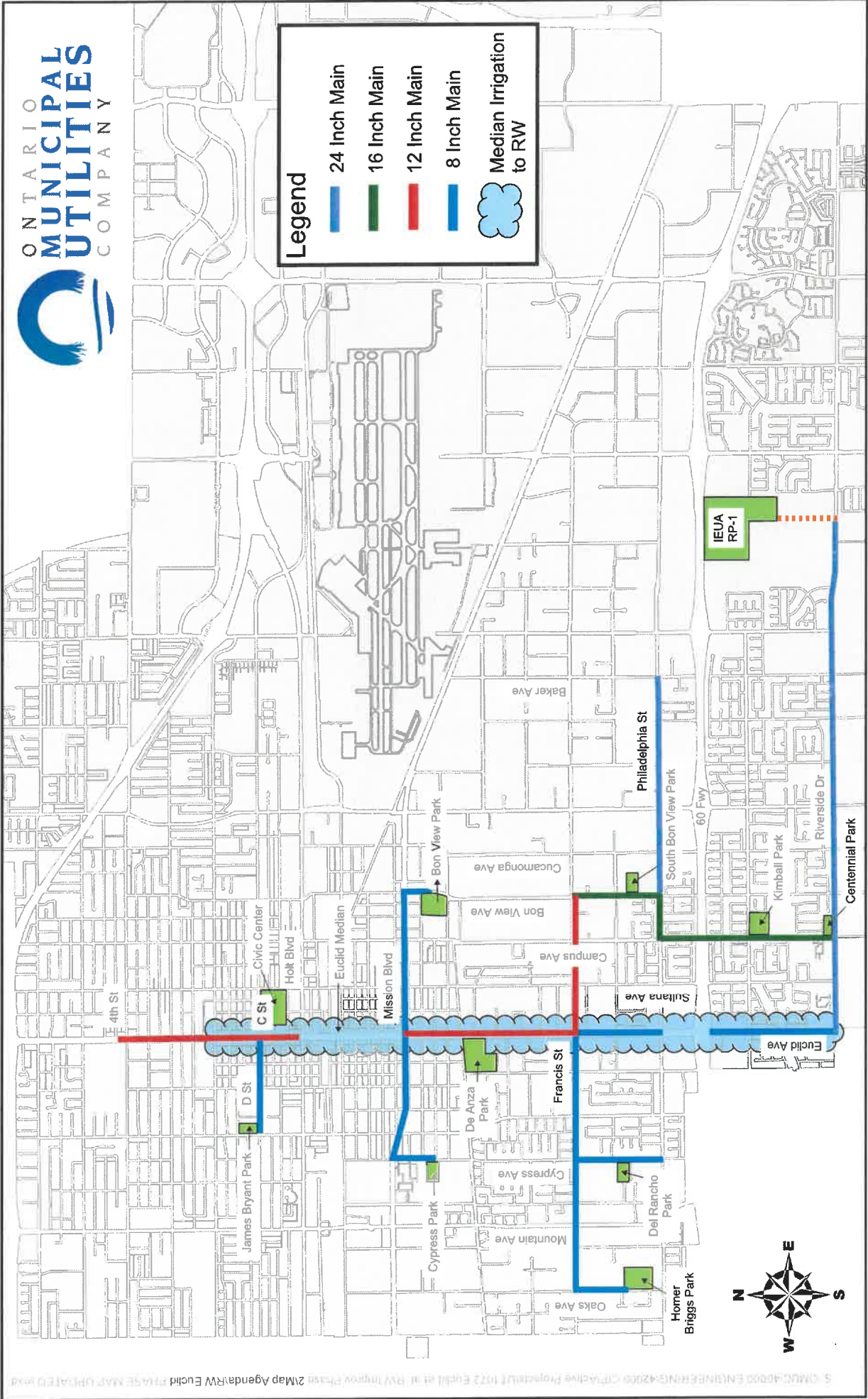
On April 4, 2023, the City received the following three qualified proposals in response to the Request for Proposals (RFP) for the Euclid Avenue Recycled Water Project, OMUC Contract No. UT1072:

Proposer	Location
Albert A. Webb Associates	Riverside, CA
Ardurra Group Inc.	Newport Beach, CA
K&A Engineering Inc.	Corona, CA

A review team consisting of OMUC Staff reviewed the proposals and made their recommendations based upon qualifications, understanding of the City's needs, history of completing similar projects, and criteria specified in the RFP. After careful evaluation, Ardurra Group, Inc. of Newport Beach, California, was selected as the best overall qualified respondent.

