

**CITY OF ONTARIO  
CITY COUNCIL AND HOUSING AUTHORITY  
AGENDA  
DECEMBER 17, 2019**

**Paul S. Leon**  
Mayor

**Ruben Valencia**  
Mayor pro Tem

**Alan D. Wapner**  
Council Member

**Jim W. Bowman**  
Council Member

**Debra Dorst-Porada**  
Council Member



**Scott Ochoa**  
City Manager

**Scott E. Huber**  
City Attorney

**Sheila Mautz**  
City Clerk

**James R. Milhiser**  
Treasurer

**WELCOME to a meeting of the Ontario City Council.**

- All documents for public review are on file with the Records Management/City Clerk's Department located at 303 East B Street, Ontario, CA 91764.
- Anyone wishing to speak during public comment or on a particular item will be required to fill out a blue slip. Blue slips must be turned in prior to public comment beginning or before an agenda item is taken up. The Clerk will not accept blue slips after that time.
- Comments will be limited to 3 minutes. Speakers will be alerted when they have 1 minute remaining and when their time is up. Speakers are then to return to their seats and no further comments will be permitted.
- In accordance with State Law, remarks during public comment are to be limited to subjects within Council's jurisdiction. Remarks on other agenda items will be limited to those items.
- Remarks from those seated or standing in the back of chambers will not be permitted. All those wishing to speak including Council and Staff need to be recognized by the Chair before speaking.

**ORDER OF BUSINESS** The regular City Council and Housing Authority meeting begins with Closed Session and Closed Session Comment at 6:00 p.m., Public Comment at 6:30 p.m. immediately followed by the Regular Meeting and Public Hearings. No agenda item will be introduced for consideration after 10:00 p.m. except by majority vote of the City Council.

**(EQUIPMENT FOR THE HEARING IMPAIRED AVAILABLE IN THE RECORDS MANAGEMENT OFFICE)**

**CALL TO ORDER (OPEN SESSION)**

**6:00 p.m.**

**ROLL CALL**

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

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

**CLOSED SESSION**

- GC 54956.95 CONFERENCE WITH LEGAL COUNSEL, *San Bernardino Workers' Compensation Appeals Board, EAMS Case No. ADJ11152576*
- GC 54956.9 (d)(2) and (e)(3) CONFERENCE WITH LEGAL COUNSEL, ANTICIPATED LITIGATION: *One case.*
- GC 54956.8, CONFERENCE WITH REAL PROPERTY NEGOTIATORS  
Property: APN 1048-551-10 through 1048-551-13; 308 North Euclid Avenue, 334 North Euclid Avenue, 116 East D Street, 127 East C Street; City/Authority Negotiator: Scott Ochoa or his designee; Negotiating parties: Kendrew Development, LLC, a Limited Liability Corporation; Under negotiation: Price and terms of payment.

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

**PLEDGE OF ALLEGIANCE**

Council Member Dorst-Porada

**INVOCATION**

Lieutenant Perez, The Salvation Army

**REPORT ON CLOSED SESSION**

City Attorney

**PUBLIC COMMENTS**

**6:30 p.m.**

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

As previously noted -- if you wish to address the Council, fill out one of the blue slips at the rear of the chambers and give it to the City Clerk.

**AGENDA REVIEW/ANNOUNCEMENTS** The City Manager will go over all updated materials and correspondence received after the Agenda was distributed to ensure Council Members have received them. He will also make any necessary recommendations regarding Agenda modifications or announcements regarding Agenda items to be considered.

**CONSENT CALENDAR**

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

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

**1. APPROVAL OF MINUTES**

Minutes for the regular meeting of the City Council and Housing Authority of November 19, 2019, approving same as on file in the Records Management Department.

**2. BILLS/PAYROLL**

**Bills** November 15, 2019 through November 27, 2019 and **Payroll** November 10, 2019 through November 23, 2019, when audited by the Finance Committee.

**3. THIRD AMENDMENT TO PROFESSIONAL SERVICES AGREEMENT WITH COMMUNICATIONS & MEDIA MANAGEMENT CONSULTANTS, INC FOR CITYWIDE MARKETING, COMMUNICATIONS, MITIGATION & PUBLIC RELATIONS CONSULTING SERVICES**

That the City Council authorize the City Manager to execute Amendment No. 3 adding \$30,000 to the Professional Services Agreement (on file in the Records Management Department) with Communications & Media Management Consultants, Inc. of Santa Clarita, California, for the provision of citywide marketing, communications, mitigation & public relations consulting services, for a not-to-exceed limit of \$170,000.

**4. A PROFESSIONAL SERVICES AGREEMENT FOR THE RECREATION AND PARKS MASTER PLAN/KTU & A**

That the City Council authorize the City Manager to execute a Professional Services Agreement (on file in the Records Management Department) with KTU & A, a California corporation, located in San Diego, California, to prepare a comprehensive Recreation and Parks Master Plan for an amount of \$154,770 plus a 15% contingency, for a total not-to-exceed amount of \$177,985.

**5. A RESOLUTION AUTHORIZING THE PREPAYMENT OF UP TO \$15 MILLION IN ONTARIO RANCH PARK DEVELOPMENT IMPACT FEES TO FACILITATE THE DEVELOPMENT OF THE GREAT PARK**

That the City Council consider and adopt a resolution authorizing the prepayment of up to \$15 million in Ontario Ranch Park Development Impact Fees to facilitate the development of the Great Park.

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

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF ONTARIO, CALIFORNIA, AUTHORIZING THE PREPAYMENT OF UP TO \$15 MILLION IN ONTARIO RANCH PARK DEVELOPMENT IMPACT FEES TO FACILITATE THE DEVELOPMENT OF THE GREAT PARK.

**6. AN AMENDMENT TO THE PROFESSIONAL SERVICES AGREEMENT WITH KLEINFELDER, INC., FOR ON-CALL MATERIAL TESTING AND GEOTECHNICAL ENGINEERING SERVICES**

That the City Council approve an amendment to the Professional Services Agreement (on file in the Records Management Department) with Kleinfelder, Inc., of Ontario, California, to provide on-call geotechnical consulting, material testing, and compaction testing services for a revised total annual authorized expenditure of \$140,000; and extend the term of agreement to five years with an overall not-to-exceed amount of \$700,000.

**7. A RESOLUTION APPROVING AN IMPROVEMENT AGREEMENT, IMPROVEMENT SECURITY AND FINAL TRACT MAP NO. 18065 LOCATED AT THE SOUTHEAST CORNER OF EUCALYPTUS AVENUE AND PARKPLACE AVENUE**



That the City Council adopt a resolution approving an improvement agreement, improvement security and Final Tract Map No. 18065 located at the southeast corner of Eucalyptus Avenue and Parkplace Avenue within the Subarea 29 Specific Plan area.

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

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF ONTARIO, CALIFORNIA, APPROVING AN IMPROVEMENT AGREEMENT, IMPROVEMENT SECURITY AND FINAL TRACT MAP NO. 18065 LOCATED AT THE SOUTHEAST CORNER OF EUCALYPTUS AVENUE AND PARKPLACE AVENUE.

**8. A RESOLUTION OF INTENTION TO ESTABLISH AN ENHANCED INFRASTRUCTURE FINANCING DISTRICT**

That the City Council consider and adopt a Resolution of Intention to establish an Enhanced Infrastructure Financing District for the purpose of funding infrastructure and other capital improvements, and the creation of an Ontario Enhanced Infrastructure Financing District (EIFD) Public Financing Authority, and authorize the City Manager to execute all required documents.

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

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF ONTARIO, CALIFORNIA, STATING ITS INTENTION TO ESTABLISH THE ONTARIO ENHANCED INFRASTRUCTURE FINANCING DISTRICT TO FINANCE THE CONSTRUCTION AND/OR ACQUISITION OF CAPITAL IMPROVEMENTS, ESTABLISHING A PUBLIC FINANCING AUTHORITY, SETTING A TIME AND PLACE FOR HEARING AND AUTHORIZING CERTAIN OTHER ACTIONS RELATED THERETO.

**9. UPDATED INVESTMENT POLICY**

That the City Council consider and approve updates to the City of Ontario's Investment Policy.

**10. COMPREHENSIVE ANNUAL FINANCIAL REPORT FOR FISCAL YEAR ENDED JUNE 30, 2019**

That the City Council accept the City of Ontario's Comprehensive Annual Financial Report (CAFR) for the fiscal year ending June 30, 2019.

**11. AB 1600 DEVELOPMENT IMPACT FEE ANNUAL REPORT FOR FISCAL YEAR ENDED JUNE 30, 2019**

That the City Council accept the City of Ontario's AB 1600 Development Impact Fee Annual Report for Fiscal Year Ended June 30, 2019.

**12. EVERY 15 MINUTES GRANT PROGRAM FROM THE DEPARTMENT OF CALIFORNIA HIGHWAY PATROL**

That the City Council authorize the acceptance of grant funds in the amount of up to \$8,500 for the Every 15 Minutes Grant Program from the Department of California Highway Patrol.

**13. CONSTRUCTION CONTRACT FOR THE DEVELOPMENT OF FIRE STATION NO. 9/ACT 1 CONSTRUCTION**

That the City Council take the following actions:

- (A) Accept the withdrawal of KEMCORP's bid for D&C17-003-FS09—Fire Station No. 9;
- (B) Authorize the City Manager to complete and execute Construction Contract No. D&C17-003-FS09 – Fire Station No. 9 with Act 1 Construction of Norco, California, for the construction of Fire Station No. 9 in the amount of \$7,894,706;
- (C) Authorize a project reserve in the amount of \$400,000 for an extended temporary road and rough grading to provide access to the site;
- (D) Authorize a 15% contingency of \$1,244,206 to address any unforeseen issues that may arise during construction; and
- (E) Authorize the City Manager or his designee to execute all documents required for the completion of the project including, but not limited to, contracts, agreements, assessments, easements, reduction of retention accounts, and filing a notice of completion at the conclusion of all construction related activities.

**14. A PROFESSIONAL SERVICES AGREEMENT WITH TETRA TECH FOR A TRANSFER STATION FEASIBILITY ANALYSIS, PRELIMINARY DESIGN AND FACILITY PLAN**

That the City Council approve a Professional Services Agreement (on file in the Records Management Department) with Tetra Tech BAS, Inc. of Diamond Bar, California, for a transfer station feasibility analysis, preliminary design and facility plan in the amount of \$275,609 plus a 5% contingency of \$13,780 for a total not to exceed amount of \$289,389; and authorize the City Manager to execute the agreement and any future amendments within the authorization limits.

**PUBLIC HEARINGS**

**Pursuant to Government Code Section 65009, if you challenge the City's zoning, planning or any other decision in court, you may be limited to raising only those issues you or someone else raised at the public hearing described in this notice, or in written correspondence delivered to the City Council at, or prior to the public hearing.**

**15. A PUBLIC HEARING TO CONSIDER AN URGENCY ORDINANCE APPROVING A DEVELOPMENT CODE AMENDMENT (FILE NO. PDCA19-003) REVISING TABLE 5.02-1 (LAND USE TABLE) AND SECTION 5.03.010 (ACCESSORY RESIDENTIAL STRUCTURES) IN ORDER TO BRING THE CITY'S CURRENT PROVISIONS GOVERNING ACCESSORY DWELLING UNITS INTO COMPLIANCE WITH RECENT CHANGES IN STATE LAW**

That the City Council consider and adopt an urgency ordinance approving File No. PDCA19-003, revising Development Code Table 5.02-1 (Land Use Table) and Section 5.03.010 (Accessory Residential Structures), which will bring the City's current provisions governing accessory dwelling units into compliance with recent changes in State law (SB13, AB68 AND AB881) that become effective on January 1, 2020.

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

Written communication.  
Oral presentation.  
Public hearing closed.

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

AN URGENCY ORDINANCE OF THE CITY COUNCIL OF THE CITY OF ONTARIO, CALIFORNIA, APPROVING AN AMENDMENT, FILE NO. PDCA19-003, TO THE ONTARIO MUNICIPAL CODE, AMENDING CHAPTER 5 OF THE ONTARIO DEVELOPMENT CODE REGARDING THE REGULATION OF ACCESSORY DWELLING UNITS.

**16. A PUBLIC HEARING TO CONSIDER AN ORDINANCE REPEALING CHAPTER 9 OF TITLE 4 OF THE ONTARIO MUNICIPAL CODE IN ITS ENTIRETY AND REPLACING IT WITH A NEW CHAPTER 9 OF TITLE 4 PERTAINING TO ALARM REGISTRATION, A REGULATORY SCHEME FOR ADMINISTERING AND MANAGING THE CITY'S RESPONSE TO ALARMS, FEES, FINES, APPEAL PROCESS, AND PROVIDING OTHER MATTERS PROPERLY RELATING THERETO**

That the City Council conduct a public hearing to consider the repealing in its entirety Chapter 9 of Title 4 of the Ontario Municipal Code (OMC) and adopting a new Chapter 9 of Title 4 relating to alarm systems, alarm registration and administering the City's response to alarms, fees, fines and appeal process.

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

Written communication.  
Oral presentation.  
Public hearing closed.

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

AN ORDINANCE OF THE CITY COUNCIL OF THE CITY OF ONTARIO, CALIFORNIA, REPEALING CHAPTER 9 OF TITLE 4 OF THE ONTARIO MUNICIPAL CODE IN ITS ENTIRETY AND REPLACING IT WITH A NEW CHAPTER 9 OF TITLE 4 PERTAINING TO ALARM REGISTRATION, A REGULATORY SCHEME FOR ADMINISTERING AND MANAGING THE CITY'S RESPONSE TO ALARMS, FEES, FINES, APPEAL PROCESS, AND PROVIDING OTHER MATTERS PROPERLY RELATING THERETO.

**17. A PUBLIC HEARING TO CONSIDER A PLANNED UNIT DEVELOPMENT (FILE NO. PUD19-001) TO ESTABLISH DEVELOPMENT STANDARDS, DESIGN GUIDELINES AND INFRASTRUCTURE REQUIREMENTS TO FACILITATE THE DEVELOPMENT OF A COMMERCIAL DEVELOPMENT ON 0.36 ACRES OF LAND LOCATED AT THE NORTHWEST CORNER OF EUCLID AVENUE AND E STREET (110 WEST E STREET AND 511 NORTH EUCLID AVENUE), WITHIN THE MU-1 (DOWNTOWN MIXED USE) AND EA (EUCLID AVENUE OVERLAY) ZONING DISTRICTS (APNS: 1048-355-09 AND 1048-355-10)**

That the City Council introduce and waive further reading of an ordinance approving a Planned Unit Development, File No. PUD19-001, establishing development standards, design guidelines and infrastructure requirements to facilitate a commercial development (Starbucks Coffee) at the northwest corner of Euclid Avenue and E Street.

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

Written communication.

Oral presentation.

Public hearing closed.

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

AN ORDINANCE OF THE CITY COUNCIL OF THE CITY OF ONTARIO, CALIFORNIA, APROVING FILE NO. PUD19-001, A PLANNED UNIT DEVELOPMENT (EUCLID AVE AND E STREET) TO ESTABLISH DEVELOPMENT STANDARDS, DESIGN GUIDELINES AND INFRASTRUCTURE REQUIREMENTS TO FACILITATE A COMMERCIAL DEVELOPMENT ON 0.36 ACRES OF LAND LOCATED AT THE NORTHWEST CORNER OF EUCLID AVENUE AND E STREET (110 WEST E. STREET AND 511 NORTH EUCLID AVENUE), WITHIN THE MU-1 (DOWNTOWN MIXED USE) AND EA (EUCLID AVENUE OVERLAY) ZONING DISTRICTS, AND MAKING FINDINGS IN SUPPORT THEREOF—APNS: 1048-355-09 AND 1048-355-10.

**18. A PUBLIC HEARING TO CONSIDER AN AMENDMENT TO THE MEREDITH INTERNATIONAL CENTRE SPECIFIC PLAN (FILE NO. PSPA19-002) TO ESTABLISH A MIXED-USE OVERLAY DISTRICT ON 22.39 ACRES OF LAND WITHIN A PORTION OF PLANNING AREA 2 (URBAN COMMERCIAL) LAND USE DISTRICT, LOCATED AT THE SOUTHEAST CORNER OF VINEYARD AVENUE AND INLAND EMPIRE BOULEVARD (APNS: 0110-311-52, 0110-311-53, 0110-311-54, AND 0110-311-55)**

That the City Council consider and adopt:

- (1) A resolution approving an addendum to Meredith International Centre Specific Plan Amendment Environmental Impact Report (SCH# 2014051020) certified by the City Council on April 7, 2015; and
- (2) A resolution approving an Amendment to the Meredith International Centre Specific Plan (File No. PSPA19-002) to establish a Mixed-Use Overlay district on 22.39 acres of land within a portion of Planning Area 2 (Urban Commercial) land use district, located at the southeast corner of Vineyard Avenue and Inland Empire Boulevard.

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

Written communication.

Oral presentation.

Public hearing closed.

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

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF ONTARIO, CALIFORNIA, APPROVING AN ADDENDUM TO THE MEREDITH INTERNATIONAL CENTRE SPECIFIC PLAN ENVIRONMENTAL IMPACT REPORT, FOR WHICH AN INITIAL STUDY WAS PREPARED, ALL IN ACCORDANCE WITH THE CALIFORNIA ENVIRONMENTAL QUALITY ACT, AS AMENDED, FOR FILE NO. PSPA19-002—APNs: 0110-311-52, 0110-311-53, 0110-311-54, AND 0110-311-55.

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

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF ONTARIO, CALIFORNIA, APPROVING FILE NO. PSPA19-002, AN AMENDMENT TO THE MEREDITH INTERNATIONAL CENTRE SPECIFIC PLAN TO ESTABLISH A MIXED-USE OVERLAY DISTRICT ON 22.39 ACRES OF LAND WITHIN A PORTION OF PLANNING AREA 2 (URBAN COMMERCIAL) LAND USE DISTRICT, LOCATED AT THE SOUTHEAST CORNER OF VINEYARD AVENUE AND INLAND EMPIRE BOULEVARD, AND MAKING FINDINGS IN SUPPORT THEREOF—APNs: 0110-311-52, 0110-311-53, 0110-311-54, AND 0110-311-55.

**STAFF MATTERS**

City Manager Ochoa

**COUNCIL MATTERS**

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

**ADJOURNMENT**



**CITY OF ONTARIO  
CLOSED SESSION REPORT**  
City Council // Housing Authority // Other // (GC 54957.1)  
**December 17, 2019**

**ROLL CALL:** Valencia \_\_, Wapner \_\_, Bowman \_\_, Dorst-Porada\_\_, Mayor / Chairman Leon \_\_.

**STAFF:** City Manager / Executive Director \_\_, City Attorney \_\_

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

- GC 54956.95 CONFERENCE WITH LEGAL COUNSEL, San Bernardino Workers' Compensation Appeals Board, EAMS Case No. ADJ11152576

No Reportable Action	Continue	Approved
//	//	//

Disposition: \_\_\_\_\_

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

- GC 54956.9 (d)(2) and (e)(3) CONFERENCE WITH LEGAL COUNSEL, ANTICIPATED LITIGATION: *One case.*

No Reportable Action	Continue	Approved
//	//	//

Disposition: \_\_\_\_\_

**CITY OF ONTARIO  
CLOSED SESSION REPORT**  
City Council // Housing Authority // Other // (GC 54957.1)  
**December 17, 2019**  
(continued)

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

- GC 54956.8, CONFERENCE WITH REAL PROPERTY NEGOTIATORS  
Property: APN 1048-551-10 through 1048-551-13; 308 North Euclid Avenue, 334 North Euclid Avenue, 116 East D Street, 127 East C Street; City/Authority Negotiator: Scott Ochoa or his designee; Negotiating parties: Kendrew Development, LLC, a Limited Liability Corporation; Under negotiation: Price and terms of payment.

<b>No Reportable Action</b>	<b>Continue</b>	<b>Approved</b>
/ /	/ /	/ /

Disposition: \_\_\_\_\_

Reported by:

\_\_\_\_\_  
City Attorney / City Manager / Executive Director

# CITY OF ONTARIO

Agenda Report  
December 17, 2019

SECTION:  
CONSENT CALENDAR

**SUBJECT: THIRD AMENDMENT TO PROFESSIONAL SERVICES AGREEMENT WITH COMMUNICATIONS & MEDIA MANAGEMENT CONSULTANTS, INC FOR CITYWIDE MARKETING, COMMUNICATIONS, MITIGATION & PUBLIC RELATIONS CONSULTING SERVICES**

**RECOMMENDATION:** That the City Council authorize the City Manager to execute Amendment No. 3 adding \$30,000 to the Professional Services Agreement (on file in the Records Management Department) with Communications & Media Management Consultants, Inc. of Santa Clarita, California, for the provision of citywide marketing, communications, mitigation & public relations consulting services, for a not-to-exceed limit of \$170,000.


**COUNCIL GOALS:** Operate in a Businesslike Manner

**FISCAL IMPACT:** The Fiscal Year 2019-20 Adopted Budget includes appropriations in the General Fund for this amendment. This amendment increases the total authorized contract amount from \$140,000 to \$170,000.

**BACKGROUND:** In the past year, the City of Ontario has continued to grow the marketing and communications presence of the City. This growth has included concentrated efforts on enhancing social media accounts, increased publication of newsworthy City projects and additional improvements to the various channels information is available to the public.

Along with this expansion of communication has come greater responsibility and need for specialized management consulting. The original agreement with Communications & Media Management Consultants, Inc, for consultation on these matters helped provide effective and efficient administration of governmental services but has exhausted its original limits of compensation and time of performance.

**STAFF MEMBER PRESENTING:** Dan Bell, Communications and Community Relations Director

Prepared by: Nicole Cuadras  
Department: Management Services  
City Manager Approval: 

Submitted to Council/O.H.A. 12/17/2019  
Approved: \_\_\_\_\_  
Continued to: \_\_\_\_\_  
Denied: \_\_\_\_\_

# CITY OF ONTARIO

Agenda Report  
December 17, 2019

SECTION:  
CONSENT CALENDAR

**SUBJECT: A PROFESSIONAL SERVICES AGREEMENT FOR THE RECREATION AND PARKS MASTER PLAN**

**RECOMMENDATION:** That the City Council authorize the City Manager to execute a Professional Services Agreement (on file in the Records Management Department) with KTU & A, a California corporation, located in San Diego, California, to prepare a comprehensive Recreation and Parks Master Plan for an amount of \$154,770 plus a 15% contingency, for a total not-to-exceed amount of \$177,985.

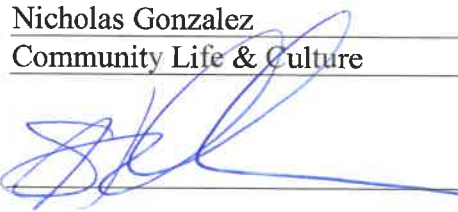
**COUNCIL GOALS:** Focus Resources in Ontario's Commercial and Residential Neighborhoods  
Invest in the City's Infrastructure (Water, Streets, Sewers, Parks, Storm Drains and Public Facilities)  
Encourage, Provide or Support Enhanced Recreational, Educational, Cultural and Healthy City Programs, Policies and Activities

**FISCAL IMPACT:** The Adopted Fiscal Year 2019-20 Capital Improvement Program Budget includes appropriations related to a Parks Master Plan Update and Infrastructure. The proposed Professional Services Agreement will provide for a comprehensive Recreation and Parks Master Plan to set standards for future park and community center planning and development. If approved, the total cost is \$154,770 plus a 15% contingency of \$23,215, for a total not-to-exceed amount of \$177,985.

**BACKGROUND:** Currently, the Recreation & Community Services Department oversees seven community centers and is responsible for community special events like the annual Independence Day Parade and Fireworks Show, 5K Reindeer Run & Rudolph's Dash, and a 12-week summer concert series. Additionally, there are 23 developed parks and playgrounds in the City (totaling 231 acres); two developed parks on land not owned by the City (6 acres); and various green belt and undeveloped land throughout the City (124.5 acres).

Typical park amenities include softball/baseball/soccer fields, tennis/futsal/pickleball courts, tot lots, open turf, bike and pedestrian paths, picnic areas, BBQ pits, dog parks, and pools. The City also operates several unique parks including the West Cucamonga Creek Trail System; Jay Littleton Ball Park at John Galvin Park; horse arena at Homer F. Briggs Park; Euclid Median featuring the

**STAFF MEMBER PRESENTING:** Helen McAlary, Executive Director Community Life & Culture

Prepared by: Nicholas Gonzalez  
Department: Community Life & Culture  
City Manager Approval: 

Submitted to Council/O.H.A. 12/17/2019  
Approved: \_\_\_\_\_  
Continued to: \_\_\_\_\_  
Denied: \_\_\_\_\_

4

R. Jack Mercer Community Bandstand; Ontario Town Square; Huerta del Valle Community Garden at Bon View Park; and the Whispering Lakes Golf Course. The last update to the Parks & Recreation Master Plan was adopted in 2001. That plan is outdated and does not reflect current and future needs for parks and recreation facilities.

In September 2019, staff issued a request for proposals (RFP) from qualified firms for professional services related to the preparation of a Recreation & Parks Master Plan. The purpose of this plan is to create a clear vision and path for Recreation & Community Services and Parks for 2020-2030 including the following:

- Analysis of existing programming in parks and facilities and service level recommendations;
- Capital Improvement Plan(s) for parks and facilities through the year 2030;
- Financial strategy plan;
- Prioritization of all programs, projects and capital plan; and
- Operations and maintenance plan to define appropriate maintenance levels, replacement schedules and staffing levels.

Staff received proposals from the following firms:

<u>Vendor</u>	<u>Location</u>
<b>KTU &amp; A</b>	<b>San Diego, CA</b>
Richard Fisher Associates	Santa Ana, CA
RJM Design Group, Inc.	San Juan Capistrano, CA

Each proposal was screened and scored by City staff according to the criteria outlined in the RFP. The criteria consisted of the following: (1) knowledge of the City of Ontario and Inland Empire Region; (2) understanding of national best practices for recreation and parks; (3) experience with similar projects and quality of completed work; (4) cost approach; and (5) education and experience of key personnel. After reviewing and rating each of the responses, staff interviewed each firm.

Staff recommends KTU & A (“KTUA”) to provide professional services for preparation of the Master Plan. KTUA is a planning and landscape architecture firm with a 50-year history in Southern California and a staff of 30 employees. The company specializes in community planning, transportation planning, park planning, visualization, urban design/placemaking and landscape architecture.

Additionally, KTUA has prepared or is currently preparing park master plans for the counties of San Diego, Riverside, and San Luis Obispo, and the cities of Oceanside, Goleta, San Gabriel, Encinitas, Santee, Hesperia, Phelan – Piñon Pines, Signal Hill, and Santa Maria. KTUA’s experience, cost approach, and project understanding made them the most qualified firm out of the RFP process.

Over the course of the next year, staff will work very closely with KTUA to accomplish a series of tasks to facilitate the development of the Master Plan. If approved, this project will begin in January 2020 and end with a final comprehensive Master Plan document for approval in January 2021. The categories of tasks outlined in the agreement are as follows:

- Task Group 1: Start Up, Outreach Plan & Management
- Task Group 2: Public Outreach & Participation
- Task Group 3: Community Research and Analysis
- Task Group 4: Inventory and Needs Analysis of Existing Programs and Parks

- Task Group 5: Site and Program Planning
- Task Group 6: Implementation, Operations and Maintenance
- Task Group 7: Special Studies and Considerations
- Task Group 8: Prepare Various Submittals for Reviews

Throughout the process, KTUA will work with staff to coordinate several community engagement workshops and set up interviews with staff and key stakeholders. Some main highlights to note are that KTUA will be responsible for geographic and demographic analysis; create an inventory list for each park; prepare site plans with supporting tables and costs; define a public art in parks program; provide an analysis of Whispering Lakes Golf Course; and develop a special study for the best location for a potential skate park. A more detailed schedule of the tasks can be found in Exhibit “A” of this report.



# Exhibit "A"

## PROPOSED SCHEDULE

CITY OF ONTARIO - RECREATION AND PARKS MASTER PLAN UPDATE	JAN	FEB	MAR	APR	MAY	JUN	JUL	AUG	SEP	OCT	NOV	DEC	JAN	FEB	
	2019					2020									
<b>Task Group 1: Start Up, Outreach Plan &amp; Management</b>															
1.1															
1.2															
1.3															
1.4															
1.5															
1.6															
<b>Task Group 2: Public Outreach &amp; Participation</b>															
2.1															
2.2															
2.3															
2.4															
2.5															
2.6															
2.7															
2.8															
2.9															
2.10															
2.11															
2.12															
<b>Task Group 3: Community Research and Analysis</b>															
3.1															
3.2															
3.3															
3.4															
3.5															
<b>Task Group 4: Inventory and Needs Analysis of Existing Programs and Parks</b>															
4.1															
4.2															
4.3															
4.4															
4.5															
<b>Task Group 5: Site and Program Planning</b>															
5.1															
5.2															
5.3															
5.4															
5.5															
5.6															
5.7															
5.8															
5.9															
5.10															
<b>Task Group 6: Implementation, Operations and Maintenance</b>															
6.1															
6.2															
6.3															
6.4															
6.5															
6.6															
6.7															
6.8															
6.9															
<b>Task Group 7: Special Studies and Considerations</b>															
7.1															
7.2															
7.3															
7.4															
7.5															
7.6															
7.7															
<b>Task Group 8: Prepare various submittals for reviews</b>															
8.1															
8.2															
8.3															

# CITY OF ONTARIO

Agenda Report  
December 17, 2019

SECTION:  
CONSENT CALENDAR

**SUBJECT: A RESOLUTION AUTHORIZING THE PREPAYMENT OF UP TO \$15 MILLION IN ONTARIO RANCH PARK DEVELOPMENT IMPACT FEES TO FACILITATE THE DEVELOPMENT OF THE GREAT PARK**

**RECOMMENDATION:** That the City Council consider and adopt a resolution authorizing the prepayment of up to \$15 million in Ontario Ranch Park Development Impact Fees to facilitate the development of the Great Park.

**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  
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 Fiscal Year 2019-20 First Quarter Budget Update Report included appropriations of \$8,100,000 from the Park Development Impact Fee ("DIF") fund for the initial payment to purchase a 44.55 acre parcel at the northeast corner of Archibald Avenue and Eucalyptus Avenue, allowing for the development of the Great Park within the eastern portion of Ontario Ranch. The City anticipates beginning construction on the initial phase of the Great Park within the next 12 months. The proposed prepayment of Park DIF will cover the initial land payment (\$8,100,000) by the City for the site and provide working capital for park design/development. The prepayment proposal has no impact or obligation on the City's General Fund.

**BACKGROUND:** On June 23, 2003, the City Council adopted Resolution No. 2003-039 establishing policies for the implementation of DIF program for new development. The resolution recognizes the need to finance adequate infrastructure and other public facilities made necessary by new development. The resolution further identifies the requirement for the payment of DIF at the time of building permit issuance. Specifically, the resolution calls for the payment of DIF no-more than five (5) days prior to the issuance of building permits.

**STAFF MEMBER PRESENTING:** Scott Murphy, AICP, Executive Director Development Agency

Prepared by: Derrick Womble  
Department: Development

City Manager Approval: 

Submitted to Council/O.H.A. 12/17/2019  
Approved: \_\_\_\_\_  
Continued to: \_\_\_\_\_  
Denied: \_\_\_\_\_

5

On November 5, 2019, the City Council entered into a Purchase and Sale Agreement with The Ronald and Kristine Pietersma Family Trust and Loyola Properties I, L.P. for the 44.55-acre site for the Great Park. On November 19, 2019, the City Council entered into a Professional Services Agreement with SWA Group (“SWA”) to prepare the Great Park Master Plan. Currently, SWA is preparing the conceptual designs for Phase I, the area south of Grand Park Street, north of Eucalyptus Avenue between Haven Avenue and Archibald Avenue. The plans for Phase I are anticipated to include the plant palette, edge treatments, trail locations and designs, and other amenity modules (soccer fields, tennis courts, public facilities, etc.) that can be plugged in later.

Currently, over 3,100 residential permits have been issued for Ontario Ranch, with an additional 1,500 estimated to be issued during the 2019-20 Fiscal Year. With the City Council’s vision for Ontario Ranch beginning to take shape, there has become a burgeoning need to commence the development of the Great Park to provide amenities for existing residents and a marketing tool to attract future residents. The Great Park will be a central gathering place for residents and families of Ontario for many years to come.

With Park DIF being paid at the time of building permit issuance for each residential unit, accumulating enough funds to develop Great Park could take some time. In order to advance funding, staff is recommending the City allow the prepayment of Ontario Ranch Park DIF. If approved by the City Council, it is anticipated that Ontario Ranch developers would prepay their Park DIF prior to January 1, 2020, to take advantage of the lower DIF rate. The \$15 million in Park DIF equates to approximately 1,280 residential units using the 2017 Park DIF rate. The number of units available for prepayment for each developer would be determined by NMC Builders, LLC, and approved by the City prior to prepayment.

It is important to note that participation in the prepayment of Park DIF is voluntary and not a requirement of any individual developer within Ontario Ranch. Furthermore, the Park DIF prepayment option shall be available to Ontario Ranch developers until \$15 million in Park DIF is received or January 30, 2020, whichever occurs first. Thereafter, the prepayment option shall no longer be available unless further action is taken by the City Council.

Staff finds this proposal is consistent with The Ontario Plan and recommends City Council adoption of the resolution.

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

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF ONTARIO, CALIFORNIA, AUTHORIZING THE PREPAYMENT OF UP TO \$15 MILLION IN ONTARIO RANCH PARK DEVELOPMENT IMPACT FEES TO FACILITATE THE DEVELOPMENT OF THE GREAT PARK.

WHEREAS, on June 23, 2003, the City Council adopted Resolution No. 2003-039 to establish policies for the implementation of the new and modified Development Impact Fees ("DIF"). Resolution No. 2003-039 requires the payment of DIF no more than five (5) days prior to the issuance of building permits; and

WHEREAS, on July 1, 2003, the City Council of the City of Ontario ("City Council") adopted Ordinance Nos. 2779 and 2780 to implement new and modified Development Impact Fees in recognition of the need to finance adequate infrastructure and other public improvements and facilities made necessary by new development in the City of Ontario ("City"); and

WHEREAS, on September 2, 2003, the City Council adopted Resolution No. 2003-070 to establish additional definitions and policies for the application of Development Impact Fees; and

WHEREAS, the City Council subsequently adopted Resolution Nos. 2005-005, 2005-099, 2007-023, 2007-150, 2011-011, 2012-092, 2015-008, 2017-102, and 2019-135 to update and modify Development Impact Fee amounts; and

WHEREAS, on November 5, 2019, the City Council entered into a Purchase and Sale Agreement with The Ronald and Kristine Pietersma Family Trust and Loyola Properties I, L.P. (the "Owner"), for a 44.55 acre parcel located at the northeast corner of Archibald Avenue and Eucalyptus Avenue, part of the future Great Park (the "Site"); and

WHEREAS, at the close of the escrow period, the City will pay \$8,100,000 from the Park Development Impact Fee fund as the initial payment to the Owner for the purchase of the Site; and

WHEREAS, the City's consultant (SWA Group) is currently preparing the Great Park Master Plan that includes the plant palette, edge treatments, trail locations and designs, and other amenity modules (soccer fields, tennis courts, public facilities, etc.) that can be inserted later; and

WHEREAS, over 3,100 residential permits have been issued for Ontario Ranch, necessitating a burgeoning need to initiate development of the Great Park as more residents begin to occupy the Ontario Ranch area; and

WHEREAS, it has been determined by the City Council that, in examining the need for parks and open space in Ontario Ranch, the prepayment of the Park Development Impact Fee prior to the issuance of a building permit for residential units would accelerate the design/development and construction of the Great Park; and

WHEREAS, the City Council, as the City's governing body, has the authority to modify policies for the implementation of Development Impact Fees; and

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

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

SECTION 1. The foregoing recitals are true and correct.

SECTION 2. Ontario Ranch developers shall have the option to prepay Park Development Impact Fee (DIF) prior to issuance of a building permit for residential units.

SECTION 3. The number of units authorized for prepayment of the Park DIF per developer/builder shall be determined by NMC Builders, LLC, and shall be approved by the City prior to any prepayments.

SECTION 4. The Park DIF prepayment option shall be available to Ontario Ranch developers until \$15 million in Park DIF is received or January 30, 2020, whichever occurs first. Thereafter, the prepayment option shall no longer be available unless further action is taken by the City Council.

SECTION 5. Participation in the Park DIF prepayment is voluntary and in no case a requirement of any individual developer within Ontario Ranch. Any developer whom chooses to participate shall agree to defend, indemnify and hold harmless the City of Ontario or its agents, officers, and employees and attorneys from any claim, action or proceeding against the City of Ontario or its agents, officers or employees and attorneys to attack, set aside, void, or annul this Resolution or approval. The City of Ontario shall promptly notify the developer of any such claim, action, or proceeding, and the City of Ontario shall cooperate fully in the defense with counsel acceptable to the City.

SECTION 6. 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. The City Clerk of the City of Ontario shall certify to the adoption of this Resolution.

PASSED, APPROVED, AND ADOPTED this 17<sup>th</sup> day of December 2019.

---

PAUL S. LEON, MAYOR

ATTEST:

---

SHEILA MAUTZ, CITY CLERK

APPROVED AS TO FORM:

---

COLE HUBER, 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. 2019-\_\_\_\_ was duly passed and adopted by the City Council of the City of Ontario at their regular meeting held December 17, 2019, 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. 2019-\_\_\_\_ duly passed and adopted by the Ontario City Council at their regular meeting held December 17, 2019.

\_\_\_\_\_  
SHEILA MAUTZ, CITY CLERK

(SEAL)

# CITY OF ONTARIO

Agenda Report  
December 17, 2019

SECTION:  
CONSENT CALENDAR

**SUBJECT: AN AMENDMENT TO THE PROFESSIONAL SERVICES AGREEMENT WITH KLEINFELDER, INC., FOR ON-CALL MATERIAL TESTING AND GEOTECHNICAL ENGINEERING SERVICES**

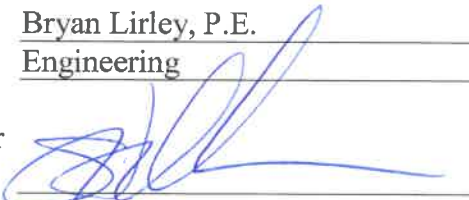
**RECOMMENDATION:** That the City Council approve an amendment to the Professional Services Agreement (on file in the Records Management Department) with Kleinfelder, Inc., of Ontario, California, to provide on-call geotechnical consulting, material testing, and compaction testing services for a revised total annual authorized expenditure of \$140,000; and extend the term of agreement to five years with an overall not-to-exceed amount of \$700,000.

**COUNCIL GOALS:** Operate in a Businesslike Manner  
Invest in the City's Infrastructure (Water, Streets, Sewers, Parks, Storm Drains and Public Facilities)

**FISCAL IMPACT:** In November 2019, the City awarded a contract to Kleinfelder for on-call Geotechnical Consulting, Material Testing, and Compaction Testing Services in the amount of \$90,000. The recommended action will add \$50,000 for a revised annual authorized expenditure amount of \$140,000 and extend the term of the agreement from one-year to five-years, with a revised total authorized expenditure not to exceed \$700,000. Funding for these services is included in the Fiscal Year 2019-20 Adopted Budget. Appropriations for future years will be included in the respective fiscal years' budgets for City Council consideration and approval.

**BACKGROUND:** Due to the quantity of development projects within the City, this amendment provides the Engineering Department with additional geotechnical consulting and material testing services to assure compliance with approved plans and specifications.

**STAFF MEMBER PRESENTING:** Scott Murphy, AICP, Executive Director Development

Prepared by: Bryan Lirley, P.E.  
Department: Engineering  
City Manager Approval: 

Submitted to Council/O.H.A. 12/17/2019  
Approved: \_\_\_\_\_  
Continued to: \_\_\_\_\_  
Denied: \_\_\_\_\_

# CITY OF ONTARIO

*Agenda Report*  
December 17, 2019

**SECTION:  
CONSENT CALENDAR**

**SUBJECT: A RESOLUTION APPROVING AN IMPROVEMENT AGREEMENT, IMPROVEMENT SECURITY AND FINAL TRACT MAP NO. 18065 LOCATED AT THE SOUTHEAST CORNER OF EUCALYPTUS AVENUE AND PARKPLACE AVENUE**

**RECOMMENDATION:** That the City Council adopt a resolution approving an improvement agreement, improvement security and Final Tract Map No. 18065 located at the southeast corner of Eucalyptus Avenue and Parkplace Avenue within the Subarea 29 Specific Plan area.

**COUNCIL GOALS:** Invest in the Growth and Evolution of the City's Economy  
Invest in the City's Infrastructure (Water, Streets, Sewers, Parks, Storm Drains and Public Facilities)  
Ensure the Development of a Well Planned, Balanced, and Self-Sustaining Community in Ontario Ranch

**FISCAL IMPACT:** None. All public infrastructure improvements required for this subdivision will be constructed by the developer at its sole cost.

**BACKGROUND:** Final Tract Map No. 18065, consisting of sixty seven (67) numbered lots and eleven (11) lettered lots on 7.43 acres as shown on "Exhibit A", has been submitted by Taylor Morrison of California, a California Limited Liability Corporation (Mr. Juan Corona, Vice President).

Tentative Tract Map No. 18065 was approved by the Planning Commission (6 to 0, 1 absent) on January 23, 2007, and is consistent with the Subarea 29 Specific Plan.

Improvements will include AC pavement, curb, gutter, sidewalk, landscaped parkways, fiber optic conduits, fire hydrants, sewer, water, recycled water mains, storm drain, and street lights. The improvements in parkway landscaping will be consistent with current City approved drought measures.

The developer has entered into an improvement agreement with the City for Final Tract Map No. 18065 and have posted adequate security to ensure construction of the required public improvements.