EUCLID AVE. RECYCLED WATER IMPROVEMENTS

EXHIBIT A



CITY OF ONTARIO

Agenda Report
June 6, 2023

SECTION:
CONSENT CALENDAR

Department: Information Technology
Prepared By: Samantha Robles
Staff Member Presenting:
Colin Fernandes, Executive Director Information
Technology
Approved By: 

Submitted To: Council/OHA
Approved: _____
Continued To: _____
Denied: _____
Item No: 18

SUBJECT: AN AMENDMENT TO THE AGREEMENT TO RENEW THE SUBSCRIPTION FOR THE AIRHUB PREMIUM PLAN WITH AIRSPACE LINK, INC

RECOMMENDATION: That the City Council authorize the City Manager or his designee to execute Amendment No.1 to the current Agreement (on file with the Records Management Department) with Airspace Link, Inc., Detroit, Michigan, for the Airhub Premium Subscription Renewal, in the amount not-to-exceed \$384,000.

THE FOLLOWING COUNCIL GOALS ARE BEING ACHIEVED:

Operate in a Businesslike Manner

FISCAL IMPACT: The Fiscal Year 2022-23 Adopted Budget includes appropriations from the Information Technology Fund for the annual subscription renewal for Airspace Link, Inc. The proposed Amendment term to the Subscription Agreement will be for one (1) additional year, with an optional renewal period for two (2) years and, increases the authorized contract amount by \$288,000, which includes \$96,000 for year one, \$96,000 for year two, \$96,000 for year three and \$96,000 for year four. The fixed billing rates specified in the current Agreement will determine the amount charged for services and reflect the actual services provided. If approved, appropriations will be added to the future years' budgets consistent with the annual budget adoption process.

BACKGROUND & ANALYSIS:

Since April 2021, the City of Ontario has partnered with Airspace Link, a Detroit-based drone management company to manage drone flights and assist with planning for the future of drones in the City. Airspace Link provides the City with a digital system that integrates with the Federal Aviation Administration's (FAA) Low Altitude Authorization and Notification Capability (LAANC) program. The system allows for real-time communication and coordination between drone pilots and the City enabling safe and legal drone flights within the controlled airspace.

Airspace Link has achieved several notable accomplishments since partnering with the City of Ontario. One of the most significant achievements has been working with the City and the Ontario Police Department to build their drone programs which integrates into the City Real-Time

Information Center. Airspace Link has also completed a city-wide Drone Readiness Assessment which helped the City better understand its current capabilities and future use cases. The assessment allowed the City to identify potential challenges and opportunities related to drone usage and take necessary steps to prepare for their adoption.

The partnership also includes the use of Geographic Information Systems (GIS) to create a digital map of the City's airspace which is used to manage and track drone flights. The map shows all controlled airspace including the areas around the airport, and provides information on any temporary flight restrictions or other restrictions that may be in place. The map is constantly updated to ensure that all drone pilots have access to the most up-to-date information on where and when they can fly.

Through this partnership the City of Ontario is leading the way in managing drone flights and planning for the future of drones in the City. By leveraging Airspace Link's expertise and GIS technology's power, the City can ensure safe and legal drone operations while fostering innovation and growth in the drone industry. Staff requests City Council approval to amend the original agreement with a term of one-year to include an additional one-year with an optional two one-year extension for a total of four years and a not-to-exceed amount of \$384,000.