**STAFF MEMBER PRESENTING:** Scott Murphy, AICP, Executive Director Development

Prepared by: Jesus Plasencia

Department: Engineering

City Manager

Approval: 

Submitted to Council/O.H.A. 12/17/2019

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

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

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

7

The map meets all conditions of the Subdivision Map Act and the Ontario Municipal Code and has been reviewed and approved by the City Engineer.



FLAGSTONE AVENUE

(PUBLIC)

# PA 21 RESIDENTIAL



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

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF ONTARIO, CALIFORNIA, APPROVING AN IMPROVEMENT AGREEMENT, IMPROVEMENT SECURITY AND FINAL TRACT MAP NO. 18065 LOCATED AT THE SOUTHEAST CORNER OF EUCALYPTUS AVENUE AND PARKPLACE AVENUE.

WHEREAS, Tentative Tract Map No. 18065, submitted for approval by Taylor Morrison of California, LLC a California Limited Liability Corporation (Mr. Juan Corona, Vice President) was approved by the Planning Commission of the City of Ontario on January 23, 2007; and

WHEREAS, Tentative Tract Map No. 18065 consists of 67 numbered lots and 11 lettered lots within the Subarea 29 Specific Plan, being a subdivision of Lot 1, Tract No. 18913, as shown on a map filed in Book 349, Pages 62 through 63, inclusive, of maps, in the office of the County Recorder of San Bernardino County; and

WHEREAS, to meet the requirements established as prerequisite to final approval of Tract Map No. 18065, said developer has offered the improvement agreement together with good and sufficient improvement security, in conformance with the City Attorney's approved format, for approval and execution by the City; and

WHEREAS, the subdivider of the underlying Tract No. 18913, has previously prepared and recorded Covenants, Conditions and Restrictions (CC&Rs), and they have been reviewed and 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.

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

1. That said Improvement Agreement be, and the same is, approved and the City Manager is authorized to execute same on behalf of said City, and the City Clerk is authorized to attest thereto; and
2. That said Improvement Security is accepted as good and sufficient, subject to approval as to form and content thereof by the City Attorney; and
3. That Final Tract Map No. 18065 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 17<sup>th</sup> day of December 2019.

---

PAUL S. LEON, MAYOR

ATTEST:

---

SHEILA MAUTZ, CITY CLERK

APPROVED AS TO LEGAL FORM:

---

COLE HUBER 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. 2019- was duly passed and adopted by the City Council of the City of Ontario at their regular meeting held December 17, 2019 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. 2019- duly passed and adopted by the Ontario City Council at their regular meeting held December 17, 2019.

\_\_\_\_\_  
SHEILA MAUTZ, CITY CLERK

(SEAL)

# CITY OF ONTARIO

Agenda Report  
December 17, 2019

SECTION:  
CONSENT CALENDAR

**SUBJECT: A RESOLUTION OF INTENTION TO ESTABLISH AN ENHANCED INFRASTRUCTURE FINANCING DISTRICT**

**RECOMMENDATION:** That the City Council consider and adopt a Resolution of Intention to establish an Enhanced Infrastructure Financing District for the purpose of funding infrastructure and other capital improvements, and the creation of an Ontario Enhanced Infrastructure Financing District (EIFD) Public Financing Authority, and authorize the City Manager to execute all required documents.

**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

**FISCAL IMPACT:** Enhanced Infrastructure Financing Districts are a local government tool for capturing property tax increment revenues. There is no immediate fiscal impact to the City associated with the subject recommendation and action. If the EIFD is ultimately formed at a later date, a portion of future property tax revenue increases for properties within the district would be allocated to the Ontario EIFD Public Financing Authority (PFA) for the purpose of funding infrastructure and other public improvements within the district. No property tax revenues currently being received by the City would be affected. In addition, the formation of the EIFD allows for the participation of other non-education-related taxing entities and may result in additional non-City property tax increment being allocated to the district. Current estimates are that the EIFD may generate up to \$48,000,000 in property tax increment revenue over 20 years.

**BACKGROUND:** In response to the elimination of redevelopment agencies, California Senate Bill 628, effective January 1, 2015, and California Assembly Bill 313, effective January 1, 2016, authorized the ability for local government entities to form Enhanced Infrastructure Financing Districts, which are intended to succeed the former redevelopment financing mechanism for revitalizing certain areas of the community. An EIFD is a governmental entity, separate and distinct from the city, and is governed by a Public Financing Authority for the purpose of funding public capital facilities, infrastructure, affordable housing and other specified projects of community-wide significance,

**STAFF MEMBER PRESENTING:** John P. Andrews, Executive Director Economic Development

Prepared by: Bradley Gates  
Department: Economic Development

City Manager Approval: 

Submitted to Council/O.H.A. 12/17/2019  
Approved: \_\_\_\_\_  
Continued to: \_\_\_\_\_  
Denied: \_\_\_\_\_

8

primarily by capturing property tax increment revenue generated within the district. The EIFD may finance projects through the issuance of bonds for an array of public infrastructure projects, as well as supporting economic development efforts within the district.

Recently, the California Legislature passed Assembly Bill 116, which takes effect January 1, 2020. AB 116 eliminates the voter-approval requirement before a PFA issues bonds, and instead requires three (3) public hearings before the PFA approves the Infrastructure Financing Plan (IFP), as opposed to the single public hearing now required. Additionally, AB 116 requires the IFP to be submitted to a vote if between 25% and 50% of landowners and residents in the proposed area object to formation of the district. If more than 50% of landowners and residents in the proposed area object to formation of the district, then district formation must halt progress for at least one year. In this way, AB 116 increases public participation during the early stages of EIFD planning and increases efficiency during the operational phase.

At this time, it is unclear how and to what extent AB 116 will apply to EIFDs that have already been created or are currently in process of formation, or other legal/practical implications the law may have on the creation and operation of an EIFD. It is anticipated that the Legislature will pass “clean up” legislation in the near future to address some of these issues. If the City Council commences formation of an EIFD before January 1, 2020, the City may have the option to be “grandfathered” into the procedures established in existing law, though this cannot be guaranteed. However, taking the step to adopt this Resolution of Intention before January 1, 2020 preserves the option for flexibility moving forward. Should the City Council subsequently decide it prefers the procedures enacted by AB 116, the City Council would not be prevented from utilizing them.

Approving this Resolution of Intention is the first official step in the process of forming the Ontario Enhanced Infrastructure Financing District and establishing the Public Financing Authority which will have oversight of the district. It should also be noted that this Resolution of Intention does not create an obligation for the City to move forward with formation of the EIFD.

The proposed district boundaries include an area that is key to the future of Ontario and where investment in infrastructure has the capacity to trigger substantial economic development benefits. The district will cover approximately 1,800 acres and generally includes the land that constitutes the Ontario International Airport and surrounding property, in addition to the areas bordered by Interstate 10 to the north, Airport Drive to the south, Turner Avenue to the east and Holt Boulevard to the west. A map of the proposed district is included as Exhibit A.

The primary source of revenue available to the EIFD, as was the former Redevelopment Agency, is property tax increment. Unlike redevelopment however, taxing entities are not obligated to participate in the EIFD or contribute their share of increment to the district. Each taxing entity, including the City, may choose to contribute all or a portion of their increment, except for school district taxing entities, which are prohibited by law from participating in EIFDs. These tax increment revenues are utilized by the PFA to finance infrastructure and other public projects which stimulate and encourage private development and further increases in property values.

Under EIFD law, the PFA will serve as the governing board of the Ontario EIFD and must include a majority of board members representing the legislative bodies of the participating taxing entities and at least two members of the public. As presently proposed, it is recommended that the PFA consist of five members, including, three members of the Ontario City Council, and two members of the public that are appointed by the City Council. If at a future date, an additional taxing entity chooses to be involved,

such as the County of San Bernardino, it is recommended that the PFA consist of five members, including, two members of the Ontario City Council, one member of the San Bernardino County Board of Supervisors, one public member appointed by the City, and one public member appointed by the County.

Upon adoption of this Resolution of Intention, the following is a summary of remaining steps for formation of the EIFD:

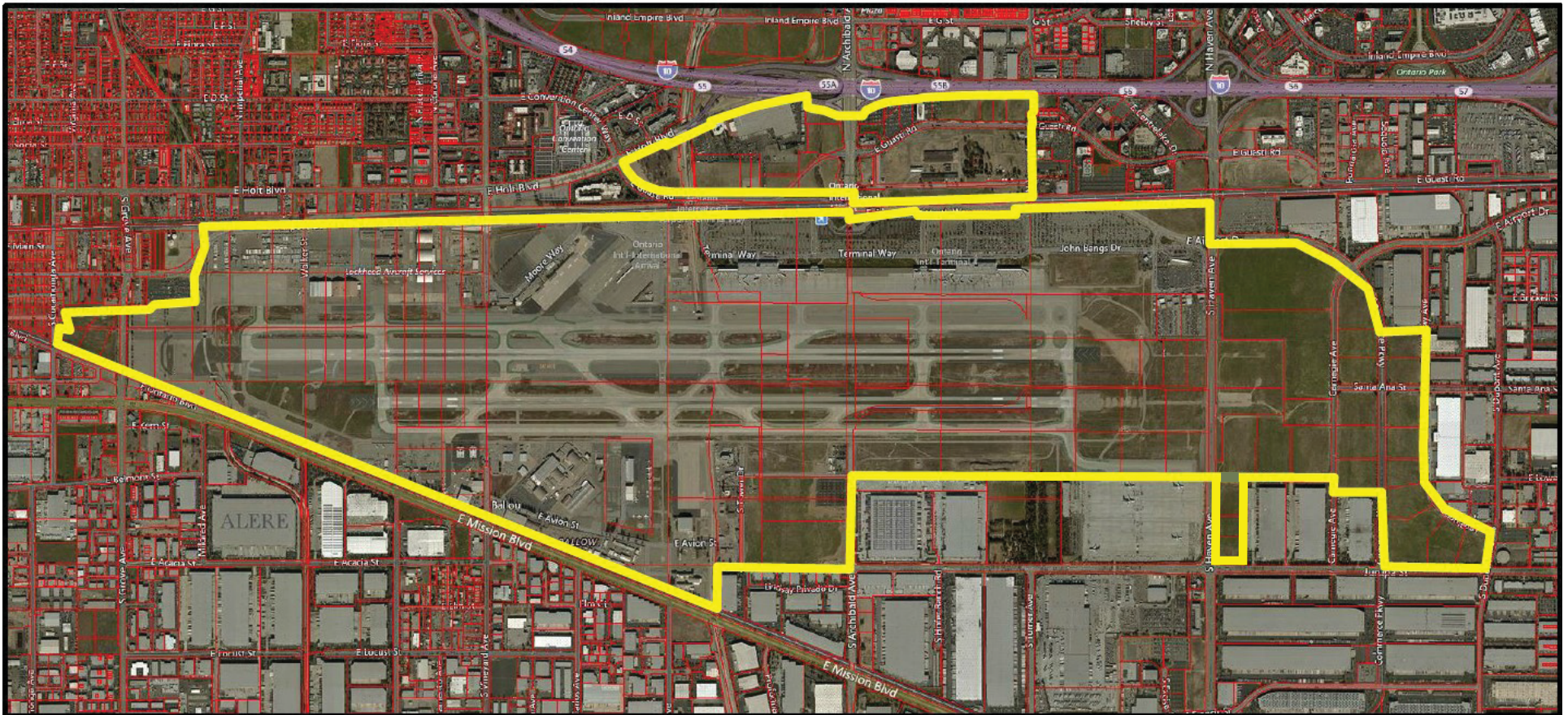
- 1) City Council will appoint PFA members at a future council meeting.
- 2) PFA and staff will work with Kosmont & Associates, consultant on contract with the City for EIFD formation services, to draft a proposed Infrastructure Financing Plan that describes each of the projects that may be funded by the district. Upon completion of the draft IFP, the plan must be sent to each property owner within the district.
- 3) The City and each participating taxing entity must adopt a resolution specifying the percent of property tax increment revenues that will be contributed to the EIFD.
- 4) The PFA will conduct a public hearing to approve the IFP and form the EIFD.

Formation of the EIFD does not create additional tax burden on property owners within the district. The EIFD allows for the utilization of property tax increment revenues to leverage bonds and other finance mechanisms to encourage growth and development. If created, the EIFD has the potential to help generate substantial financial benefits for each taxing entity, including additional property tax revenue, sales tax revenue, transient occupancy tax revenue, business license and development-related fee revenues, in addition to ancillary benefits associated with the redevelopment and revitalization of a key area of the entire region.



# EXHIBIT A

# PROPOSED ONTARIO EIFD BOUNDARY MAP



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

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF ONTARIO, CALIFORNIA, STATING ITS INTENTION TO ESTABLISH THE ONTARIO ENHANCED INFRASTRUCTURE FINANCING DISTRICT TO FINANCE THE CONSTRUCTION AND/OR ACQUISITION OF CAPITAL IMPROVEMENTS, ESTABLISHING A PUBLIC FINANCING AUTHORITY, SETTING A TIME AND PLACE FOR HEARING AND AUTHORIZING CERTAIN OTHER ACTIONS RELATED THERETO.

WHEREAS, pursuant to Chapter 2.99 of Part 1 of Division 2 of Title 5 of the California Government Code (commencing with Section 53398.50) (the "EIFD Law"), the City Council of the City of Ontario ("Council") is authorized to initiate the process to establish an Enhanced Infrastructure Financing District ("EIFD"); and

WHEREAS, in accordance with Section 53398.54, the City has complied with the prerequisites prior to initiating the creation of or participating in the governance of the EIFD and will provide the required certification to the Department of Finance in accordance with EIFD Law; and

WHEREAS, the Council proposes the establishment of an EIFD to finance certain public facilities; and

WHEREAS, the proposed boundaries of the EIFD are identified on a map entitled "Proposed Boundaries of Ontario EIFD" a copy which is on file in the office of the City Clerk, and

WHEREAS, the EIFD will be formed by a Public Financing Authority ("PFA") which will be the governing board of the EIFD and will be responsible for implementing the Infrastructure Financing Plan ("IFP") and

WHEREAS, this action is exempt from the California Environmental Quality Act as an action solely related to financing.

NOW, THEREFORE, THE CITY COUNCIL OF THE CITY OF ONTARIO DOES HEREBY RESOLVE AS FOLLOWS:

SECTION 1. The above recitals are true and correct.

SECTION 2. The Council proposes and intends to cause the establishment of an EIFD under the provisions of EIFD Law.

SECTION 3. The name proposed for the EIFD is "Ontario Enhanced Infrastructure Financing District".

SECTION 4. The proposed boundaries of the EIFD are as shown on the map of the EIFD on file in the office of the City Clerk, which boundaries are hereby preliminarily approved and to which map reference is hereby made for further particulars.

SECTION 5. The types of public facilities proposed to be financed by the EIFD and pursuant to the EIFD Law are streets and transit-supportive infrastructure, including improvements to bicycle and pedestrian connectivity, sidewalks, landscaping, signage, lighting, beautification, public safety access, parking, roadway, circulation, open space and parks, water, sewer and other utility capacity improvements, and other public facilities.

SECTION 6. Council hereby finds that the EIFD is necessary for the area within the boundaries of the EIFD and the City. The Council's goal for the EIFD is to create the means by which to assist in the provision of public facilities of communitywide significance that provide significant benefits and promote economic development within the boundaries of the EIFD or the surrounding community and, for those facilities located outside the EIFD boundaries, that also have a tangible connection to the EIFD.

SECTION 7. The Council hereby declares that, pursuant to the EIFD Law and if approved by resolution pursuant to Government Code Section 53398.68, incremental property tax revenue from the City of Ontario and County of Orange may finance the Facilities. The incremental property tax financing will be described in an IFP to be prepared for the PFA and the Council under the EIFD Law. Participating tax entities do not intend to contribute sales and use taxes or transactions and use taxes.

SECTION 8. The Council hereby establishes a Public Financing Authority to serve as the governing board of the EIFD. The PFA membership shall be comprised initially of three members of the City Council appointed by the City Council, and two public members selected by the City Council. Members shall serve at the pleasure of the City Council and shall serve until their successor assumes office.

- A. The Council further declares that should the County of San Bernardino agree to participate as a taxing entity, then the PFA membership shall be comprised initially of two members of the City Council appointed by the City Council, a member of the County Board of Supervisors, a public member selected by the City Council, and a member of the public selected by the San Bernardino County Board of Supervisors. Members shall serve at the pleasure of their respective appointing legislative bodies and shall serve until their successor assumes office.
- B. The members are subject to compliance with the EIFD Law and Government Code Section 54974.

SECTION 9. The Council hereby requests the PFA to direct City staff to work with Kosmont & Associates, Inc. to prepare the IFP in accordance with the EIFD Law.



SECTION 10. The Council hereby directs the City staff to distribute the IFP to each owner of land within the boundaries of the EIFD and each affected taxing entity, together with any reports required by the California Environmental Quality Act. The Council hereby authorizes City staff to also distribute the IFP to the PFA and the City's Planning Commission.

SECTION 11. The Council hereby establishes June 16, 2020, at the hour of 5:00 p.m., or as soon as possible thereafter as the matter may be heard, at the Council Chambers, 303 E. "B" St., Ontario, California, as the time and place, when and where the PFA will conduct a public hearing on the proposed establishment of the EIFD and the IFP.

SECTION 12. The City Clerk is hereby directed to mail a copy of this Resolution to the PFA and each owner of land (as defined in the EIFD Law) within the EIFD and to each affected taxing entity (as defined in the EIFD Law). In addition, the City Clerk is hereby directed to cause notice of the public hearing to be published not less than once a week for four successive weeks in a newspaper of general circulation published in the City. The notice shall state that the EIFD will be used to finance public works, briefly describe the Facilities, briefly describe the proposed financial arrangements, including the proposed commitment of incremental tax revenue, describe the boundaries of the proposed EIFD and state the day, hour, and place, when and where any persons having any objections to the proposed IFP, or the regularity of any of the prior proceedings, may appear before the PFA and object to the adoption of the proposed IFP.

SECTION 13. This Resolution in no way obligates the PFA to establish the EIFD. The establishment of the EIFD is subject to the approval of the PFA by resolution and an ordinance following the holding of the public hearing referred to above.

SECTION 14. The City Manager, the City Clerk and all other officers and agents of the City are hereby authorized and directed to take all actions necessary or advisable to give effect to the transactions contemplated by this Resolution.

SECTION 15. The City Clerk of the City of Ontario shall certify as to the adoption of this Resolution.

PASSED, APPROVED, AND ADOPTED this 17<sup>th</sup> day of December 2019.

---

PAUL S. LEON, MAYOR

ATTEST:

---

SHEILA MAUTZ, CITY CLERK

APPROVED AS TO FORM:

---

COLE HUBER 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. 2019-     was duly passed and adopted by the City Council of the City of Ontario at their regular meeting held December 17, 2019 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. 2019-     duly passed and adopted by the Ontario City Council at their regular meeting held December 17, 2019.

\_\_\_\_\_  
SHEILA MAUTZ, CITY CLERK

(SEAL)

# CITY OF ONTARIO

Agenda Report  
December 17, 2019

SECTION:  
CONSENT CALENDAR

**SUBJECT: UPDATED INVESTMENT POLICY**

**RECOMMENDATION:** That the City Council consider and approve updates to the City of Ontario's Investment Policy.

**COUNCIL GOALS:** Operate in a Businesslike Manner

**FISCAL IMPACT:** The recommended changes will result in improved financial flexibility, increased safety and are expected to create marginally increased portfolio returns.

**BACKGROUND:** Section 53646(a) (2) of the California Government Code states that the chief fiscal officer of a local agency may annually render to the legislative body of that local agency a statement of investment policy, which the legislative body of the local agency shall consider at a public meeting. Any change in the policy shall also be considered by the legislative body of the local agency at a public meeting.

This year there are several recommended changes to the Investment Policy. The rationale for these changes is two-fold: 1) to bring the investment policy up to date with current best practices, and; 2) to bring the investment policy into conformance with the standards established by the California Municipal Treasurers Association (CMTA) investment policy certification program, and approved by the California Debt and Investment Advisory Commission (CDIAC).

Changes to the Investment Policy related to best practices are authorized by California Government Code, Sections 53600-53997 and include:

Best Practices

1. Update the "Authorized Investments" section with language to recognize Fitch as a Nationally Recognized Statistical Rating Organization (NRSRO).

**STAFF MEMBER PRESENTING:** Armen Harkalyan, Executive Director of Finance

Prepared by: Jason M. Jacobsen  
Department: Financial Services

City Manager  
Approval:



Submitted to Council/O.H.A. 12/17/2019

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

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

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

9

2. Increase the maximum exposure to an individual issuer from 3% to 5%. This action will alleviate a conflict in the Bankers' Acceptances section which allows 5%. In addition, increasing the limit to 5% will allow the City to use multiple asset types from single issuers. For example, Honda issues corporate notes, commercial paper and asset backed securities; this recommended change would allow the City to take advantage of all three investment opportunities.
3. Exclude supranational securities (e.g. The World Bank) from the issuer exposure rule. The organizations representing this sector, being established by groups of countries through international treaties and by way of their financial structure, carry a AAA credit rating, the highest possible rating for any governmental organization. California Government Code Section 53601(q) allows for a maximum percentage of 30% of the City's portfolio to be allocated to supranational organizations. Updates to the City's investment policy will increase the individual allocation limit from 5% to 10% and the overall allocation limit from 9% to 10%.
4. Include Mutual Funds/Money Market Mutual Funds among investments listed in the "Authorized Investments" section. Using a money market funds is a standard practice and allowed by California Government Code.
5. Add a section that allows the City to utilize the services of external investment advisors (see "Delegation of Authority", "Qualified Dealers", and "Purchase and Sale of Securities"), to expand the City's range of expertise.
6. Revise the Competitive Bidding language to ensure all purchases and sales use a competitive process.
7. Update the name of the City's selected benchmark index.

Sections added to conform to CMTA Certification Requirements are authorized by California Government Code, Sections 53600-53997 and include:

Additional CMTA Certification Requirements

1. Delegation of Authority
2. Ethics and Conflicts of Interest
3. Internal Controls
4. Investment Pools/Mutual Funds
5. Collateralization
6. Glossary

Lastly, it should be noted that City Treasurer Jim Milhiser concurs with these recommendations.

# *Investment Policy*

*December 17, 2019*



City of Ontario  
303 E. B Street  
Ontario, Ca 91764  
Phone: 909-395-2000  
Web: [www.ontarioca.gov](http://www.ontarioca.gov)



CITY OF ONTARIO  
STATEMENT OF INVESTMENT POLICY

I. **PURPOSE**

This statement is intended to: (a) describe the policies and procedures utilized in the City's investment management system; (b) put in place guidelines for the prudent investment of the City's funds, and (c) list and describe suitable investments.

The goals of the City's investment policy and investment management function are enhancement of the economic status of the City and protection of the City's funds.

The investment policies and practices of the City of Ontario are based upon federal and state law and prudent money management principles. The primary goals of these policies are:

- A. To assure compliance with all laws governing the investments under the control of the City Treasurer.
- B. To protect the principal monies entrusted to this office.
- C. To generate the maximum amount of investment income consistent with the parameters established in this Statement of Investment Policy.

II. **SCOPE**

This investment policy applies to all monies belonging to the City of Ontario, and proceeds from bonds or notes issued by the City of Ontario and any authorized special districts. Bond proceeds and any funds associated with bond issues and other monies arising from bond indebtedness are further restricted by the pertinent bond indenture. Funds described above are accounted for in the City's Comprehensive Annual Financial Report.

The City will comply with all applicable sections of the Internal Revenue Code of 1986, Arbitrage Rebate Regulations and bond covenants with regard to the investment of bond proceeds.

All monies entrusted to the City Treasurer will be pooled in an actively managed portfolio and will be referred to as the "fund" or the "portfolio" throughout the remainder of this document.

III. **DELEGATION OF AUTHORITY**

In accordance with State law (see California Government Code Sec. 53607) and under the authority granted by the City Council in its resolutions 2019-090 and 2019-091 dated July 7, 2019, the City Treasurer and Deputy City Treasurer(s) are authorized to invest the unexpended cash in the City treasury. The responsibility for the day-to-day investment of the City's funds is delegated to the Investment Officer. In the absence of the Investment Officer, the Deputy City Treasurers will be responsible for the investment function.

The City may engage the services of one or more external investment advisers, who are registered under the Investment Advisers Act of 1940, to assist in the management of the City's investment portfolio in a manner consistent with the City's objectives. External investment advisers may be

granted discretion to purchase and sell investment securities in accordance with this investment policy.

#### IV. **PRUDENCE**

Investments shall be made with judgment and care, under circumstances then prevailing, which persons of prudence, discretion, and intelligence exercise in the management of their own affairs; not for speculation, but for investment, considering the probable safety of their capital as well as the probable income to be derived. The standard of prudence to be used by investment officials shall be the “prudent investor” standard (California Government Code Section 53600.3) and shall be applied in the context of managing an overall portfolio. Investment officers, acting in accordance with written procedures and the investment policy and exercising due diligence, shall be relieved of personal responsibility for an individual security’s credit risk or market price changes, provided deviations from expectations are reported in a timely fashion and appropriate action is taken to control adverse developments.

#### V. **OBJECTIVES**

##### A. **Safety of Principal**

Safety of principal is the foremost objective of the investment policies and practices of the City of Ontario. Investment decisions shall seek to minimize net capital losses on a portfolio basis. This policy recognizes that market conditions may warrant the sale of individual securities incurring losses in order to protect against further and more substantial capital losses. The intent of this policy is to ensure that capital losses are minimized on a portfolio level rather than on each transaction. The City shall seek to preserve principal by mitigating credit risk and market risk.

- 1) **Credit Risk** – Defined as the risk of loss due to failure or insolvency of an issuer; shall be mitigated by diversifying the fund so that the failure of any one issuer would not unduly harm the City’s cash flow. No more than 5% of the portfolio may be invested (at time of purchase) in the securities of any one single issuer except the U.S. Government, its agencies, supranational organizations, or the State of California Local Agency Investment Fund.
- 2) **Market Risk** – Defined as the risk of market value fluctuations due to changes in the general level of interest rates. Because longer maturity fixed-income securities have greater market risk than shorter maturity securities, market risk will be mitigated by limiting the weighted average maturity of the fund to 2 ½ years. It is explicitly recognized that in an active portfolio occasional losses are inevitable and must be considered within the context of the overall investment return.

##### B. **Liquidity**

The City’s fund will be structured to ensure that the projected expenditure requirements of the City for the next six months can be met with a combination of anticipated revenues, maturing securities, principal and interest payments and liquid instruments as required by California Government Code Section 53646.



**C. Performance Measurement**

The performance of the City's investment portfolio will be measured on a total return basis. The portfolio's performance will be measured against a benchmark of the ICE BofAML 1-3 year Treasury Index. The index's returns are reported monthly on the City's current portfolio report.

**VI. ETHICS AND CONFLICTS OF INTEREST**

All participants in the investment process shall act as custodians of the public trust. Investment officials shall recognize that the investment portfolio is subject to public review and evaluation. Thus employees and officials involved in the investment process shall refrain from personal business activity that could create a conflict of interest or the appearance of a conflict with proper execution of the investment program, or which could impair their ability to make impartial investment decisions.

Employees and investment officials shall disclose to the Investment Officer any material interests in financial institutions with which they conduct business, and they shall further disclose any large personal financial/investment positions that could be related to the performance of the investment portfolio. Employees and officers shall refrain from undertaking any personal investment transactions with the same individual with whom business is conducted on behalf of the City.

**VII. INTERNAL CONTROLS**

The City Treasurer is responsible for establishing and maintaining an internal control structure designed to ensure that the assets of the entity are protected from loss, theft or misuse. The internal control structure shall be designed to provide reasonable assurance that these objectives are met. The concept of reasonable assurance recognizes that (1) the cost of a control should not exceed the benefits likely to be derived; and (2) the valuation of costs and benefits requires estimates and judgments by management.

Periodically, as deemed appropriate by the City, an independent analysis by an external auditor shall be conducted to review internal controls, account activity and compliance with policies and procedures.

**VIII. SAFEKEEPING OF SECURITIES**

With the exception of insured Certificates of Deposit and the Local Agency Investment Fund of the State of California, all securities owned by the City, including collateral for repurchase agreements, shall be held in safekeeping by the City's custodial bank or a third party bank trust department acting as agent for the city under terms of a custody or trustee agreement executed by the bank and the City. All securities will be received and delivered using standard delivery versus payment (DVP) procedures and in accordance with State Code.

**IX. REPORTING**

The City Treasurer is required to submit an investment report on a quarterly basis to the City Manager, the Internal Auditor, and the City Council, in accordance with California Government Code, Section 53646. The report is required to be submitted within 30 days of the end of the quarter. The City Treasurer has elected to provide this report monthly. This report will include the following information:

- Type of investment instrument (i.e. Treasury Bill, CD)
- Issuer name (i.e. US Treasury Note)

- Purchase date (trade and settlement date)
- Maturity date
- Par value
- Purchase price
- Current market value and source of valuation
- Overall portfolio yield based on cost
- Statement of compliance of the portfolio to the investment policy or an explanation of the manner in which the portfolio is not in compliance
- Description of any of the City's funds that are under the management of contracted parties.
- Statement denoting the ability of the City to meet its expenditure requirements for the next six months, or an explanation as to why sufficient money may not be available.

#### **X. QUALIFIED DEALERS**

The Investment Officer shall maintain a list of financial institutions qualified to do business with the City. Banks and broker/dealers will be selected on the basis of creditworthiness, experience, and capitalization. Prior to approval, they must read and sign the City's Broker/Dealer Questionnaire and Certification. In accordance with California Government Code, Section 53601, a bank or broker/dealer must be qualified as a dealer regularly reporting to the New York Federal Reserve Bank (a "primary dealer") to conduct repurchase agreements with the City.

Selection of financial institutions and broker/dealers authorized to engage in transactions will be at the sole discretion of the City, except where the City utilizes an external investment adviser in which case the City may rely on the adviser for selection.

Selection of broker/dealers used by an external investment adviser retained by the City will be at the sole discretion of the adviser. Where possible, transactions with broker/dealers shall be selected on a competitive basis and their bid or offering prices shall be recorded. If there is no other readily available competitive offering, best efforts will be made to document quotations for comparable or alternative securities. When purchasing original issue instrumentality securities, no competitive offerings will be required as all dealers in the selling group offer those securities at the same original issue price.

#### **XI. COMPETITIVE BIDDING**

It will be the policy of the City to transact all securities purchases and sales through a formal and competitive process requiring the solicitation and evaluation of at least three bids/offers whenever possible. The City will accept the offer, which provides (a) the highest rate of return; and (b) optimizes the investment objectives of the overall portfolio. On transactions where three bids/offers are not available, the Investment Officer shall make an evaluation regarding the relative attractiveness of various offer using factors such as maturity date, credit ratings, structure and other factors which influence pricing. It will be the responsibility of the City's staff involved to produce and retain written records, including the name of the financial institutions solicited, price/rate quoted, description of the security, bid/offer selected, and any special considerations that had an impact on their decision.

**XII. PURCHASE AND SALE OF SECURITIES**

Unless the services of an external investment adviser are used, purchases and sales of securities will be executed only by the Investment Officer and in his absence the Deputy City Treasurer. All transactions will be reviewed and approved by the City Treasurer.

**XIII. POLICY REVIEW**

The City Treasurer shall annually render to the City Council a statement of investment policy, which shall be considered at a public meeting. Any changes in the policy shall also be considered by the City Council at a public meeting.

**XIV. AUTHORIZED INVESTMENTS**

A. The City's Investment Portfolio is governed by California Government Code, Section 53600 et seq. Percentage holding limits listed in this section apply at the time the security is purchased. Within the context of these limitations, the following investments are authorized, as further limited herein:

- 1) United States Treasury Bills, Notes, and Bonds, or those securities for which the full faith and credit of the United States are pledged for payment of principal and interest. There is no limitation as to the percentage of the fund, which can be invested in this category.
- 2) Obligations—including U.S. Government Agency Mortgage pass-through securities—issued by various agencies of the Federal Government including, but not limited to, the Federal Farm Credit Bank System, the Federal Home Loan Bank System, the Federal Home Loan Bank, the Federal National Mortgage Association, the Federal Home Loan Mortgage Corporation as well as such agencies or enterprises which may be created. There is no percentage limitation on the dollar amount which can be invested in Agency issues in total, no more than 20% of the cost value of the portfolio may be invested in the securities of any one issuer.
- 3) Bills of exchange or time drafts drawn on and accepted by a commercial bank, commonly known as banker's acceptances. Banker's acceptances may not exceed 180 days to maturity. To be eligible for purchase, banker's acceptances must have short-term debt obligations rated "A-1" or its equivalent or better by at least one NRSRO; or long-term debt obligations which are rated in a rating category of "A" or its equivalent or better by at least one NRSRO. No more than 40% of the cost value of the portfolio may be invested in banker's acceptances and no more than 5% of the cost value of the portfolio may be invested in banker's acceptances of any single bank.
- 4) Commercial paper rated "A-1" or its equivalent by at least two NRSROs and issued by a domestic corporation having assets in excess of \$500 million and having at least an "A" or its equivalent rating on its long-term debentures as provided by a NRSRO. Purchases of eligible commercial paper may not exceed 270 days maturity nor represent more than 10% of the outstanding paper on an issuing corporation. Purchases of commercial paper may not exceed 15% of the portfolio, which may be invested pursuant to this section. An additional 15% or a total of 30% of the City's money may be invested pursuant to this

subdivision. The additional 15% may be so invested only if the dollar weighted average maturity of the entire amount does not exceed 31 days.

- 5) Negotiable certificates of deposit issued by a nationally or State chartered bank or a State or Federal savings institution, or a State licensed branch of a foreign bank (“Yankee”). Purchases of negotiable certificates of deposit may not exceed 30% of the cost value of the portfolio. To be eligible for purchase by the City, the certificate of deposit must be rated “A-1” or its equivalent by at least two NRSROs.
- 6) Repurchase Agreements – The City may invest in repurchase agreements with primary dealers of the Federal Reserve Bank of New York with which the City has entered into a master repurchase agreement. The Public Securities Association master repurchase agreement is the “master repurchase agreement”. The maturity of repurchase agreements shall not exceed one year. The market value of securities used as collateral for repurchase agreements shall be valued at no less than 102% of the value of the repurchase agreement. Collateral pricing will be monitored no less than monthly by the investment staff and not be allowed to fall below 102% of the value of the repurchase agreement. In order to conform to provisions of the Federal Bankruptcy Code which provide for the liquidation of securities held as collateral for repurchase agreements, the only securities acceptable to the city as collateral shall be securities that are direct obligations of, or that are fully guaranteed as to principal and interest, by the United States or any agency thereof. Investments in repurchase agreements may not exceed 20% of the cost value of the fund.
- 7) Local Agency Investment Fund - The City may invest in the Local Agency Investment Fund (“LAIF”) established by the State Treasurer for the benefit of local agencies up to the maximum permitted under Section 16429.1 of the California Government Code.
- 8) Time Deposits – The City may invest in non-negotiable time deposits collateralized in accordance with the California Government Code, which meet the requirements for investment in negotiable certificates of deposit. The City may invest in insured certificates of deposit with individual depository institutions up to the insured limit. No more than 25% of the fund may be invested in this category.
- 9) Medium-term notes of a maximum of five years maturity issued by corporations organized and operating within the United States or by depository institutions licensed by the United States or any State and operating within the United States. The issuing corporation must have a minimum rating of “A” or its equivalent by at least two NRSROs and have in excess of \$500 million in shareholder equity. Purchase of medium-term notes may not exceed 30% of the cost value of the fund with no more than 15% of the cost value of the fund rated below “AA” or its equivalent by at least two NRSROs. No more than 5% of the fund (at time of purchase) may be invested in any one corporate name, including the parent corporation or subsidiaries.
- 10) Any collateralized mortgage obligations, mortgage-backed or other pay-through bond, equipment lease-backed certificate, or consumer receivable-backed bond. Securities eligible for investment under this section shall be rated in a rating category of “AA” by a

nationally recognized statistical rating organization and have a maximum remaining maturity of 5 years or less. Purchase of securities authorized by this subdivision may not exceed 20% of the cost value of the fund.

- 11) Bonds, notes, warrants or other evidences of indebtedness of any local agency of this state, including bonds payable solely out of the revenues from a revenue producing property owned, controlled, or operated by the local agency, or by a department, board, agency, or authority of the local agency.
- 12) Registered state warrants or treasury notes or bonds of this state, including bonds payable solely out of the revenues from a revenue-producing property owned, controlled or operated by the state or by a department, board, agency or authority of the state
- 13) United States dollar denominated senior unsecured unsubordinated obligations issued or unconditionally guaranteed by the International Bank for Reconstruction and Development, International Finance Corporation, or Inter-American Development Bank, with a maximum remaining maturity of five years or less, and eligible for purchase and sale within the United States. Investments under this subdivision shall be rated "AA" or better by an NRSRO and shall not exceed 10 percent of the City's moneys that may be invested pursuant to this section.
- 14) Mutual Funds and Money Market Mutual Funds that are registered with the Securities and Exchange Commission under the Investment Company Act of 1940, provided that:
  - a. **Mutual Funds** that invest in the securities and obligations as authorized under California Government Code, Section 53601 (a) to (k) and (m) to (q) inclusive and that meet either of the following criteria:
    - i. Attained the highest ranking or the highest letter and numerical rating provided by not less than two (2) NRSROs; or
    - ii. Have retained an investment adviser registered or exempt from registration with the Securities and Exchange Commission with not less than five years' experience investing in the securities and obligations authorized by California Government Code, Section 53601 and with assets under management in excess of \$500 million.
    - iii. No more than 10% of the total portfolio may be invested in shares of any one mutual fund.
  - b. **Money Market Mutual Funds** registered with the Securities and Exchange Commission under the Investment Company Act of 1940 and issued by diversified management companies and meet either of the following criteria:
    - i. Have attained the highest ranking or the highest letter and numerical rating provided by not less than two (2) NRSROs; or

- ii. Have retained an investment adviser registered or exempt from registration with the Securities and Exchange Commission with not less than five years' experience managing money market mutual funds with assets under management in excess of \$500 million.
- iii. No more than 20% of the total portfolio may be invested in the shares of any one Money Market Mutual Fund.

c. No more than 20% of the total portfolio may be invested in these securities.

B. In the event of a rating downgrade of security in the City's portfolio by any of the applicable rating agencies (Standard and Poor's or Moody's) to a rating category below the minimum required for purchase, the Investment Officer will document such downgrade in writing. The Investment Officer will also communicate to the City Treasurer a recommended course of action for said security.

The maximum allowable maturity for all securities purchased shall be no greater than 5 years from the settlement date if the maturity has not been further limited in subsections (1) through (12).D. The 5-year maturity limitation may be exceeded only when investing in securities referred to in section 11 above and only with prior City Council approval. Ineligible investments – investments not described herein-, are prohibited for purchase in the City's portfolio. Specifically prohibited as of January 1, 1996 are: Inverse floaters, range notes, interest-only strips derived from a pool of mortgages, or any security that could result in zero interest accrual if held to maturity.

## **XV. INVESTMENT POOLS/MUTUAL FUNDS**

The City shall conduct a thorough investigation of any pool or mutual fund prior to making an investment, and on a continual basis thereafter. The Treasurer shall develop a questionnaire which will answer the following general questions:

- A description of eligible investment securities, and a written statement of investment policy and objectives.
- A description of interest calculations and how it is distributed, and how gains and losses are treated.
- A description of how the securities are safeguarded (including the settlement processes), and how often the securities are priced and the program audited.
- A description of who may invest in the program, how often, what size deposit and withdrawal are allowed.
- A schedule for receiving statements and portfolio listings.
- Are reserves, retained earnings, etc. utilized by the pool/fund?
- A fee schedule, and when and how is it assessed.
- Is the pool/fund eligible for bond proceeds and/or will it accept such proceeds?

## XVI. COLLATERALIZATION

**Certificates of Deposit (CDs).** The City shall require any commercial bank or savings and loan association to deposit eligible securities with an agency of a depository approved by the State Banking Department to secure any uninsured portion of a Non-Negotiable Certificate of Deposit. The value of eligible securities as defined pursuant to California Government Code, Section 53651, pledged against a Certificate of Deposit shall be equal to 150% of the face value of the CD if the securities are classified as mortgages and 110% of the face value of the CD for all other classes of security.

**Collateralization of Bank Deposits.** This is the process by which a bank or financial institution pledges securities, or other deposits for the purpose of securing repayment of deposited funds. The City shall require any bank or financial institution to comply with the collateralization criteria defined in California Government Code, Section 53651.

**Repurchase Agreements.** The City requires that Repurchase Agreements be collateralized only by securities authorized in accordance with California Government Code:

1. The securities which collateralize the repurchase agreement shall be priced at Market Value, including any Accrued Interest plus a margin. The Market Value of the securities that underlie a repurchase agreement shall be valued at 102% or greater of the funds borrowed against those securities.
2. Financial institutions shall mark the value of the collateral to market at least monthly and increase or decrease the collateral to satisfy the ratio requirement described above.
3. The City shall receive monthly statements of collateral.



**XVII. GLOSSARY OF INVESTMENT TERMS**

**Agencies.** Shorthand market terminology for any obligation issued by a government-sponsored entity (GSE), or a federally related institution. Most obligations of GSEs are not guaranteed by the full faith and credit of the US government. Examples are:

**FFCB.** The Federal Farm Credit Bank System provides credit and liquidity in the agricultural industry. FFCB issues discount notes and bonds.

**FHLB.** The Federal Home Loan Bank provides credit and liquidity in the housing market. FHLB issues discount notes and bonds.

**FHLMC.** Like FHLB, the Federal Home Loan Mortgage Corporation provides credit and liquidity in the housing market. FHLMC, also called “FreddieMac” issues discount notes, bonds and mortgage pass-through securities.

**FNMA.** Like FHLB and FreddieMac, the Federal National Mortgage Association was established to provide credit and liquidity in the housing market. FNMA, also known as “FannieMae,” issues discount notes, bonds and mortgage pass-through securities.

**GNMA.** The Government National Mortgage Association, known as “GinnieMae,” issues mortgage pass-through securities, which are guaranteed by the full faith and credit of the US Government.

**PEFCO.** The Private Export Funding Corporation assists exporters. Obligations of PEFCO are not guaranteed by the full faith and credit of the US government.

**TVA.** The Tennessee Valley Authority provides flood control and power and promotes development in portions of the Tennessee, Ohio, and Mississippi River valleys. TVA currently issues discount notes and bonds.

**Asset Backed Securities.** Securities supported by pools of installment loans or leases or by pools of revolving lines of credit.

**Average Life.** In mortgage-related investments, including CMOs, the average time to expected receipt of principal payments, weighted by the amount of principal expected.

**Banker’s Acceptance.** A money market instrument created to facilitate international trade transactions. It is highly liquid and safe because the risk of the trade transaction is transferred to the bank which “accepts” the obligation to pay the investor.

**Benchmark.** A comparison security or portfolio. A performance benchmark is a partial market index, which reflects the mix of securities allowed under a specific investment policy.

**Broker.** A broker brings buyers and sellers together for a transaction for which the broker receives a commission. A broker does not sell securities from his own position.

**California Debt & Investment Advisory Commission (CDIAC).** The California Debt and Investment Advisory Commission (CDIAC) provides information, education and technical assistance on debt issuance and public fund investments to local public agencies and other public finance professionals. The Commission was created in 1981 with the passage of Chapter 1088, Statutes of 1981 (Assembly Bill (AB) 1192, Costa). This legislation established the



California Debt Advisory Commission as the State's clearinghouse for public debt issuance information and required it to assist state and local agencies with the monitoring, issuance and management of public debt.

**Callable.** A callable security gives the issuer the option to call it from the investor prior to its maturity. The main cause of a call is a decline in interest rates. If interest rates decline, the issuer will likely call its current securities and reissue them at a lower rate of interest.

**Certificate of Deposit (CD).** A time deposit with a specific maturity evidenced by a certificate.

**Certificate of Deposit Account Registry SYSTEM (CDARS).** A private placement service that allows local agencies to purchase more than \$250,000 in CDs from a single financial institution (must be a participating institution of CDARS) while still maintaining FDIC insurance coverage. CDARS is currently the only entity providing this service. CDARS facilitates the trading of deposits between the California institution and other participating institutions in amounts that are less than \$250,000 each, so that FDIC coverage is maintained.

**Collateral.** Securities or cash pledged by a borrower to secure repayment of a loan or repurchase agreement. Also, securities pledged by a financial institution to secure deposits of public monies.

**Collateralized Bank Deposit.** A bank deposit that is collateralized at least 100% (principal plus interest to maturity). The deposit is collateralized using assets set aside by the issuer such as Treasury securities or other qualified collateral to secure the deposit in excess of the limit covered by the Federal Deposit Insurance Corporation.

**Collateralized Mortgage Obligations (CMO).** Classes of bonds that redistribute the cash flows of mortgage securities (and whole loans) to create securities that have different levels of prepayment risk, as compared to the underlying mortgage securities.

**Collateralized Time Deposit.** Time deposits that are collateralized at least 100% (principal plus interest to maturity). These instruments are collateralized using assets set aside by the issuer such as Treasury securities or other qualified collateral to secure the deposit in excess of the limit covered by the Federal Deposit Insurance Corporation.

**Commercial Paper.** The short-term unsecured debt of corporations.

**Coupon.** The rate of return at which interest is paid on a bond.

**Credit Risk.** The risk that principal and/or interest on an investment will not be paid in a timely manner due to changes in the condition of the issuer.

**Dealer.** A dealer acts as a principal in security transactions, selling securities from and buying securities for his own position.

**Debenture.** A bond secured only by the general credit of the issuer.

**Delivery vs. Payment (DVP).** A securities industry procedure whereby payment for a security must be made at the time the security is delivered to the purchaser's agent.

**Derivative.** Any security that has principal and/or interest payments which are subject to uncertainty (but not for reasons of default or credit risk) as to timing and/or amount, or any security which represents a component of another security which has been separated from other components ("Stripped" coupons and principal). A derivative is also defined as a financial instrument the value of which is totally or partially derived from the value of another instrument, interest rate, or index.

**Discount.** The difference between the par value of a bond and the cost of the bond, when the cost is below par. Some short-term securities, such as T-bills and banker's acceptances, are known as discount securities. They sell at a discount from par and return the par value to the investor at maturity without additional interest. Other securities, which have fixed coupons, trade at a discount when the coupon rate is lower than the current market rate for securities of that maturity and/or quality.

**Diversification.** Dividing investment funds among a variety of investments to avoid excessive exposure to any one source of risk.

**Duration.** The weighted average time to maturity of a bond where the weights are the present values of the future cash flows. Duration measures the price sensitivity of a security to changes interest rates.

**Federal Deposit Insurance Corporation (FDIC).** The Federal Deposit Insurance Corporation (FDIC) is an independent federal agency insuring deposits in U.S. banks and thrifts in the event of bank failures. The FDIC was created in 1933 to maintain public confidence and encourage stability in the financial system through the promotion of sound banking practices.

**Federally Insured Time Deposit.** A time deposit is an interest-bearing bank deposit account that has a specified date of maturity, such as a certificate of deposit (CD). These deposits are limited to funds insured in accordance with FDIC insurance deposit limits.

**Leverage.** Borrowing funds in order to invest in securities that have the potential to pay earnings at a rate higher than the cost of borrowing.

**Liquidity.** The speed and ease with which an asset can be converted to cash.

**Local Agency Investment Fund (LAIF).** A voluntary investment fund open to government entities and certain non-profit organizations in California that is managed by the State Treasurer's Office.

**Local Agency Investment Guidelines (LAIG).** Published by CDIAC, these guidelines are intended to aid local officials in their efforts to implement existing laws pertaining to the investment of public funds. Each year, CDIAC staff convenes a working group of public- and private-sector professionals to support its efforts to revise and update these Guidelines

**Local Government Investment Pool.** Investment pools that range from the State Treasurer's Office Local Agency Investment Fund (LAIF) to county pools, to Joint Powers Authorities (JPAs). These funds are not subject to the same SEC rules applicable to money market mutual funds.

**Make Whole Call.** A type of call provision on a bond that allows the issuer to pay off the remaining debt early. Unlike a call option, with a make whole call provision, the issuer makes a lump sum payment that equals the net present value (NPV) of future coupon payments that will not be paid because of the call. With this type of call, an investor is compensated, or "made whole."

**Margin.** The difference between the market value of a security and the loan a broker makes using that security as collateral.

**Market Risk.** The risk that the value of securities will fluctuate with changes in overall market conditions or interest rates.

**Market Value.** The price at which a security can be traded.

**Maturity.** The final date upon which the principal of a security becomes due and payable.

**Medium Term Notes.** Unsecured, investment-grade senior debt securities of major corporations which are sold in relatively small amounts on either a continuous or an intermittent basis. MTNs are highly flexible debt instruments that can be structured to respond to market opportunities or to investor preferences.

**Modified Duration.** The percent change in price for a 100-basis point change in yields. Modified duration is the best single measure of a portfolio's or security's exposure to market risk.

**Money Market.** The market in which short-term debt instruments (T-bills, discount notes, commercial paper, and banker's acceptances) are issued and traded.

**Money Market Mutual Fund.** A mutual fund that invests exclusively in short-term securities. Examples of investments in money market funds are certificates of deposit and U.S. Treasury securities. Money market funds attempt to keep their net asset values at \$1 per share.

**Mortgage Pass-Through Securities.** A securitized participation in the interest and principal cash flows from a specified pool of mortgages. Principal and interest payments made on the mortgages are passed through to the holder of the security.

**Municipal Securities.** Securities issued by state and local agencies to finance capital and operating expenses.

**Mutual Fund.** An entity which pools the funds of investors and invests those funds in a set of securities which is specifically defined in the fund's prospectus. Mutual funds can be invested in various types of domestic and/or international stocks, bonds, and money market instruments, as set forth in the individual fund's prospectus. For most large, institutional investors, the costs

associated with investing in mutual funds are higher than the investor can obtain through an individually managed portfolio.

**Nationally Recognized Statistical Rating Organization (NRSRO).**

A credit rating agency that the Securities and Exchange Commission in the United States uses for regulatory purposes. Credit rating agencies provide assessments of an investment's risk. The issuers of investments, especially debt securities, pay credit rating agencies to provide them with ratings. The three most prominent NRSROs are Fitch, S&P, and Moody's.

**Negotiable Certificate of Deposit (CD).** A short-term debt instrument that pays interest and is issued by a bank, savings or federal association, state or federal credit union, or state-licensed branch of a foreign bank. Negotiable CDs are traded in a secondary market and are payable upon order to the bearer or initial depositor (investor).

**Primary Dealer.** A financial institution (1) that is a trading counterparty with the Federal Reserve in its execution of market operations to carry out U.S. monetary policy, and (2) that participates for statistical reporting purposes in compiling data on activity in the U.S. Government securities market.

**Prudent Person (Prudent Investor) Rule.** A standard of responsibility which applies to fiduciaries. In California, the rule is stated as "Investments shall be managed with the care, skill, prudence and diligence, under the circumstances then prevailing, that a prudent person, acting in a like capacity and familiar with such matters, would use in the conduct of an enterprise of like character and with like aims to accomplish similar purposes."

**Repurchase Agreement.** Short-term purchases of securities with a simultaneous agreement to sell the securities back at a higher price. From the seller's point of view, the same transaction is a reverse repurchase agreement.

**Safekeeping.** A service to bank customers whereby securities are held by the bank in the customer's name.

**Securities and Exchange Commission (SEC).** The U.S. Securities and Exchange Commission (SEC) is an independent federal government agency responsible for protecting investors, maintaining fair and orderly functioning of securities markets and facilitating capital formation. It was created by Congress in 1934 as the first federal regulator of securities markets. The SEC promotes full public disclosure, protects investors against fraudulent and manipulative practices in the market, and monitors corporate takeover actions in the United States.

**Securities and Exchange Commission SEC) Rule 15c3-1.** An SEC rule setting capital requirements for brokers and dealers. Under Rule 15c3-1, a broker or dealer must have sufficient liquidity in order to cover the most pressing obligations. This is defined as having a certain amount of liquidity as a percentage of the broker/dealer's total obligations. If the percentage falls below a certain point, the broker or dealer may not be allowed to take on new clients and may have restrictions placed on dealings with current client.

**Structured Note.** A complex, fixed income instrument, which pays interest, based on a formula tied to other interest rates, commodities or indices. Examples include inverse floating rate notes which have coupons that increase when other interest rates are falling, and which fall when other interest rates are rising, and "dual index floaters," which pay interest based on the relationship between two other interest rates - for example, the yield on the ten-year Treasury note minus the Libor rate. Issuers of such notes lock in a reduced cost of borrowing by purchasing interest rate swap agreements.

**Supranational.** A Supranational is a multi-national organization whereby member states transcend national boundaries or interests to share in the decision making to promote economic development in the member countries.

**Total Rate of Return.** A measure of a portfolio's performance over time. It is the internal rate of return, which equates the beginning value of the portfolio with the ending value; it includes interest earnings, realized and unrealized gains, and losses in the portfolio.

**U.S. Treasury Obligations.** Securities issued by the U.S. Treasury and backed by the full faith and credit of the United States. Treasuries are considered to have no credit risk and are the benchmark for interest rates on all other securities in the US and overseas. The Treasury issues both discounted securities and fixed coupon notes and bonds.

**Treasury Bills.** All securities issued with initial maturities of one year or less are issued as discounted instruments and are called Treasury bills. The Treasury currently issues three- and six-month T-bills at regular weekly auctions. It also issues "cash management" bills as needed to smooth out cash flows.

**Treasury Notes.** All securities issued with initial maturities of two to ten years are called Treasury notes and pay interest semi-annually.

**Treasury Bonds.** All securities issued with initial maturities greater than ten years are called Treasury bonds. Like Treasury notes, they pay interest semi-annually.

**Yield to Maturity.** The annualized internal rate of return on an investment which equates the expected cash flows from the investment to its cost.

# CITY OF ONTARIO

Agenda Report  
December 17, 2019

SECTION:  
CONSENT CALENDAR

**SUBJECT: COMPREHENSIVE ANNUAL FINANCIAL REPORT FOR FISCAL YEAR ENDED JUNE 30, 2019**

**RECOMMENDATION:** That the City Council accept the City of Ontario's Comprehensive Annual Financial Report (CAFR) for the fiscal year ending June 30, 2019.

**COUNCIL GOALS:** Operate in a Businesslike Manner

**FISCAL IMPACT:** There is no direct fiscal impact as a result of this action; however, the City's receipt of an unqualified audit report with no material internal control weaknesses or significant deficiencies reported can result in enhanced bond ratings.

**BACKGROUND:** The primary objectives of a financial audit are: (1) to express an opinion on the fairness of the financial statements in conformity with generally accepted accounting principles; and (2) to determine whether the City has complied with applicable legal requirements in obtaining and expending public funds.

The audit for Fiscal Year 2018-19 was performed in accordance with generally accepted auditing standards by the accounting firm of Lance, Soll & Lunghard, LLP. These standards are required to obtain reasonable assurances that the general purpose financial statements are free from material misstatements. The opinion given in the Independent Auditors Report states that "the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the City of Ontario, California, as of June 30, 2019, and the respective changes in financial position and, where applicable, cash flows thereof for the year then ended in accordance with accounting principles generally accepted in the United States of America."

The City of Ontario has received the Certificate of Achievement for Excellence in Financial Reporting from the Government Finance Officers Association (GFOA) for 30 consecutive years. This year's CAFR has been submitted again to GFOA for award consideration.

**STAFF MEMBER PRESENTING:** Armen Harkalyan, Executive Director of Finance

Prepared by: Doreen M. Nunes  
Department: Fiscal Services

City Manager Approval: 

Submitted to Council/O.H.A. 12/17/2019

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

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

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

10

Copies of the CAFR are made available to the public for review and reference at the Records Management Department, Ovitt Family Library, Lewis Family Branch Library, and electronically via the City's website.





---

## **Executive Overview**

# **Comprehensive Annual Financial Report for Fiscal Year Ended June 30, 2019**

# Comprehensive Annual Financial Report for Fiscal Year Ended June 30, 2019

A Comprehensive Annual Financial Report (CAFR) is a set of governmental financial statements comprising the financial report of a U.S. governmental entity that complies with the accounting requirements promulgated by the Governmental Accounting Standards Board (GASB). A CAFR is compiled by a governmental accounting staff and audited by an external American Institute of Certified Public Accountants (AICPA) certified accounting firm utilizing GASB requirements.

The primary objectives of a financial audit are:

- To express an opinion on the fairness of the financial statements in conformity with generally accepted accounting principles; and
- To determine whether the City has complied with applicable legal requirements in obtaining and expending public funds.

The audit for Fiscal Year 2018-19 was performed in accordance with generally accepted auditing standards by the accounting firm of Lance, Soll & Lunghard, LLP. These standards are required to obtain reasonable assurances that the general purpose financial statements are free from material misstatements. The opinion given in the Report of the Independent Auditors states that the general purpose financial statements present fairly, in all material respects, the financial position of the City of Ontario at June 30, 2019 and the results of the City's operations are in accordance with generally accepted accounting principles.

# Statement of Net Position

## Statement of Net Position as of June 30, 2019

	2019	2018	2017
Current and Other Assets	\$ 1,228,996,074	\$ 1,127,278,640	\$ 1,065,562,842
Capital Assets	1,275,128,825	1,244,895,877	1,221,341,964
Deferred Outflows of Resources	78,136,733	87,512,685	62,557,793
<b>Total Assets and Deferred Outflows of Resources</b>	<b>\$ 2,582,261,632</b>	<b>\$ 2,459,687,202</b>	<b>\$ 2,349,462,599</b>
Current Liabilities	\$ 70,098,804	\$ 59,778,303	\$ 68,783,687
Noncurrent Liabilities	716,704,491	709,204,323	510,229,898
Deferred Inflows of Resources	50,843,569	43,155,245	8,776,475
<b>Total Liabilities and Deferred Inflows of Resources</b>	<b>\$ 837,646,864</b>	<b>\$ 812,137,871</b>	<b>\$ 587,790,060</b>
Net investment in Capital Assets	\$ 1,144,344,157	\$ 1,112,212,430	\$ 1,084,015,252
Restricted	204,447,913	173,159,525	168,765,887
Unrestricted	395,822,698	362,177,376	508,891,400
<b>Total Net Position</b>	<b>\$ 1,744,614,768</b>	<b>\$ 1,647,549,331</b>	<b>\$ 1,761,672,539</b>

**Assets** - resources owned and controlled by the City that are expected to benefit future operations.

**Deferred Outflows of Resources** - the consumption of net assets applicable to future reporting period. For example, prepaid items and deferred charges.

**Liabilities** - debt or obligations that the City must pay.

**Deferred Inflows of Resources** – the acquisition of net assets applicable to future reporting period. For example, deferred revenue and advance collection.

**Net Investment in Capital Assets** - represent the City's investment in capital assets, less any related outstanding debt used to acquire those assets.

**Net Position** - reflects the City's net worth (Net Position = Assets + Deferred Outflows of Resources - Liabilities - Deferred Inflows of Resources).

# Statement of Activities - Revenues

## Statement of Activities as of June 30, 2019

	2019	2018	2017
Revenues:			
Charges for Services	\$ 236,068,705	\$ 211,400,209	\$ 179,141,648
Operating/Capital Contributions and Grants	72,260,449	80,663,650	100,403,507
Taxes	188,302,753	174,168,715	167,705,909
Motor Vehicle In Lieu – Unrestricted	85,244	91,740	76,099
Use of Money and Property	39,981,183	13,021,759	5,657,782
Other	1,893,524	2,419,853	3,428,836
<b>Total Revenues</b>	<b>\$ 538,591,858</b>	<b>\$ 481,765,926</b>	<b>\$456,413,781</b>

**Charges for Services** - revenues generated from licenses, permits, other fees, fines, forfeitures, and charges paid by the recipients of goods and services offered by the City programs.

**Operating/Capital Contribution and Grants** - grants and contributions from other governments, organizations and individuals that are restricted in some manner.

**Taxes** - property tax, sales tax, transient occupancy tax, business license tax, franchise fee and other taxes.

# Statement of Activities – Expenses and Net Position

## Statement of Activities as of June 30, 2019

	2019	2018	2017
Expenses:			
Governmental Activities			
General Government	\$ 34,587,604	\$ 27,554,284	\$ 36,656,658
Public Safety	178,045,825	178,835,586	136,032,820
Community Development	76,420,858	48,562,452	43,578,638
Public Works	40,398,759	42,308,931	50,703,275
Interest on Long-Term Debt	2,661,754	3,921,536	1,630,517
Business-Type Activities			
Water	52,901,637	41,340,763	41,413,255
Sewer	24,733,369	20,270,716	17,211,364
Integrated Waste	39,475,286	31,337,795	26,663,301
I.T. Fiber	2,027,814	1,770,591	993,456
<b>Total Expenses</b>	<b>\$ 451,252,906</b>	<b>\$ 395,902,654</b>	<b>\$ 354,883,284</b>
Changes In Net Positions	\$ 87,338,952	\$ 85,863,272	\$ 101,530,497
Net Position, July 1	1,647,549,331	1,761,672,539	1,500,269,720
Restatement of Net Position	9,726,485	(199,986,480)	159,872,322
<b>Total Net Position, June 30</b>	<b>\$ 1,744,614,768</b>	<b>\$ 1,647,549,331</b>	<b>\$ 1,761,672,539</b>

**Governmental Activities** – most of the City’s basic services are reported here, including General Government (Elected Officials, Management Services, Financial Services, Human Resources and Economic Development), Public Safety (Police, Fire & Community Improvement), Community Development (Housing, Building, Planning, Engineering, Recreation, Library and Museum), and Public Works (Parks, Streets & Facilities Maintenance). Revenues from property taxes, sales tax, transient occupancy tax (TOT), parking tax, business license tax, etc., finance most of these activities.

**Business-Type Activities** – the City charges a fee to customers to recover all or most of the cost of certain services it provides. The City’s water, sewer, integrated waste, and Information Technology (IT) fiber operations are reported in this category.

# General Fund Available Resources

## General Fund Reserves as of June 30, 2019

	2019	2018	2017
Nonspendable	\$ 46,472,802	\$ 46,318,442	\$ 33,893,841
Restricted	438,872	430,484	424,497
Committed	415,884	21,066,012	28,877,191
Assigned	84,063,218	47,410,303	52,081,697
<b>Total Fund Balance</b>	<b>\$ 131,390,776</b>	<b>\$ 115,225,241</b>	<b>\$ 115,277,226</b>

**General Fund** - includes the following funds: General Fund, General Fund Grants, Facility Maintenance and General Fund Trust.

**Nonspendable** – portion of resources that cannot be spent because of their type. For example, inventories, prepaid costs and receivables.

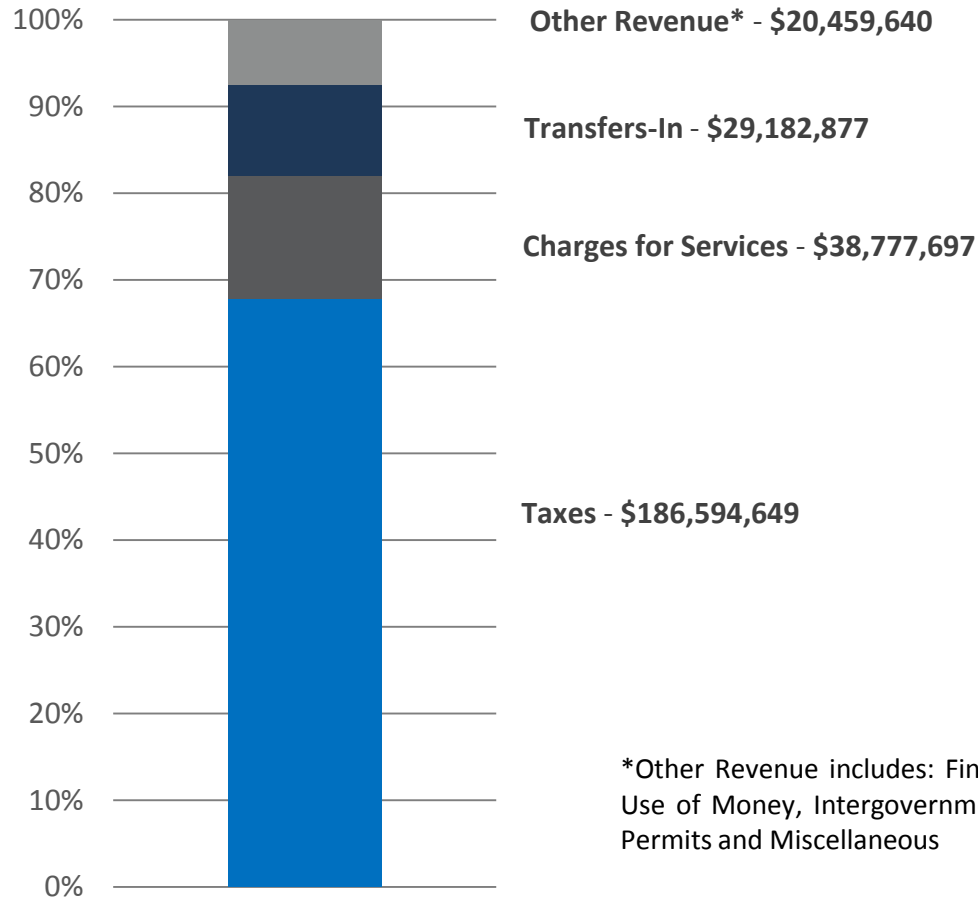
**Restricted** – limitations imposed by grantors, laws or regulations. For example, projects funded by CDBG or bonds.

**Committed** – limitation imposed at the highest level of decision making that requires formal action at the same level to remove. For example, compensated absences and city facilities projects.

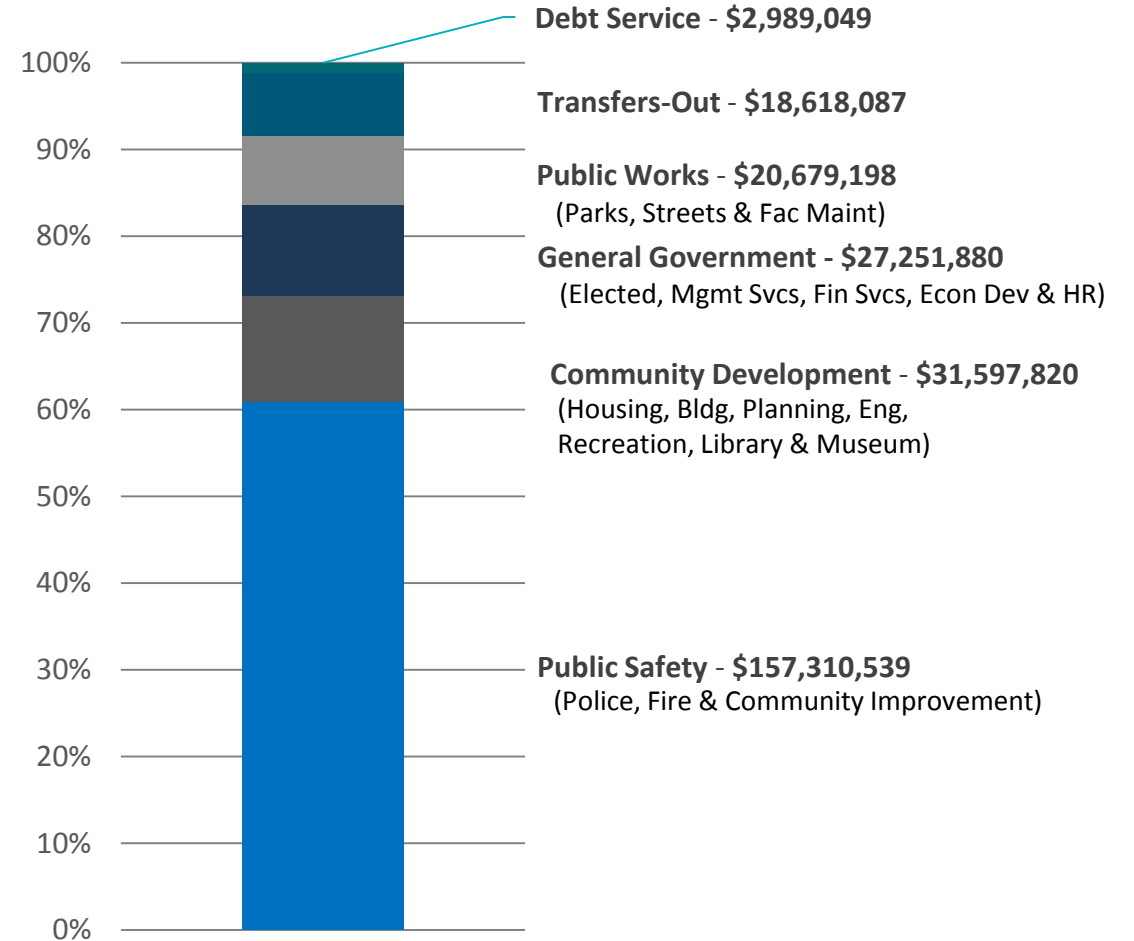
**Assigned** – intended use established by the highest level of decision making body designated for that purpose. For example, the 18 percent Stabilization Plan and equipment replacement.

# General Fund Revenues vs. Expenditures

Revenues - \$275,014,863



Expenditures by Type - \$258,446,573





# General Fund Revenues

<b>General Fund Revenues as of June 30, 2019</b>			
	<b>2019</b>	<b>2018</b>	<b>2017</b>
Revenue By Source:			
Property Tax	61,707,945	\$ 55,636,371	\$ 52,975,647
Sales Tax	94,486,731	87,910,014	86,168,797
Transient Occupancy Tax	14,945,483	14,586,233	13,886,637
Other Taxes	15,454,490	15,472,802	14,235,877
Licenses & Permits	5,067,374	4,887,991	4,384,727
Intergovernmental	3,132,474	4,540,398	5,170,893
Charges for Services	38,777,697	30,768,155	9,960,386
Use of Money & Property	7,072,112	1,758,523	1,063,385
Fines & Forfeitures	1,185,028	1,007,271	1,136,159
Miscellaneous	4,002,652	7,445,883	5,776,786
Transfers from Other Funds	29,182,877	35,308,019	32,183,311
<b>Total Revenues By Source</b>	<b>\$275,014,863</b>	<b>\$ 259,321,660</b>	<b>\$ 226,942,605</b>

# General Fund Expenditures by Function

## General Fund Expenditures as of June 30, 2019

	2019	2018	2017
Expenditures By Function:			
General Government	\$ 27,251,880	\$ 23,517,450	\$ 24,500,521
Public Safety	157,310,539	156,245,698	134,053,016
Community Development	31,597,820	30,683,188	28,940,209
Public Works	20,679,198	19,337,803	18,105,811
Debt Service	2,989,049	4,289,158	3,222,190
Transfers to Other Funds	18,618,087	25,300,348	25,859,833
<b>Total Revenues By Source</b>	<b>\$ 258,446,573</b>	<b>\$ 259,373,645</b>	<b>\$ 234,681,580</b>

# CITY OF ONTARIO

Agenda Report  
December 17, 2019

SECTION:  
CONSENT CALENDAR

**SUBJECT: AB 1600 DEVELOPMENT IMPACT FEE ANNUAL REPORT FOR FISCAL YEAR ENDED JUNE 30, 2019**

**RECOMMENDATION:** That the City Council accept the City of Ontario's AB 1600 Development Impact Fee Annual Report for Fiscal Year Ended June 30, 2019.


**COUNCIL GOALS:** Operate in a Businesslike Manner

**FISCAL IMPACT:** City Council acceptance of the AB 1600 Development Impact Fee Annual Report for Fiscal Year Ended June 30, 2019 will have no fiscal impact on the General Fund as it is strictly reporting on Development Impact Fee funds. This is an informational report only.

**BACKGROUND:** On July 1, 2003, the City Council adopted Ordinance Nos. 2779 and 2780 approving the collection of Development Impact Fees to mitigate the impacts of future development. In accordance with the provisions of Ordinance Nos. 2779 and 2780, the City began collecting Development Impact Fees on September 1, 2003; and the impact fees have been updated periodically by resolutions of the City Council. The last update was authorized by the City Council on September 17, 2019 by Resolution No. 2019-135. This update, as well as the previous update, incorporates the results of the City's 2012 Water, Sewer, Storm Drain and Circulation Master Plan updates, along with the land use assumptions underlying the City's most recently updated (The Ontario Plan) adopted by the City Council in 2010.

California Government Code sections §66001 and §66006 require making available to the public certain Development Impact Fee information. The City of Ontario addresses these reporting requirements through issuance of the AB 1600 Development Impact Fee Annual Report along with the release of periodic updates to the City's development impact fee calculation and nexus schedules. The AB 1600 Development Impact Fee Annual Report for Fiscal Year Ended June 30, 2019 consists of three schedules. The first schedule reports each development impact fee category's beginning and ending fund balances, its annual revenue and earnings, and its expenditures for the fiscal year. The second

**STAFF MEMBER PRESENTING:** Armen Harkalyan, Executive Director of Finance

Prepared by: Amy Chang  
Department: General Services  
City Manager Approval: 

Submitted to Council/O.H.A. 12/17/2019  
Approved: \_\_\_\_\_  
Continued to: \_\_\_\_\_  
Denied: \_\_\_\_\_

11.

schedule provides a summary listing of development impact fee expenditure amounts by individual public improvement project, and the third provides the five-year findings with regards to unexpended funds, whether committed or uncommitted, from FY 2014-2015 through FY 2018-2019. Currently all unexpended funds are committed to future projects which are detailed in the September 2019 *Master Facilities Plan*. The most recently adopted update of the City's development impact fee calculation and nexus schedules - *Development Impact Fee Calculation and Nexus Report (September 2019)* - contains the amount and purpose of each development impact fee, the public improvements the fees will fund, and the reasonable relationship between the fees and the purposes for which they are being assessed.

The City of Ontario's AB 1600 Development Impact Fee Annual Report for Fiscal Year Ended June 30, 2019, as well as the September 2019 Development Impact Fee Calculation & Nexus Report, and the September 2019 Master Facilities Plan, are made available for review and reference at the City's Records Management Department.



City of Ontario, California

AB 1600 DEVELOPMENT IMPACT FEE ANNUAL REPORT  
For Fiscal Year Ended June 30, 2019

Prepared By:

General Services Department of

Financial Services Agency

**CITY OF ONTARIO**

**AB 1600 DEVELOPMENT IMPACT FEE ANNUAL REPORT  
FOR FISCAL YEAR ENDED JUNE 30, 2019**

**TABLE OF CONTENTS**

AB 1600 DEVELOPMENT IMPACT FEE ANNUAL REPORT – INTRODUCTION.....	1
AB 1600 DEVELOPMENT IMPACT FEE ANNUAL REPORT.....	2
DEVELOPMENT IMPACT FEE PROJECTS/EXPENDITURES.....	3-4
FIVE-YEAR REVENUE TEST USING FIRST IN FIRST OUT METHOD.....	5-6
EXHIBIT A.....	7-8

## CITY OF ONTARIO

### AB 1600 DEVELOPMENT IMPACT FEE ANNUAL REPORT – INTRODUCTION JUNE 30, 2019

---

On July 1, 2003, the City Council adopted Ordinance Nos. 2779 and 2780 approving the collection of Development Impact Fees in the City of Ontario to mitigate the impacts of future development. In accordance with the provisions of Ordinance Nos. 2779 and 2780, the City began collecting Development Impact Fees on September 1, 2003. Pursuant to Ordinance 2779, the impact fees have been updated periodically since that time by resolutions of the City Council. The last Development Impact Fee update was authorized by the City Council on September 17, 2019 by Resolution No. 2019-135. This update, as well as the previous update, incorporates the results of the City's 2012 Water, Sewer, Storm Drain and Circulation Master Plan updates, along with the land use assumptions underlying the City's most recently updated General Plan, adopted by the City Council in 2010.

California Government Code sections §66001 and §66006 require making available to the public certain Development Impact Fee information. The City of Ontario addresses these reporting requirements through issuance of the AB 1600 Development Impact Fee Annual Report along with the release of periodic updates to the City's development impact fee calculation and nexus schedules. The AB 1600 Development Impact Fee Annual Report for Fiscal Year Ended June 30, 2019 consists of three schedules. The first schedule reports each development impact fee category's beginning and ending fund balances, its annual revenue and earnings, and its expenditures for the fiscal year. The second schedule provides a summary listing of development impact fee expenditure amounts by individual public improvement project, and the third provides the five-year findings with regards to unexpended funds, whether committed or uncommitted, from FY 2014-2015 through FY 2018-2019. Currently all unexpended funds are committed to future projects which are detailed in the September 2019 *Master Facilities Plan*. The most recently adopted update of the City's development impact fee calculation and nexus schedules - *Development Impact Fee Calculation and Nexus Report (September 2019)* - contains the amount and purpose of each development impact fee, the public improvements the fees will fund, and the reasonable relationship between the fees and the purposes for which they are being assessed.

As a reference, the September 2019 Development Impact Fee Calculation & Nexus Report, and the September 2019 Master Facilities Plan, are made available for review and reference at the City's Records Management Department.



**CITY OF ONTARIO  
AB 1600 DEVELOPMENT IMPACT FEE ANNUAL REPORT  
PURSUANT TO GOVERNMENT CODE SECTION 66006  
FOR FISCAL YEAR ENDED JUNE 30, 2019**

Fund	Development Impact Fee Purpose	Fund Balance July 1, 2018	Revenues			DIF Refunds	Projects Expenditures	Fund Balance June 30, 2019
			DIF Fees	Interest/ Gains/Losses	Other Sources/(Uses)			
007	Parkland Facilities Development	\$ 5,434,737	\$ 9,061,682	\$ 368,160	\$ 24,000 <sup>1</sup>	\$ 522,750	\$ -	\$ 14,365,829
101	Law Enforcement Facilities	(458,646)	463,646	49,300	-	21,300	-	33,001
106	Refuse Collection Equipment	3,632,305	977,200	140,814	-	13,800	-	4,736,519
107	General Government Facilities	3,331,809	821,652	127,559	-	5,550	-	4,275,470
108	Library Expansion Facilities	3,985,005	1,030,014	154,523	-	48,825	-	5,120,717
109	Public Meeting Facilities	5,132,345	1,230,712	197,265	-	52,800	-	6,507,522
110	Aquatics Center Facilities	408,362	80,519	15,294	-	3,525	-	500,651
112	NMC Open Space Agreement	3,622,468	1,194,998	143,061	-	-	-	4,960,527
170	OMC Regional Streets, Signals and Bridges	4,464,139	640,632	165,171	-	-	475,531	4,794,411
171	OMC Local Adjacent Streets, Signals and Bridges	7,698,115	426,727	238,974	-	497,875	317,253	7,548,688
172	OMC Regional Storm Drainage Facilities	1,413,066	44,669	47,982	-	1,575	-	1,504,142
173	OMC Local Adjacent Storm Drainage Facilities	17,435,332	852,640	580,920	-	1,772,913	2,595,509	14,500,469
174	OMC Regional Water Distribution Facilities	14,089,931	587,251	481,231	-	117,375	-	15,041,039
175	OMC Local Adjacent Water Distribution Facilities	1,498,234	146,973	46,110	-	29,325	247,427	1,414,565
176	OMC Regional Sewer Collection Facilities	2,546,394	82,917	86,446	-	20,250	-	2,695,507
177	OMC Local Adjacent Sewer Collection Facilities	4,211,131	124,301	142,747	-	30,375	-	4,447,804
178	OMC Fire Protection Facilities	(142,232)	55,204	-	-	13,950	343,942	(444,921)
180	NMC Regional Streets, Signals and Bridges	2,911,517	5,715,263	192,047	-	41,172	868,658	7,908,998
181	NMC Local Adjacent Streets, Signals and Bridges	2,237,863	7,791,824	198,656	-	1,666,210	-	8,562,133
182	NMC Regional Storm Drainage Facilities	2,120,953	2,563,024	122,347	-	53,875	-	4,752,449
183	NMC Local Adjacent Storm Drainage Facilities	3,638,355	6,914,734	226,827	-	1,440,178	-	9,339,737
184	NMC Regional Water Distribution Facilities	(8,783,545)	10,892,550	-	-	3,321,450	-	(1,212,446)
185	NMC Local Adjacent Water Distribution Facilities	15,751,800	3,432,244	468,767	-	963,852	-	18,688,959
186	NMC Regional Sewer Collection Facilities	440,861	576,908	26,745	-	503	288,203	755,808
187	NMC Local Adjacent Sewer Collection Facilities	293,679	602,373	17,520	-	213,794	220,119	479,658
188	NMC Regional Fiber Optic System	(2,736,704)	443,765	-	(7,749,884) <sup>2</sup>	154,232	895,273	(11,092,328)
189	NMC Local Adjacent Fiber Optic System	4,061,417	1,213,735	(97,514)	(3,774,684) <sup>2</sup>	49,446	1,745,459	(391,951)
190	NMC Fire Protection Facilities	8,249,310	204,003	245,733	-	210,856	1,111,713	7,376,478
		<u>\$106,487,998</u>	<u>\$ 58,172,161</u>	<u>\$ 4,386,686</u>	<u>\$ (11,500,568)</u>	<u>\$11,267,756</u>	<u>\$ 9,109,086</u>	<u>\$137,169,434</u>

<sup>1</sup>Rental of City Property.

<sup>2</sup>Transfer out expenses from previous fiscal years for City Project MS0205.

**CITY OF ONTARIO  
DEVELOPMENT IMPACT FEE PROJECTS/EXPENDITURES  
FISCAL YEAR ENDED JUNE 30, 2019**

City Project	DIF Project	Description	Annual Expenditure
ST0302	ST-111	Grove/I-10 Interchange-Corridor	21,085
ST0308	ST-094	S. Milliken Grade Separation	2,944
ST0711	ST-093	N. Vineyard Ave Grade Separation	3,183
ST1711	ST-116	I-10 Vineyard Interchange	330,910
ST1712	ST-114	I-10 Euclid Interchange	117,410
Fund 170 Subtotal			<u>475,531</u>
ST1101	ST-053	Melrose Plaza Public St Improvement	87,024 <sup>1</sup>
ST1510	ST-036	Mountain & Holt Intersection Widening	191,568
ST1511	ST-042	Grove & Holt Intersection Widening	18,055
TR0402	ST-047	Etiwanda/Airport Intersection	20,606
Fund 171 Subtotal			<u>317,253</u>
SM1002	SD-056	6th Street Storm Drain	2,026,247
SM1701	SD-065	Bon View Avenue Storm Drain	6,635
SM1702	SD-055	Parco Avenue Storm Drain	422,541
SM9902	SD-053	Francis Storm Drain & Ely Basin	295
ST1710	SD-063	Fourth St Bridge Undercrossing	139,790
Fund 173 Subtotal			<u>2,595,509</u>
ST1101	WT-022	Melrose Plaza Public St Improvement	(87,024) <sup>1</sup>
ST1309	WT-022	Francis Street: Turner/Excise	334,451
Fund 175 Subtotal			<u>247,427</u>
PF1101	FS-016	Fire Training Center Expansion	343,942
Fund 178 Subtotal			<u>343,942</u>
ST0308	ST-094	S. Milliken Grade Separation	1,034
ST1411	ST-106	SR60 @ Archibald Interchange	867,624
Fund 180 Subtotal			<u>868,658</u>
SE1801	SW-001	Payment to IEUA for Eastern Trunk Sewer <sup>2</sup>	288,203
Fund 186 Subtotal			<u>288,203</u>

**CITY OF ONTARIO  
DEVELOPMENT IMPACT FEE PROJECTS/EXPENDITURES  
FISCAL YEAR ENDED JUNE 30, 2019**

<u>City Project</u>	<u>DIF Project</u>	<u>Description</u>	<u>Annual Expenditure</u>
SE1801	SW-001	Payment to IEUA for Eastern Trunk Sewer <sup>2</sup>	220,119
		Fund 187 Subtotal	<u>220,119</u>
MS-0205	FO-001	High-Speed Telecomm System-NMC	151,420
MS-0205	FO-002	High-Speed Telecomm System-NMC	160,164
MS-0205	FO-005	High-Speed Telecomm System-NMC	583,690
		Fund 188 Subtotal	<u>895,273</u>
MS-0205	FO-004	High-Speed Telecomm System-NMC	784,985
MS-0205	FO-006	High-Speed Telecomm System-NMC	694,799
MS-0205	FO-007	High-Speed Telecomm System-NMC	221,386
MS-0205	FO-008	High-Speed Telecomm System-NMC	44,288
		Fund 189 Subtotal	<u>1,745,459</u>
PF0506	FS-001	Fire Station 9	1,111,713
		Fund 190 Subtotal	<u>1,111,713</u>
			<u><b>\$ 9,109,086</b></u>

<sup>1</sup> Correction for FY2018.