CITY OF ONTARIO

Agenda Report
June 6, 2023

SECTION:
CONSENT CALENDAR

Department: Municipal Services
Prepared By: Cynthia Heredia-Torres
Staff Member Presenting:
Tito Haes, Executive Director Public Works
Reviewed By: Bonnie Tam, Andrea Ampig
Approved By: 

Submitted To: Council/OHA
Approved: _____
Continued To: _____
Denied: _____
Item No: 19

SUBJECT: A CONSTRUCTION CONTRACT FOR INTERIM FIRE STATION 11

RECOMMENDATION: That the City Council take the following actions:

- A. Authorize the City Manager or his designee to execute a Construction Contract with Wakeco, Inc. of Temecula, California, to provide construction services for Contract No. D&C22-011 Interim Fire Station 11 in the amount of \$1,716,966;
- B. Authorize a 15% project contingency of \$257,545, for a total contract amount not-to-exceed \$1,974,511; 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 agreements, assessments, easements, lot line adjustments, reduction of retention accounts, contracts and contract 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:

Maintain the Current High Level of Public Safety

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

FISCAL IMPACT: The recommended contract award to Wakeco, Inc. is for the bid amount of \$1,716,966 plus a 15% contingency of \$257,545, for a total contract amount not-to-exceed \$1,974,511. The Fiscal Year 2022-23 Current Budget includes appropriations in the Fire Impact Fund.

BACKGROUND & ANALYSIS: The National Fire Protection Association (NFPA) standard, Standard 1710, states that 90% of the time a travel time standard of 4 minutes or less should be maintained. Currently, in certain sections of the Ontario Ranch, Ontario's Fire Department travel response time is between 7 and 11 minutes, which is double the NFPA standard. A fire station is needed with the

growth of residential and commercial buildings in the region, including Amazon which is staffing its new distribution center with approximately 500 new employees to the area.

Interim Fire Station 11 will be located on the southeast corner of Eucalyptus Avenue and Bon View Avenue with one new prefabricated dorm/mobile structure and 3 existing prefabricated structures, which are currently located at 2 separate sites. The Sprung structure and mobile dorm structure from Fire Station 9 and the existing Butler building structure from Fire Station 3 will be dismantled and transported to the project site to be installed. Interim Fire Station 11 will house 8 personnel, one fire paramedic engine, and one fire truck.

On May 18, 2023, three (3) bids were received for bid No. 1650 - D&C22-011 Interim Fire Station 11. The bids ranged from \$1,716,966 to \$2,384,271. The bids are summarized below:

<u>BIDDER</u>	<u>LOCATION</u>	<u>AMOUNT</u>
Wakeco, Inc.	Temecula, CA	\$1,716,966
R.C. Construction Services, Inc.	Rialto, CA	\$2,221,227
MLC Constructors, Inc.	Corona, CA	\$2,384,271

Staff recommends awarding the bid to Wakeco, Inc. located in Temecula, California, based on their expertise, credentials, favorable reference checks, ability to perform the work in a timely manner, and their successful completion of this type of work in the past. Once the contract is awarded, Staff anticipates Interim Fire Station 11 becoming operational by August 2023.

CITY OF ONTARIO

Agenda Report
June 6, 2023

SECTION:
CONSENT CALENDAR

Department: Police Department
Prepared By: Lizceth Zazueta
Staff Member Presenting:
Mike Lorenz, Chief of Police
Approved By: 

Submitted To: Council/OHA
Approved: _____
Continued To: _____
Denied: _____
Item No: 20

SUBJECT: AN AMENDMENT TO THE PROFESSIONAL SERVICES AGREEMENT WITH AMERICAN THREAT ASSESSMENT CONSULTING INC. (A.T.A.C.)

RECOMMENDATION: That City Council authorize the City Manager or his designee to execute Amendment No. 6 to the Professional Services Agreement (on file in the Records Management Department) with American Threat Assessment Consulting Inc. (A.T.A.C.) of Rancho Cucamonga, California to extend the current funding threshold and add additional work and funding to accommodate the purchase of cameras and Facial Recognition Software upon receiving approval from Cal OES through a non-competitive procurement request.

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: The recommended Amendment increases the authorized contract of \$229,500 by \$1,303,000. The Fiscal Year 2022-23 includes appropriations of \$100,000 in the Information Technology Fund and \$1,203,000 in the Grant Fund. This brings the total not-to-exceed contract amount to \$1,532,500. Appropriations for future fiscal years will be included in the respective fiscal years' budgets for City Council consideration and approval.

BACKGROUND & ANALYSIS: On April 4th, 2023 the City of Ontario and A.T.A.C entered Amendment No. 5 adding additional compensation and terms. Amendment No. 6 will increase funding for an additional \$100,000 to the Information Technology Agency to support, install, and maintain services for the City's security cameras city-wide.

In addition, the Ontario Police Department is adding two (2) additional compensations and terms to accommodate the purchase and installation of cameras to implement a Facial Recognition Project and associated camera networks at the Ontario International Airport upon receiving approval from Cal OES through a Non-Competitive Procurement Request.

The City Council previously approved the acceptance of grant funding on April 19th, 2022, for UASI FY 2020 for \$603,025 and again on August 16th, 2022 for \$600,000 for UASI FY 2021.

A.T.A.C has previous experience in implementing similar projects with a high-level of expertise, providing satisfactory performance, and offering the best value to the City in price and services while meeting grant funding deadlines. City Staff recommends entering into Amendment No. 6 to support the City's security cameras city-wide and the Facial Recognition Project and associated camera networks at the Ontario International Airport.

CITY OF ONTARIO

Agenda Report
June 6, 2023

SECTION: ADMINISTRATIVE REPORTS/DISCUSSION/ACTION

Department: Utilities Customer Services
Prepared By: Claudia Hernandez
Staff Member Presenting:
Scott Burton, Utilities General Manager
Reviewed By: Dennice Raygoza, Albert G
Gastelum, Michael Sigsbee
Approved By: 

Submitted To: Council/OHA
Approved: _____
Continued To: _____
Denied: _____
Item No: 21

SUBJECT: INTRODUCTION OF AN ORDINANCE AMENDING CHAPTER 8B, OF TITLE 6, SECTIONS 6-8.49 AND 6-8.50 OF THE ONTARIO MUNICIPAL CODE RELATING TO COLLECTION AND PAYMENT AND THE DISABLED PERSON'S AND SENIOR CITIZEN'S DISCOUNT

RECOMMENDATION: That the City Council introduce and waive further reading of an Ordinance amending Chapter 8B, of Title 6, Sections 6-8.49 and 6-8.50, of the Ontario Municipal Code relating to Collection and Payment and the Disabled Person's and Senior Citizen's Discount.

THE FOLLOWING COUNCIL GOALS ARE BEING ACHIEVED:
Operate in a Businesslike Manner

FISCAL IMPACT: There is no new fiscal impact anticipated from the proposed updates to Section 6-8.49 relating to the collection and payment provisions of the Ontario Municipal Code.

The annual fiscal impact to fund the Disabled Person's and Senior Citizen's Low-income Discount program will be subject to future City Council approved budgets and the number of eligible participants that meet the program qualifications, currently anticipated to be approximately \$200,000 per year, and will be shared between the Utility Enterprise Funds and the General Fund.

BACKGROUND & ANALYSIS: Staff recommends changes to Section 6-8.49 of the Ontario Municipal Code, Collection and Payment, and updating the administrative policies and procedures for the City's utility bills. The recommended changes include updating bill due dates, criteria for when an account becomes past due, when late charges and penalties are assessed, and the processes for discontinuation of water services for non-payment for residential and commercial customers in order to comply with the California Water Shutoff Protection Act (SB 998).