<sup>2</sup> Pursuant to Cooperative Agreement For The Sewer Conveyance Facilities Of The Eastern Trunk Sewer, Kimball Interceptor Sewer Extension, And RP-1 Outfall, Dated June 4, 2004.

**CITY OF ONTARIO**  
**FIVE-YEAR REVENUE TEST USING FIRST IN FIRST OUT METHOD**  
**FISCAL YEAR ENDED JUNE 30, 2019**

Fund	Development Impact Fee Purpose	Fund Balance June 30, 2014	Project Expenditures					Total	Unexpended Funds (Note 1)	Note	
			2015	2016	2017	2018	2019				
007	Parkland Acquisition and Facilities Development	\$ 5,138,217	\$ 1,019,143	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 1,019,143	\$ 4,119,074	2
101	Law Enforcement Facilities, Vehicles and Equipment	(2,232,102)	-	-	-	-	-	-	-	-	
102	Fire Facilities, Vehicles and Equipment	351,998	228,005	-	-	-	-	-	228,005	123,993	3
103	OMC Circulation (Streets, Bridges and Signals) System	11,488,818	6,520,424	-	-	-	-	-	6,520,424	4,968,394	4
104	OMC Water System Source, Storage and Distribution System	7,969,092	-	-	-	-	-	-	-	7,969,092	5
105	OMC Sewer Collection System	3,144,196	-	-	-	-	-	-	-	3,144,196	6
106	Solid Waste Collection Equipment	1,322,515	63,488	98,250	99,561	98,890	-	-	360,189	962,326	7
107	General Facilities, Vehicles and Equipment	1,214,578	-	-	-	-	-	-	-	1,214,578	8
108	Library Facilities and Collection	309,260	-	-	-	-	-	-	-	309,260	9
109	Public Use Facilities	1,049,786	-	114,817	49,604	-	-	-	164,421	885,365	10
110	Aquatics Centers	124,314	-	-	-	-	-	-	-	124,314	11
111	OMC Storm Drainage System	14,806,453	99,883	-	-	-	-	-	99,883	14,706,570	12
112	NMC Open Space Land Acquisition	1,347,212	-	-	-	-	-	-	-	1,347,212	13
113	Fiber Optic Communication System	6,337	-	-	-	-	-	-	-	6,337	14
115	NMC Circulation (Streets, Bridges and Signals) System	1,342,346	900,638	-	-	-	-	-	900,638	441,708	15
116	NMC Water System Source, Storage and Distribution System	(259,622)	-	-	-	-	-	-	-	-	
117	NMC Sewer Collection System	212,018	-	-	-	-	-	-	-	212,018	16
118	NMC Storm Drainage System	1,436,754	-	-	-	-	-	-	-	1,436,754	17
170	OMC Regional Circulation (Streets, Bridges and Signals) System	3,149,282	-	7,751,834	1,108,947	439,591	475,531	-	9,775,903	-	
171	OMC Local Adjacent Circulation (Streets, Bridges and Signals) System	1,348,997	-	24,048	317,169	3,508,146	317,253	-	4,166,615	-	
172	OMC Regional Storm Drainage System	172,419	-	-	-	-	-	-	-	172,419	18
173	OMC Local Adjacent Storm Drainage System	3,272,811	-	1,506,095	6,156,603	1,095,854	2,595,509	-	11,354,061	-	
174	OMC Regional Water System	1,192,002	-	-	-	-	-	-	-	1,192,002	19
175	OMC Local Adjacent Water System	298,963	-	-	-	345,321	247,427	-	592,748	-	
176	OMC Regional Sewer Collection System	176,552	-	-	-	-	-	-	-	176,552	20
177	OMC Local Adjacent Sewer Collection System	263,988	-	916,433	126,166	5,708	-	-	1,048,307	-	
178	OMC Fire Facilities, Vehicles and Equipment	-	-	98,294	-	156,920	343,942	-	599,156	-	
180	NMC Regional Circulation (Streets, Bridges and Signals) System	122,645	-	1,495,409	1,204,120	531,606	868,658	-	4,099,793	-	
181	NMC Local Adjacent Circulation (Streets, Bridges and Signals) System	100,341	-	-	-	-	-	-	-	100,341	21
182	NMC Regional Storm Drainage System	73,837	-	-	-	-	-	-	-	73,837	22
183	NMC Local Adjacent Storm Drainage System	137,172	-	-	-	-	-	-	-	137,172	23
184	NMC Regional Water System	214,669	-	-	-	-	-	-	-	214,669	24
185	NMC Local Adjacent Water System	91,991	-	-	-	-	-	-	-	91,991	25
186	NMC Regional Sewer Collection System	5,823	-	-	87,529	163,370	288,203	-	539,102	-	
187	NMC Local Adjacent Sewer Collection System	8,734	-	-	25,201	43,141	220,119	-	288,461	-	
188	NMC Regional Fiber Optic Communication System	3,457	-	-	-	-	895,273	-	895,273	-	
189	NMC Local Adjacent Fiber Optic Communication System	8,076	-	-	-	-	1,745,459	-	1,745,459	-	
190	NMC Fire Facilities, Vehicles and Equipment	-	-	-	-	41,086	1,111,713	-	1,152,799	-	

**CITY OF ONTARIO  
FIVE-YEAR REVENUE TEST USING FIRST IN FIRST OUT METHOD  
FISCAL YEAR ENDED JUNE 30, 2019**

Notes:

1. All unexpended funds indicate the amount being held beyond the five year limit as described by AB1600.
2. The unexpended Parkland Acquisition and Facilities Development funds will be expended on the Parkland projects detailed in Exhibit A, herein, and in the 2019 Master Facilities Plan on pages 429-431.
3. The unexpended Fire Facilities, Vehicles and Equipment funds will be expended on the Fire projects detailed in the 2019 Master Facilities Plan on pages 27-52.
4. The unexpended OMC Circulation (Streets, Bridges and Signals) System funds will be expended on the General City Street projects detailed in the 2019 Master Facilities Plan on pages 61-191.
5. The unexpended OMC Water System Source, Storage and Distribution System funds will be expended on the General City Water projects detailed in the 2019 Master Facilities Plan on pages 308-345.
6. The unexpended OMC Sewer Collection System funds will be expended on the General City Sewer projects detailed in the 2019 Master Facilities Plan on pages 350-400.
7. The unexpended Solid Waste Collection Equipment funds will be expended on the Solid Waste projects detailed in the 2019 Master Facilities Plan on pages 403-409.
8. The unexpended General Facilities, Vehicles and Equipment funds will be expended on the General Facilities projects detailed in the 2019 Master Facilities Plan on pages 412-416.
9. The unexpended Library Facilities and Collection funds will be expended on the Library projects detailed in the 2019 Master Facilities Plan on pages 419-420.
10. The unexpended Public Use Facilities funds will be expended on the Public Use Facilities projects detailed in the 2019 Master Facilities Plan on page 423.
11. The unexpended Aquatics Centers funds will be expended on the Aquatics Centers projects detailed in the 2019 Master Facilities Plan on page 426.
12. The unexpended OMC Storm Drainage System funds will be expended on the General City Storm Drainage projects detailed in the 2019 Master Facilities Plan on pages 199-303.
13. The NMC Open Space Land Acquisition Development Impact Fee amount is based on a lawsuit settlement. The unexpended funds will be expended on one of the seven scenarios that were contemplated to determine the amount needed to be collected to meet the settlement agreement funding requirement. These scenarios are outlined in the 2019 Development Impact Fee Calculation and Nexus Report on pages 170-171.
14. The unexpended Fiber Optic Communication System funds will be expended on the Fiber Optic projects detailed in the 2019 Master Facilities Plan on pages 434-441.
15. The unexpended NMC Circulation (Streets, Bridges and Signals) System funds will be expended on the Ontario Ranch Street projects detailed in the 2019 Master Facilities Plan on pages 61-191.
16. The unexpended NMC Sewer Collection System funds will be expended on the Ontario Ranch Sewer projects detailed in the 2019 Master Facilities Plan on pages 350-400.
17. The unexpended NMC Storm Drainage System funds will be expended on the Ontario Ranch Storm Drainage projects detailed in the 2019 Master Facilities Plan on pages 199-303.
18. The unexpended OMC Regional Storm Drainage System funds will be expended on the General City Regional Storm Drainage projects identified in the 2019 Development Impact Fee Calculation and Nexus Report on page 198 and detailed in the 2019 Master Facilities Plan on pages 199-303.
19. The unexpended OMC Regional Water System funds will be expended on the General City Regional Water projects identified in the 2019 Development Impact Fee Calculation and Nexus Report on page 200 and detailed in the 2019 Master Facilities Plan on pages 308-345.
20. The unexpended OMC Regional Sewer Collection System funds will be expended on the General City Sewer projects identified in the 2019 Development Impact Fee Calculation and Nexus Report on page 202 and detailed in the 2019 Master Facilities Plan on pages 350-400.
21. The unexpended NMC Local Adjacent Circulation (Streets, Bridges and Signals) System funds will be expended on the Local Adjacent Ontario Ranch Street projects detailed in the 2019 Master Facilities Plan on pages 61-191.
22. The unexpended NMC Regional Storm Drainage System funds will be expended on the Ontario Ranch Regional Storm Drainage projects identified in the 2019 Development Impact Fee Calculation and Nexus Report on page 206 and detailed in the 2019 Master Facilities Plan on pages 199-303.
23. The unexpended NMC Local Adjacent Storm Drainage System funds will be expended on the Local Adjacent Ontario Ranch Storm Drainage projects detailed in the 2019 Master Facilities Plan on pages 199-303.
24. The unexpended NMC Regional Water System funds will be expended on the Ontario Ranch Regional Water projects identified in the 2019 Development Impact Fee Calculation and Nexus Report on page 208 and detailed in the 2019 Master Facilities Plan on pages 308-345.
25. The unexpended NMC Local Adjacent Water System funds will be expended on the Local Adjacent Ontario Ranch Water projects detailed Exhibit A, herein, and in the 2019 Master Facilities Plan on pages 308-345.

## "EXHIBIT A"

### City of Ontario Capital Improvement Project Adopted Budget for Fiscal Year 2019-20

<b>Project Title:</b> Parks Master Plan Update and Infrastructure		<b>Dept Responsible:</b> Parks & Street	<b>CIP Category:</b> Parks	
		<b>Project Manager:</b> Roberto Perez	<b>Project ID:</b> PA1903	
<b>Location:</b> To Be Determined		<b>Project Start Date:</b> 7/1/2019	<b>Estimated End Date:</b> 6/30/2020	
		<b>Project Status:</b> New	<b>Total Cost:</b> \$1,452,000	
<b>Description of Improvements:</b> Improvements may include park land acquisition and infrastructure development of neighborhood parks, larger community or sport parks and aquatic centers in the Old Model Colony (OMC) or General City.		<b>City Council Goals &amp; Objectives:</b> Focus Resources in Ontario's Commercial and Residential Neighborhoods  Invest in the City's Infrastructure (Water, Streets, Sewers, Parks, Storm Drains and Public Facilities)		
<b>Justification or Significance of Improvement:</b> The City will improve park infrastructure to meet the recreational needs of residents.		Encourage, Provide or Support Enhanced Recreational, Educational, Cultural and Healthy City Programs, Policies and Activities		
<b>Capital Budget Cost</b>	<b>Fund #, Description &amp; Department ID</b>			<b>Total Cost</b>
	<b>007 Park Impact 326</b>			
Architect & Eng Svcs	\$130,000			\$130,000
Property Acquisition				
Construction Contracts	\$1,322,000			\$1,322,000
Other Professional Svcs				
Other Misc Expenses				
<b>Total Cost</b>	<b>\$1,452,000</b>			<b>\$1,452,000</b>
<b>Annual O&amp;M</b>				None
<b>Review and Comments:</b>				





**"EXHIBIT A"**

**City of Ontario  
Capital Improvement Project  
Adopted Budget for Fiscal Year 2019-20**

<b>Project Title:</b>	Haven Avenue Recycled Water Improvements and Pressure Reducing Station	<b>Dept Responsible:</b>	Municipal Utilities	<b>CIP Category:</b>	Water
<b>Location:</b>	Riverside Drive to Chino Avenue	<b>Project Manager:</b>	Omar Gonzalez	<b>Project ID:</b>	WA1903
		<b>Project Start Date:</b>	7/1/2019	<b>Estimated End Date:</b>	6/30/2022
		<b>Project Status:</b>	New	<b>Total Cost:</b>	\$2,760,000

**Description of Improvements:**  
Construction of a recycled water main in Haven Avenue from Riverside Drive to Chino Avenue, and a pressure reducing station at Haven Avenue and Chino Avenue.

**City Council Goals & Objectives:**  
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)

**Justification or Significance of Improvement:**  
The recycled water main will reduce the dependency of potable water by giving new and existing customers the ability to utilize reclaimed water for various needs, including landscaping. The Haven Avenue recycled water main, in conjunction with the pressure reducing station, will provide redundancy and reliability to the recycled water system in Ontario Ranch.

Capital Budget Cost	Fund #, Description & Department ID			Total Cost
	185			
	<b>NMC Local</b>			
	<b>Adjacent Water</b>			
	<b>303</b>			
Architect & Eng Svcs	\$360,000			\$360,000
Property Acquisition				
Construction Contracts	\$2,400,000			\$2,400,000
Other Professional Svcs				
Other Misc Expenses				
<b>Total Cost</b>	<b>\$2,760,000</b>			<b>\$2,760,000</b>

**Annual O&M** See Comments

**Review and Comments:**  
This project (WT-016) is included in the City's 2017 Master Facilities Plan. Annual operating and maintenance costs are included in the department's annual operating budget.





# CITY OF ONTARIO

Agenda Report  
December 17, 2019

SECTION:  
CONSENT CALENDAR

**SUBJECT: EVERY 15 MINUTES GRANT PROGRAM FROM THE DEPARTMENT OF CALIFORNIA HIGHWAY PATROL**

**RECOMMENDATION:** That the City Council authorize the acceptance of grant funds in the amount of up to \$8,500 for the Every 15 Minutes Grant Program from the Department of California Highway Patrol.

**COUNCIL GOALS:** Maintain the Current High Level of Public Safety  
Pursue City's Goals and Objectives by Working with Other Governmental Agencies


**FISCAL IMPACT:** In October 2019, the Department of California Highway Patrol (CHP) invited the Ontario Police Department to apply for participation in the Every 15 Minutes Program. CHP will provide reimbursement of materials, supplies, motivational speakers, lodging costs and transportation as needed to implement a successful program. The approximate grant funding reimbursement is \$8,500. If approved, appropriations and corresponding revenue for this program will be presented in the next quarterly budget report to the City Council. The City is not required to provide matching funds for the grants.

**BACKGROUND:** The Every 15 Minutes Program is a nationwide program dedicated to raising the awareness of high school students about the dangers of drinking and driving. The program's name was derived from the fact that every fifteen minutes someone in the United States dies in an alcohol-related traffic collision.

This program has been successful over the past thirteen years in Ontario's public high schools. Using these grant funds, the Every 15 Minutes Program will be conducted at Chaffey High School on March 31-April 1, 2020.

The two-day event will include demonstrations of automobile extrication, rescue, and victim medical treatment. The program challenges high school juniors and seniors to think about the consequences of drinking/distracted driving, personal safety, and the responsibility of making mature decisions.

**STAFF MEMBER PRESENTING:** Derek Williams, Chief of Police

Prepared by: Douglas Sorel  
Department: Police  
City Manager Approval: 

Submitted to Council/O.H.A. 12/17/2019  
Approved: \_\_\_\_\_  
Continued to: \_\_\_\_\_  
Denied: \_\_\_\_\_

12

The Police Department is one of many agencies participating in this event. Other agencies invited include the Ontario Fire Department, American Medical Response, CHP, Coroner's Office, District Attorney's Office, local hospitals, and various civic and business entities.

# CITY OF ONTARIO

Agenda Report  
December 17, 2019

SECTION:  
CONSENT CALENDAR

**SUBJECT: CONSTRUCTION CONTRACT FOR THE DEVELOPMENT OF FIRE STATION NO. 9**

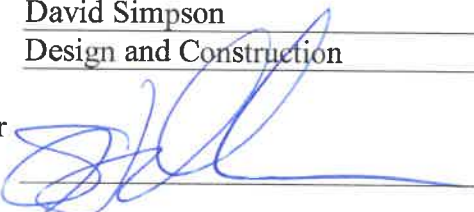
**RECOMMENDATION:** That the City Council take the following actions:

- (A) Accept the withdrawal of KEMCORP's bid for D&C17-003-FS09—Fire Station No. 9;
- (B) Authorize the City Manager to complete and execute Construction Contract No. D&C17-003-FS09 – Fire Station No. 9 with Act 1 Construction of Norco, California, for the construction of Fire Station No. 9 in the amount of \$7,894,706;
- (C) Authorize a project reserve in the amount of \$400,000 for an extended temporary road and rough grading to provide access to the site;
- (D) Authorize a 15% contingency of \$1,244,206 to address any unforeseen issues that may arise during construction; and
- (E) Authorize the City Manager or his designee to execute all documents required for the completion of the project including, but not limited to, contracts, agreements, assessments, easements, reduction of retention accounts, and filing a notice of completion at the conclusion of all construction related activities.

**COUNCIL GOALS:** 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 Fiscal Year 2018-19 Adopted Budget included appropriations totaling \$11.6 million for the project from the New Model Colony Fire Impact Fund, which were included and carried forward as part of the Fiscal Year 2019-20 First Quarter Budget Update Report to the

**STAFF MEMBER PRESENTING:** Tito Haes, Executive Director Public Works

Prepared by: David Simpson  
Department: Design and Construction  
City Manager Approval: 

Submitted to Council/O.H.A. 12/17/2019  
Approved: \_\_\_\_\_  
Continued to: \_\_\_\_\_  
Denied: \_\_\_\_\_

13

City Council. The estimated construction cost for Fire Station No. 9 is \$9.5 million including a 15% contingency of \$1,244,206 for unforeseen work that might be needed due to weather, events, or extraordinary circumstances. Approximately \$2.1 million of traffic signal and street improvements are also required to provide access to the Fire Station. This work will be bid separately.

**BACKGROUND:** Fire Station No. 9 will be the permanent replacement of the Interim Fire Station No.9 located at 3100 East Eucalyptus Avenue. The permanent station will be located at 2665 East Grand Park Street which is located on the south west corner of Ontario Ranch Road and Archibald Avenue. Interim Station No. 9 will serve the public until the permanent station is operational, at which time all equipment and personnel will be relocated to the new station.

On October 17, 2019, the City solicited proposals for the construction of Fire Station No. 9. Fourteen bids were received. KEMCORP of Ontario, CA was the apparent low bidder at \$7,449,000. On October 18, 2019, the City received a letter from KEMCORP withdrawing their bid due to a substantial clerical error that would not allow KEMCORP to honor the bid. After consulting with the City Attorney and pursuant to Public Contract Code 5100, staff declared the bid nonresponsive and returned the bid bond.

Staff then reviewed the remaining bids and found they met the bid criteria and standards necessary to perform the work.

<u>Vendor</u>	<u>Location</u>	<u>Amount</u>
Act 1 Construction	Norco, CA	\$7,894,706
Monet Construction	Tujunga, CA	\$7,946,000
PCN3 Inc.	Los Alamitos, CA	\$7,979,000
Horizons Construction	Orange, CA	\$8,074,000
Novus Construction	Chatsworth, CA	\$8,090,000
W. D. Gott Construction	Upland, CA	\$8,150,000
R.C. Construction	Rialto, CA	\$8,249,000
TELACU Construction	Orange, CA	\$8,930,000
Woodcliff Corporation	Los Angeles, CA	\$9,078,000
Pacific Hydrotech	Perris, CA	\$9,310,808
Morillo Construction	Pasadena, CA	\$9,478,000
Keystone Builders Inc.	Anaheim, CA	\$9,652,000
New Dynasty	Tustin, CA	\$10,500,242

Act 1 Construction located in Norco, California, submitted the lowest proposal that met all the required specifications with a base cost of \$7,894,706. Based on the proposal, credentials, pricing and favorable reference checks, staff recommends awarding Construction Contract D&C17-003-Fire Station No. 9 to Act 1 construction and anticipates Fire Station No. 9 becoming operational by winter of 2021.

# CITY OF ONTARIO

Agenda Report  
December 17, 2019

SECTION:  
CONSENT CALENDAR

**SUBJECT: A PROFESSIONAL SERVICES AGREEMENT WITH TETRA TECH FOR A TRANSFER STATION FEASIBILITY ANALYSIS, PRELIMINARY DESIGN AND FACILITY PLAN**

**RECOMMENDATION:** That the City Council approve a Professional Services Agreement (on file in the Records Management Department) with Tetra Tech BAS, Inc. of Diamond Bar, California, for a transfer station feasibility analysis, preliminary design and facility plan in the amount of \$275,609 plus a 5% contingency of \$13,780 for a total not to exceed amount of \$289,389; and authorize the City Manager to execute the agreement and any future amendments within the authorization limits.

**COUNCIL GOALS: 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)**

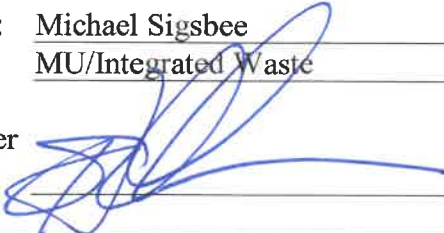
**Ensure the Development of a Well Planned, Balanced, and Self-Sustaining Community in Ontario Ranch**

**FISCAL IMPACT:** The Fiscal Year 2019-20 Adopted Operating Budget includes appropriations of \$289,389 in the Integrated Waste Fund to cover the cost for the proposed agreement. There is no impact to the General Fund.

**BACKGROUND:** The City of Ontario spends more than \$10 million annually on the handling, sorting, recycling and disposal of the nearly 230,000 tons of materials collected each year by the Integrated Waste Department. Most of this material is delivered to the West Valley Material Recovery Facility (MRF) in Fontana by the City's collection vehicles.

Integrated Waste currently operates approximately 65 collection vehicles each day in servicing the residents and businesses in Ontario, and in total, these collection vehicles make approximately 165 trips to the MRF each day. Collection vehicles travel an average of about 19 miles round trip several times each day from the appointed collection routes to the MRF to deliver the collected material and then back to the route. Most of our residential and commercial vehicles make this round trip twice each day, with

**STAFF MEMBER PRESENTING:** Scott Burton, Utilities General Manager

Prepared by: Michael Sigsbee  
Department: MU/Integrated Waste  
City Manager Approval: 

Submitted to Council/O.H.A. 12/17/2019  
Approved: \_\_\_\_\_  
Continued to: \_\_\_\_\_  
Denied: \_\_\_\_\_

14

our roll off collection vehicles making the trip 8-10 times per day. Given the distance, traffic congestion and the time it takes to off-load at the MRF, it currently takes about 1.25 hours per trip on average for each of the 165 trips per day. As new development occurs, especially in Ontario Ranch, the distance traveled and traffic congestion will continue to increase the time it takes to make the trips to the MRF each day. Most service locations in Ontario Ranch are about 20% further from the MRF, making the average round trip approximately 23 miles.

The scope of the proposed agreement will consider the fiscal and operating impacts of possibly developing or permitting the development of a transfer station within Ontario, including:

- Alternative site location options within Ontario;
- Conceptual site and facility design alternatives and costs;
- Alternative operating models and costs;
- Assess preliminary permitting viability;
- Potential cost saving impacts to current collection and hauling operations;
- Identify impacts to hauling and collection operations related to new and emerging state laws and requirements for diversion;
- Assess no-build and/or expanded contracting options.

On September 18, 2019, the City solicited proposals and received one proposal. Tetra Tech BAS, Inc. has proposed in association with HF&H Consultants, LLC; and a selection team of City staff have reviewed their proposal. Staff recommends award based on the thoroughness of the proposal materials, capability to complete the scope of work, previous experience in successfully completing numerous similar projects, and availability to meet the City's proposed schedule.



# CITY OF ONTARIO

*Agenda Report*  
December 17, 2019

**SECTION:  
PUBLIC HEARINGS**

**SUBJECT: A PUBLIC HEARING TO CONSIDER AN URGENCY ORDINANCE APPROVING A DEVELOPMENT CODE AMENDMENT (FILE NO. PDCA19-003) REVISING TABLE 5.02-1 (LAND USE TABLE) AND SECTION 5.03.010 (ACCESSORY RESIDENTIAL STRUCTURES) IN ORDER TO BRING THE CITY'S CURRENT PROVISIONS GOVERNING ACCESSORY DWELLING UNITS INTO COMPLIANCE WITH RECENT CHANGES IN STATE LAW**

**RECOMMENDATION:** That the City Council consider and adopt an urgency ordinance approving File No. PDCA19-003, revising Development Code Table 5.02-1 (Land Use Table) and Section 5.03.010 (Accessory Residential Structures), which will bring the City's current provisions governing accessory dwelling units into compliance with recent changes in State law (SB13, AB68 AND AB881) that become effective on January 1, 2020.


**COUNCIL GOALS:** Operate in a Businesslike Manner  
Pursue City's Goals and Objectives by Working with Other Governmental Agencies  
Focus Resources in Ontario's Commercial and Residential Neighborhoods

**FISCAL IMPACT:** None.

**BACKGROUND:** As part of the State of California's response to the ongoing housing crisis, the Legislature recently approved several new housing laws, including local streamlining of Accessory Dwelling Units ("ADUs"). ADUs are known by many names, including granny flats, in-law units, backyard cottages, and secondary units. The Legislature believes that ADUs are an innovative, affordable, and effective option for adding much-needed housing in California.

Beginning in 2017 with SB 1069, AB 2299, and AB 2406, the Legislature coined the term Accessory Dwelling Unit and began to limit local governments' ability to restrict the development of ADUs by requiring ministerial approvals under certain circumstances. In 2018, the Legislature modified the state ADU laws again, this time opening ADUs to all zoning districts with single family residential uses, reducing parking requirements, and modifying fees charged by utility companies.

**STAFF MEMBER PRESENTING:** Scott Murphy, AICP, Executive Director Development Agency

Prepared by: Charles Mercier  
Department: Planning  
City Manager Approval: 

Submitted to Council/O.H.A. 12/17/2019  
Approved: \_\_\_\_\_  
Continued to: \_\_\_\_\_  
Denied: \_\_\_\_\_

15

Effective January 1, 2020, the state ADU laws will once again change as a result of several bills enacted by the Legislature. A summary of those laws (Exhibit A) and the proposed changes to the City's Development Code (included as Urgency Ordinance Attachments A and B) are attached. Under the new state ADU laws, if the City's ordinance is out of compliance with the requirements found in state law, the entire ordinance is null and void (not just the prohibited provisions). In its current form, the City's current ADU provisions (Development Code Section 5.03.010), would almost certainly be determined to be out of compliance, placing the entire ordinance in jeopardy. Additionally, the California Department of Housing Community Development has the authority to review local ordinances and may refer violations of the state ADU laws to the Attorney General.

Government Code Section 65858 grants the City Council authority to adopt as an urgency measure, an interim ordinance, which would temporarily amend the City of Ontario Development Code for the purpose of amending the local regulatory scheme pertaining to ADUs in a manner that complies with the new state law and is consistent with California Government Code Section 65852.2. Government Code Section 65858(a) further provides that an urgency ordinance shall expire and be of no further force and effect 45 days from its date of adoption. The City Council may extend the urgency ordinance for up to an additional 10 months and 15 days after providing public notice and conducting a public hearing. The urgency ordinance and any extension to it would require a four-fifths vote for adoption.

It is staff's recommendation that the City Council approve the proposed urgency ordinance to allow sufficient time for City staff to study and prepare a permanent ordinance pertaining to the regulation of ADUs in a manner that complies with the new state law and is consistent with Government Code Section 65852.2, as amended.

**ENVIRONMENTAL REVIEW:** The proposed ordinance is statutorily exempt from the California Environmental Quality Act (CEQA) pursuant to Section 15282(h) of the CEQA Guidelines (the adoption of an ordinance regarding second units in a single-family or multifamily residential zone by a city or county to implement the provisions of Sections 65852.1 and 65852.2 of the Government Code as set forth in Section 21080.17 of the Public Resources Code).



**EXHIBIT A**  
**Summary of Recent Changes in State Law Pertaining to Accessory Dwelling Units**

Effective January 1, 2020, the state ADU laws will once again change as a result of several bills enacted by the Legislature. A summary of those laws and the changes to the City's Development Code are discussed below. Under the new state ADU laws, if the City's ordinance is out of compliance with the requirements found in state law, the entire ordinance is null and void (not just the prohibited provisions). Based on our review of Ontario Development Code Section 5.03.010, the City's ordinance would almost certainly be determined to be out of compliance, placing the entire ordinance in jeopardy. Additionally, the California Department of Housing Community Development has the authority to review local ordinances and may refer violations of the state ADU laws to the Attorney General.

**SB 13, AB 68, AB 881 – Revisions to GC 65852.2**

Three laws passed by the Legislature amend Government Code Section 65852.2 and each amends the statute in different ways. For the sake of clarity, the changes are organized by topic rather than by specific statute, with suggested changes.

(1) *Addition of All Residential Lots.* ADUs are now authorized on lots with multifamily dwellings and on mixed-use lots. The City's existing ADU ordinance will need to be amended to include references to all residential lots, including those with single-family, multifamily, and mixed use lots. Section 65852.2(e)(1)(D) requires cities to allow up to two detached ADUs on lots with a multifamily dwelling, subject only to a 16-foot height limit and 4-foot setback. This change has resulted in revisions to numerous subsections of the City's ADU ordinance to reference "primary" dwellings rather than single-family dwellings.

(2) *Owner Occupancy.* Section 65852.2(a)(6) prohibits the City from requiring an owner occupancy of the primary dwelling unit or the ADU. This is a significant shift from previous versions of Section 65852.2, which expressly authorized owner-occupancy covenants. The change resulted from difficulties lending institutions had in foreclosing on housing units with owner occupancy covenants recorded on the property. This change has resulted in revisions to numerous subsections of the City's ADU ordinance to remove owner occupancy requirements.

(3) *Minimum Lot Size.* Section 65852.2(a)(1)(B)(i) now prohibits the City from including a minimum lot size requirement. No minimum lot size requirement was located in Section 5.03.010.

(4) *Setbacks.*

a. Section 65852.2(a)(1)(B)(vii) prohibits the City from requiring a setback for an existing living area or accessory structure, or a structure constructed in the same location and same dimensions as an existing structure. This change has resulted in revisions to Notes 2 and 3 for Table 5.03-1.

b. Section 65852.2(a)(1)(B)(vii) prohibits the City from requiring a

setback for newly constructed structures in excess of four (4) feet from the side and rear property lines. This change has resulted in revisions to Rows C2, C3a and C3b of Table 5.03-1.

(5) *Catchall.* A City may not establish any minimum/maximum ADU size, floor area ratio, open space, or minimum lot size that would prohibit a 800 square foot ADU that is at most 16 feet in height with four-foot side and rear setbacks. This change resulted in a revision to the City's ADU ordinance that provides, notwithstanding any other provision, an ADU meeting the above requirements may be constructed.

(6) *Parking.* Taken together, the two changes described below significantly limit the City's ability to require the addition or replacement of off-street parking for ADUs going forward.

a. Section 65852.2(a)(1)(B)(xi) prohibits the City from requiring replacement off-street parking when a garage, carport, or covered parking structure is demolished or converted into an ADU. This change has resulted in a revision to Note 7 of Table 5.03-1.

b. Section 65852.2(j)(10) adds a definition for "Public Transit" to include any location where the public may access transportation including a bus stop. This change likely expands the exception found under Note 6.a. of Table 5.03-1.

(7) *Review Time Periods.* Section 65852.2(a)(3) reduces the time period for the City to review and approve ADU applications from 120 days down to 60 days. If the ADU application accompanies a permit application for a new single-family dwelling on the lot, the ADU application may be delayed to follow the City's action on the permit for the new single-family dwelling. The applicant may also request a delay in the 60-day time period, which must be granted by the City.

(8) *Nonconforming Zoning.* Section 65852.2(e)(2) prohibits the City from requiring the correction of nonconforming zoning conditions as a condition of approval of an ADU permit.

(9) *Fees.* Section 65852.2(a)(3) authorizes the City to charge a fee to reimburse its costs in processing ADU applications as well as the costs of amending the City's ADU ordinance. Section 65852.2(f)(3) prohibits the City from charging any impact fee on ADUs less than 750 square feet and limits the City's ability to charge impact fees for ADUs 750 square feet or larger to a proportional amount in relation to the primary dwelling unit.

(10) *Utility Connections.* Section 65852.2(f)(2) prohibits the City from considering an ADU a new residential use for the purposes of calculating connection fees or capacity charges unless the ADU is constructed with a new single-family dwelling.

### **AB 587 – Separate Sale of ADUs**

Generally, an ADU may not be sold or conveyed separately from the primary dwelling unit. However, the Legislature added Section 65852.26 to the Government Code, allowing

(but not requiring) ADUs to be sold separately in extremely limited circumstances where the property was built/developed by a qualified nonprofit corporation and that the property is held pursuant to a recorded tenancy in common agreement, which includes a repurchase option and affordability restrictions. Unlike other provisions of state ADU law, this provision is not automatically allowed, the City would need to authorize the ability to separately sell ADUs by ordinance.

### **AB 670 – HOAs**

AB 670 adds Section 4751 to the Civil Code and makes void and unenforceable any covenant, restriction, or condition contained in any deed, contract, security instrument, or other instrument affecting the transfer or sale of any interest in a planned development, and any provision of a governing document, that effectively prohibits or unreasonably restricts the construction or use of an accessory dwelling unit or junior accessory dwelling unit on a lot zoned for single-family residential use that meets the above-described minimum standards established for those units. However, the bill would permit reasonable restrictions that do not unreasonably increase the cost to construct, effectively prohibit the construction of, or extinguish the ability to otherwise construct, an accessory dwelling unit or junior accessory dwelling unit consistent with 65852.2 or 65852.22 of the Government Code.

### **SB 13 – Building Code Amnesty**

In addition to the revisions to Government Code Section 65852.2 discussed above, SB 13 also adds Section 17980.12 to the Health and Safety Code. This section provides that a building official issuing a notice to correct a violation to an owner of an ADU must include a statement that the owner has the right to request a delay in enforcement if the ADU was built prior to January 1, 2020, or if the ADU was built on or after January 1, 2020 but the jurisdiction did not have a compliant ADU ordinance at the time the ADU was built. The owner may request a delay of up to five years on the basis that the correcting the violation is not necessary to protect health and safety. This bill follows SB 1226, which went into effect on January 1, 2019, and which added Section 17958.12 to the Health and Safety Code. That section provides that for ADUs previously constructed without building permits, local building officials have the option to inspect an ADU and apply the building standards that were in effect at the time the unit was constructed.

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

AN URGENCY ORDINANCE OF THE CITY COUNCIL OF THE CITY OF ONTARIO, CALIFORNIA, APPROVING AN AMENDMENT, FILE NO. PDCA19-003, TO THE ONTARIO MUNICIPAL CODE, AMENDING CHAPTER 5 OF THE ONTARIO DEVELOPMENT CODE REGARDING THE REGULATION OF ACCESSORY DWELLING UNITS.

WHEREAS, The City of Ontario ("Applicant") has initiated an Application for the approval of a Development Code Amendment, File No. PDCA19-003 as described in the title of this Ordinance (hereinafter referred to as "Application" or "Project"); and

WHEREAS, a severe housing crisis exists in the State of California with the demand for housing greatly exceeding supply; and

WHEREAS, accessory dwelling units ("ADUs") provide housing opportunities in a manner that can be largely compatible with existing neighborhood development; and

WHEREAS, on October 9, 2019, Governor Newsom signed into law several bills intended to increase the state's supply of affordable housing by facilitating the construction of ADUs including California Assembly Bills 68 and 881 and California Senate Bill 13. These laws amend California Government Code Section 65852.2 and, among other limitations on local authority, require the City of Ontario to further relax regulations concerning ADUs. These amendments to California Government Code Section 65852.2 became effective January 1, 2020; and

WHEREAS, California Government Code Section 65852.2(a)(4), as amended, provides that any city's existing local ADU ordinance that fails to meet the requirements of the new state law shall be null and void unless and until the city adopts a new ordinance complying with California Government Code Section 65852.2. (Amended Development Code Sections are included as Attachments A and B to this Ordinance). In the absence of a valid local ordinance, the new state law instead provides a set of default standards governing cities' regulation and approval of ADUs; and

WHEREAS, California Government Code Section 65858 authorizes a city to adopt an interim urgency measure by a four-fifths (4/5ths) vote where necessary to protect the public health, safety, and welfare without following the procedures otherwise required prior to adoption of a zoning ordinance; and

WHEREAS, any interim urgency measure adopted pursuant to Government Code Section 65858 shall be of no further force and effect forty-five (45) days from its date of adoption unless extended by the legislative body. During such time period, City staff intends to undertake further study and present its recommendations to the City Council regarding permanent revisions to the City's regulatory scheme pertaining to ADUs and consistent with the goals and policies of the City's General Plan, California Planning and Zoning Law, and the provisions of California Government Code Section 65858; and

WHEREAS, the Application is exempt from the California Environmental Quality Act (CEQA) pursuant to Section 15282(h) of the CEQA Guidelines (the adoption of an ordinance regarding second units in a single-family or multifamily residential zone by a city or county to implement the provisions of Sections 65852.1 and 65852.2 of the Government Code as set forth in Section 21080.17 of the Public Resources Code); and

WHEREAS, the Application 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, 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 December 17, 2019, the City Council of the City of Ontario conducted a hearing to consider the Application 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.** The proposed amendments are statutorily exempt from the California Environmental Quality Act (CEQA) pursuant to Section 15282(h) of the CEQA Guidelines (the adoption of an ordinance regarding second units in a single-family or multifamily residential zone by a city or county to implement the provisions of Sections 65852.1 and 65852.2 of the Government Code as set forth in Section 21080.17 of the Public Resources Code).

**SECTION 2. Municipal Code Amendments.**

- (A) Table 5.02-1 (Land Use Table) of the Ontario Development Code is amended as set forth in Attachment "A" to this Ordinance, which is incorporated herein by this reference as though set forth in full.
- (B) Ontario Development Code Section 5.03.010 is hereby amended as stated in Attachment "B" to this Ordinance, which is incorporated herein by this reference as though set forth in full.

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

(a) The proposed Amendment to the City of Ontario Municipal Code 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. Staff has thoroughly reviewed the proposed Municipal Code Amendment and the conditions under which it will be implemented, and has determined the proposed Municipal Code provisions to be consistent with the applicable goals, policies, plans, and exhibits of the Vision, Policy Plan (General Plan), and City Council Priorities components of The Ontario Plan.

(b) The proposed Amendment to the City of Ontario Municipal Code would not be detrimental to the public interest, health, safety, convenience, or general welfare of the City.

**SECTION 4.** ***City Council Action.*** Based upon the findings and conclusions set forth in the Recitals and Sections 1 through 3, above, the City Council finds and determines pursuant to California Government Code Section 65858 that adoption of this ordinance is necessary for the immediate preservation of the public health, safety, and welfare, and to prohibit uses in conflict with zoning regulations pertaining to ADUs currently being studied and contemplated by the City.

**SECTION 5.** ***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 6.** ***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 7.** ***Effective Date.*** This Urgency Ordinance shall become effective immediately following its adoption and shall expire forty-five (45) days following its adoption unless otherwise extended in compliance with California Government Code Section 65858.

**SECTION 8.** ***Publication and Posting.*** The City Clerk shall certify as to the adoption of this Ordinance and shall cause a copy thereof to be published within fifteen (15) days of the adoption and 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 17<sup>th</sup> day of December 2019.

---

PAUL S. LEON, MAYOR

ATTEST:

---

SHEILA MAUTZ, CITY CLERK

APPROVED AS TO FORM:

---

COLE HUBER 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 Urgency Ordinance No. \_\_\_\_\_ was duly introduced and adopted at the regular meeting of the City Council of the City of Ontario held on the 17<sup>th</sup> day of December 2019, 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 Urgency Ordinance No. \_\_\_\_\_ duly passed and adopted by the Ontario City Council at their regular meeting held December 17, 2019 and the entire Ordinance was published on December 24, 2019 in the Inland Valley Daily Bulletin newspaper.

\_\_\_\_\_  
SHEILA MAUTZ, CITY CLERK

(SEAL)



**ATTACHMENT A;  
Proposed Revisions to Table 5.02-1 (Land Use Matrix)**

Table 5.02-1: Land Use Matrix

2012 NAICS Code	Land Uses, Activities, and Facilities  <i>Note: Properties within the Airport Influence Area (AIA) established by the LA/Ontario International Airport Land Use Compatibility Plan (ALUCP) shall be subject to the land use requirements and standards of the ALUCP.</i>	Residential Zoning Districts				Commercial Zoning Districts						Mixed-Use Zoning Districts			Industrial Zoning Districts					Specialized Use & Overlay Zoning Districts								Additional Regulations				
		AR-2 & RE-2	RE-4 & LDR-5	MDR-11, 18 & 25		HDR-45	CS	CN	CC	CR	CCS	OL	OH	MU-1	MU-2	MU-11	BP	IP	IL	IG	IH	AG	CIV	MHP	ONT	OS-C	OS-R		RC	UC		
00	<b>RESIDENTIAL</b>																															
	Accessory Residential Structures																															
	<ul style="list-style-type: none"> <li>Accessory Dwelling Units (includes Standard and Integrated units)</li> </ul>	P	P	P	P	---	---	---	---	---	---	---	P	P	P	---	---	---	---	---	P	---	P	---	---	---	---	---	---	---	---	See Subsection A (Accessory Dwelling Units) of Section 5.03.010

**ATTACHMENT B:  
Proposed Revisions to Section 5.03.010 (Residential Accessory Structures)**

**5.03.010: Accessory Residential Structures**

This Section shall govern the development and use of structures that are accessory to ~~single-family~~ **primary** dwellings, and are attached to, or detached from, the ~~main~~ **primary** dwelling, such as accessory dwelling units, carports, garages, garden and tool sheds, guesthouses, and other similar ancillary structures.