In compliance with the State mandated water shutoff moratorium and as a requirement of participating in financial assistance programs such as the California Arrearage Payment Program (CAPP) and the Low Income Household Water Assistance Program (LIHWAP) funded by the

American Rescue Plan Act (ARPA) on behalf of the City's utility customers, late fees and penalties have not been charged during the COVID-19 pandemic. These financial assistance programs have provided over \$2 million in direct utility bill payment assistance to the City's utility customers to date, but most of the programs are set to end later this year. Updating the City's program guidelines to resume charging and collecting late fees would coincide with the state rescinding the California COVID-19 state of emergency and the federal end to the COVID-19 national public health emergency.

Staff also recommends amending Municipal Code, Section 6-8.50, Chapter 8B, Disabled Person's and Senior Citizen's Discount, and updating the administrative policies and procedures regarding the funding, income qualifications, and other qualifying requirements and operational guidelines to provide and administer these discounts more effectively. Currently, the Ontario Municipal Code provides for eligible households to receive a 10% discount on monthly utility charges for water, wastewater, refuse, and storm water pollution abatement fees. Additionally, the income qualification guidelines were established in 2003 but do not include a mechanism for annual inflationary adjustments.

The goal of providing these discounts is to assist disabled and senior low-income residents by making their utility bills more affordable so that they will be more able and more likely to stay current with their payments. This is also a financial and resource benefit to the City as it helps avoid costly "turn off" and "turn on" services and delinquent bill collection services. However, the annual household income requirements included in the Ontario Municipal Code are outdated and not in line with other similar program requirements. Updating the income qualifications to match those included in SB 998 and similar programs offered by other cities and utilities, such as Southern California Edison and Southern California Gas Company, will allow for more participation by the City's disabled and senior customers. Another recommendation is to change the discount from a percentage to a flat \$15 per month, similar to the current average monthly discount for these customers, in order to streamline program administration and to help promote water conservation goals.

ORDINANCE NO. _____

AN ORDINANCE OF THE CITY COUNCIL OF THE CITY OF ONTARIO, CALIFORNIA, AMENDING CHAPTER 8B (WATER SERVICES) OF TITLE 6 (SANITATION AND HEALTH) OF THE ONTARIO MUNICIPAL CODE, RELATING TO WATER ACCOUNTS, PAYMENTS, AND SENIOR / DISABLED DISCOUNTS.

WHEREAS, Chapter 8B of Title 6 of the Ontario Municipal Code contains provisions relating to water service accounts, payments, and a senior/disabled discount program available to certain customers of the Ontario Municipal Utilities Company; and

WHEREAS, in 2018, the California Legislature adopted Senate Bill 998 ("SB 998") which adopted new and expanded protections regarding discontinuation of residential water service for nonpayment and related matters; and

WHEREAS, the City previously adopted an administrative policy pursuant to SB 998 and desires to make related changes to the Municipal Code provisions concerning water service accounts and payments, including residential and non-residential delinquencies, and other water customer account procedures; and

WHEREAS, the City also desires to update the provisions of its Disabled Person's and Senior Citizen's Discount Program established under the Municipal Code.

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

SECTION 1. The Recitals set forth above are incorporated herein and made an operative part of this Ordinance.

SECTION 2. Subsections (n) through (p), inclusive, of Section 6-8.45 of Chapter 8B (Water Services) of Title 6 (Sanitation and Health) of the Ontario Municipal Code are hereby amended and reordered to read as follows:

(n) "Single-family residential" means all developed parcels with one (1) single-family detached housing unit, and/or any single-family residential unit that is served water by an individual water meter.

(o) "Utilities Customer Services Department" means the Utilities Customer Services Department of the Municipal Utilities Company.

(p) "Utilities Customer Services Director" means the Director of the Utilities Customer Services Department of the Municipal Utilities Company, or his or her authorized representative.

SECTION 3. Section 6-8.49 of Chapter 8B (Water Services) of Title 6 (Sanitation and Health) of the Ontario Municipal Code is hereby amended to read as follows:

Sec. 6-8.49. Collection and payment.

(a) Unified billing system. The City may use a unified billing system for City-furnished services. The charges for water, refuse, storm water abatement, and wastewater services may be billed on the water bill and collected as one (1) item. Failure to pay the amount due in full for any of the services may result in the discontinuation of water services as provided below.

(b) Utility bill payment. Utility bills shall be due and payable to the Utilities Customer Services Department on the bill date to the customer of record. Any utility bill remaining unpaid eighteen (18) business days after such bill date shall be deemed past due and a late charge and penalties will be applied as set forth in §§ 1-2.06 and 1-2.07 of the Ontario Municipal Code. Should a residential account remain unpaid for a period of sixty (60) calendar days from the past due date, water service to the property may be disconnected for nonpayment after the City provides notice pursuant to the City's administrative policy on discontinuation of residential water service, described in paragraph (c) below. Should a non-residential account remain unpaid from thirty (30) calendar days from the past due date, water service to the property may be disconnected for non-payment after mailed notice to the customer of record at least ten (10) calendar days prior to termination.

Residential water customers may contest or appeal a bill in the manner described in the City's adopted policy for discontinuation of residential water service. Non-residential customers may contest or appeal a bill using the same dispute and appeal procedures described in the policy for discontinuation of residential water service.

(c) Disconnection of Residential Water Service. The City Manager may adopt and amend a written administrative policy on discontinuation of residential water service for nonpayment pursuant to Section 6-8.46, and such policy shall be available on the City's website. Such policy may include, but may not be limited to, supplementary provisions concerning billing procedures, discontinuation of service, notification procedures, restoration of service, procedures to contest or appeal a bill, extensions or other alternative payment arrangements, protections available to qualified low-income customers, procedures for becoming a customer of the City under specified circumstances, and related matters. To the extent a policy adopted pursuant to this section conflicts with any provisions of this chapter, this chapter shall control. Except as expressly provided in this section or the policy, the policy shall not apply to non-residential customers.

(d) Water turn on/off. Once terminated, service shall not be turned on again except upon payment of all amounts due on the utility account, including all late charges and penalties, and the cost of making a service call to turn the water off and/or on. The fee to cover the cost of making a service call to turn the water off and/or on shall be set forth in an ordinance adopted by the City Council. Residential customers who demonstrate a household income below 200 percent of the federal poverty line may be eligible for reduced turn-on fees pursuant to applicable law and as further described in the City's policy on discontinuation of residential water service.

(e) Customer liability. Failure to receive a bill shall not relieve the customer of liability. Any amount due shall be deemed a debt to the City, and is subject to the provisions set forth in §§ 1-2.06 and 1-2.07 of the Municipal Code.

(f) Special bill rate. Special bills, split bills, any other irregular bills, or bills covering irregular billing periods, shall be calculated by the Municipal Utilities Company; provided, however, the adjusted rate so made shall be reasonable in accordance with the rate schedule set forth in this section.

(g) Determination of minimum charges. For the purpose of determining minimum charges as set forth in this section, each separate meter connected to the water system shall be charged on individual readiness-to-serve meter fee and commodity charge.

SECTION 5. Section 6-8.50 of Chapter 8B (Water Services) of Title 6 (Sanitation and Health) of the Ontario Municipal Code is hereby amended to read as follows:

Sec. 6-8.50. Disabled person's and Senior Citizen's discount.

(a) Disabled person defined. A "disabled person" for the purposes of this section is an adult who has a mental or physical disability that, in the opinion of a licensed physician, renders him or her incapable of being gainfully employed.

(b) Eligible household. An eligible household for the purpose of this section is a separately billed dwelling unit, which (1) is occupied by a person age sixty-five (65) or older or by a disabled person, and (2) has annual gross household income at or below 200% of federal poverty level. The City may establish detailed qualifications and requirements for demonstrating annual gross household income in a written administrative policy adopted pursuant to Section 6-8.46.