**A. Accessory Dwelling Units.**

1. Purpose. The purpose of this Subsection A is to establish standards for the construction and use of Accessory Dwelling Units in conjunction with existing ~~single-family~~ **primary** dwellings located within single-family, ~~or~~ multiple-family, **or mixed-use** zoning districts. These standards have been established in compliance with GC 65852.2, which governs Accessory Dwelling Units.

2. Applicability. In compliance with the provisions of State Accessory Dwelling Unit law, the provisions of this Subsection A shall govern the establishment and use of Accessory Dwelling Units within the City of Ontario. An Accessory Dwelling Unit is either **[i]** an independent dwelling attached to an existing ~~single-family~~ **primary** dwelling, **[ii]** a dwelling attached to the primary ~~single-family~~ dwelling, and shares living space; or **[iii]** an independent unit that is detached from the primary ~~single-family~~ dwelling.

3. Definitions. As used in this Subsection A, the words or phrases listed below shall have the meanings thereafter specified:

a. *Accessory Dwelling Unit (ADU).* An attached or detached dwelling unit with complete independent living facilities for one or more persons, and includes permanent provisions for living, sleeping, eating, cooking, and sanitation on the same lot in which an existing ~~principal single-family~~ **primary** dwelling is situated. An ADU also includes Efficiency Dwelling Units, and Manufactured Homes as defined by Health and Safety Code Section 18007. The Classifications of ADU are as follows:

**(1) Standard ADU.** An ADU that is an independent unit attached to the ~~principal existing single-family~~ **existing primary** dwelling, or an independent unit that is detached from the ~~principal single-family~~ **existing primary** dwelling. A Standard ADU shall comply with the requirements of Paragraph A.5 of this Section.

**(2) Integrated ADU.** An ADU that **[i]** is on a lot zoned for ~~single-family~~ residential uses, which contains at **least one** ~~legally established single-family~~ dwelling unit; **[ii]** is contained within, and shares living area with, the ~~principal~~ existing **primary** dwelling or ~~legally established~~ accessory structure; **[iii]** has independent exterior access from the primary ~~residence~~ **dwelling**; and **[iv]** has side and rear setbacks sufficient for fire safety.

b. *Efficiency Dwelling Unit (EDU).* As provided in HSC Section 17958.1, an ADU having a minimum living area of 150 SF, which is for occupancy by no more than two persons. Furthermore, an EDU shall contain a separate bathroom and an area containing an efficiency kitchen, which, at a minimum, includes a sink, cooking appliance, refrigeration facility, and a food preparation counter and storage cabinets that are of reasonable size in relation to

the size of the EDU.

**4. Policy Plan (General Plan) and Zoning Consistency.** An ADU that conforms to this Subsection A shall:

- a. Be deemed an accessory residential use or an accessory residential building;
- b. Be deemed a ~~single-family~~ residential land use that is consistent with the existing Policy Plan Land Use Plan and zoning designations for the lot on which the ADU is located;
- c. Not be considered to exceed the allowable density for the lot on which the ADU is located; and
- d. Not be considered in the application of any ordinance, policy, or program to limit residential growth.

**5. Development Standards for Standard ADUs.** Standard ADUs shall comply with the following development standards:

- a. A Standard ADU shall only be allowed in conjunction with an existing ~~single-family~~ primary dwelling located within ~~a single-family or multiple-family~~ any zoning district allowing for residential uses pursuant to Table 5.02-1 (Land Use Matrix) of this Chapter. ~~The Standard ADU may continue as a living space only if one dwelling on the lot is owner occupied.~~
- b. A Standard ADU that is attached to the principal residential structure shall comply with the development standards applicable to the primary dwelling (refer to Section 6.01.010 (Residential Zoning Districts) of this Development Code), except as otherwise provided by this Section.
- c. A Standard ADU that is attached to the principal residential structure shall contain no more than 50 percent of the gross floor area of the ~~principal single-family~~ existing primary dwelling, ~~not to exceed 850 SF.~~
- d. A Standard ADU that is detached from the principal residential structure shall comply with the development standards contained in Table 5.03-1 (Development Standards for Detached Accessory Dwelling Units), below:

*Table 5.03-1: Development Standards for Detached Accessory Dwelling Units*

Requirements	Residential Zoning Districts				Additional Regulations
	AR-2 & RE-2	RE-4 & LDR-5	MDR-11, 18 & 25	HDR-45	
<b>A. Maximum Height</b>					
1. Conditional Use Permit Required	35 FT				Note 1
2. Permitted by Right	14 16 FT				
<b>B. Maximum Area</b>	850 SF for studio/one-bedroom units 1,000 SF for 2 or more-bedroom units				
<b>C. Minimum Setbacks</b>					

Table 5.03-1: Development Standards for Detached Accessory Dwelling Units

Requirements	Residential Zoning Districts				Additional Regulations
	AR-2 & RE-2	RE-4 & LDR-5	MDR-11, 18 & 25	HDR-45	
1. From Street Side Property Line	10 FT				Notes 2 and 3
2. From Interior Side Property Line	10 4 FT	5 4 FT			Notes 2 and 3
3. From Rear Property Line					
SF a. Width of Structure ≤25	5 4 FT				Note 2
SF b. Width of Structure >25	10 4 FT				Notes 2 and 3
4. Minimum Separation Between Structures	6 FT				Note 4
5. Minimum Separation from Major Pipelines	50 FT				Note 5
D. Off-Street Parking	[1] Comply with the minimum off-street parking requirements for ADUs contained in Table 6.03-1 (Off-Street Parking Requirements) of this Development Code. [2] Required parking spaces for ADUs may be provided as tandem parking on an existing driveway pursuant to the requirements for ADUs in Section 6.03.025 (Tandem Parking) of this Development Code, and may be permitted within setback areas, unless it is determined by the Planning Director to not be feasible based upon specific site, fire, and life safety conditions.				Notes 6 and 7

Notes:

1. Detached Accessory Residential Structures in excess of 14 16 FT in height shall require Conditional Use Permit (or Certificate of Appropriateness for structures on the Ontario Register of Historic Places) approval.
2. No additional setback is required for an existing garage or other accessory structure, or existing space above an existing garage or other accessory structure, that is converted to an ADU.
3. New floor area constructed above an existing garage or other accessory structure shall not be required a side and/or rear property line setback of more than 5 4 FT.
4. For child play structures, doghouses, and other similar accessory structures, there shall be no minimum required setback or separation between buildings/structures, provided:
  - a. The accessory structure is located within a side or rear yard area;
  - b. The accessory structure does not exceed 5 FT in length and/or width, and 6 FT in height; and
  - c. The accessory structure is screened from view of public or private streets.
5. Includes major high-pressure pipelines for fuel oil, gasoline, and diesel and aviation fuels within the City. Existing pipelines include:
  - a. Two parallel pipelines (a 16-inch and a 20-inch) that enter the City at Benson Avenue, traveling parallel to the northerly side of the Southern Pacific right-of-way to Ontario International Airport, then parallel to the southerly side of the Southern Pacific right-of-way, then parallel to the northerly side of the right-of-way beyond Ontario International Airport, then exiting the City at Etiwanda Avenue; and
  - b. Two parallel pipelines that traverse the easterly portion of the City, entering the City at the southerly portion of Milliken Avenue, then traveling north under Milliken Avenue to Inland Empire Boulevard, then east to Rochester Avenue, then north to the City Limits.
6. No off-street parking is required in any of the following situations:

- a. *The ADU is located within one-half mile of City and/or local transit authority-approved public transit as defined in GC 65852.2;*
  - b. *The ADU is located within an historic district or architectural conservation area established pursuant to Section 4.02.040 (Historic Preservation—Local Historic Landmark and Local Historic District Designations, Historic Resource Tiering, and Architectural Conservation Areas) of this Development Code;*
  - c. *The ADU is built within the existing primary single-family dwelling or an existing accessory structure;*
  - d. *An on-street parking permit is required, but is not offered to the occupant of the ADU; or*
  - e. *A City-approved car share vehicle is stationed within one block of the ADU.*
7. *When off-street parking required for an existing primary dwelling pursuant to this Development Code, which is uncovered or is located in a garage, carport, or covered parking structure, is demolished or otherwise eliminated in conjunction with the construction of an ADU, the required off-street parking spaces must be replaced on the property replacement parking is not required. The replacement parking spaces may be located in any configuration on the same lot, including, but not limited to, covered spaces, uncovered spaces, tandem spaces, or by use of mechanical automobile parking lifts. However, if no additional parking is required for the ADU, then the replacement parking spaces must be replaced as required by this Development Code.*

---

~~e. A Standard ADU shall not be sold separate from the principal residential dwelling, and may not be leased or rented for a term of less than 30 days.~~ A Standard ADU is not intended for sale separate from the primary dwelling; however, the Standard ADU may be leased or rented for a term of no less than 30 days. The short-term rental (less than 30 days) of a Standard ADU is prohibited.

f. A Standard ADU is not required to provide fire sprinklers if they are not required for the primary ~~single family~~ dwelling.

g. A Standard ADU may be metered separately from the primary dwelling for gas, electricity, and water services. A sewer connection separate from the primary dwelling may also be provided.

h. If an entrance to a Standard ADU is provided separate from the primary dwelling, the entrance shall not be on the same street exterior elevation as the main dwelling.

i. No passageway (a pathway that is unobstructed clear to the sky and extends from a street to an entrance of an accessory dwelling unit) shall be required in conjunction with the construction of a Standard ADU.

j. A Standard ADU shall comply with the requirements of OMC Title 8 (Building Regulations).

~~k. Prior to issuance of a building permit, the owner must record a restrictive covenant pursuant to Paragraph 7 (Restrictive Covenant) of this Subsection A.~~

l. A lot developed with a Standard ADU shall maintain a useable rear yard that is equal to a minimum of 10 percent of the net lot area. In addition, a traditional single-family dwelling shall maintain a useable rear yard having minimum dimension of 20 FT in any direction, and a small lot single-family dwelling shall maintain a useable rear yard having a minimum dimension of 10 FT in any direction. Notwithstanding the aforementioned requirements, the City shall not prohibit a Standard ADU that does not exceed 800 SF in area and 16 FT high, and maintains a side and rear yard setback of no less than 4 FT.

6. Development Standards for Integrated ADUs. Integrated ADUs shall comply with the following development standards:

a. An Integrated ADU shall be permitted only in conjunction with an existing ~~single-family~~ primary dwelling located within a residential ~~or mixed-use~~ zoning district. ~~The use of the Integrated ADU as an independent living space may continue only if one dwelling on the lot is owner occupied.~~

b. Not more than one Integrated ADU is allowed on a lot, ~~and an Integrated ADU shall not be constructed if an ADU or guesthouse already exists on the lot~~; however, this provision does not preclude the conversion of ~~one~~ an existing garage or other accessory residential structure to ~~another~~ a Standard ADU.

c. An Integrated ADU shall contain no more than 50 percent of the gross floor area of the ~~principal~~ primary ~~single-family~~ dwelling, ~~not to exceed 850 SF.~~

d. An Integrated ADU shall comply with the setback requirements applicable to the principal dwelling or legally established accessory structure in which it is integrated, as prescribed by this Section.

e. An Integrated ADU is not intended for sale separate from the primary ~~single-family residence, but~~ dwelling; however, the Integrated ADU may be leased or rented for a term of no less than 30 days. ~~The short-term rental (less than 30 days) of an Integrated ADU is prohibited.~~

f. An Integrated ADU is not required to provide fire sprinklers if they are not required for the primary ~~single-family~~ dwelling.

g. No passageway (a pathway that is unobstructed clear to the sky and extends from a street to an entrance of an ADU) shall be required in conjunction with the construction of an Integrated ADU.

h. An Integrated ADU shall comply with the requirements of OMC Title 8 (Building Regulations).

~~i. Prior to issuance of a building permit, the owner must record a restrictive covenant pursuant to Paragraph 7 (Restrictive Covenant) of this Subsection A.~~

~~7. Restrictive Covenant. Prior to the issuance of a building permit for an ADU, a restrictive covenant running with the land, which is binding on the property owner and their successors in interest, shall be recorded with the office of the San Bernardino County Recorder, which specifies that the use of the ADU as an independent living space may continue only if one dwelling on the lot is occupied by the property owner, and a prohibition on the separate sale of the ADU. Furthermore, restrictions may be included that are intended to ensure on-going compliance with the provisions of this Subsection B.~~

## B. Accessory Residential Structures.

1. Purpose. The purpose of this Subsection B is to establish standards for the construction and use of Accessory Residential Structures (other than Accessory Dwelling Units allowed pursuant to Subsection A of this Section) in conjunction with existing single-family dwellings located within single-family or multiple-family zoning districts. *(Note: The construction and use of Accessory Residential Structures in conjunction with existing multiple-family dwellings shall be subject to the development standards applicable to the principal multiple-family dwellings.)*

**2. Applicability.** For purposes of this Subsection B, the herein established development standards shall apply to Accessory Residential Structures such as garages, carports, guesthouses, storage sheds, pool houses, recreation rooms, etc., which are incidental or subordinate to the principal single-family dwelling or use.

**3. Definitions.** As used in this Section, the words or phrases listed below shall have the meanings thereafter specified:

**a. Accessory Residential Structure.** A structure that is incidental or subordinate to the principal residential dwelling on the same site, or the use of which is incidental or subordinate to the use of the principal residential dwelling of the site.

**b. Attached Accessory Residential Structure.** An Accessory Residential Structure that is joined to the principal residential dwelling by means of a shared common wall, or is joined by a roof that extends the full width of the smaller of two connecting structures, creating a covered breezeway. An Attached Accessory Residential Structure is deemed to be attached to, and a part of, the principal residential dwelling.

**c. Breezeway.** A fully roofed, open passage that connects two buildings, such as a house and garage.

**4. General Requirements.** Accessory detached residential structures, and shall be developed pursuant to the following standards:

**a.** Accessory Residential Structures shall only be allowed on a lot containing a single-family dwelling, and may be attached to the principal single-family dwelling, or may be an independent structure that is detached from the principal single-family dwelling.

**b.** An Accessory Residential Structure that is attached to the principal single-family dwelling shall be subject to the development standards applicable to the principal single-family dwelling (refer to Section 6.01.010 (Residential Zoning Districts) of this Development Code).

**c.** An Accessory Residential Structure that is detached from the principal residential structure shall comply with the development standards contained in Table 5.03-2 (Development Standards for Accessory Residential Structures), below:

*Table 5.03-2: Development Standards for Detached Accessory Residential Structures*

Requirements	Residential Zoning Districts				Additional Regulations
	AR-2 & RE-2	RE-4 & LDR-5	MDR-11, 18 & 25	HDR-45	
<b>A. Maximum Height</b>					
1. Conditional Use Permit Required	35 FT				Note 1
2. Permitted by Right	14 FT				
<b>B. Maximum Area</b>					
1. Conditional Use Permit Required	As deemed appropriate by the Approving Authority				Note 2
2. Permitted by Right	650 SF/1,050 SF				Note 2
3. Guesthouses	650 SF				



*Table 5.03-2: Development Standards for Detached Accessory Residential Structures*

Requirements	Residential Zoning Districts				Additional Regulations
	AR-2 & RE-2	RE-4 & LDR-5	MDR-11, 18 & 25	HDR-45	
<b>C. Minimum Setbacks</b>					
1. From Street Side Property Line	10 FT				Notes 3 and 4
2. From Interior Side Property Line	10 FT	0 FT/5 FT			Notes 3 and 5
3. From Rear Property Line					
a. Width of Structure ≤25 FT	5 FT				Note 3
b. Width of Structure >25 FT	10 FT				Note 3
4. From Alley Property Line (alley-facing garages only)	6 FT				Note 6
D. Minimum Separation Between Structures	6 FT				Note 3
E. Minimum Separation from Major Pipelines	50 FT				Note 7

Notes:

1. Detached Accessory Residential Structures in excess of 14 FT in height shall require Conditional Use Permit (or Certificate of Appropriateness for structures on the Ontario Register of Historic Places) approval.
2. Detached accessory structures in excess of 650 SF in area shall require Conditional Use Permit or Certificate of Appropriateness approval, as applicable, except that the maximum area allowed without benefit of Conditional Use Permit or Certificate of Appropriateness approval may be increased to 1,050 SF for detached accessory structures containing parking spaces required pursuant to Table 6.03-1 (Off-Street Parking Requirements) of this Development Code.
3. For child play structures, doghouses, and other similar accessory structures, there shall be no minimum required setback or separation between buildings/structures, provided:
  - a. The accessory structure is located within a side or rear yard area;
  - b. The accessory structure does not exceed 5 FT in length and/or width, and 6 FT in height; and
  - c. The accessory structure is screened from view of public or private streets.
4. Garages with vehicle doors facing a public street shall be setback a minimum of 20 FT behind the street property line (minimum 18 FT behind the street property line if an overhead rollup garage door is provided).
5. Within the RE-4, LDR-5, MDR-11, MDR-18, MDR-25, and HDR-45 zoning districts, the interior side setback shall be 5 FT for structures located 75 FT or less from the front property line, and 0 FT for structures located more than 75 FT from the front property line. For a setback less than 3 FT, the Zoning Administrator may require that an easement be provided on the contiguous lot to ensure access to all sides of the structure for the purpose of building maintenance.
6. A detached garage that takes access from a public alley shall be setback a minimum of 6 FT from the property line that is common to the public alley, measured from the wall containing the vehicle access door.
7. Includes major high-pressure pipelines for fuel oil, gasoline, and diesel and aviation fuels within the City. Existing pipelines include:
  - a. Two parallel pipelines (a 16-inch and a 20-inch) that enter the City at Benson Avenue, traveling parallel to the northerly side of the Southern Pacific right-of-way to Ontario International Airport, then parallel to the southerly side of the Southern Pacific right-of-way, then parallel to the northerly side of the right-of-way beyond Ontario International Airport, then exiting the City at Etiwanda Avenue; and
  - b. Two parallel pipelines that traverse the easterly portion of the City, entering the City at the southerly portion of Milliken Avenue, then traveling north under Milliken Avenue to Inland Empire Boulevard, then east to Rochester Avenue, then north to the City Limits.

---

**d.** An Accessory Residential Structure that is detached from the principal single-family dwelling shall be located on the rear one-half of the lot on which it is constructed.

**e.** The sum total of the area of all Accessory Residential Structures on a lot, excepting ADUs conforming to Subsection A (Accessory Dwelling Units) of this Section, shall be equal to no more than 50 percent of the gross floor area of the principal single-family dwelling.

**f.** An Accessory Residential Structure shall not contain a kitchen or cooking facilities (excluding outdoor kitchens and cooking facilities).

**g.** The size, footprint, height, bulk, and scale of an Accessory Residential Structure shall be compatible with the principal single-family dwelling, and other Accessory Residential Structures in the surrounding neighborhood.

**h.** The area of an Accessory Residential Structure shall be the minimum necessary to house, shelter, or secure the use proposed within the structure; however, in no case shall the total gross floor area of all Accessory Detached Residential Structures on a lot exceed the area contained in the main dwelling, excepting those accessory structures used for animal keeping purposes. In calculating the area of all Accessory Residential Structures on a lot, required parking within a garage shall be excluded from the calculation, up to a maximum of 3 covered parking stalls (maximum 651 SF).

**i.** Accessory Residential Structures shall match the principal single-family dwelling with respect to architectural design and detailing, roof material and design, exterior color, exterior finish materials, window and door design, and design and placement of attic vents, excepting those Accessory Detached Residential Structures less than 120 SF in area, and those used solely for animal keeping purposes within the AR-2 and RE-2 zoning districts, and the AG Overlay district. For the purposes of this Section, Accessory Residential Structures intended solely for animal keeping purposes may also be used for the storage of vehicles, machinery, and equipment used in animal keeping.

**j.** Accessory Residential Structures shall not be located within front yards, street side yards of corner lots, or in front of the main dwelling.

**k.** An Accessory Residential Structure containing mechanical or other fixed equipment capable of creating a noise that is audible beyond the property line shall be placed a minimum of 5 FT from an interior side or rear property line.

**l.** An Accessory Residential Structure shall only be placed within the interior side or rear yard area of a lot.

**m.** A lot developed with an Accessory Residential Structure shall maintain a useable rear yard that is equal to a minimum of 10 percent of the net lot area. In addition, a traditional single-family dwelling shall maintain a useable rear yard having minimum dimension of 20 FT in any direction, and a small lot single-family dwelling shall maintain a useable rear yard having a minimum dimension of 10 FT in any direction.

**n.** On a reversed corner lot, an Accessory Residential Structure shall comply with the following:

(1) The Accessory Residential Structure located within the rear yard area shall not project beyond the minimum required front yard setback of the adjoining key lot, and shall be located no closer than 5 FT from the side property line of the key lot (rear property line of the reverse corner lot); and

(2) The Accessory Structure shall be no closer to the rear property line than the minimum required side yard setback on the adjoining key lot.

5. Guesthouses. In addition to the standards applicable to Other Accessory Residential Structures contained in Subsection B of this Section, guesthouses shall comply with the following additional standards:

a. Not more than one Guesthouse shall be permitted per lot containing a principal single-family dwelling, and a Guesthouse shall not be constructed if an Accessory Dwelling Unit exists on the lot.

b. A Guesthouse shall be for the sole use of the family of the occupants of the main dwelling and persons employed on the premises, or for temporary use by non-paying guests for a period not to exceed 90 days within any 120-day period. In addition, Guesthouses shall not be rented or otherwise used as a separate, independent residence.

6. Carports. No Carport shall be allowed within a front or street side yard setback area. Carports shall not be permitted in lieu of a garage required pursuant to the provisions of Table 6.03-1 (Off-Street Parking Requirements) of this Development Code, unless otherwise permitted by this Section.

7. Restrictive Covenant. Prior to the issuance of a building permit for an Accessory Residential Structures, the Planning Director may require that a restrictive covenant running with the land, which is binding on the property owner and their successors in interest, be recorded with the office of the San Bernardino County Recorder, which specifies that the Accessory Residential Structure shall not be used as an independent dwelling unit. Furthermore, restrictions may be included that are intended to ensure on-going compliance with the provisions of this Subsection B.

# CITY OF ONTARIO

Agenda Report  
December 17, 2019

SECTION:  
PUBLIC HEARINGS

**SUBJECT: A PUBLIC HEARING TO CONSIDER AN ORDINANCE REPEALING CHAPTER 9 OF TITLE 4 OF THE ONTARIO MUNICIPAL CODE IN ITS ENTIRETY AND REPLACING IT WITH A NEW CHAPTER 9 OF TITLE 4 PERTAINING TO ALARM REGISTRATION, A REGULATORY SCHEME FOR ADMINISTERING AND MANAGING THE CITY'S RESPONSE TO ALARMS, FEES, FINES, APPEAL PROCESS, AND PROVIDING OTHER MATTERS PROPERLY RELATING THERETO**

**RECOMMENDATION:** That the City Council conduct a public hearing to consider the repealing in its entirety Chapter 9 of Title 4 of the Ontario Municipal Code (OMC) and adopting a new Chapter 9 of Title 4 relating to alarm systems, alarm registration and administering the City's response to alarms, fees, fines and appeal process.

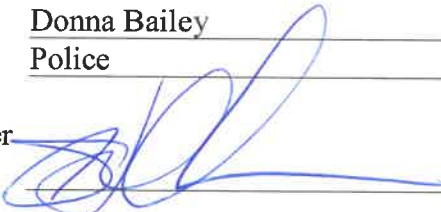
**COUNCIL GOALS:** Maintain the Current High Level of Public Safety  
Operate in a Businesslike Manner

**FISCAL IMPACT:** None. This recommended action removes the revenue fee structure from Chapter 9 of Title 4 of the Ontario Municipal Code and provides for the revenue fee structure to be included in the City Fee Schedule that will be presented to City Council in a separate future action for consideration and approval by resolution.

**BACKGROUND:** During 2018, the Police Department received over 9,000 alarm calls of which 98% were false or cancelled alarms. False alarms create a burden on Police Department resources that results in greater response times to higher priority calls for service, as well as being an issue of officer and public safety. The major causes of false alarms are user error (usually either opening or closing errors) and improper maintenance.

In September 2003, the City Council adopted an ordinance which established fees for the issuance of alarm system permits and service fees for false alarms. Since that time, the alarm industry standards and technology have advanced including the common practices for fee/penalty structures and program

**STAFF MEMBER PRESENTING:** Derek Williams, Chief of Police

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

Submitted to Council/O.H.A. 12/17/2019  
Approved: \_\_\_\_\_  
Continued to: \_\_\_\_\_  
Denied: \_\_\_\_\_

16

management options. An update to the OMC is recommended which will repeal Chapter 9 of Title 4 and update the regulations. Currently, the fines associated with false alarms are specified in the OMC, and staff is proposing to remove references to the amount of the fees and fines, and adopt them as part of the City Fee Schedule, which may only be revised by a duly-adopted resolution of the City Council.

A summary of the proposed changes is listed below:

- Removing references to all fees and fine structures.
- Removing a one-time fee for all alarm systems.
- Add restrictions and abatements of malfunctioning alarms.

The recommended adoption of the Ordinance relating to alarm systems, alarm registration and administering the City's response to alarms, fees, fines and appeal process will provide updated false alarm management solutions.

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

AN ORDINANCE OF THE CITY COUNCIL OF THE CITY OF ONTARIO, CALIFORNIA, REPEALING CHAPTER 9 OF TITLE 4 OF THE ONTARIO MUNICIPAL CODE IN ITS ENTIRETY AND REPLACING IT WITH A NEW CHAPTER 9 OF TITLE 4 PERTAINING TO ALARM REGISTRATION, A REGULATORY SCHEME FOR ADMINISTERING AND MANAGING THE CITY'S RESPONSE TO ALARMS, FEES, FINES, APPEAL PROCESS, AND PROVIDING OTHER MATTERS PROPERLY RELATING THERETO.

WHEREAS, the City of Ontario Police Department regularly responds to burglary and robbery alarms throughout the City of Ontario and in the process responds to a large number of false alarms; and

WHEREAS, the City of Ontario's Municipal Code Chapter 9 of Title 4 requires all alarm operators to obtain a permit before installing an alarm on their premises; and

WHEREAS, the current scheme established to address the problem of false alarms has not sufficiently reduced the number of false alarms and consequently this Ordinance is being enacted to tighten the regulations and increase the fines associated with false alarms; and

WHEREAS, this Ordinance is needed to strengthen current provisions to establish a better process for filing appeals; and

WHEREAS, California law does not preempt local cities from using their police power to establish a regulatory scheme that governs false alarms activations and responses and require persons who operate alarm systems to obtain a permit to operate the alarm system.

NOW, THEREFORE, IT IS HEREBY FOUND, DETERMINED, AND ORDAINED BY THE CITY COUNCIL OF THE CITY OF ONTARIO AS FOLLOWS:

SECTION 1. Chapter 9 of Title 4 of the Ontario Municipal Code is hereby repealed and replaced with the following:

**CHAPTER 9: ALARM SYSTEMS**

SECTIONS:

- Sec. 4-9.010 Purpose.
- Sec. 4-9.020 Definitions.
- Sec. 4-9.030 Administration; Funding; Increases in Fees and Fines; Annual Evaluation.
- Sec. 4-9.040 Alarm Registrations Required; Terms; Fees and Fee Collection.
- Sec. 4-9.050 Registration Application; Contents.

- Sec. 4-9.060 Transfer of Registration Prohibited.
- Sec. 4-9.070 Duties of Alarm Users.
- Sec. 4-9.080 Audible Alarms; Restrictions, Abatement of Malfunctioning Alarm.
- Sec. 4-9.090 Registration and Duties of Alarm Installation Companies and Monitoring Companies.
- Sec. 4-9.100 Duties and Authority of the Alarm Administrator.
- Sec. 4-9.110 False Alarm Fines; Fees; Late Charges.
- Sec. 4-9.120 Notice to Alarm Users of False Alarms and Suspension of a Police Response.
- Sec. 4-9.130 Alarm Registration Suspension, Fees, Fines, Violation to Make Alarm Dispatch Request for Suspended Alarm Site.
- Sec. 4-9.140 Appeals of Determinations Regarding Alarm Registrations, Fees and Fines.
- Sec. 4-9.150 Reinstatement of Suspended Alarm Registrations.
- Sec. 4-9.160 Suspension of Police Response to Dispatch Requests from Certain Alarm Installation Companies and Monitoring Companies.
- Sec. 4-9.170 Police Department Response.
- Sec. 4-9.180 Confidentiality of Alarm Information.
- Sec. 4-9.190 Scope of Police Duty; Immunities Preserved.

**Sec. 4.9.010 Purpose.** The City of Ontario Council finds and declares that:

A. The vast majority of alarms to which the Police Department responds are False Alarms, which are reported to the Police by alarm companies.

B. Most False Alarms are the result of improper maintenance or improper or careless use of an Alarm System.

C. The public and Police Officers are subjected to needless danger when the Officers are called to respond to False Alarms.

D. Officers responding to False Alarms are not available to carry out other Police duties.

E. In the interest of using limited Police resources most effectively and efficiently, the number of False Alarms can and must be reduced.

F. The purpose of this Chapter is to reduce the dangers and inefficiencies associated with False Alarms and to encourage alarm companies and property owners to maintain the operational reliability, properly use Alarm Systems, and to reduce or eliminate False Alarm Dispatch Requests.

G. This Chapter governs systems intended to summon a Police response, establishes fees, fines, establishes a system of administration, sets conditions for the suspension of a Police response and establishes a public education and training program.

**Sec. 4-9.020 Definitions.** For purposes of this Chapter, the following terms shall have the following meanings:

A. "Alarm Administrator" means the Person or Persons designated by the Police Department to administer the provisions of this Chapter.

B. "Alarm Agreement" means the legal contract or agreement by and between the Alarm Installation Company and/or Monitoring Company and the Alarm User.

C. "Alarm Agreement Holding Company" means the Alarm Installation Company or Monitoring Company that holds the Alarm Agreement with the Alarm User.

D. "Alarm Installation Company" means a Person in the business of selling, providing, maintaining, servicing, repairing, altering, replacing, moving or installing an Alarm System at an Alarm Site for compensation, and includes individuals or firms that install and service Alarm Systems used in a private business or proprietary facility.

E. "Alarm Dispatch Request" means a notification to the Police Department that an alarm, either manual or automatic, has been activated at a particular Alarm Site.

F. "Alarm Registration" means a registration and unique Number issued by the Alarm Administrator to an Alarm User, which authorizes the operation of an Alarm System.

G. "Alarm Response Manager (ARM)" means a Person designated by an Alarm Installation Company and Monitoring Company to handle alarm issues for the company and act as the primary point of contact for the City's Alarm Administrator.

H. "Alarm Site" means a location served by one or more Alarm Systems. In a multi-unit building or complex, each unit shall be considered a separate Alarm Site if served by a separate Alarm System. In a single unit building that houses two or more separate businesses with separate Alarm Systems, each business will be considered a separate Alarm Site.

I. "Alarm System" means a device or series of devices, which emit or transmit an audible or remote visual or electronic alarm signal, which is intended to summon Police response. The term includes hardwired systems, surveillance cameras and systems interconnected with a radio frequency method such as cellular or private radio signals, and includes Local Alarm Systems, but does not include an alarm installed in a motor vehicle or a system which will not emit a signal either audible or visible from the outside of the building, residence or beyond, but is designed solely to alert the occupants of a building or residence.

J. "Alarm User" means any Person who has contracted for Monitoring, repair, installation or maintenance service for an Alarm System from an Alarm Installation Company or Monitoring Company, or who owns or operates an Alarm System which is not monitored, maintained or repaired under agreement.



K. "Alarm User Awareness Class" means a class conducted for the purpose of educating Alarm Users about the responsible use, operation, and maintenance of Alarm Systems and the problems created by False Alarms.

L. "Alarm User List" means a list provided by the Alarm User's Alarm Installation Company or if no Alarm Agreement exists between the Alarm User and an Alarm Installation Company, the Alarm User's Monitoring Company.

M. "Arming Station" means a device that controls an Alarm System.

N. "Automatic Voice Dialer" means any electronic, mechanical, or other device which, when activated, is capable of being programmed to send a prerecorded voice message to the Police Department or City requesting an officer dispatch to an Alarm Site.

O. "Burglar Alarm" means an alarm intended to identify the presence of an intruder in either a business or residence.

P. "Business License" means a Business License issued by the City of Ontario Business License division to an Alarm Installation Company or Monitoring Company to conduct business in the City.

Q. "Cancellation" means the termination of a Police response to an Alarm Site after an Alarm Dispatch Request is made but before an officer's arrival at the Alarm Site.

R. "Conversion of Alarm User" means the transaction or process by which one Alarm Installation Company or Monitoring Company begins the servicing or monitoring of a previously unmonitored Alarm System or an Alarm System that was previously serviced or monitored by another alarm company.

S. "City" means City of Ontario.

T. "Duress Alarm" means a silent Alarm System signal generated by the entry of a designated code into an Arming Station in order to signal that the Alarm User is being forced to turn off the system and requires an officer response.

U. "Enhanced Call Confirmation" (ECC) means an attempt by the Monitoring Company, or its representative, to contact the Alarm Site and/or Alarm User and/or the Alarm User's designated representatives by telephone and/or other electronic means, whether or not actual contact with a Person is made, to determine whether an alarm signal is valid before requesting a Police Burglar Alarm Dispatch, in an attempt to avoid an unnecessary Alarm Dispatch Request. For the purpose of this Chapter, telephone confirmation shall require, as a minimum that a second call be made to a different number, if the first attempt fails to reach an Alarm User who can properly identify themselves to determine whether an alarm signal is valid before requesting an officer dispatch. Names and numbers of those contacted or attempted to contact, shall be provided when requested.

V. "False Alarm" means an Alarm Dispatch Request to the Police Department, which results in the responding officer finding no evidence of a criminal offense or attempted criminal offense after completing an investigation of the Alarm Site.

W. "Holdup Alarm" means a silent alarm signal generated by the manual activation of a device intended to signal a robbery in progress.

X. "Local Alarm System" means an unmonitored Alarm System that annunciates an alarm only at the Alarm Site or is a self-monitored Alarm Site.

Y. "Monitoring" means the process by which a Monitoring Company receives signals from an Alarm System and relays an Alarm Dispatch Request to the Police Department.

Z. "Monitoring Company" means a Person in the business of providing Monitoring services.

AA. "One Plus Duress Alarm" means the manual activation of a silent alarm signal by entering a code that adds one number to the last digit of the normal arm/disarm code (e.g., normal code = 1234, one plus duress code = 1235).

BB. "Panic Alarm" means an Alarm System signal generated by the manual activation of a device intended to signal a life threatening or emergency situation requiring an officer response.

CC. "Person" means an individual, corporation, limited liability company, partnership, association, organization or similar entity.

DD. "Police Department" means the Ontario Police Department.

EE. "Protective or Reactive Alarm System" means an Alarm System that produces a temporary disability or sensory deprivation through use of chemical, electrical, sonic or other means, including use of devices that obscure or disable a Person's vision.

FF. "Registration Number" means a unique individual number assigned to an Alarm User as part of Alarm Registration issued by the Police Department.

GG. "Responsible Party" means a Person capable of appearing at the Alarm Site upon request who has access to the Alarm Site, the code to the Alarm System and the authority to approve repairs to the Alarm System.

HH. "Robbery Alarm" means an alarm signal generated by the manual or automatic activation of a device, or any system, device or mechanism on or near the premises intended to signal that a robbery is in progress and that a Person is in need of immediate Police assistance in order to avoid bodily harm, injury or death. The term has the same general meaning as "Holdup Alarm or Duress Alarm."

II. "Takeover" means the transaction or process by which an Alarm User takes over control of an existing Alarm System that was previously controlled by another Alarm User.

JJ. "Zones" mean a division of devices into which an Alarm System is divided to indicate the general location from which an Alarm System signal is transmitted.

**Sec. 4.9.030 Administration; Funding; Increases in Fees and Fines; Annual Evaluation.**

A. Responsibility for administration of this Chapter is vested with the Police Department.

B. The Police Department shall designate an Alarm Administrator to carry out the duties and functions described in this section.

C. Monies generated by fees and fines assessed pursuant to this section shall be deposited into the City's General Fund.

D. The amount of the fees and fines set forth in this section shall be specified in the City Fee Schedule, which may only be revised by a duly-adopted resolution of the City Council. For purposes of this subsection, "fees" include any type or class of fee and includes late charges.

E. The Alarm Administrator shall conduct an annual evaluation and analysis of the effectiveness of this Chapter and identify and implement system improvements as warranted.

**Sec. 4.9.040 Alarm Registrations Required; Terms; Fees and Fee Collection.**

A. An Alarm User shall not operate, or cause to be operated, any Alarm System without a valid Alarm Registration. A separate Alarm Registration is required for each Alarm Site having a distinct address or business name. A registration fee including a completed Alarm Registration application shall be received and approved by the Alarm Administrator prior to any Alarm System activation. A thirty (30) day grace period shall be granted from the date of all new alarm installations or takeovers between two alarm users, to accommodate the registration application process. There shall be reduced residential registration fees for senior citizens, low-income, disabled persons and Veterans. The City Council shall establish such classes of persons by resolution.

B. Owners of Local Alarm Systems are required to adhere to all sections of this Chapter and are subject to all fees, fines, suspensions, penalties or other requirements that are applicable.

C. The fee for a new initial Alarm Registration and the Alarm Registration renewal fee shall be collected by the Alarm Administrator.

D. Existing Alarm Systems:

1. Any Alarm System that has been installed before the effective date of this Ordinance shall be registered and a registration fee collected by the Alarm Administrator.

a. The Alarm Agreement Holding Company shall provide within forty (40) days of the effective date of this Ordinance, an Alarm User List of existing Alarm Users in the City, in a format approved by the Alarm Administrator, including name, address, billing address and telephone number to the Alarm Administrator.

b. The Alarm Agreement Holding Company may apply to the Alarm Administrator for an extension of the time limit in subsection (a) based on extenuating circumstances. Extensions are at the sole discretion of the Alarm Administrator.

2. The Alarm Agreement Holding Company may, through a mutual written agreement, have another Alarm Company provide the Alarm User's list.

E. New Alarm Systems:

1. Any Alarm Installation Company that installs an Alarm System on premises located within the City of Ontario shall notify the Alarm Administrator within twenty (20) days that an Alarm System has been installed and send the Alarm Administrator the required information listed in subsection D(1)(a) of this Section.

2. In the case of self-installed alarm systems that are to be monitored by a Monitoring Company, the Monitoring Company shall act as the Alarm Installation Company regarding the duties to notify the Alarm Administrator.

3. Failure of an Alarm Installation Company to notify the Alarm Administrator of a new Alarm System installation within twenty (20) days of installation shall result in a fine as established by resolution of the City Council to be imposed on the Alarm Installation Company.

4. The initial Alarm Registration fee shall be collected by the Alarm Administrator. Failure of the Alarm User to submit an application and registration fee within the thirty (30) days after notice shall result in the Alarm System being classified as non-registered and late charges being assessed.

F. Alarm Registration and Renewal Fees

1. An Alarm Registration shall expire one year from the date of issuance and must be renewed annually by the Alarm User. The Alarm Administrator shall notify the Alarm User of the need to renew their registration thirty (30) days prior to the expiration of the registration. It is the responsibility of the Alarm User to submit the updated information and renewal fees prior to the registration expiration date. Failure to renew shall be classified as use of a non-registered Alarm System and subject the Alarm Site to a suspension and late charge.

2. Registration fees shall be collected annually based on a one-year registration period. The amount of the registration and renewal fees required are established by resolution of the City Council.

G. Late charge. Alarm Users who fail to make payment for an Alarm Registration prior to the registration's expiration date will be assessed a late charge as established by resolution of the City Council.

H. Refunds. No refund of a registration fee or registration renewal fee will be made.

I. Upon receipt of a completed Alarm Registration application form and the Alarm Registration fee, the Alarm Administrator shall issue a Registration Number or Alarm Registration renewal to the applicant unless:

1. The applicant has failed to pay any fee or fine assessed under this chapter; or

2. An Alarm Registration for the Alarm Site has been suspended, and the condition causing the suspension has not been corrected; or

3. The Alarm Installation Company and/or the Monitoring Company listed on the registration application are not in possession of a current valid State of California Department of Consumer Affairs Alarm Company Operators License; or

4. It is determined that a false statement of a material fact was made by an applicant for the purpose of obtaining an Alarm Registration.

J. Exceptions.

1. Government entities, including but not necessarily limited to the City, County, State, Federal and School Districts, must obtain Alarm Registrations for all Alarm Systems on property under their control within the boundaries of Ontario, but are exempt from payment of Alarm Registration and renewal fees.

2. All registration-fee-exempted alarm sites are required to obtain and maintain a valid Alarm Registration for a Police response and are subjected to all other fees, fines and suspension enforcements, except when this action is prohibited by statute or through a court ruling.

**Sec. 4.9.050 Registration Application; Contents.**

An application for an Alarm Registration must be in a format provided by the Police Department. The information required on such forms shall be determined by the Alarm Administrator. Registration applicants acknowledge that the Police response may be influenced by factors including, but not limited to, the availability of officers, priority of calls, traffic conditions, weather conditions, emergency conditions, prior alarm history, administrative actions and staffing levels.