(c) Applications. Applications for an eligible household discount shall be submitted in writing to the Utilities Customer Services Director. The application shall be on a form provided by the Utilities Customer Services Director, shall be completed to show the information elicited by the form and shall be signed under penalty of perjury by the applicant. When the discount is sought based upon a disabled person, the application shall be accompanied by a physician's certificate stating that the person is a disabled person within the meaning of subsection (a) of this section. The Utilities Customer Services Director shall determine whether a household is an eligible household for the purpose of this section and his or her determination shall be final.

(d) Discount. The charges for water, refuse and wastewater service provided to an eligible household shall be discounted by an amount approved by the City Council pursuant to an ordinance or resolution. The discount shall be available only to customers with individually metered residential water service. The discount shall be in effect for a one (1) year period, which shall begin as determined by the City Council (e.g., upon approval of an individual application, upon the start of the following fiscal year, etc.). To renew the discount for an additional year, the customer must complete and return a renewal application to the City's Utilities Customer Services Department. A renewal notice

shall be mailed to the Customer with the utilities bill at or before the end of each year of eligibility. The discount offered under this subsection is subject to City Council approval through the annual budget process and the availability of funds allocated to fund the discount.

(e) Termination of eligibility. A household shall no longer be an eligible household if the Utilities Customer Services Department does not receive a renewal application, if any of the eligibility criteria set forth in subsection (b) cease to exist, or if funds to provide the discount are unavailable pursuant to subsection (d).

SECTION 6. Subsection (a) of Section 6-8.52 of Chapter 8B (Water Services) of Title 6 (Sanitation and Health) of the Ontario Municipal Code is hereby amended to read as follows:

(a) Application for service. Before water is turned on by the City for any purpose, the consumer shall apply for new service, at least one (1) business day before desired date of service, in which he or she guarantees payment of future utility bills for the service requested. The customer applying for service shall be held responsible for said utility bills until the service is discontinued on the next business day after the City is notified to discontinue service. Charges for service may be required to be paid until the requested date of discontinuance or such later date that providing for the one (1) business day advance notice requirement. When such notice is not received by the City, the customer shall be required to pay for service until one (1) business day after the City has knowledge that the customer has vacated the premises or otherwise discontinued service. No tenant applying for residential utility services shall be required to pay any charges or penalties on account of non-payment of charges by a previous tenant. The City may require that tenants seeking to establish service provide a written lease or rental agreement along with signed authorization from the landlord or property owner to ensure that the tenant is authorized to occupy the property and initiate utility services; provided, however, that the City will not require that service to tenants be furnished on the account of the landlord or property owner unless the property owner voluntarily agrees to that requirement in writing by completing a consent form provided by the City. The City shall require an applicant for utility services or restoration of services after turn-off for a delinquent bill to make an advance payment equal to twice the estimated monthly bill for water, refuse and wastewater services, provided that no such advance payment shall be less than Eighty Dollars (\$80.00).

SECTION 7. If any section, sentence, clause, or phrase of this Ordinance of the application thereof to any entity, person, or circumstance is held for any reason to be invalid or unconstitutional by a court of competent jurisdiction, such invalidity or unconstitutionality shall not affect other provisions or applications of the 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 by declared invalid or unconstitutional.

SECTION 8. The City Council finds that adoption of this Ordinance is exempt from the California Environmental Quality Act ("CEQA") pursuant to Section 15358 (the activity will not result in a direct or reasonably foreseeable indirect physical change in the environment) of the CEQA Guidelines, California Code of Regulations, Title 14, Chapter 3, because it has no potential for resulting in physical change to the environment, directly or indirectly. Moreover, the City Council finds that this Ordinance is also exempt under CEQA pursuant to Guidelines Section 15061(b)(3) (there exists no possibility that the activity will have a significant adverse effect on the environment).

SECTION 9. This Ordinance shall become effective thirty (30) days after its adoption by the City Council.

SECTION 10. 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 _____ day of _____, 2023.

PAUL S. LEON, MAYOR

ATTEST:

SHEILA MAUTZ, CITY CLERK

APPROVED AS TO LEGAL 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 June 6, 2023, and adopted at the regular meeting held _____, 2023 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)