**Sec. 4.9.060 Transfer of Registration Prohibited.**

A. An Alarm Registration cannot be transferred to another Person or Alarm Site. An Alarm User shall inform the Alarm Administrator and their Alarm Company of any change to the information listed on the Alarm Registration application within ten (10) business days after such change.

B. Exceptions may be made in the sole discretion of the Alarm Administrator when the transfer proposed is among members of the family of the original registration holder or successors in interest to the property for which the Alarm Registration has been issued.

**Sec. 4.9.070 Duties of Alarm Users.**

A. An Alarm User shall:

1. Maintain the Alarm Site and the Alarm System in a manner that will minimize or eliminate False Alarms;

2. Make every reasonable effort to arrive at the Alarm System's location within thirty (30) minutes after being requested by the Monitoring Company or Police Department in order to:

- a. Deactivate an Alarm System;
- b. Provide access to the Alarm Site; and/or
- c. Provide alternative security for the Alarm Site.

3. Provide his, her, or its Monitoring Company with the updated names and telephone numbers of at least two individuals who are able and have agreed to:

- a. Receive notification of an Alarm System activation at any time;
- b. Respond to the Alarm Site at any time; and
- c. Provide access to the Alarm Site and deactivate the Alarm System, if necessary.

4. Not activate an Alarm System for any reason other than an occurrence of an event that the Alarm System was intended to report.

5. Notify his, her, or its Monitoring Company of any suspension of police response (as provided for under this Chapter) and request that the Monitoring Company not make a Burglar Alarm Dispatch Request.

B. No Person shall operate or cause to be operated any Automatic Voice Dialer which, when activated, uses a telephone device or attachment to automatically dial a telephone line leading into the Police Department or the City and then transmit any pre-recorded message or signal.

C. An Alarm User shall keep a set of written operating instructions for each Alarm System at each Alarm Site.

**Sec. 4-9.080 Audible Alarms; Restrictions, Abatement of Malfunctioning Alarm.**

A. No Alarm System shall emit a sound resembling an emergency vehicle siren or civil defense warning. The Chief of Police shall make the final determination regarding any question of an audible alarm within this section.

B. After the effective date of this Ordinance no one shall install, modify or repair an Alarm System in the City of Ontario that has a siren, bell or other signal that is audible from any property adjacent to the Alarm Site that sounds for longer than fifteen (15) consecutive minutes after the alarm is activated, or that repeats the fifteen (15) minute audible cycle more than two consecutive times during a single armed period.

C. In the event that an audible alarm is activated and fails to reset itself or continues to activate for more than sixty (60) minutes and the responsible person listed on the Alarm Registration or other responsible person cannot or will not respond and silence the alarm, and the continued activation of the alarm is creating a disturbance, the Police Department may cause the alarm to be silenced in a manner determined appropriate for the circumstances. The Alarm User shall be held responsible for the actual costs involved to abate the malfunctioning alarm up to a maximum amount as established by resolution of the City Council. The City, its employees or agents shall not be responsible or liable for damage resulting from such disconnection.

**Sec. 4-9.090 Registration and Duties of Alarm Installation Companies and Monitoring Companies.**

A. Registration.

1. No alarm company operator or alarm agent, as defined by the Business and Professions Code, shall install, maintain, or repair any Alarm System within the City unless the Alarm Company operator or alarm agent has, prior to performing such work, obtained a City Business License.

2. Each Alarm Installation Company and Alarm Monitoring Company must designate one individual as the Alarm Response Manager (ARM) for the company. The individual designated as the ARM must be knowledgeable of the provisions of this Chapter, as well as have the knowledge and authority to deal with False Alarm issues and respond to requests from the Alarm Administrator. The name, contact number, and email address of the ARM shall be provided to the Alarm Administrator. Failure to comply within thirty (30) days after being notified in writing from the Alarm Administrator may result in the suspension of Police Department response to Alarm Dispatch Requests from the non-complying Alarm Installation Company or Monitoring Company.

3. Each Alarm Installation Company shall provide the name, address and phone number of any Monitoring Company it is using to monitor its Alarm Sites within the City, and Monitoring Companies shall do the same for Alarm Installation Companies that use their monitoring services within the City.

B. Alarm Installation Companies shall:

1. Upon the installation or activation of an Alarm System, the Alarm Installation Company shall distribute to the Alarm User information summarizing:

a. The applicable law relating to False Alarms, including the Registration Fee and the potential for fines and suspension of an Alarm Registration;

b. How to prevent False Alarms; and

c. How to operate the Alarm System.

2. After the effective date of this Ordinance, Alarm Installation Companies shall not program Alarm Systems so that they are capable of sending One Plus Duress Alarms. Monitoring Companies may continue to report One Plus Duress Alarms received from Alarm Systems programmed with One Plus Duress Alarms installed prior to the effective date of this Ordinance.

3. After the effective date of this Ordinance, Alarm Installation Companies shall not install, modify or repair "single action" devices for the activation of Hold-up, Robbery or Panic Alarms. New devices shall require two actions or an activation time delay to provide more positive assurance that the user intends to activate the device.

4. Shall not use an Automatic Voice Dialer for any Alarm System which, when activated, uses a telephone device or attachment to automatically dial a telephone line leading into the Police Department or the City and then transmit any pre-recorded message or signal.

5. Ensure that Alarm Users of Alarm Systems equipped with a Duress, Robbery, Holdup or Panic Alarm has been provided adequate training as to the proper use of the Alarm System's operation and function.



6. All Alarm Systems shall be supplied with an uninterrupted power supply in such a manner that the failure or interruption of the normal electric utility service for a period of up to four (4) hours will not activate the Alarm System.

7. All audible Alarm Systems shall include a device which will limit the duration of the audible alarm to a period of not more than fifteen (15) minutes per activation.

C. A Monitoring Company shall:

1. Report alarm signals by using telephone numbers or procedures designated by the Alarm Administrator or other approved communication processes.

2. Employ Enhanced Call Confirmation procedures on all Burglar Alarm Dispatch Requests. The Ontario Police Department may refuse to accept an Alarm Dispatch Request from a Monitoring Company that has failed to comply with the procedures required by Enhanced Call Confirmation. This subsection becomes effective ninety (90) days after the effective date of this Ordinance.

3. Communicate Alarm Dispatch Requests to the Police Department in a manner and form determined by the Alarm Administrator.

4. Communicate Cancellations to the Police Department in a manner and form determined by the Alarm Administrator.

5. Communicate all available Zone activations information (north, south, front, back, door, window etc.) about the location of an alarm signal(s) as part of an Alarm Dispatch Request.

6. Communicate the type of alarm activation (silent or audible, interior or perimeter), if available, on any Alarm Dispatch Request.

7. Notify Communications (Dispatch) of any Alarm Site that it knows, or reasonably should know has guard dog(s), pets or is fitted with a Protective-Reactive Alarm System. During any alarm at such a site, a Responsible Party must be contacted and confirm that he or she will respond to the Alarm Site to disarm the device or take control of the guard dog(s).

8. After an Alarm Dispatch Request, promptly advise the Police Department if the Monitoring Company knows that the Alarm User or a Responsible Party is on the way to the Alarm Site;

9. Maintain, for a period of at least one (1) year after the date of an Alarm Dispatch Request, all records relating to the Alarm Dispatch Request. Records must include the name, address and telephone number of the Alarm User, each Alarm System Zone activated, the time of Alarm Dispatch Request and evidence of all attempts to verify. The Alarm Administrator may request copies of such records for any individual Alarm User. If the request is made within sixty (60) days after an Alarm

Dispatch Request, the Monitoring Company shall furnish requested records within three (3) business days after receiving the request. If the records are requested between sixty (60) days and one (1) year after an Alarm Dispatch Request, the Monitoring Company shall furnish the requested records within thirty (30) days after receiving the request.

10. Upon request, immediately provide the Police Department with the names and phone numbers of the Alarm User's emergency contacts at the time of each Alarm Dispatch Request.

D. Conversion of Alarm Users. An Alarm Installation Company or Monitoring Company that converts the servicing of any Alarm System account from another company shall notify the Alarm Administrator of such conversion and shall make a reasonable effort to provide to the Alarm Administrator, within sixty (60) days from the date of conversion, an Alarm User List of the converted accounts, in a format acceptable to the Alarm Administrator.

#### **Sec. 4-9.100 Duties and authority of the Alarm Administrator.**

A. The Alarm Administrator shall:

1. Designate the manner and form of Alarm Dispatch Requests and the telephone numbers and/or communication process that are to be used for such requests; and

2. Establish a procedure to accept Cancellation of Alarm Dispatch Requests.

B. The Alarm Administrator shall establish a procedure to acquire and record information on Alarm Dispatch Requests.

C. The Alarm Administrator shall establish and implement a procedure to notify the Alarm User of a False Alarm. The notice shall include the following:

1. The date and time of an officer's response to the False Alarm; and

2. Any False Alarm fine incurred.

D. The Alarm Administrator may require that a conference be held with an Alarm User and the Alarm Installation Company or Monitoring Company responsible for repairing or monitoring of the Alarm System to review the circumstances of each False Alarm. The conference may be held in Person or through a conference telephone call, at the Alarm Administrator's discretion. Failure to participate may result in suspension of the Alarm Registration, as indicated by the facts of the case.

E. The Alarm Administrator may establish an Alarm User Awareness Class. The Alarm Administrator may request the assistance of associations, alarm companies and law enforcement agencies in developing and implementing the class. The class shall inform Alarm Users of the Alarm Ordinance, problems created by False Alarms and teach Alarm Users how to avoid creating False Alarms.

F. If a false Robbery, Holdup or Panic Alarm has occurred and the alarm was triggered using a single action, non-recessed device, the Alarm Administrator may consider a waiver or partial waiver of the False Alarm fine, if action is taken by the Alarm User to remove or replace the single action, non-recessed device.

G. The Alarm Administrator shall make a copy of this Ordinance and/or an ordinance summary sheet available to each Alarm User.

H. The Alarm Administrator may use electronic means to communicate with Alarm Users, Alarm Installation Companies and Monitoring Companies when applicable or when requested by the recipient and at the Alarm Administrators discretion.

**Sec. 4-9.110 False Alarm Fines; Fees; Late Charges.**

A. The Alarm Administrator may assess the Alarm User a fine for a False Alarm occurring at that Alarm User's Alarm Site. The amount of said fines for the listed categories shall be established by City Council and may be subsequently amended by resolution of the City Council.

1. Burglar False Alarm Fines
2. Robbery False Alarm Fines
3. Panic False Alarm Fines

B. If a False Alarm fine is not paid within thirty (30) days after the invoice is mailed, a late charge as established by resolution of the City Council shall be imposed.

C. Fines for False Alarms from Non-Registered Alarm Systems. For person(s) operating a Non-Registered Alarm System incurring a False Alarm, fines shall be imposed as established by resolution of the City Council.

D. Any Monitoring Company after five (5) business days of receiving notice from the Alarm Administrator that an Alarm User's registration status is that of Non-registered shall not make a Burglar Alarm Dispatch Request from that Alarm User.

E. If Cancellation of a Police response occurs prior to the officer's arrival at the Alarm Site, the response is not considered a False Alarm and no False Alarm fine will be assessed.

F. The Alarm Installation Company shall be assessed a fine in an amount established by resolution of the City Council if the officer responding to a False Alarm determines that an on-site employee of the Alarm Installation Company directly caused the False Alarm. Such False Alarms are not included in the total number of False Alarms for the Alarm User, nor is the Alarm User to be held liable for any False Alarm fine resulting from such alarm activation.

G. A fine in an amount established by resolution of the City Council shall be imposed against any Monitoring Company that fails to verify Alarm System signals as required in subsection 4-9.090(C)(2) of this Chapter.

H. Notice of the right of appeal under this Ordinance will be included with notice of any fine.

I. All registration fees, renewal registration fees or fines assessed under this section are due within thirty (30) days of written notice unless otherwise noted. A late charge in an amount established by resolution of the City Council shall be imposed for each individual fee or fine due that is not paid within thirty (30) days.

J. The Alarm Administrator may waive the False Alarm fine for the first chargeable False Alarm during the Alarm User's one-year registration period, pending the successful completion of the Online Alarm User Awareness Class available through the Alarm Administrator. In order to have the fine waived, the Alarm User must have successfully completed the class within thirty (30) days of the fine notice. Alarm Users without online access may request the online school and test be mailed to them. Reasonable additional time to complete the Alarm User Awareness Class shall be allowed for mail delivery.

**Sec. 4-9.120 Notice to Alarm Users of False Alarms and Suspension of a Police Response.**

A. The Alarm Administrator shall notify the Alarm User in writing or by other electronic means after each False Alarm. The notice shall include the amount of the fine for the False Alarm, the fact that Police response to further alarms may be suspended after the fourth False Alarm during the Alarm User's one-year Alarm Registration period, (excluding Duress, Robbery, Holdup and Panic Alarms), and that the Alarm User has the right to appeal.

B. The Alarm Administrator shall notify the Alarm User in writing thirty (30) days beforehand that a Police Department response to further alarms is to be suspended. The right of appeal under this Ordinance shall be included with the notice. The notice of suspension shall also include the amount of any fees and/or fines due and a description of the reinstatement process.

**Sec. 4-9.130 Alarm Registration Suspension, Fees, Fines, Violation to Make Alarm Dispatch Request for Suspended Alarm Site.**

A. The Alarm Administrator shall notify the Police Department of each Alarm User whose Alarm Registration qualifies for suspension under this section. The Alarm Administrator may suspend an Alarm Registration if it is determined that:

1. There is a false statement of a material fact in the registration application; or

2. The Alarm User has had four or more false Burglar Alarms within the one-year registration period, except that the Alarm Administrator may waive a suspension of a registration upon receipt of documented work orders showing reasonable attempts to repair the Alarm System prior to the notice of suspension.

3. The Alarm User fails or refuses to pay an Alarm Registration or Alarm Registration Renewal fee, False Alarm fine, late charge, or any other fee, fine, or charge assessed under this section.

B. It is a violation of this section for a Person to operate a Burglar Alarm System during the period in which the Alarm Registration is suspended. It is a violation of this Chapter for a Monitoring Company to make an Alarm Dispatch Request to a Burglar Alarm Site after the Monitoring Company's Alarm Response Manager (ARM) has been notified by electronic mail by the Alarm Administrator that the registration for that Alarm Site has been suspended. A grace period of five (5) business days after the ARM's notification shall be granted for the Monitoring Company to comply. The Alarm Monitoring Company shall be assessed a fine in an amount established by resolution of the City Council for requesting a Burglar Alarm Dispatch Request on a suspended Alarm Site.

C. False Alarm Fines under Suspension status. In addition to the fines set forth in subsection 4-9.110(A), a supplemental fine is hereby imposed upon any Person operating a suspended Burglar Alarm System. The amount of said fines shall be established by resolution of the City Council.

D. It shall be the responsibility of the Alarm User to notify their respective Alarm Monitoring Company of their suspension status. An Alarm User shall be held financially accountable for all false alarm fines incurred.

E. Unless there is a separate indication that there is a crime in progress, the Police Department may or may not dispatch an officer to an Alarm Site for which an Alarm Registration is suspended.

**Sec. 4-9.140 Appeals of Determinations Regarding Alarm Registrations, Fees and Fines.**

A. If the Alarm Administrator assesses a fee or fine, suspends an Alarm Registration or denies the issuance, renewal or reinstatement of an Alarm Registration, the Alarm Administrator shall send notice of the action and a statement of the right to appeal to the affected applicant, Alarm User, Alarm Installation Company or Alarm Monitoring Company.

B. The applicant, Alarm User, Alarm Installation Company or Alarm Monitoring Company may appeal any action described in subsection (A) above to the Police Chief (or his or her designee) by setting forth in writing the reasons for the appeal and delivering the appeal to the Chief of Police (or designee) within twenty (20) days after receipt of notice of the action. Failure to deliver the appeal within that time period is a waiver of the right to appeal.

C. The procedure for an appeal to the Chief of Police (or designee) is as follows:

1. The applicant, Alarm User, Alarm Installation Company or Monitoring Company may file a written request for appeal by paying an appeal fee and setting forth the reasons for the appeal. The appeal must be entitled "Appeal from Alarm Administrator's Action." The appeal fee shall be in an amount established by resolution of the City Council and will be returned to the appealing party if the appeal is successful.

2. The Chief of Police (or designee) shall conduct a hearing on the appeal within thirty (30) days after the Police Department's receipt of the request for appeal and appeal fee and shall consider the evidence submitted by the appealing party and the Alarm Administrator. The Chief of Police (or designee) must base the decision on the preponderance of evidence presented at the hearing and must render a decision within fifteen (15) days after the date of the hearing. The decision shall affirm or reverse the decision or action taken by the Alarm Administrator.

3. Filing of an appeal stays any action by the Alarm Administrator to suspend an Alarm Registration or require the payment of a fee or fine until the appeal process has been exhausted. This provision applies only to the action of the Alarm Administrator that is the subject of the appeal. This provision does not operate as a bar to enforcement action on violations of this section that occur thereafter.

D. The Alarm Administrator or the Chief of Police, or their respective designees, may adjust the count of False Alarms or assessed fees based on:

1. Evidence that a False Alarm was caused by action of a communications services provider (i.e. telephone, cellular, cable company);
2. Evidence that a False Alarm was caused by a power outage of more than four (4) hours or severe weather such as a tornado, earthquake, or excessive winds (35 m.p.h. or above as measured by the Ontario International Airport weather monitoring station);
3. Evidence that an Alarm Dispatch Request was not a False Alarm; or

4. The occurrence of multiple alarms within a 24-hour period, which may be considered as one False Alarm if the Alarm User has taken corrective action, unless the False Alarms are directly caused by the Alarm User.

E. The Alarm Administrator may waive all or part of a False Alarm fine due to extenuating circumstances or to encourage corrective action with supervisor approval.

**Sec. 4-9.150 Reinstatement of Suspended Alarm Registrations.**

A. On the suspension of an Alarm Registration, a Person whose Alarm Registration has been suspended may obtain reinstatement of the registration by the Alarm Administrator if the Person:

1. Pays a reinstatement fee as established by resolution of the City Council;
2. Pays, or otherwise resolves, all outstanding fees, fines, and other charges;
3. Submits a written notice from an Alarm Installation Company stating that the Alarm System has been inspected and repaired (if necessary) by the Alarm Installation Company;
4. The Alarm User successfully completes an Alarm User Awareness Class and test.

B. The Police Department shall reinstate its response to an Alarm Site as soon as is practicable after receiving notice of reinstatement from the Alarm Administrator. The Alarm User and Monitoring Company shall take notice that the Alarm Site has been officially reinstated only after receiving notice from the Alarm Administrator of that fact. It shall be the responsibility of the Alarm User to verify that his, her, or its registration status and future police response has been properly restored.

**Sec. 4-9.160 Suspension of Police Response to Dispatch Requests from Certain Alarm Installation Companies and Monitoring Companies.**

A. The Chief of Police or Command Staff designee may suspend Police response to an Alarm Dispatch Request from an Alarm Installation Company or Monitoring Company if it is determined that:

1. There is a violation of this chapter by the Alarm Installation Company or Monitoring Company and the condition causing the violation has not been corrected and/or;

2. The Alarm Installation Company or Monitoring Company has failed to pay any fee, fine, or other charge assessed under this section, more than sixty (60) days after the fee, fine, or other charge is due.

B. The Police Department may not respond to any Alarm Dispatch Request where the Alarm Installation Company or Monitoring Company who installed or monitors that alarm has failed to comply with California licensing requirements or failed to maintain a valid copy of the State of California Department of Consumer Affairs Alarm Company Operators License.

C. A suspension of Police response made pursuant to this subsection is subject to the appeal process provided for within this Chapter. In addition, the Alarm Administrator has the ability to accept a workable solution from the affected party prior to an appeal. The affected party has sixty (60) days after the written notice of suspension before Police response is suspended to its alarm customers.

D. The Alarm Administrator shall notify all known Alarm Users subscribing to an Alarm Installation Company or an Alarm Monitoring Company that the Police Department has suspended response to the company's Alarm Dispatch Requests.

E. The City shall assess the Alarm Installation Company or Monitoring Company a reinstatement fee in an amount established by resolution of the City Council. In addition, if the Alarm Administrator has incurred costs in notifying Alarm Users by mail of the suspension of their Alarm Installation Company or Monitoring Company, reimbursement to the City of those costs shall be a condition of reinstatement.

#### **Sec. 4-9.170 Police Department Response.**

A. Subject to the suspension provisions in Section 4-9.130 above and the discretion discussed in Section 4-9.190 below, the Police Department at its discretion will respond to all "in progress" Robbery, Panic or Burglar Alarms as promptly as possible, taking into account pending calls for service and any policy establishing priority of dispatched calls following notification of the receipt of the alarm from the Monitoring Company. Police supervisors may, in their discretion, cancel a Police response to any or all alarms based on weather or other factors affecting Police service needs.

B. The Chief of Police or his or her designee may re-prioritize assignment of Burglar Alarms and response time at any time during a 24-hour period as may be necessary due to the service needs of the community.

#### **Sec. 4-9.180 Confidentiality of Alarm Information.**

All information contained in documents gathered through Alarm Registrations, the submission of customer lists, the alarm appeal process and records relating to Alarm Dispatch Requests must be held in confidence by all employees of the Alarm Administrator, the City of Ontario and any third-party alarm administrator. Such information is proprietary and is hereby declared confidential and not a public record.



Absent special circumstances, such information must not be released to the public or any Person other than a law enforcement agency, third party administrator or the applicable Alarm User, Alarm Installation Company or Alarm Monitoring Company except pursuant to court order. Per California Government Code 6254(f).

**Sec. 4-9.190 Scope of Police duty; Immunities Preserved.**

The issuance of an Alarm Registration does not create a contract between the Police Department and/or the City of Ontario and any Alarm User, Alarm Installation Company or Monitoring Company, nor does it create a duty or obligation, either expressed or implied, of the Police Department to respond to any alarm. Any and all liability and consequential damage resulting from the failure of the Police Department to respond to an Alarm Dispatch Request is hereby disclaimed and full governmental immunity as provided by law is retained. By applying for an Alarm Registration, the Alarm User acknowledges that the Police Department response is influenced by the availability of officers, priority of calls, traffic conditions, weather conditions, emergency conditions, staffing levels, prior response history and administrative actions.

SECTION 2. This Ordinance shall take effect thirty (30) days after its adoption.

SECTION 3. The City Council finds that this Ordinance is not subject to the California Environmental Quality Act (CEQA) pursuant to Sections 15060(c)(2) (the activity will not result in a direct or reasonably foreseeable indirect physical change in the environment) and 15060(c)(3) (the activity is not a project as defined in Section 15378) 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.

SECTION 4. If any section, subsection, sentence, clause, phrase or word of this Ordinance is for any reason held to be invalid or unconstitutional by the decision of any court of competent jurisdiction, such decision shall not affect the validity of the remaining portions of this Ordinance. The City Council hereby declares that it would have adopted this Ordinance, and each and every section, subsection, sentence, clause, or phrase not declared invalid or unconstitutional without regard to whether any portion or the Ordinance would be subsequently declared invalid or unconstitutional.

SECTION 5. 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 \_\_\_\_\_ 2020.

\_\_\_\_\_  
PAUL S. LEON, MAYOR

ATTEST:

\_\_\_\_\_  
SHEILA MAUTZ, CITY CLERK

APPROVED AS TO FORM:

\_\_\_\_\_  
COLE HUBER LLP  
CITY ATTORNEY

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

I, SHEILA MAUTZ, City Clerk of the City of Ontario, DO HEREBY CERTIFY that foregoing Ordinance No. \_\_\_\_\_ was duly introduced at a regular meeting of the City Council of the City of Ontario held December 17, 2019 and adopted at the regular meeting held \_\_\_\_\_, 2020 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)

# CITY OF ONTARIO

Agenda Report  
December 17, 2019

SECTION:  
PUBLIC HEARINGS

**SUBJECT:** A PUBLIC HEARING TO CONSIDER A PLANNED UNIT DEVELOPMENT (FILE NO. PUD19-001) TO ESTABLISH DEVELOPMENT STANDARDS, DESIGN GUIDELINES AND INFRASTRUCTURE REQUIREMENTS TO FACILITATE THE DEVELOPMENT OF A COMMERCIAL DEVELOPMENT ON 0.36 ACRES OF LAND LOCATED AT THE NORTHWEST CORNER OF EUCLID AVENUE AND E STREET (110 WEST E STREET AND 511 NORTH EUCLID AVENUE), WITHIN THE MU-1 (DOWNTOWN MIXED USE) AND EA (EUCLID AVENUE OVERLAY) ZONING DISTRICTS (APNS: 1048-355-09 AND 1048-355-10)


**RECOMMENDATION:** That the City Council introduce and waive further reading of an ordinance approving a Planned Unit Development, File No. PUD19-001, establishing development standards, design guidelines and infrastructure requirements to facilitate a commercial development (Starbucks Coffee) at the northwest corner of Euclid Avenue and E Street.

**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

**FISCAL IMPACT:** None.

**BACKGROUND:** The project site is comprised of 0.36-acres of developed land located at the northwest corner of Euclid Avenue and E Street (110 West E Street and 511 North Euclid Avenue), within the MU-1 (Downtown Mixed Use) and EA (Euclid Avenue Overlay) zoning districts. The project site is currently developed with a parking lot on the southeast, a commercial building (furniture store) on the north and a commercial building on the west area of the site. Properties surrounding the project site all lie within the MU-1 (Downtown Mixed Use) zoning district and are occupied by a mix of land uses, including commercial to the north, south, west and two gas stations across Euclid Avenue to the east.

**STAFF MEMBER PRESENTING:** Scott Murphy, AICP, Executive Director Development Agency

Prepared by: Rudy Zeledon  
Department: Planning  
City Manager Approval: 

Submitted to Council/O.H.A. 12/17/2019  
Approved: \_\_\_\_\_  
Continued to: \_\_\_\_\_  
Denied: \_\_\_\_\_

17

The project site is located within the Center City Redevelopment Project Area, established in 1983. While the practice of redevelopment was eliminated by the State, the Center City Redevelopment Project Area Plan is still in effect and encourages the development of a high intensity, multi-use central business district. In addition, The Ontario Plan (“TOP”) Policy Plan (General Plan) contains goals and policies for the City’s Downtown and East Holt Mixed Use Areas, which further support the goals of the Center City Redevelopment Project Area Plan.

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 (“PUD”) prior to the development of properties within the area. In compliance with this requirement, the Applicant, Hannibal Petrossi, has submitted the Euclid Avenue and E Street Planned Unit Development (included as Attachment A to the attached resolution), which is consistent with the vision, goals and policies of the Policy Plan.

The Euclid Avenue and E Street 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 0.36-acre site. This PUD will facilitate the development (File No. PDEV19-038) to construct a 2,430 square foot drive-thru restaurant (Starbucks Coffee), with a 480 square foot outdoor covered patio. The proposed Starbucks Coffee will contribute to the City’s goals of revitalizing and aesthetically enhancing the historic downtown area.

Key components of the PUD include the following:

[a] *Land Use and Development Regulations* — Consistent with the requirements of the MU-1 (Downtown Mixed-Use) zoning district, the proposed PUD allows for uses intended to encourage retail, commercial and entertainment uses to service local residents, visitors and employees, and attract pedestrian traffic within the downtown area. The development regulations set forth in the PUD will govern the placement, height, and bulk of permitted buildings and structures; to establish locational criteria for vehicular access to the site, parking and loading requirements, landscape standards, and sign standards; and, identify historic preservation features to be incorporated and/or considered for development plans. Buildings may be developed to a maximum height of 35 feet. Building setbacks are limited to 0 to 3.5 feet from the Euclid Avenue right-of-way and 0 to 10 feet from the E Street right-of-way, 0 feet from interior property line and 5 feet from rear (adjacent to alley).

[b] *Landscaping and Drainage* — Landscaping elements provide significant contributions to the aesthetic quality and character of Euclid Avenue and the historic downtown area, with respect to public and private spaces. The PUD requires the use of “California friendly,” low-water using plant materials and a water efficient irrigation system with weather-based controllers consistent with Assembly Bill 1881 and other applicable State laws.

[c] *Design Guidelines* — Section 6.8 (*Architectural Character\Details*) of the Euclid Avenue and E Street PUD complies with the Ontario Downtown Design Guidelines pertaining to the historic downtown district. The Downtown Ontario Design Guidelines were adopted in 1998 to guide the physical revitalization of Ontario’s historic downtown. The Guidelines provide architectural and design principals, as well as design concepts for downtown districts. The project area is located within the Historic Retail District, a mixed-use area with a focus on housing, commercial and retail. The design principles and desired architectural features required by the PUD are derived from the architectural style and elements set forth in Section 3.5.3 of the Downtown Design Guidelines and in Section 2A.4.3.2 Design Guidelines

for Context Buildings in the 1950's styles subdistrict for new in-fill development. The guidelines focus on key design elements such as storefront modulation, entrances, roof design, mechanical equipment, building elements (cornices, storefront frame, mid-floor panel, transom windows, bulkheads), awnings, materials and colors.

On November 26, 2019, the Planning Commission conducted a public hearing to consider the above-described PUD. 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 Euclid Avenue and E Street PUD. In conjunction with the proposed Euclid Avenue and E Street PUD, the Planning Commission approved a Development Plan (File No. PDEV19-038) and Certificate of Appropriateness (File No. PHP19-009) to construct a 2,430 square foot drive-thru restaurant (Starbucks Coffee), with a 480 square foot outdoor covered patio.

**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 Available Land Inventory contained in Table A-3 (Available Land by Planning Area) of the Housing Element Technical Report Appendix.

**AIRPORT LAND USE COMPATIBILITY PLAN (ALUCP) COMPLIANCE:** The project site is located within the Airport Influence Area of the Ontario International Airport and has been found to be consistent with the policies and criteria set forth within the Ontario International Airport Land Use Compatibility Plan.

**ENVIRONMENTAL REVIEW:** The proposed project is categorically exempt from the requirements of the California Environmental Quality Act of 1970 (CEQA), as amended, and the Guidelines promulgated thereunder, pursuant to Section 15332 (Class 32, In-Fill Development Projects) of the CEQA Guidelines, and meets all of the following conditions: [1] The Project is consistent with the applicable general plan designation and all applicable general plan policies, as well as the applicable zoning designation and regulations; [2] The proposed development occurs within city limits, on a project site of no more than five acres, and is substantially surrounded by urban uses; [3] The project site has no value as habitat for endangered, rare, or threatened species; [4] Approval of the Project will not result in any significant effects relating to traffic, noise, air quality, or water quality; and [5] the Project site can be adequately served by all required utilities and public services.

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

AN ORDINANCE OF THE CITY COUNCIL OF THE CITY OF ONTARIO, CALIFORNIA, APPROVING FILE NO. PUD19-001, A PLANNED UNIT DEVELOPMENT (EUCLID AVE AND E STREET) TO ESTABLISH DEVELOPMENT STANDARDS, DESIGN GUIDELINES AND INFRASTRUCTURE REQUIREMENTS TO FACILITATE A COMMERCIAL DEVELOPMENT ON 0.36 ACRES OF LAND LOCATED AT THE NORTHWEST CORNER OF EUCLID AVENUE AND E STREET (110 WEST E. STREET AND 511 NORTH EUCLID AVENUE), WITHIN THE MU-1 (DOWNTOWN MIXED USE) AND EA (EUCLID AVENUE OVERLAY) ZONING DISTRICTS, AND MAKING FINDINGS IN SUPPORT THEREOF—APNS: 1048-355-09 AND 1048-355-10.

WHEREAS, Hannibal Petrossi ("Applicant") has filed an Application for the approval of a Planned Unit Development, File No. PUD19-001, as described in the title of this Ordinance (hereinafter referred to as "Application" or "Project"); and

WHEREAS, the Application applies to 0.36 acre of land generally located on the north west corner of Euclid Avenue and E Street at 110 West E. Street and 511 North Euclid Avenue within the MU-1 (Mixed Use Downtown) zoning and EA (Euclid Avenue Overlay) zoning districts, and is presently improved with a parking lot on the southeast area of the site, a commercial building (furniture store) on the north and commercial building on the west; and

WHEREAS, the property to the north of the Project site is within the MU-1 (Mixed Use Downtown) zoning district and is developed with commercial land use. The properties to the east, across Euclid Avenue, are within the MU-1 (Mixed Use Downtown) zoning district and are developed with two service stations. The property to the south is within the MU-1 (Mixed Use Downtown) zoning district and is developed with a commercial use. The property to the west is within the MU-1 (Mixed Use Downtown) zoning district, and is developed with a commercial use; and

WHEREAS, the project site is located within the Center City Redevelopment Project Area, established in 1983. While the practice of redevelopment was eliminated by the State, the Center City Redevelopment Project Area Plan is still in effect, and encourages the development of a high intensity, multi-use central business district. In addition, The Ontario Plan ("TOP") Policy Plan (General Plan) contains goals and policies for the City's Downtown and East Holt Mixed Use Areas, which further support the goals of the Center City Redevelopment Project Area Plan; and

WHEREAS, the Center City Redevelopment Project Area Plan envisions revitalization of the City's Downtown Mixed-Use Area, in part, by infusing medium and high-density residential developments, and mixed-use developments, into the area. The Policy Plan was established to further this vision and provides for the creation of low-rise

developments (up to 5 stories in height) consisting of a mixture of retail, office and residential uses, for the purpose of creating identity and place in the Downtown Mixed-Use Area; and

WHEREAS, The Ontario Plan describes the Downtown Mixed-Use Area as an intensive vertical and horizontal mixture of retail, office, and residential uses in a pedestrian friendly atmosphere where the historic character is prominent. The most intensive uses are envisioned along Euclid Avenue and Holt Boulevard. The Downtown Mixed-Use Area is the historic heart of Ontario, which has a unique blend of historic, social and cultural uses set in a compact street grid. The Downtown Mixed-Use Area includes the Civic Center, City library and surrounding diverse residential neighborhoods that provide increased demand for retail opportunities along Euclid Avenue, Holt Boulevard and B Street; and

WHEREAS, 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 (“PUD”) prior to the development of properties within the area. In compliance with this requirement, the Applicant has submitted the Euclid Avenue and E Street Planned Unit Development (included as Attachment “A” to this Ordinance), which is consistent with this vision, and the goals and policies of the Policy Plan; and

WHEREAS, the purpose of the PUD is to secure a fuller realization of the Policy Plan than would result from the strict application of present zoning district regulations and to: [a] promote high standards in urban design; [b] encourage the development of exceptionally high quality, mixed-use, medium to high intensity projects, while establishing regulations and standards for uses with unique regulatory and design needs; and [c] ensure harmonious relationships with surrounding land uses. In addition, the Euclid Avenue and E Street Planned Unit Development 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 0.36-acre site. This PUD will facilitate the development of retail and commercial services that will help achieve the City’s goals of revitalizing and aesthetically enhancing the historic downtown area; and

WHEREAS, PUD is comparable to a Specific Plan in that it sets development regulations that are unique to a specific area; however, it is also unlike a Specific Plan in that a PUD is typically intended to apply to a single development project or several interrelated development projects that function together as a single, comprehensive project; and

WHEREAS, in conjunction with the proposed Euclid Avenue and E Street PUD, the Applicant has submitted a Development Plan (File No. PDEV19-038) and Certificate of Appropriateness (File No. PHP19-009) to construct a 2,430 square foot drive-thru restaurant (Starbucks Coffee), with a 480 square foot outdoor covered patio; and

WHEREAS, the Application is a project pursuant to the California Environmental Quality Act (commencing with Public Resources Code Section 21000), hereinafter referred to as "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 approve 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, 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 (hereinafter referred to as "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 November 26, 2019, the Planning Commission of the City of Ontario approved Development Plan (File No. PDEV19-038) and Certificate of Appropriateness (File No. PHP19-009) to construct a 2,430 square foot drive-thru restaurant (Starbucks Coffee), with a 480 square foot outdoor covered patio, contingent upon City Council approval of the Euclid Avenue and E Street PUD (File No. PUD19-001); and

WHEREAS, on November 26, 2019, 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. PC19-090 recommending the City Council approve the Application; and

WHEREAS, on December 17, 2019, 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 the requirements of the California Environmental Quality Act of 1970 (CEQA), as amended, and the Guidelines promulgated thereunder, pursuant to Section 15332 (Class 32, In-Fill Development Projects) of the CEQA Guidelines, and meets all of the following conditions: [1] The Project is consistent with the applicable general plan designation and all applicable general plan policies, as well as the applicable zoning designation and regulations; [2] The proposed development occurs within city limits, on a project site of no more than five acres, and is substantially surrounded by urban uses; [3] The project site has no value as habitat for endangered, rare, or threatened species; [4] Approval of the Project will not result in any significant effects relating to traffic, noise, air quality, or water quality; and [5] the Project site can be adequately served by all required utilities and public services; 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. *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 Available Land Inventory contained in Table A-3 (Available Land by Planning Area) of the Housing Element Technical Report Appendix.

**SECTION 3. *Ontario International Airport Land Use Compatibility Plan (“ALUCP”) Compliance.*** The California State Aeronautics Act (Public Utilities Code Section 21670 et seq.) requires that an Airport Land Use Compatibility Plan be prepared for all public use airports in the State; and requires that local land use plans and individual development proposals must be consistent with the policies set forth in the adopted Airport Land Use Compatibility Plan. On April 19, 2011, the City Council of the City of Ontario approved and adopted the ALUCP, establishing the Airport Influence Area for

Ontario International Airport (hereinafter referred to as “ONT”), which encompasses lands within parts of San Bernardino, Riverside, and Los Angeles Counties, and limits future land uses and development within the Airport Influence Area, as they relate to noise, safety, airspace protection, and overflight impacts of current and future airport activity. As the decision-making body for the Project, the City Council has reviewed and considered the facts and information contained in the Application and supporting documentation against the ALUCP compatibility factors, including [1] Safety Criteria (ALUCP Table 2-2) and Safety Zones (ALUCP Map 2-2), [2] Noise Criteria (ALUCP Table 2-3) and Noise Impact Zones (ALUCP Map 2-3), [3] Airspace protection Zones (ALUCP Map 2-4), and [4] Overflight Notification Zones (ALUCP Map 2-5). As a result, the CITY COUNCIL, therefore, finds and determines that the Project, when implemented in conjunction with the conditions of approval, will be consistent with the policies and criteria set forth within the ALUCP.

**SECTION 4. *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 3, 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 proposed project is located within the Downtown Mixed-Use land use district of the Policy Plan Land Use Map, and the MU-1 (Downtown Mixed Use) zoning district. The development standards and conditions under which the proposed project will be constructed and maintained, 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.

(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 has required certain safeguards, and has required certain changes, 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.*** A thorough review and analysis of the proposed project and its potential to adversely impact properties surrounding the subject site was completed by City staff. As a result of this review, certain design considerations were incorporated into the project to mitigate identified impacts to an acceptable level, including the use of upgraded materials, the inclusion of certain

architectural design elements on building exteriors, intensified landscape elements, and decorative hardscape elements.

(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 PUD, a thorough review and analysis of the proposed project and the project site's physical suitability for the proposed 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.

(5) ***The proposed PUD is superior to that which could be obtained through the application of the Development Code or a specific plan.*** The proposed PUD addresses aspects of the project that are specifically related to the Development Plan proposed in conjunction with the PUD application, including necessary building setbacks, site access points, off-street parking and site circulation, and architectural character.

**SECTION 5. City Council Action.** Based upon the findings and conclusions set forth in Sections 1 through 4, above, the City Council hereby APPROVES the herein described PUD, attached hereto as "Attachment A," and incorporated herein by this reference.

**SECTION 6. 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 7. 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 8. 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 9. **Effective Date.** This Ordinance shall become effective 30 days following its adoption.

SECTION 10. **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 17<sup>th</sup> day of December 2019.

---

PAUL S. LEON, MAYOR

ATTEST:

---

SHEILA MAUTZ, CITY CLERK

APPROVED AS TO FORM:

---

COLE HUBER LLP  
CITY ATTORNEY

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

I, SHEILA MAUTZ, City Clerk of the City of Ontario, DO HEREBY CERTIFY that foregoing Ordinance No. \_\_\_\_\_ was duly introduced at a regular meeting of the City Council of the City of Ontario held December 17, 2019 and adopted at the regular meeting held \_\_\_\_\_, 2020, by the following roll call vote, to wit:

AYES:            COUNCIL MEMBERS:

NOES:           COUNCIL MEMBERS:

ABSENT:        COUNCIL MEMBERS:

\_\_\_\_\_  
SHEILA MAUTZ, CITY CLERK

(SEAL)

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

\_\_\_\_\_  
SHEILA MAUTZ, CITY CLERK

(SEAL)

**ATTACHMENT A:**

**File No. PUD19-001;  
Euclid Avenue and E Street Planned Unit Development**

*(Document follows this page)*



## PLANNED UNIT DEVELOPMENT

**PREPARED BY:  
HANNIBAL PETROSSI  
1300 BRISTOL STREET NORTH, SUITE 270  
NEWPORT BEACH, CA 92660  
AND  
CITY OF ONTARIO PLANNING DEPARTMENT**



# TABLE OF CONTENTS

1. INTRODUCTION -----	4
2. PUD OBJECTIVES -----	5
2.1 The Ontario Plan (TOP) Consistency -----	5
2.2 Center City Redevelopment Plan Objectives -----	14
2.3 PUD District and Plan Objectives -----	14
3. LAND USE PLAN -----	15
3.1 Land Use Designation -----	15
3.2 Permitted Uses -----	16
4. DEVELOPMENT REGULATIONS -----	21
4.1 Intensity -----	21
4.2 Building Height -----	21
4.3 Building/Parking Setbacks -----	21
4.4 Landscaping -----	22
4.5 Equipment/Mechanical Screening -----	23
4.6 Fencing and Walls -----	23
5. CIRCULATION AND PARKING -----	24
5.1 Pedestrian Connections -----	24
5.2 Public Right-Of-Way Improvements -----	24
5.3 Infrastructure -----	24
5.4 Parking -----	25
5.5 Drive-Thru Facilities -----	25
6. DESIGN GUIDELINES -----	27
6.1 Site Design-----	27
6.2 Building Orientation -----	27
6.3 Building Street Side Setbacks-----	27
6.4 Street Frontage and Parking Lots -----	27
6.5 Service and Storage Area -----	28

6.6	Refuse Containers-----	28
6.7	Sidewalks-----	28
6.8	Architecture Character\Details-----	28
6.9	Outdoor Dining Areas-----	31
6.10	Signs-----	31
6.11	Lighting -----	31
7.	HISTORIC PRESERVATION -----	32
7.1	Historic Context and Background-----	32
7.2	Existing Historic Resources -----	33
8.	ADMINISTRATIOM -----	33
8.1	Items Not Addressed In PUD -----	33
8.2	Development Applications -----	33
8.3	Administrative Exceptions-----	33

#### LIST OF EXHIBITS AND TABLE

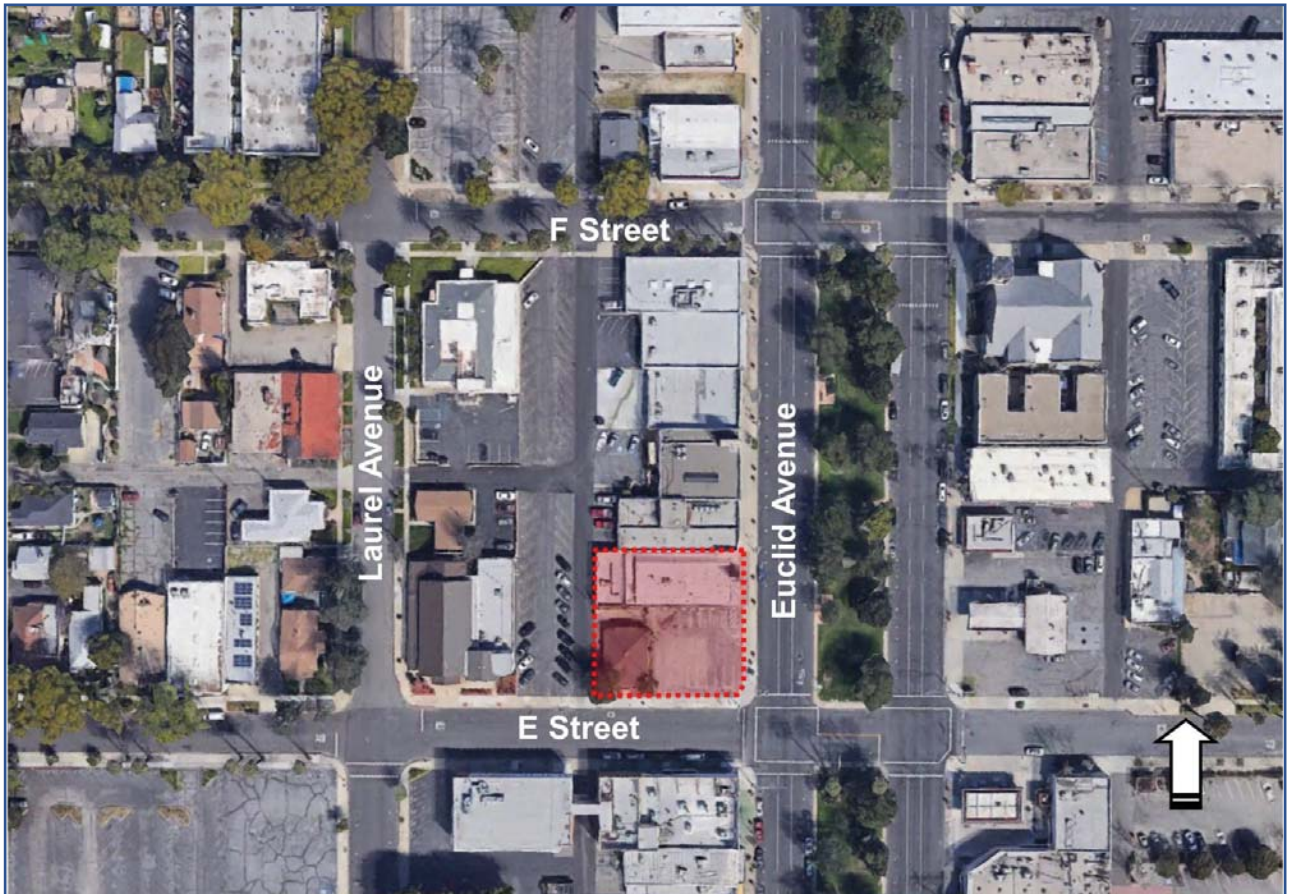
EXHIBIT 1-1:	PUD Location Map -----	4
EXHIBIT 1-2:	Downtown Mixed-Use Area -----	5
EXHIBIT 3-1:	Land Use District Map -----	16
EXHIBIT 5-1:	Drive –Thru Street Oriented Site Plan Example -----	26
TABLE 3-2:	Permitted Uses -----	17
TABLE 4-1:	Building(s) Setbacks-----	22

# 1. INTRODUCTION

This document is intended to function as a set of planning and design principles, development regulations and performance standards to guide and govern the development of 2 parcels located on the northwest corner of Euclid Avenue and E Street (see Exhibit 1-1, PUD Location Map).

The Euclid Avenue and E Street Planned Unit Development (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 on this PUD to determine whether precise plans for development ("Development Plans") will adequately meet the City's land use and design objectives.

Exhibit 1-1: PUD Location Map

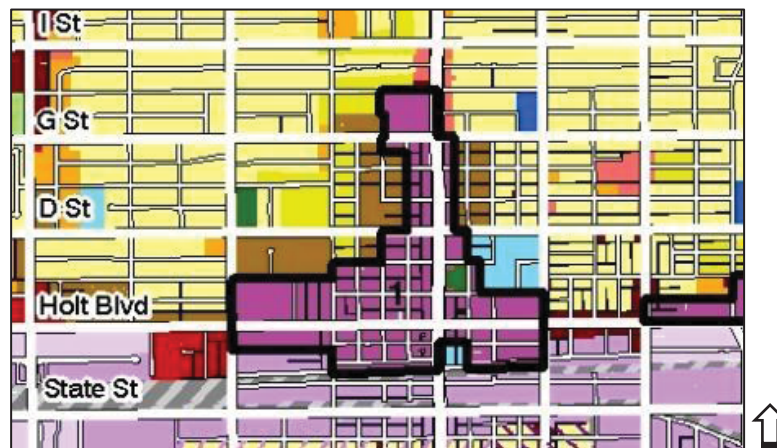


## 2. PUD OBJECTIVES

### 2.1 THE ONTARIO PLAN (TOP) CONSISTENCY

The Ontario Plan Policy Plan (General Plan) designates the project area and surrounding properties as MU-1 (Downtown Mixed-Use). The Ontario Plan describes the Downtown Mixed Use Area as an intensive vertical and horizontal mixture of retail, office, and residential uses in a pedestrian friendly atmosphere where the historic character is prominent. The most intensive uses are envisioned along Euclid Avenue and Holt Boulevard. The Downtown Mixed Use Area is the historic heart of Ontario, which has a unique blend of historic, social and cultural uses set in a compact street grid. The Downtown Mixed-Use Area includes the Civic Center, City library and surrounding diverse residential neighborhoods that provide increased demand for retail opportunities along Euclid Avenue, Holt Boulevard and B Street. The densities and intensities of the mixed use designation represented within The Ontario Plan (TOP) are the intended level of anticipated development; however, individual projects may vary depending upon an approved master plan, such as an area plan, specific plan, or planned unit development.

Exhibit 1-2: Downtown Mixed Use Area



The Euclid Avenue and E Street PUD is consistent with the principles, goals and policies contained within the components that make up The Ontario Plan (TOP), including: (1) Vision, (2) Policy Plan (General Plan), and (3) City Council Priorities. The policies furthered by this PUD are as follows:

1. Vision

On February 13, 2007, the Ontario City Council adopted The Ontario Vision. The central theme that motivates the Vision is – “A sustained, community-wide prosperity which continuously adds value and yields benefits.” Everything the City does and every action the City takes is done with the simple yet comprehensive theme in mind, from the design quality of the built environment, to the intent of designing socio-economic

programs, to the way in which its leaders govern as a community. In discussing a Vision that would endure for the lifetime of The Ontario Plan (30 years or more), the City Council recognized that there are four components that serve as the basic building blocks that set the foundation for a unified and prosperous community. These foundational blocks must be expressed and widely accepted throughout the Plan's lifetime. They are:

1. A **Dynamic Balance** that enables our community to confront the continued dynamic growth of the region and technological change with confidence and a sense of opportunity.
2. A **Prosperous Economy** that sustains the perception and reality of prosperity across our entire community that positively impacts all the people of Ontario and is broadly – though not uniformly – shared.
3. **Distinctive Development** that integrates our varied and diverse focal points, districts, villages, and neighborhoods to provide a feeling of coherence without sacrificing uniqueness.
4. **Recognized Leadership** in local governance that stimulates excellence and serves to unify the people of Ontario in support of best practices in conducting public endeavors.

Euclid Avenue and E Street PUD will implement the Ontario Vision in several ways that will further the City's desire to be a sustainable and prosperous community.

## DISTINCTIVE DEVELOPMENT

### Commercial and Residential Development

- The PUD will support, the City's Civic Center area, new multifamily developments and surrounding existing residential neighborhoods by providing the increased demand for retail uses in a more pedestrian friendly atmosphere.
- The PUD will seek to ensure additional mix of retail uses in the downtown that will provide a services to the surrounding community and Civic Center area.

### Design Quality

- The PUD will require a well-designed project(s) that conveys visual interest and character through:
  - Appropriate scale and massing
  - Architectural style and design that are complementary and appropriate for its setting.
  - The use of high quality materials that will create visual interest, high quality, durable and appropriate for the architectural style.
  - Appropriate Site Planning to ensure building orientation visibility from the street, adequate number of driveways, sidewalks, building setbacks,



parking lot orientation, adequate refuse storage areas and well-designed street frontages.

#### Public Safety

- The PUD will ensure that proper exterior lighting standards be located and designed to minimize direct glare beyond parking lots and future residential development/ or mixed-use projects in the downtown area. In addition, per the Ontario Police Department, to ensure that all lighting standards comply with the one-foot candle illumination to provide a level of security and public safety within the retail center.

## 2. Policy Plan

### LAND USE ELEMENT

#### LU1 Balance

Goal LU1: 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.

The PUD, through the development of retail and commercial uses, will help provide jobs to support the existing and new development within the surrounding downtown area.

#### Policies

- *LU1-3 Adequate Capacity. We require adequate infrastructure and services for all development.*

The PUD, along with the future development entitlements for the site, will require the necessary infrastructure to serve the site and provide the necessary right-of-ways dedication for street widening.

- *LU1-4 Mobility. We require development and urban design, where appropriate, that reduces reliance on the automobile and capitalizes on multi-modal transportation opportunities.*

TOP Mobility Element System (Figure M-1) identifies Euclid Avenue as future Bus Rapid Transit (BRT) Corridor. The PUD will seek to capitalize pedestrian traffic, vehicle and future BRT ensuring a mix of retail and commercial uses and business that will provide a variety of goods and service to the surrounding community and the future Buss Rapid Transit (BRT) users.

## LU2 Compatibility

Goal LU2: Compatibility between a wide range of uses.

The PUD, through land use regulations for permitted uses, have ensured that those permitted uses allowed within the PUD are compatible with the downtown and surrounding area and not allow those uses that may have potential to create adverse impacts to the surrounding area.

Polices:

- *LU2-1: Land Use Decisions: We minimize adverse impacts on adjacent properties when considering land use and zoning requests.*

The project area is zoned MU-1 (Downtown Mixed-Use) and requires that a PUD be implemented for the project area to establish the development standards, land use regulations and design guidelines. The permitted uses within PUD have been established to provide retail and commercial uses to serve the downtown, Civic Center and surrounding residential area. Careful consideration has been given to ensure that permitted uses that may have potential to create adverse impacts to the surrounding area are not allowed.

- *LU2-2 Buffers. We require new uses to provide mitigation or buffers between existing uses where potential adverse impacts could occur.*

The PUD, through the site planning, requires the that future building(s) developed on the site shall be placed along the frontage of Euclid Avenue to keep a buffer between the future and exiting residential development to the west.

- *LU2-4 Regulation of Nuisances. We regulate the location, concentration and operations of potential nuisances.*

The project area is zoned MU-1 (Downtown Mixed-Use) and requires that a PUD be implemented for the project area to establish the development standards, land use regulations and design guidelines. The permitted uses within PUD have been established to provide retail and commercial uses to serve the downtown, Civic Center and surrounding residential area. Careful consideration has been given to ensure that permitted uses that may have potential to create adverse impacts to the surrounding area are not allowed. Those uses with operations that may have potential to create nuisances, will require discretionary approval through the Conditional Use Permit process.

- *LU2-5 Regulation of Uses. We regulate the location, concentration and operations of uses that have impacts on surrounding land uses.* The project area is zoned MU-1 (Downtown Mixed-Use) and requires that a PUD be implemented for the project area to establish the development standards, land use regulations and design guidelines. The permitted uses within PUD have been established to provide retail

and commercial uses to serve the downtown, Civic Center and surrounding residential area. Careful consideration has been given to ensure that permitted uses that may have potential to create adverse impacts to the surrounding area are not allowed.

### LU3 Flexibility

Goal LU3: Staff, regulations and processes that support and allow flexible response to conditions and circumstances in order to achieve the Vision.

- *LU3-1 Development Standards. We maintain clear development standards which allow flexibility to achieve our Vision.*

To provide flexibility the densities and intensities of the mixed use designation represented within TOP are the intended level of anticipated development; however, individual projects may vary depending upon an approved master plan, such as an area plan, specific plan, or planned unit development. The project area is zoned MU-1 (Downtown Mixed-Use) and requires that a PUD be implemented for the project area to establish the development standards, land use regulations and design guidelines. The development standards within the PUD are intended to ensure quality and appropriate development to achieve TOP Vision for well-designed projects that convey visual interest.

## COMMUNITY ECONOMICS ELEMENT

### CE1 Complete Community

Goal CE1: A complete community that provides for all incomes and stages of life.

The permitted uses within PUD have been established to provide retail and commercial uses to enhance the economic growth of downtown and surrounding residential areas.

Policies:

- *CE1-7 Retail Goods and Services. We seek to ensure a mix of retail businesses that provide the full continuum of goods and services for the community.*

The permitted uses within PUD have been established to provide retail and commercial uses to serve the downtown and surrounding residential areas. These retail and commercial uses that will help to revitalize the downtown area and enhance its economic growth by much needed commercial and retail opportunities.



## CE2 Place-Making

Goal CE2: A City of distinctive neighborhoods, districts, and corridors, where people choose to be.

The PUD will seek to ensure a mix a retail and commercial uses that will provide a variety of goods and services for the downtown and surrounding area. The PUD will seek to help revitalize the downtown area and enhance its economic growth by creating retail and commercial opportunities within a historic downtown setting. The PUD area will be distinctive through the requirement of well-designed project(s) that respect and complement the historic context of downtown consist with the Downtown Ontario Design Guidelines (Adopted in 1998) through

- Appropriate scale and massing
- Architectural style and design that are complementary and appropriate to for its setting.
- The use of high quality materials that will create visual interest, high quality, durable and appropriate for the architectural style.
- Appropriate site planning to ensure building orientation visibility from the street, adequate number of driveways and sidewalks. Building setbacks, parking lot orientation, adequate refuse storage areas and well-designed street frontages.

## MOBILITY ELEMENT

### M3 Public Transit

Goal M3: A public transit system that is a viable alternative to automobile travel and meets basic transportation needs of the transit dependent.

TOP Mobility Element System (Figure M-1) identifies Euclid Avenue as future Bus Rapid Transit (BRT) Corridor. The PUD will seek to capitalize pedestrian traffic, vehicle and future BRT ensuring a mix of retail and commercial uses and business that will provide a variety of goods and service to the surrounding community and the future Buss Rapid Transit (BRT) users. The PUD, along with the future development entitlements for the site, will require the necessary infrastructure to serve the site and provide the necessary right-of-ways dedication for street widening.

Policies:

- *M3-4 Bus Rapid Transit (BRT) Corridors. We work with regional transit agencies to implement BRT service to target destinations and along corridors, as shown in the Transit Plan.*

TOP Mobility Element System (Figure M-1) identifies Euclid Avenue as future Bus Rapid Transit (BRT) Corridor. The PUD will seek to capitalize pedestrian traffic,

vehicle and future BRT ensuring a mix of retail and commercial uses and business that will provide a variety of goods and service to the surrounding community and the future Buss Rapid Transit (BRT) users. The PUD, along with the future development entitlements for the site, will require the necessary infrastructure to serve the site and provide the necessary right-of-ways dedication for street widening.

## COMMUNITY DESIGN

### CD1 Image & Identity

Goal CD1: A dynamic, progressive city containing distinct neighborhoods and commercial districts that foster a positive sense of identity and belonging among residents, visitors, and businesses.

- To provide flexibility the densities and intensities of the mixed use designation represented within TOP are the intended level of anticipated development; however, individual projects may vary depending upon an approved master plan, such as an area plan, specific plan, or planned unit development. The project area is zoned MU-1 (Downtown Mixed-Use) and requires that a PUD be implemented for the project area to establish the development standards, land use regulations and design guidelines. The development standards within the PUD are intended to ensure quality and appropriate development to achieve TOP Vision for well-designed projects that convey visual that respect and complement the historic context of downtown.

### Policies:

- *CD1-2 Growth Areas. We require development in growth areas to be distinctive and unique places within which there are cohesive design themes.*

The PUD will seek to ensure a mix a retail and commercial uses that will provide a variety of goods and services for the downtown and surrounding area. The PUD will seek to help revitalize the downtown area and enhance its economic growth by creating retail and commercial opportunities within a historic downtown setting. The PUD area will be distinctive through the requirement of well-designed project(s) that respect and complement the historic context of downtown consist with the Downtown Ontario Design Guidelines (Adopted in 1998) through:

- Appropriate scale and massing
- Architectural style and design that are complementary and appropriate to for its setting.
- The use of high quality materials that will create visual interest, high quality, durable and appropriate for the architectural style.
- Appropriate site planning to ensure building orientation visibility from the street, adequate number of driveways and sidewalks. Building setbacks,

parking lot orientation, adequate refuse storage areas and well-designed street frontages.

- *CD1-4 Transportation Corridors. We will enhance our major transportation corridors within the City through landscape, hardscape, signage and lighting.*

TOP Mobility Element System (Figure M-1) identifies Euclid Avenue as future Bus Rapid Transit (BRT) Corridor. The PUD will seek to capitalize pedestrian traffic, vehicle and future BRT ensuring a mix of retail and commercial uses and business that will provide a variety of goods and service to the surrounding community and the future Buss Rapid Transit (BRT) users. The PUD, along with the future development entitlements for the site, will require the necessary infrastructure to serve the site and provide the necessary right-of-ways dedication for street widening.

## CD2 Design Quality

Goal CD2: A high level of design quality resulting in public spaces, streetscapes, and developments that are attractive, safe, functional and distinct.

Polices:

- *CD2-1 Quality Architecture. We encourage all development projects to convey visual interest and character through:*
  - building volume, massing, and height to provide 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 visually interesting, high quality, durable, and appropriate for the architectural style.

The PUD will seek to help revitalize the downtown area and enhance its economic growth by creating retail and commercial opportunities within a historic downtown setting. The PUD area will be distinctive through the requirement of well-designed project(s) that respect and complement the historic context of downtown consist with the Downtown Ontario Design Guidelines (Adopted in 1998) through:

- Appropriate scale and massing
- Architectural style and design that are complementary and appropriate to for its setting.
- The use of high quality materials that will create visual interest, high quality, durable and appropriate for the architectural style.
- Appropriate site planning to ensure building orientation visibility from the street, adequate number of driveways and sidewalks. Building setbacks,

parking lot orientation, adequate refuse storage areas and well-designed street frontages.

- *CD2-3 Commercial Centers. We desire commercial centers to be distinctive, pedestrian friendly, functional and vibrant with a range of businesses, places to gather, and connectivity to the neighborhoods they serve.*

The permitted uses within PUD have been established to provide retail and commercial uses to serve the downtown, Civic Center and surrounding residential area. The PUD will seek to capitalize on the downtown location by ensuring a mix a retail and commercial uses that will easily accessed by pedestrians through downtowns unique grid street pattern design.

- *CD2-5 Streetscapes. We design new and, when necessary, retrofit existing streets to improve walkability, bicycling and transit integration, strengthen connectivity, and enhance community identity through improvements to the public right of way such as sidewalks, street trees, parkways, curbs, street lighting and street furniture.*

The PUD, along with the future development entitlements for the site, will require the necessary infrastructure to serve the site and provide the necessary right-of-ways dedication and/or improvements.

- *CD2-9 Landscape Design. We encourage durable landscaping materials and designs that enhance the aesthetics of structures, create and define public and private spaces, and provide shade and environmental benefits.*

The PUD development standards will ensure landscape design and materials will be used to enhance the aesthetics of structure(s), create and define public and private spaces, and provide shade and environmental benefits.

- *CD2-10 Surface Parking Areas. We require parking areas visible to or used by the public to be landscaped in an aesthetically pleasing, safe and environmentally sensitive manner. Examples include shade trees, pervious surfaces, urban run-off capture and infiltration, and pedestrian paths to guide users through the parking field.*

The PUD development standards will ensure water conservation be provided through low water using plant materials, hydro zones, water efficient irrigation and weather based controllers. Landscaped areas may be used for storm water infiltration through vegetated swales, retention basins, or dry wells as needed with the use of appropriate planting materials. Broad canopy shade trees will be used to reduce heat gain on buildings, paving and parking areas.

## City Council Priorities

- Invest in the Growth and Evolution of the City's Economy
- 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
- Focus Resources in Ontario's Commercial and Residential Neighborhoods
- Invest in the City's Infrastructure (Water, Streets, Sewers, Parks, Storm Drains and Public Facilities)
- Encourage, Provide or Support Enhanced Recreational, Educational, Cultural and Healthy City Programs, Policies and Activities
- Ensure the Development of a Well Planned, Balanced, and Self-Sustaining Community in Ontario Ranch

## 2.2 CENTER CITY REDEVELOPMENT PLAN OBJECTIVES

The Center City Project Area encompasses the historic Euclid Avenue District, as well as East Holt Boulevard. Ontario's City Hall and surrounding Civic Center, Senior Center, Ovitt Family Community Library, the Museum of History and Art, Ontario Town Square, and the Law School of the University of La Verne are all within the Center City Project Area. Development is designed to create an immediate and positive identity transforming the area into a comfortable place to stroll and be seen.

The current goals of the Center City Project include:

- Encourage development of a high intensity, multi-use central business district and surrounding neighborhoods that maximize the economic productivity of the commercial areas and maximize the housing opportunities of the residential areas.
- Apply innovative mixed use urban design that maintains a flexible approach to allow for changing opportunities over a long-term, phased revitalization effort.
- Create a healthy and exciting urban environment, with the ability to work, live, shop and play within a small area, combine daytime and nighttime use and conserve energy and resources through mixed use development.
- Cluster activity centers within walking distance of each other, supported by a pedestrian network that provides an enjoyable pedestrian flow.

## 2.3 PUD DISTRICT PURPOSE AND OBJECTIVES

The Euclid Avenue and E Street 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 0.36 acre site. This PUD will facilitate the development of

retail and commercial services that will help achieve the City’s goals to economically revitalize and aesthetically enhance the historic downtown area.

The objectives of the PUD District are to:

- Promote development projects that are consistent with the land use/downtown revitalization objectives of the Center City Redevelopment Project area.
- Promote the revitalization the downtown area and enhance its economic growth by creating retail uses within a historic downtown setting.
- Promote community retail uses to meet the needs of the downtown residents, Civic Center visitors and surrounding residential neighborhoods.
- Promote the development of outdoor patio as part of the commercial development providing for social and pedestrian interaction.
- Orient commercial buildings along the frontage of Euclid Avenue to create an accessible urban edge and sense of arrival and appropriate relationships among new 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.
- Incorporate a landscape to enhance and compliment the urban environment along Euclid Avenue and E Street.

## 3. LAND USE PLAN

### 3.1 LAND USE DESIGNATION

This PUD establishes the MU-1 Commercial district and the land use designations, as shown on Exhibit 3-2, Permitted Use Table, for the project limits. Retail, commercial and entertainment uses are strongly encouraged along the Euclid Avenue corridor to service local residents and other commercial users, and attract pedestrian traffic within the downtown area.

### Exhibit 3-1: Land Use District Map



### 3.2 PERMITTED USES

Table 3.2 (Permitted Uses) shows the allowable land use, activity or facility permitted within the Mixed Use 1 (MU-1) Commercial District of the Euclid Avenue and E Street PUD. A land use not listed in Table 3.2 shall be considered a prohibited land use. For a land uses similar to those listed in Table 3.2, but not expressly stated in the PUD, the Planning Director or her/his designee has the authority to make a determination of applicability of the similar land uses.

**Table 3-2: Permitted Uses**

“P” (permitted) shall mean the land use, activity, or facility within the specified zoning district is permitted by right of being in the proper zoning district.

“C” (conditionally permitted) shall mean the land use, activity, or facility within the specified zoning district is subject to the granting of a Conditional Use Permit pursuant to Section 4.02.025 (Conditional Use Permits) of this Development Code.

“A” (Administratively permitted) shall mean the land use, activity, or facility within the specified zoning district is subject to the granting of an Administrative Permit pursuant to Section 4.03.015 (Administrative Permits) of this Development Code.

“NP” (Not Permitted) shall mean the land use, activity, or facility within the specified zoning district is not permitted by right of being in the proper zoning district.

All other uses not listed as Permitted or Conditional are prohibited unless a finding can be made by the Planning Director that the use is similar to, and no more objectionable than, a permitted or conditional use.

<b>Land Use</b>	<b>MU-1 Commercial</b>	<b>Notes</b>
<b>MEDICAL</b>		
Animal Hospital/Veterinarian	NP	
Medical Office	NP	
<b>MEDICAL OFFICE/FAMILY CLINIC</b>		
Pharmacies and Drug Stores	P	
Pharmacies and Drug Stores with Drive-thru Facilities	P	Note 3
Industrial Clinic	NP	
<b>PUBLIC FACILITIES</b>		
Police / Fire Station	P	
Police Storefront / Substation	P	
<b>RELIGIOUS</b>		
Religious Assembly	C	
<b>NON-PROFIT/SERVICE ORGANIZATIONS 501 (C) (3) (PER DEVELOPMENT CODE SECTION 9-101305 N)</b>		
Campaign Offices	P	
Charitable, Philanthropic, Service and Other Non-Profit Organization Offices	P	
Charitable Distribution Services (i.e. Food Banks, etc.)	NP	
<b>ALCOHOL</b>		
Alcoholic Beverage Sales for Off-Premise Consumption	C	
Alcoholic Beverage Sales for On-Premise Consumption GFA than 10,000 SF	A/C	Note 2
Alcoholic Beverage Sales for On-Premise Consumption GFA more than 10,000 SF	C	Note 2
Liquor Store	NP	
<b>AUTOMOBILE RELATED SERVICES</b>		
Automotive Parts and Accessories Stores (Retail Sales Only)	NP	
Automotive Services (i.e. Tune-Up, Emission Tests, Batteries, etc. No use of impact wrenches or other equipment that could create noise impacts.)	NP	
Minor Repair (i.e. Brakes, tires, radiators, electrical, etc.)	NP	
Gas Stations	NP	
Tire Stores	NP	
Car Wash – Full	NP	
<b>TELECOMMUNICATIONS FACILITIES</b>		



**Table 3-2: Permitted Uses**

“**P**” (permitted) shall mean the land use, activity, or facility within the specified zoning district is permitted by right of being in the proper zoning district.

“**C**” (conditionally permitted) shall mean the land use, activity, or facility within the specified zoning district is subject to the granting of a Conditional Use Permit pursuant to Section 4.02.025 (Conditional Use Permits) of this Development Code.

“**A**” (Administratively permitted) shall mean the land use, activity, or facility within the specified zoning district is subject to the granting of an Administrative Permit pursuant to Section 4.03.015 (Administrative Permits) of this Development Code.

“**NP**” (Not Permitted) shall mean the land use, activity, or facility within the specified zoning district is not permitted by right of being in the proper zoning district.

All other uses not listed as Permitted or Conditional are prohibited unless a finding can be made by the Planning Director that the use is similar to, and no more objectionable than, a permitted or conditional use.

<b>Land Use</b>	<b>MU-1 Commercial</b>	<b>Notes</b>
Wireless Telecommunications Facility (Refer to the Development Code)		
<b>DAY CARE FACILITIES</b>		
Commercial Daycare	<b>NP</b>	
<b>EATING DRINKING PLACES AND FOOD SERVICES</b>		
Restaurants (Sit Down / Full Service)	<b>P</b>	
Banquet Facilities in conjunction with a restaurant	<b>P</b>	
Bar/Cocktail Lounge	<b>C</b>	
Fast Food	<b>P</b>	
Fast Food with Drive-thru Facilities	<b>P</b>	<b>Note 3</b>
<b>ENTERTAINMENT AND RECREATION</b>		
Live Entertainment (in conjunction with restaurant use only) – GFA than 10,000 SF	<b>A/P</b>	
Live Entertainment (in conjunction with restaurant use only) – GFA 10,000 or more SF	<b>C</b>	
<b>OFFICES</b>		
Administrative, Professional, and Other Offices	<b>P</b>	
<b>RETAIL</b>		
Antique Stores	<b>P</b>	
Art Galleries and Art Supply Store	<b>P</b>	
Beauty Supply Store	<b>P</b>	
Book Stores	<b>P</b>	
Hardware Store	<b>P</b>	
Camera and Photographic Supply Store	<b>P</b>	
Cigar and other Tobacco Products Store	<b>NP</b>	
Clothing and Accessory Stores	<b>P</b>	
Computer and Home Electronic Stores	<b>P</b>	
Florist	<b>P</b>	
Furniture Stores	<b>P</b>	
General Merchandise Stores	<b>P</b>	
Department Store	<b>P</b>	
Discount Variety Store	<b>P</b>	
Guns and Ammunition Stores	<b>NP</b>	
Hobby, Toy and Game Store	<b>P</b>	
Home Appliance Store	<b>P</b>	

**Table 3-2: Permitted Uses**

“P” (permitted) shall mean the land use, activity, or facility within the specified zoning district is permitted by right of being in the proper zoning district.

“C” (conditionally permitted) shall mean the land use, activity, or facility within the specified zoning district is subject to the granting of a Conditional Use Permit pursuant to Section 4.02.025 (Conditional Use Permits) of this Development Code.

“A” (Administratively permitted) shall mean the land use, activity, or facility within the specified zoning district is subject to the granting of an Administrative Permit pursuant to Section 4.03.015 (Administrative Permits) of this Development Code.

“NP” (Not Permitted) shall mean the land use, activity, or facility within the specified zoning district is not permitted by right of being in the proper zoning district.

All other uses not listed as Permitted or Conditional are prohibited unless a finding can be made by the Planning Director that the use is similar to, and no more objectionable than, a permitted or conditional use.

Land Use	MU-1 Commercial	Notes
Jewelry Store	P	
Luggage and Leather Goods	P	
Music and Video Stores	P	
Office Supply, Stationery & Gift Stores	P	
Pawnshop / Pawnbroker	NP	
Pet and Pet Supply Store	P	
Shoe Store	P	
<b>FOOD AND BEVERAGE STORES</b>		
Bakery	P	
Delicatessen	P	
Convenience Market	P	
Grocery Store	P	
Specialty Food Stores	P	
<b>SERVICES</b>		
Advertising Agency	P	
Data Processing Services	P	
Exterminating Service	P	
Equipment Sales and Rentals	P	
Photography Studio	P	
Photocopying and Duplicating Services	P	
<b>FINANCIAL SERVICES</b>		
Banks, Credit Unions and other Depository Institutions	P	
Banks, Credit Unions and other Depository Institutions with Drive-thru Facilities	P	Note 3
Check Cashing	NP	
Check / Payday Advance	NP	
Money Transmitting	NP	
Other Financial Services	NP	
<b>PERSONAL SERVICES</b>		
Barber Shop and Beauty / Nail Salon	P	
Dry Cleaners	P	
Dry Cleaners with Drive-Thru Facilities	P	Note 3
Laundry - Commercial	C	

**Table 3-2: Permitted Uses**

“**P**” (permitted) shall mean the land use, activity, or facility within the specified zoning district is permitted by right of being in the proper zoning district.

“**C**” (conditionally permitted) shall mean the land use, activity, or facility within the specified zoning district is subject to the granting of a Conditional Use Permit pursuant to Section 4.02.025 (Conditional Use Permits) of this Development Code.

“**A**” (Administratively permitted) shall mean the land use, activity, or facility within the specified zoning district is subject to the granting of an Administrative Permit pursuant to Section 4.03.015 (Administrative Permits) of this Development Code.

“**NP**” (Not Permitted) shall mean the land use, activity, or facility within the specified zoning district is not permitted by right of being in the proper zoning district.

All other uses not listed as Permitted or Conditional are prohibited unless a finding can be made by the Planning Director that the use is similar to, and no more objectionable than, a permitted or conditional use.

<b>Land Use</b>	<b>MU-1 Commercial</b>	<b>Notes</b>
Pet Grooming	<b>P</b>	
Tailor	<b>P</b>	
Travel Agency	<b>P</b>	
<b>REPAIR SERVICES</b>		
Computer, Home Electronics, and Small Home Appliances (when ancillary to another use)	<b>NP</b>	
Electrical Equipment	<b>NP</b>	
Jewelry and Watches / Clocks	<b>P</b>	
Locksmith / Key Shop	<b>P</b>	
<b>RESIDENTIAL</b>		
Multiple Family Dwellings	<b>NP</b>	
Second Dwelling Units	<b>NP</b>	
Senior Housing Developments	<b>NP</b>	
Single-Family Dwellings	<b>NP</b>	
Single Room Occupancy Facilities	<b>NP</b>	
Supportive Housing	<b>NP</b>	
Work/Live Units	<b>NP</b>	

**Notes**

1. In the MU-1 zoning district, live entertainment is administratively permitted only in conjunction with a bona fide restaurant or alcoholic beverage manufacturer’s tasting room.
2. See Ontario Development Code [Section 5.03.025 \(Alcoholic Beverage Sales\)](#): Alcoholic beverage sales is administratively permitted only in conjunction with a bona fide restaurant or alcoholic beverage manufacturer’s tasting room.
3. See Section 4.1.XX Drive Thru Standards of this PUD

## 4. DEVELOPMENT REGULATIONS

This section sets forth the standards to govern the placement, height, and bulk of permitted buildings and structures; to establish locational criteria for vehicular access to site, parking and loading requirements, landscape, sign standards; and identify historic preservation features to be incorporated and/or considered for development plans. Unless otherwise stated herein, all development within the project area shall meet the applicable standards and requirements of the Ontario Development Code.

### 4.1 INTENSITY

Commercial retail uses within the mixed-use district are allowed a Floor Area Ratio (FAR) of up to 1.0. Floor Area Ratio is calculated by dividing the building square footage by the net lot area (after right-of-way dedications).

### 4.2 BUILDING HEIGHT

The buildings within the MU-1 Commercial district area shall be a maximum of 35 feet or consistent with scale and height of the adjacent buildings along Euclid Avenue or E Street.

### 4.3 BUILDING\ PARKING SETBACKS

All setbacks shall be measured from the ultimate property lines after all dedications to develop streets to the ultimate right-of-way width (Table 4.1, Building Setback(s)). Placement of buildings, structures, fences, walls, utility facilities, yards, etc. will be based on the street rights-of-way and property line dimensions.

<b>Table 4-1: Building(s) Setbacks</b>		
<b>MU-1 Commercial District Development Standards</b>		
<b>Requirements</b>	<b>MU-1 Commercial District</b>	<b>Additional Requirements</b>
<b>Building Development Standards</b>		
1. Euclid Avenue Street Setback	0 Feet Minimum 3.5 Feet Maximum	Building Architectural features/awnings may encroach into the right-of-way, subject to the California Building Code requirements.
2. E Street Setback	0 Feet Minimum 10 Feet Maximum	Building Architectural features/awnings may encroach into the right-of-way, subject to the California Building Code requirements.
3. Interior Side Property Setbacks 4. Rear Property Setbacks	0 Feet Minimum 5 Feet Minimum	Setback areas shall be landscaped
<b>Site Development Standards</b>		
1. Minimum Landscape Coverage	10%	
2. Minimum Parking Space or Drive Aisle Setbacks to Street Property Line	5 feet	Setback areas shall be landscaped.
3. Minimum Parking Space or Drive Aisle Setbacks to Interior Side Property Lines	5 Feet	Setback areas shall be landscaped.
4. Minimum Parking Space or Drive Aisle Setbacks to Rear (Alley) property line	2.5 feet	Setback areas shall be landscaped.
5. Minimum Parking Space or Drive Aisle to buildings, walls or fences	5 Feet	Setback areas shall be landscaped.

#### 4.4 LANDSCAPING

Landscaping elements provide significant contributions to the aesthetic quality and character of the Euclid Avenue and E Street PUD, with respect to public and private spaces. Detailed landscape/irrigation plans shall be included in the Development Plan submittals for the PUD. The plan shall specify all landscape and hardscape elements for the development plan site and indicate how the improvements will coordinate with the other sites within the PUD. The landscape plans shall show the location of all ground mounted utility structures such as transformers, back flow prevention devices, trash enclosures, and HVAC equipment and indicate the methods for screening these items. All utility structures and equipment shall be screened from view of the public streets and adjacent development.

Water conservation shall be provided through low water using plant materials, hydro zones, water efficient irrigation and weather based controllers. Landscaped areas may be used for storm water infiltration through vegetated swales, retention basins, or dry wells as needed with the use of appropriate planting materials. Broad canopy shade trees shall be used to reduce heat gain on buildings, paving and parking areas. The plan shall identify all existing trees on site and preserve them where possible. The landscape design shall meet the requirements of the Landscape Development Standards outlined in the Ontario Development Code and shall create well-functioning spaces within a sustainable design.

Landscaping shall be used on the site to show transition from adjacent uses, define a circulation pattern on the lot, screen the parking lot from the street, highlight entries, provide shade for parking as well as outdoor seating areas, and to soften the appearance of the building.

Developments shall comply with the following:

- The minimum amount of on-site landscaping, including defined plazas and courtyards, shall equal 15 percent of the net lot area.
- At a minimum, landscaping shall include 15-gallon trees planted no more than 20 FT on center, within minimum 5-FT wide planters.
- A suitable plant material (grasses, ivy, etc.) should be used as ground cover in planters.

Street trees shall comply with the variety, size, and spacing as directed by the City of Ontario Master Street Tree Plan. A minimum of fifteen (15%) percent of the site shall have landscaping, not including right-of-way or paved areas.

#### 4.5 EQUIPMENT AND MECHANICAL SCREENING

All roof mounted and ground mounted equipment shall be fully screened from view of the public street and adjacent developments. The location of items shall be designed to allow screening with landscape materials, walls, architectural features, parapet walls, etc. Screening shall be designed to be integrated into the design of the project.

Ladders for roof access shall be mounted on the inside of the building or shall be completely concealed from public view.

#### 4.6 FENCES AND WALLS

Fences and walls within the project area shall be made of decorative materials which are compatible with the overall architectural character of the development within the PUD area. All fences and walls shall be in scale with the development to fulfill such needs as screening and security.

Fences, walls and hedges within the project area shall comply with Engineering Corner Sight Distance Standards and other applicable standards. All decorative walls, monuments and/or other similar features shall not encroach into the public street right-of-way.

Walls shall be limited to a maximum of four (4) feet in height within any street frontage areas. Interior or rear walls shall be a maximum of six (6) feet in height.

Walls shall be an integral design of the building architecture and feature similar finished material, reveal lines, trim, etc.

## 5. CIRCULATION, PARKING & INFRASTRUCTURE

Access to the site will be limited to E Street or the western ally adjacent to the PUD area. Access onto Euclid Avenue will not be permitted.

### 5.1 PEDESTRIAN CONNECTIONS

Pedestrian connections shall be provided to each building from the public street within the PUD site. The Mixed-Use Commercial land use district shall also provide pedestrian pathways to connect all of the commercial developments as well as pedestrian pathways from the corner promoting public use of the corner patio.

### 5.2 PUBLIC RIGHT-OF-WAY IMPROVEMENTS

The public right-of-way shall be improved with each proposed development. The public right-of-way improvements required are to include, but are not limited to the following: street pavement, curb & gutter, parkway landscaping, parkway irrigation, public sidewalk, traffic signing and striping, street lights, bus stop, bus shelter and amenities. The extent of the required improvements shall be determined for each development plan. At a minimum, the improvements shall incorporate all items along the street frontages of the properties to be developed with proper transitioning if the entire block frontage is not being installed with a particular development.

### 5.3 INFRASTRUCTURE

There is an existing water line within E Street that shall serve the PUD site. Wastewater flows for the PUD site will be designed to use an existing 8 inch sewer line located within alley at the rear (west) of the project site.

On-site stormwater drainage facilities shall be provided to capture and infiltrate a 2-yr, 24-hour storm event, consistent with the San Bernardino County Stormwater Program's Water Quality Management Plan (WQMP) requirements for new development projects. Stormwater capture and infiltration facilities may include the utilization of vegetated swales, depressed landscaped basins, pervious concrete pavement or underground stormwater retention/infiltration vaults. All building roof and paved area runoff shall be directed into depressed landscaped swales, trenches or basins, within the development, in order to comply with the requirement to capture and infiltrate the 2-yr, 24-hour storm event runoff.

The Applicant/Developer will be responsible to design and construct street improvements, along property frontage of Euclid Avenue and E Street, in accordance with conditions issued by City's Engineering Land Development Division. These, and all other street improvements required

herein, shall include, but not limited to, concrete curb and gutter, sidewalk, LED street lights, signing and striping, and parkway landscaping.

Existing Street light fixtures, along Euclid Avenue and E Street will be required to be replaced with City-approved LED equivalent fixtures. Refer to the Traffic and Transportation Design Guidelines for LED fixture requirements. The type of street lighting will be determined at the time of development.

#### 5.4 PARKING

Parking shall be provided on-site at the rates required by the City of Ontario Development Code. In addition, the Downtown Ontario Parking Model may be used to satisfy the on-site parking requirement. Parking lots shall be not be visible from the Euclid Avenue view corridor.

#### 5.5 DRIVE-THRU FACILITIES

The following standards shall govern the establishment and operation of drive-thru facilities, and are intended to result in facilities that are well designed, encourage pedestrian activity, and enhance the commercial areas in which they located.

Drive-thru facilities shall be permitted for those uses identified in Exhibit X Permitted Use Table and where other uses deemed have been appropriate by the Zoning Administrator pursuant to the procedures established in Section 1.02.010 (Interpretations and Land Use Determinations) of the City of Ontario Development Code.

Uses incorporating drive-thru facilities shall comply with the following:

- No minimum lot area is required. The project must meet all setback, landscaping and parking requirements.
- The lot coverage shall exceed 40 percent of the lot area.
- The minimum floor area for businesses incorporating a drive-thru shall be 2,400SF (including enclosed floor area within a building and outdoor seating areas), with a minimum interior floor area of 2,000 SF.
- A minimum 25-FT landscaped setback shall be maintained between any drive-thru facility, including drive-up windows, drive-thru lane and menu/order stations, and any adjacent residentially zoned property or residential land use.
- The building shall maintain the minimum building and landscape setback prescribe in Table 4.1 (Building Setbacks). Design elements, such as trellises, may encroach into the setback when well integrated with the landscape.
- Decorative low garden walls shall be provided to screen the parking lot and drive-thru aisle from view of the public street, where necessary.
- Drive-thru lanes in conjunction with restaurants shall have a minimum length of 144 FT, measured from entry to pick-up window, which accommodates a minimum of 6 vehicles.

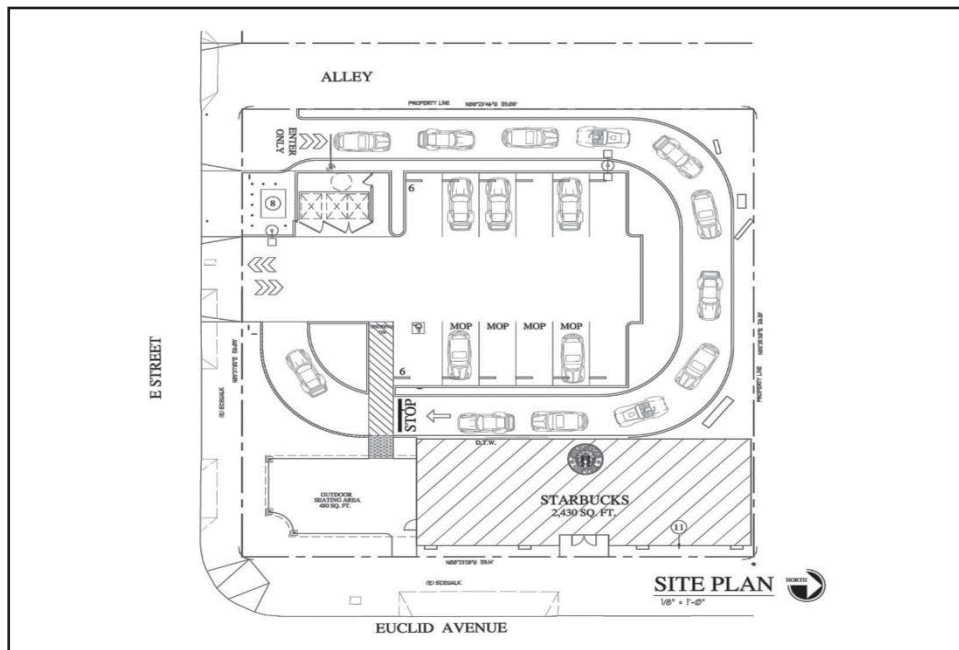


- Drive-thru lanes shall have a minimum width of 11 FT on straight sections and 12 FT on curved sections.
- Drive-up windows shall feature roofs, trellises or metal awning over drive-up windows. Posts supporting roofs or trellises should be substantial in appearance and fully integrated into the architecture of the building. The stacking area for drive-up windows should be screened from the street through a combination of low walls and landscaping.

Buildings incorporating drive-thru facilities shall be orient toward the street, as exemplified in Figure 5.03-1 (Street-Oriented Example Site Plan), top right. Drive-thru lanes, pick-up windows, and off-street parking facilities shall be oriented toward the rear yard and not visible from Euclid Avenue. Drive-thru lanes shall be screened from view of a public street through building orientation, landscaping, low screen walls, and trelliswork.

Each developed site shall not have more than one drive approach per street frontage. Drive-thru ingress and egress aisles shall not take direct access from Euclid Avenue, but instead shall take access from E Street, ally or a parking area or on-site drive aisle, as exemplified Exhibit 5-1 (Street-Oriented Site Plan Example).

**Exhibit 5-1: Street Oriented Site Plan Example**



Pedestrian walkways should not intersect drive-thru lanes; however, in the event this occurs, adequate visibility for pedestrians and vehicles shall be provided, and pedestrian crossings shall be clearly marked with signs.

Minimum 3-FT wide planters containing a combination of hedges and low walls shall be used to screen drive-thru lanes from view of public streets.

## 6. DESIGN GUIDELINES

The following design guidelines are intended as a reference to assist the designer in understanding the City's goals and objectives for high quality commercial development. The guidelines compliment the mandatory development standards contained in Subsection 4 (Development Regulation) above.

Design principles and examples of desired styling elements to guide the development within the downtown are set forth in the Downtown Ontario Design Guidelines ("Guidelines"), adopted by the Ontario City Council on August 18, 1998. The design guidelines in this PUD are general in nature and may be interpreted with some flexibility in their application to specific projects. The guidelines will be utilized during the City's development review process to encourage the highest level of design quality, while at the same time providing the flexibility necessary to encourage creativity on the part of the project designer(s). As such, some variations from the Guidelines are permitted, provided that the integrity of the urban design and historic preservation principles is not compromised. To safeguard the integrity of the historic district, a Certificate of Appropriateness is required for development.

### 6.1 SITE DESIGN

The site design shall minimize pedestrian/vehicle conflicts by creating opportunities for courtyards, plazas, outdoor dining, and landscaped pathways that promote safe and convenient pedestrian movement

### 6.2 BUILDING ORIENTATION

Buildings should be oriented towards Euclid Avenue. Frontages should be enhanced with entry elements, interesting architecture, enhanced materials, and pedestrian scale to provide connection between the development and the street. Windows and entries should face the street avoiding blank walls dominating public views. Stores with entries not visible from the street may be oriented towards pedestrian open space. The building entries may be located on the side of the building so long as strong pedestrian connection is maintained through wide walkways, enhanced pavers, plazas, appropriately scaled lighting and/or other similar features. Rear entrances, if needed, should be secondary in nature.

### 6.3 BUILDING STREET SIDE SETBACKS

The sides of buildings along street edges shall be landscaped within the setback to soften the building's appearance as well as designed with windows or design elements.

### 6.4 STREET FRONTAGE AND PARKING LOTS

Parking lots should generally be placed away from streets. Street frontages shall be broken up with buildings, landscaping, plazas, and other pedestrian features. Continuous parking lots along the

street frontage should be avoided. Any parking along street edges shall be setback with a landscaped buffer to minimize the dominant feeling of the automobile along the street. Continuous parking stalls may be interrupted by landscaped islands no more than 10 stalls apart. Parking lots are encouraged to be interconnected rather than separated for each building. Separated parking lots encourage customers to drive from store to store. Parking lots shall not be visible from the Euclid Avenue corridor.

## 6.5 SERVICE AND STORAGE AREAS

Loading areas and storage areas are to be located behind or to the side of buildings siting onto secondary access and not on Euclid Avenue or E Street. These features must be screened with walls and landscaping as much as possible from public view of streets, residences, and pedestrian walkways. Loading areas and storage areas should not conflict with pedestrian walkways.

## 6.6 REFUSE CONTAINERS

Refuse containers and equipment shall be easily accessed by service vehicles. Service facilities such as trash enclosures, loading zones and yard areas shall be designed, located and oriented to have a minimal visual impact on the development within the PUD area. Trash enclosures shall be designed to coordinate with the architecture, colors and materials of the style of the development and shall be located to provide adequate access for trash pickup without encroaching on access drives or landscaped areas. Trash enclosures shall be designed and constructed with a solid roof cover which shall also be designed to match the architecture of the development.

## 6.7 SIDEWALKS

Sidewalks shall be located along natural pedestrian travel paths. Sidewalks should be a minimum of 5' wide along pedestrian pathways.

## 6.8 ARCHITECTURAL CHARACTER\DETAILS

The project area is located within Ontario's historic downtown area, and shall comply with the Downtown Ontario Design Guidelines. The Downtown Ontario Design Guidelines were adopted in 1998 to guide the physical revitalization of Ontario's historic downtown. The Guidelines provide architectural and design principals, as well as design concepts for downtown districts. The project area is located within the Historic Retail District, a mixed-use area with a focus on housing, commercial and retail.

The design principles and desired architectural features for the mixed-use blocks are derived from the architectural style and elements set forth in Section 3.5.3 of the Downtown Design Guidelines and in Section 2A.4.3.2 Design Guidelines for Context Buildings in the 1950's styles Subdistrict, with respect to 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 and Certificates of Appropriateness for each block, subject to final interpretation by the Planning/Historic Preservation Commission and City Council.

### Architectural Character

- 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.
- 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.

### Massing & Scale

- 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 fifty (50) 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.

### Articulation & Fenestration

- 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.

### Architectural Details

- Use architectural details to enhance a building's appearance. Careful detailing is especially appropriate at the base of buildings, along cornices, eaves, parapets or ridge tops, and around entries and windows.
- 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.
- Design architectural features and details as an integral part of the building; architectural features, including canopies and awnings, should not appear "tacked-on."

### Storefront Guidelines

- 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.

### Materials & Colors

- 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, wood, stone veneers or stucco are preferred.
- To create visual interest, use at least 3 different building materials on building facades. Materials may be used to highlight a building entrance or distinguish the building base.
- Any awnings shall be comprised of durable, heat, dust and mildew-resistant canvas materials that are designed to withstand the rigors of the Ontario climate. Vinyl or other shiny materials are prohibited. However, canopies are preferred over awnings.

### Roofs/Rooftop Equipment

- Express roofs in a visually interesting manner that complements the composition of the building and surrounding area, (i.e. use sculpted roof forms or a strong and attractively detailed cornice).
- Locate and/or screen rooftop equipment, including ladders and antenna devices, so that it is not visible from streets and adjacent buildings; methods of rooftop screening should be integral to the building's form.
- All mechanical units shall be screened from public view and from adjacent existing buildings (preferably with roof forms).
- When roof decks and mechanical units are visible from adjacent developments, they should be as unobtrusive as possible and painted to match finish roof material.

### 6.9 OUTDOOR DINING AREAS

Outdoor dining areas adjacent to a street level eating or drinking establishment are encouraged along Euclid Avenue and are permitted along any street frontage. Any such areas shall be designed in accordance with the provisions set forth in Section 2A.7 of the Downtown Ontario Design Guidelines, plus any additional features that may be required as part of on-sale alcoholic beverages. Outdoor dining along Euclid will require an agreement with the California Department of Transportation, since this street is within a State right-of-way.

### 6.10 SIGNS

All commercial signs shall be designed in accordance with the criteria set forth in Section 2C of the Downtown Ontario Design Guidelines.

### 6.11 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.

On-site lighting must be directed away or shielded from adjacent streets, and adjacent properties. All exterior lighting shall be of an indirect nature, coming from under eaves and canopies, or at ground level, with in landscaped areas.

Exterior lighting fixtures should be a decorative and reinforce the architectural style of the building.

Light standards less than 15 FT in height (including lighting bollards) should illuminate all street sidewalks and connecting walkways, and are encouraged throughout the project.



## 7. HISTORIC PRESERVATION

### 7.1 HISTORIC CONTEXT AND BACKGROUND

The project area that comprises the PUD established by this document is located within the City's Historic Downtown District. Founded by the Chaffey Brothers in the 1880's, Ontario was a coined a "model irrigation colony" by an Act of Congress in 1904. The Chaffey Brothers bought 6,218 acres of the Cucamonga Ranch in 1882 after the Southern Pacific Railway extended its service to the west. Approximately 640 acres were set aside for the community of Ontario, with half of that endowed to the Chaffey Agricultural College. The rest of the acreage was utilized as agricultural land. The primary feature of the Chaffey city plan was the two hundred foot wide Euclid Avenue. Several innovations included the provision for water rights for each landowner, electric lights, and an electric railway. The gravity Mule Car that ran along the length of Euclid from 1888 to 1895 provided interest to its visitors as did the historic fountain that displayed Ontario's water supply system. The median still exists today and has been a center of public activity since its inception. The present downtown took shape from the original irrigation system and land subdivision pattern established by the Chaffey Brothers in the 1880's as it grew evenly northwards away from the railroad lines. The area within the current Downtown almost exactly matches the original boundaries of the Model Colony.

As a part of the recognition of Ontario's rich heritage, the City Council in July 1991 adopted a Historic Preservation Ordinance. The purpose of the Ordinance was:

1. To safeguard the City's unique historical heritage as embodied and reflected in the City's architectural history and patterns of cultural development;
2. To foster civic and neighborhood pride and a sense of identity based on the recognition and use of Historical Resources; and
3. To preserve diverse architectural styles, patterns of development, and design preferences reflecting phases of the City's history and to encourage complementary contemporary design and construction and inspire a more livable urban environment.

The PUD area has frontage along Euclid Avenue. 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*). All proposed developments within the PUD area will require a Certificate of Appropriateness 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).

## 7.2 EXISTING HISTORIC RESOURCES

The PUD area does not contain any potential or proposed historic resources. However, the area is located within the Proposed Downtown Historic District. As such, a Certificate of Appropriateness will be required with all proposed developments within the PUD area to ensure no adverse impacts to the proposed and designated historic resources occur as a result of development. Infill and new construction, including building forms (design, scale/massing and site layout) and architectural elements, shall be developed in a manner that adheres to the Secretary of Interior Standards for the Treatment of Historic Resources, the City of Ontario Development Code, and the Ontario Design Guidelines.

# 8. ADMINISTRATION

## 8.1 ITEMS NOT ADDRESSED IN PUD

Any terms, requirements, or regulations not addressed within the PUD document shall be governed by the City of Ontario Development Code, the regulations of the Mixed-Use zones and City Standards.

## 8.2 DEVELOPMENT APPLICATIONS

Development Plans for the development of each individual parcel within the PUD area, along with fees and other required items, shall be submitted for review and approval per the requirements contained in Chapter 2, *Administration and Procedures*, of the City of Ontario Development Code and the General Application.

## 8.3 ADMINISTRATIVE EXCEPTIONS

Deviation from the development standards set forth in this document may be granted up to a maximum of ten (10%) percent by the Zoning Administrator. Any deviation that is greater than (10%) percent shall require Variance approval.



# CITY OF ONTARIO

Agenda Report  
December 17, 2019

SECTION:  
PUBLIC HEARINGS

**SUBJECT: A PUBLIC HEARING TO CONSIDER AN AMENDMENT TO THE MEREDITH INTERNATIONAL CENTRE SPECIFIC PLAN (FILE NO. PSPA19-002) TO ESTABLISH A MIXED-USE OVERLAY DISTRICT ON 22.39 ACRES OF LAND WITHIN A PORTION OF PLANNING AREA 2 (URBAN COMMERCIAL) LAND USE DISTRICT, LOCATED AT THE SOUTHEAST CORNER OF VINEYARD AVENUE AND INLAND EMPIRE BOULEVARD (APNS: 0110-311-52, 0110-311-53, 0110-311-54, AND 0110-311-55)**

**RECOMMENDATION:** That the City Council consider and adopt:

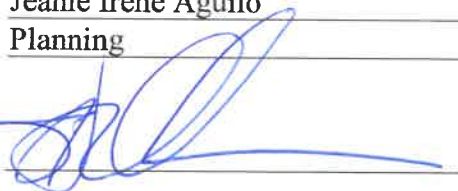
- (1) A resolution approving an addendum to Meredith International Centre Specific Plan Amendment Environmental Impact Report (SCH# 2014051020) certified by the City Council on April 7, 2015; and
- (2) A resolution approving an Amendment to the Meredith International Centre Specific Plan (File No. PSPA19-002) to establish a Mixed-Use Overlay district on 22.39 acres of land within a portion of Planning Area 2 (Urban Commercial) land use district, located at the southeast corner of Vineyard Avenue and Inland Empire Boulevard.

**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

**FISCAL IMPACT:** None.

**BACKGROUND:** Adopted in 1981, the Meredith International Centre Specific Plan ("Specific Plan") provided for a mix of high and low-rise office, food services, retail/commercial, and high-density residential development. In April 2015, the City Council approved a General Plan Amendment (File No. PGPA13-005) and Specific Plan Amendment (File No. PSPA14-003), that revised the Specific Plan land use plan to include a mix of Industrial, Urban Commercial, and Urban Residential land uses.

**STAFF MEMBER PRESENTING:** Scott Murphy, AICP, Executive Director Development Agency

Prepared by: Jeanie Irene Aguilo  
Department: Planning  
City Manager Approval: 

Submitted to Council/O.H.A. 12/17/2019  
Approved: \_\_\_\_\_  
Continued to: \_\_\_\_\_  
Denied: \_\_\_\_\_

18

The applicant, G.H. Palmer Associates, has submitted an Amendment to the Specific Plan to establish a Mixed-Use Overlay within a portion of Planning Area 2 of the Specific Plan.

**SPECIFIC PLAN AMENDMENT:** Planning Area 2 encompasses approximately 43.7 acres within the southwesterly portion of the Specific Plan and is bounded by Inland Empire Boulevard to the north, Interstate 10 to the south, Vineyard Avenue to the west, and the Cucamonga Creek Channel to the east. The proposed Specific Plan Amendment (“SPA”) establishes a 22.39-acre Mixed-Use Overlay District that will accommodate up to 925 multiple-family dwellings and 5,000 square feet of retail commercial space within the westerly portion of Planning Area 2. The remaining 21.31 acres of Planning Area 2 will remain Urban Commercial and will continue to allow for commercial office, retail and lodging. In addition, the SPA will revise several sections of the Specific Plan to reflect the addition of the Mixed-Use Overlay District for Planning Area 2 (Urban Commercial). The revised sections consist of Section 2 – Development Plan, Section 4 – Utility Infrastructure Plan, Section 5 – Development Standards, and Section 6 – Design Guidelines (Attachment A of the Resolution). The proposed SPA is being processed concurrently with a Development Plan (File No. PDEV19-025) to construct a mixed-use project consisting of 925 multiple-family dwellings and 5,000 square feet of retail space.

On November 26, 2019, the Planning Commission conducted a public hearing to consider File No. PSPA19-002 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 SPA. In addition, the Planning Commission approved the development plan (File No. PDEV19-025), contingent upon City Council approval of the SPA.

**HOUSING ELEMENT COMPLIANCE:** The project is consistent with the Housing Element of the Policy Plan (General Plan) component of The Ontario Plan. The Meredith International Centre Specific Plan is listed in the Available Land Inventory contained in Table A-3 (Available Land by Planning Area) of the Housing Element Technical Report Appendix. The Specific Plan requires 800 dwelling units at a density of 37 dwelling units per acre, which have been constructed. The proposed SPA will provide for an additional 925 residential units at a density of 41 dwelling units per acre which will add 925 excess units to the Available Land Inventory Table.

**AIRPORT LAND USE COMPATIBILITY PLAN (ALUCP) COMPLIANCE:** The project site is located within the Airport Influence Area of the Ontario International Airport and has been found to be consistent with the policies and criteria set forth within the Ontario International Airport Land Use Compatibility Plan.

**ENVIRONMENTAL REVIEW:** The environmental impacts of this project were reviewed in conjunction with an Addendum to the Meredith International Centre Specific Plan Amendment Environmental Impact Report (SCH# 2014051020) adopted by City Council on April 7, 2015, in conjunction with File Nos. PGPA13-005 and PSPA14-003. 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.

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

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF ONTARIO, CALIFORNIA, APPROVING AN ADDENDUM TO THE MEREDITH INTERNATIONAL CENTRE SPECIFIC PLAN ENVIRONMENTAL IMPACT REPORT, FOR WHICH AN INITIAL STUDY WAS PREPARED, ALL IN ACCORDANCE WITH THE CALIFORNIA ENVIRONMENTAL QUALITY ACT, AS AMENDED, FOR FILE NO. PSPA19-002—APNs: 0110-311-52, 0110-311-53, 0110-311-54, AND 0110-311-55.

WHEREAS, prior to the adoption of this Resolution, the Planning Director of the City of Ontario prepared and approved for attachment to the certified Environmental Impact Report, an addendum to the Meredith International Centre Specific Plan Amendment Environmental Impact Report — State Clearinghouse No. 2014051020 — for File No. PSA19-002 (hereinafter referred to as “EIR Addendum”), all in accordance with the requirements of the California Environmental Quality Act of 1970, together with State and local guidelines implementing said Act, all as amended to date (collectively referred to as “CEQA”); and

WHEREAS, File No. PSPA19-002 analyzed under the EIR Addendum, consists of an Amendment to the Meredith International Centre Specific Plan to establish a Mixed-Use Overlay district on 22.39 acres of land within a portion of the Planning Area 2 (Urban Commercial) land use district, located at the southeast corner of Vineyard Avenue and Inland Empire Boulevard, in the City of Ontario, California (hereinafter referred to as the "Project"); and

WHEREAS, the Meredith International Centre Specific Plan Amendment Environmental Impact Report — State Clearinghouse No. 2014051020 — was certified on April 7, 2015 (hereinafter referred to as “Certified EIR”), in which development and use of the Project site was discussed; and

WHEREAS, pursuant to California Environmental Quality Act (“CEQA”) Guidelines Section 15164(a), a lead agency shall prepare an addendum to a previously certified EIR if some changes or additions are necessary to a project, but the preparation of a subsequent or supplemental EIR is not required; and

WHEREAS, the City determined that none of the conditions requiring preparation of a subsequent or supplemental EIR would occur from the Project, and that preparation of an addendum to the EIR was appropriate; and

WHEREAS, the City of Ontario is the lead agency on the Project, and the City Council is the decision-making authority for the requested approval to construct and otherwise undertake the Project; and

WHEREAS, the City Council has reviewed and considered the Initial EIR Addendum for the Project, has concluded that none of the conditions requiring preparation of a subsequent or supplemental EIR have occurred, and intends to take actions on the Project in compliance with CEQA and state and local guidelines implementing CEQA; and

WHEREAS, the EIR Addendum for the Project are on file in the Planning Department, located at 303 East B Street, Ontario, CA 91764, are available for inspection by any interested person at that location and are, by this reference, incorporated into this Resolution as if fully set forth herein; and

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

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

**SECTION 1. Environmental Determination and Findings.** As the decision-making authority 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 reviewed in conjunction with an Addendum to the Meredith International Centre Specific Plan Amendment Environmental Impact Report (SCH# 2014051020), certified by the City Council on April 7, 2015, in conjunction with File Nos. PGPA13-005 and PSPA14-003; and

(2) The EIR Addendum and administrative record have been completed in compliance with CEQA, the State CEQA Guidelines, and the City of Ontario Local CEQA Guidelines; and

(3) The City's "Guidelines for the Implementation of the California Environmental Quality Act (CEQA)" provide for the use of a single environmental assessment in situations where the impacts of subsequent projects are adequately analyzed. This Application introduces no new significant environmental impacts; and

(4) All previously adopted mitigation measures shall be a condition of project approval, as they are applicable to the Project, and are incorporated herein by this reference; and

(5) The EIR Addendum contains a complete and accurate reporting of the environmental impacts associated with the Project, and reflects the independent judgment of the City Council; and

(6) There is no substantial evidence in the administrative record supporting a fair argument that the project may result in significant environmental impacts.

**SECTION 2. Additional Environmental Review Not Required.** Based on the Addendum, all related information presented to the City Council, and the specific findings set forth in Section 1, above, the City Council finds that the preparation of a subsequent or supplemental Environmental Impact Report is not required for the Project, as the Project:

(1) Does not constitute substantial changes to the Certified EIR that will require major revisions to the Certified EIR due to the involvement of new significant environmental effects or a substantial increase in the severity of previously identified significant effects; and

(2) Does not constitute substantial changes with respect to the circumstances under which the Certified EIR was prepared, that will require major revisions to the Certified EIR due to the involvement of new significant environmental effects or a substantial increase in the severity of the previously identified significant effects; and.

(3) Does not contain new information of substantial importance that was not known and could not have been known with the exercise of reasonable diligence at the time the Certified EIR was certified/adopted, that shows any of the following:

(a) The project will have one or more significant effects not discussed in the Certified EIR; or

(b) Significant effects previously examined will be substantially more severe than shown in the Certified EIR; or

(c) Mitigation measures or alternatives previously found not to be feasible would in fact be feasible and would substantially reduce one or more significant effects of the Project, but the City declined to adopt such measures; or

(d) Mitigation measures or alternatives 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. *City Council Action.*** Based upon the findings and conclusions set forth in Sections 1 and 2, above, the City Council hereby finds that based upon the entire record of proceedings before it, and all information received, that there is no substantial evidence that the Project will constitute substantial changes to the Certified EIR, and does hereby APPROVE the EIR Addendum to the Certified EIR, incorporated herein by this reference.

**SECTION 4. *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 5. *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 6.     ***Certification to Adoption.*** The City Clerk of the City of Ontario shall certify as to the adoption of this Resolution.

PASSED, APPROVED, AND ADOPTED this 17<sup>th</sup> day of December 2019.

\_\_\_\_\_  
PAUL S. LEON, MAYOR

ATTEST:

\_\_\_\_\_  
SHEILA MAUTZ, CITY CLERK

APPROVED AS TO FORM:

\_\_\_\_\_  
COLE HUBER 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. 2019-\_\_\_\_ was duly passed and adopted by the City Council of the City of Ontario at their regular meeting held December 17, 2019, 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. 2019-\_\_\_\_ duly passed and adopted by the Ontario City Council at their regular meeting held December 17, 2019.

\_\_\_\_\_  
SHEILA MAUTZ, CITY CLERK

(SEAL)

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

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF ONTARIO, CALIFORNIA, APPROVING FILE NO. PSPA19-002, AN AMENDMENT TO THE MEREDITH INTERNATIONAL CENTRE SPECIFIC PLAN TO ESTABLISH A MIXED-USE OVERLAY DISTRICT ON 22.39 ACRES OF LAND WITHIN A PORTION OF PLANNING AREA 2 (URBAN COMMERCIAL) LAND USE DISTRICT, LOCATED AT THE SOUTHEAST CORNER OF VINEYARD AVENUE AND INLAND EMPIRE BOULEVARD, AND MAKING FINDINGS IN SUPPORT THEREOF—APNS: 0110-311-52, 0110-311-53, 0110-311-54, AND 0110-311-55.

WHEREAS, G.H. PALMER ASSOCIATES (hereinafter referred to as "Applicant") has filed an Application for the approval of a Specific Plan Amendment, File No. PSPA19-002, as described in the title of this Resolution (hereinafter referred to as "Application" or "Project"); and

WHEREAS, the Application applies to 22.39 acres of land generally located at the southeast corner of Vineyard Avenue and Inland Empire Boulevard and is currently vacant; and

WHEREAS, the properties to the north of the project site are within the Planning Area 1 (Industrial) land use district of the Meredith International Centre Specific Plan ("Specific Plan") and are improved with industrial development. The properties to the east are within the Urban Commercial land use district of the Specific Plan and are developed with an automobile dealership (Infiniti). The properties to the west are within the LDR-5 (Low Density Residential – 2.1 to 5.0 DUs/acre) zoning district and are developed with single-family residences. Additionally, Interstate 10 borders the project site on the south side; and

WHEREAS, the Applicant is requesting approval of an Amendment to the Meredith International Centre Specific Plan to establish a 22.39-acre Mixed-Use Overlay District that will accommodate up to 925 multiple-family dwellings and 5,000 square feet of retail commercial located on the westerly portion of Planning Area 2; and

WHEREAS, Planning Area 2 encompasses approximately 43.7 acres within the southwesterly portion of the Specific Plan and the remaining 21.31 acres of the eastern portion of Planning Area 2 will remain Urban Commercial and will continue to allow for commercial office, retail and lodging; and

WHEREAS, the Amendment will revise several sections of the Meredith International Centre Specific Plan to reflect the addition of the Mixed-Use Overlay District for Planning Area 2 (Urban Commercial). The revised sections consist of: Section 2 - Development Plan, Section 4 – Utility Infrastructure Plan, Section 5 – Development Standards, and Section 6 – Design Guidelines (See Attachment A); and



WHEREAS, the proposed Specific Plan Amendment is being processed concurrently with a Development Plan (File No. PDEV19-025), to construct a mixed-use project consisting of 925 multiple-family dwellings and 5,000 square feet of retail space; and

WHEREAS, the proposed Specific Plan Amendment will adjust the percentages for residential and commercial land uses within the Specific Plan. Residential percentages will increase from 23 percent to 47 percent (43.99 acres) and office/retail percentages will decrease from 72 percent to 48 percent. Subsequently, increasing the number allowable residential units from 800 to 1,725; and

WHEREAS, environmental impacts of this project were previously reviewed in conjunction with an Addendum to the Meredith International Centre Specific Plan Amendment Environmental Impact Report (SCH# 2014051020), certified by City Council on April 7, 2015, in conjunction with File Nos. PGPA13-005 and PSPA14-003. 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, the Application is a project pursuant to the California Environmental Quality Act — Public Resources Code Section 21000 et seq. — (hereinafter referred to as "CEQA") and an initial study has been prepared to determine possible environmental impacts; 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, 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 (hereinafter referred to as "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 November 26, 2019, the Planning Commission of the City of Ontario conducted a hearing to consider the Addendum and the Project, and concluded said hearing on that date, voting to issue Resolution No. PC19-094 recommending the City Council approve the Application; and

WHEREAS, on December 17, 2019, the City Council of the City of Ontario conducted a hearing to consider the Addendum and the Project, and concluded said hearing on that date; and

WHEREAS, as the first action on the Project, on December 17, 2019, the City Council approved a resolution adopting an Addendum to a previous Certified EIR prepared pursuant to CEQA, the State CEQA Guidelines and the City of Ontario Local CEQA Guidelines, which indicated that all potential environmental impacts from the Project were less than significant or could be mitigated to a level of significance; and

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

NOW, THEREFORE, IT IS HEREBY FOUND, DETERMINED, AND RESOLVED 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. 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 an Addendum to the Meredith International Centre Specific Plan Amendment Environmental Impact Report (SCH# 2014051020), certified by the City Council on April 7, 2015, in conjunction with File Nos. PGPA13-005 and PSPA14-003; and

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

(3) The City's "Guidelines for the Implementation of the California Environmental Quality Act (CEQA)" provide for the use of a single environmental assessment in situations where the impacts of subsequent projects are adequately analyzed. This Application introduces no new significant environmental impacts; and

(4) The Addendum contains a complete and accurate reporting of the environmental impacts associated with the Project, and reflects the independent judgment of the City Council; and

(5) There is no substantial evidence in the administrative record supporting a fair argument that the project may result in significant environmental impacts; and

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

**SECTION 2. Additional Environmental Review Not Required.** Based on the Addendum, all related information presented to the City Council, and the specific findings set forth in Section 1, above, the City Council finds that the preparation of a subsequent or supplemental 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 upon the facts

and information contained in the Application and supporting documentation, at the time of Project implementation, the project is consistent with the Housing Element of the Policy Plan (General Plan) component of The Ontario Plan. The Meredith International Centre Specific Plan is listed in the Available Land Inventory contained in Table A-3 (Available Land by Planning Area) of the Housing Element Technical Report Appendix. The Specific Plan requires 800 dwelling units at a density of 37 dwelling units per acre, which have been constructed. The proposed SPA will provide for an additional 925 residential units at a density of 41 dwelling units per acre which will add 925 excess units on the Available Land Inventory Table.

**SECTION 4. *Ontario International Airport Land Use Compatibility Plan (“ALUCP”) Compliance.*** The California State Aeronautics Act (Public Utilities Code Section 21670 et seq.) requires that an Airport Land Use Compatibility Plan be prepared for all public use airports in the State; and requires that local land use plans and individual development proposals must be consistent with the policies set forth in the adopted Airport Land Use Compatibility Plan. On April 19, 2011, the City Council of the City of Ontario approved and adopted the Ontario International Airport Land use Compatibility Plan (“ALUCP”), establishing the Airport Influence Area for Ontario International Airport (“ONT”), which encompasses lands within parts of San Bernardino, Riverside, and Los Angeles Counties, and limits future land uses and development within the Airport Influence Area, as they relate to noise, safety, airspace protection, and overflight impacts of current and future airport activity. As the decision-making body for the Project, the City Council has reviewed and considered the facts and information contained in the Application and supporting documentation against the ALUCP compatibility factors, including [1] Safety Criteria (ALUCP Table 2-2) and Safety Zones (ALUCP Map 2-2), [2] Noise Criteria (ALUCP Table 2-3) and Noise Impact Zones (ALUCP Map 2-3), [3] Airspace protection Zones (ALUCP Map 2-4), and [4] Overflight Notification Zones (ALUCP Map 2-5). As a result, the City Council, therefore, finds and determines that the Project, when implemented in conjunction with the conditions of approval, will be consistent with the policies and criteria set forth within the ALUCP.

**SECTION 5. *Concluding Facts and Reasons.*** 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 Specific Plan, 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 proposed Specific Plan Amendment is consistent with the Vision, Policy Plan (General Plan), and City Council Priorities components of The Ontario Plan, in that it contributes toward the legislative framework for the implementation of The Ontario Plan, guiding growth and development within the Urban Commercial land use district, and achieving optimum results from the City's physical, economic, environmental, and human resources.

(2) ***The proposed Specific Plan, or amendment thereto, would not be detrimental to the public interest, health, safety, convenience, or general welfare of the City.*** The proposed standards and guidelines for development within the Mixed-Use

Overlay District were established with the intent to safeguard and further the public interest, health, safety, convenience, and general welfare, and to ensure that the purposes of The Ontario Plan and Meredith International Centre Specific Plan are maintained.

(3) ***In the case of an application affecting specific properties, the proposed Specific Plan, or amendment thereto, will not adversely affect the harmonious relationship with adjacent properties and land uses.*** The proposed Specific Plan Amendment, and the conditions under which it will be implemented and maintained, is consistent with the Policy Plan component of The Ontario Plan and the design criteria of the Meredith International Centre Specific Plan, and, therefore, will not adversely affect the harmonious relationship with adjacent properties and land uses.

(4) ***In the case of an application affecting specific properties, 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.*** A Development Plan was submitted in conjunction with the proposed Specific Plan Amendment, which demonstrates that the site is physically suitable to accommodate the proposed Project and anticipated development.

**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 Application, subject to each and every condition set forth in the Department reports 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. Certification to Adoption.** The City Clerk shall certify to the adoption of the Resolution.

PASSED, APPROVED, AND ADOPTED this 17<sup>th</sup> day of December 2019.

---

PAUL S. LEON, MAYOR

ATTEST:

---

SHEILA MAUTZ, CITY CLERK

APPROVED AS TO FORM:

---

COLE HUBER 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. 2019-\_\_\_\_\_ was duly passed and adopted by the City Council of the City of Ontario at their regular meeting held December 17, 2019, 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.2019-\_\_\_\_\_ duly passed and adopted by the Ontario City Council at their regular meeting held December 17, 2019.

\_\_\_\_\_  
SHEILA MAUTZ, CITY CLERK

(SEAL)

**ATTACHMENT A:**

**File No. PSPA19-002;  
Amendment to the Meredith International Centre  
Specific Plan**



# MEREDITH INTERNATIONAL CENTRE

## Specific Plan

Lead Agency:

**City of Ontario**

303 East "B" Street  
Ontario, CA 91764

Developed by:

**Sares-Regis Group**

18802 Bardeen Avenue  
Irvine, CA 92612

Prepared by:

**T&B Planning, Inc.**

17542 East 17<sup>th</sup> Street, Suite 100  
Tustin, CA 92780

*In Consultation With:*

RBF Consulting  
*Civil Engineering*

SJA, Inc.  
*Landscape Architecture*

Linscott, Law & Greenspan  
*Traffic Engineering*

Draft: December 17, 2019

## B. LAND USE PLAN

This Specific Plan specifies three land use districts: Industrial, Urban Commercial, Mixed-Use, and Urban Residential. For planning purposes, the 257.7-acre MEREDITH INTERNATIONAL CENTRE Specific Plan property is divided into six planning areas.

- ❖ Planning Area 1 Industrial
- ❖ Planning Area 1A Industrial
- ❖ Planning Area 2 Urban Commercial
- ❖ **Planning Area 2A Mixed-Use Overlay**
- ❖ Planning Area 3 Urban Commercial
- ❖ Planning Area 4 Urban Residential
- ❖ Planning Area 5 Urban Commercial

Figure 2-1, Land Use Plan, depicts the physical arrangement of land uses on the Specific Plan property. Table 2-1, Land Use Plan Statistical Summary, lists each planning area and their respective land use district, acreage, and development intensity. Buildout intensity of this Specific Plan is shown in the table below.

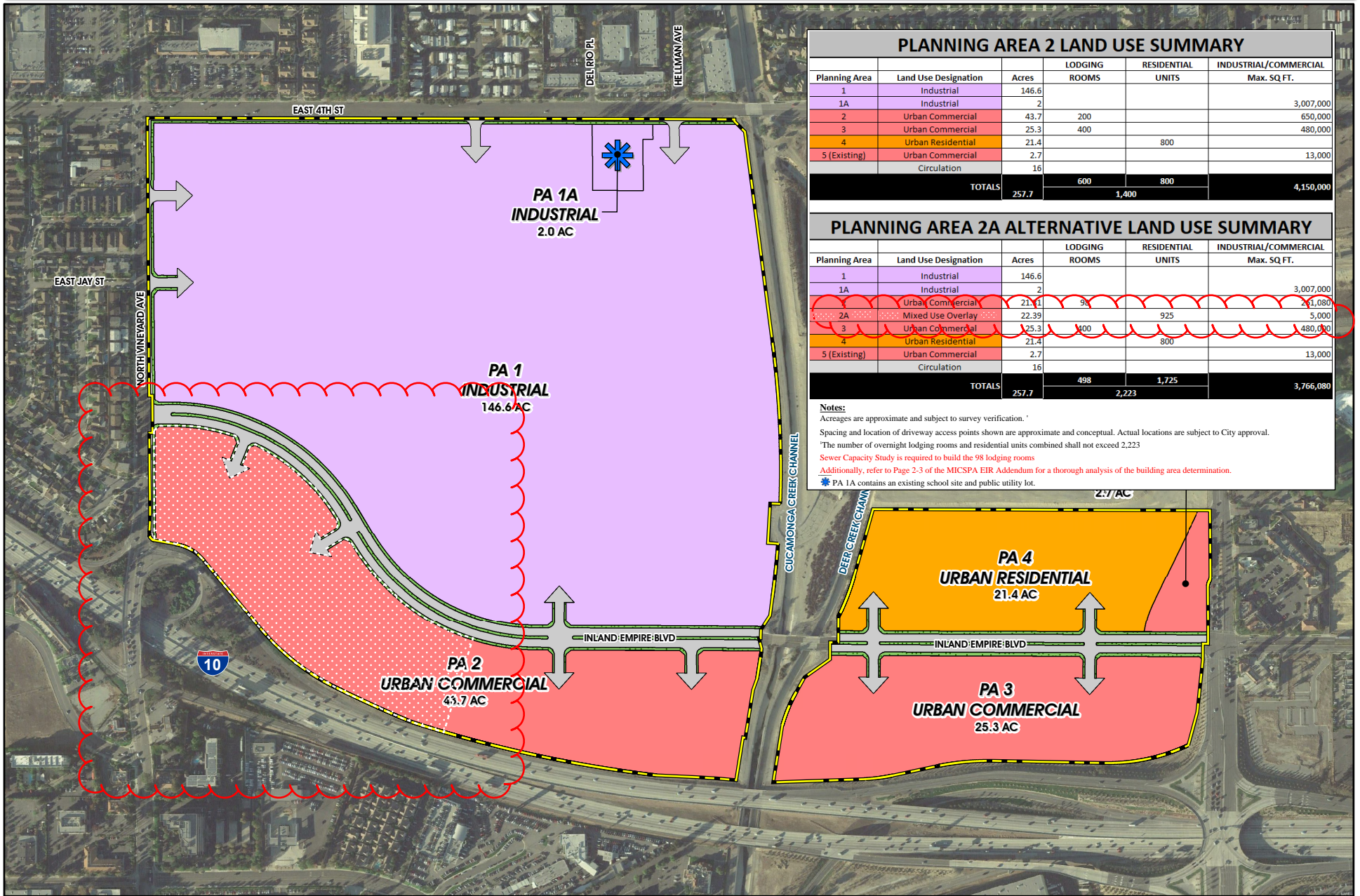
Use Category	Development Intensity	Planning Area(s)
Industrial	3,007,000 square feet	1 and 1A
Urban Commercial	1,143,000 square feet	2, 3, and 5
Mixed Use Overlay	925 units/ 5,000 sf	2A
Urban Residential	800 units	4

Refer to Figure 2-1, *Land Use Plan*, and Table 2-1, *Land Use Plan Statistical Summary*, for more detailed information.

Additionally, refer to Page 2-3 of the *MICSPA EIR Addendum* for a thorough analysis of the building area determination

Planning Area boundaries were determined by natural and man-made physical divisions formed by drainage channels, roads, and existing development. The Cucamonga Creek Channel and Deer Creek Channel (not a part of the Specific Plan area) divide the Specific Plan property in a north-south direction. The channels create a physical separation between the Industrial land uses in Planning Area 1 and the Urban Residential land uses in Planning Area 4. The channels also divide the two largest Urban Commercial and Mixed-Use Planning Areas (Planning Area 2/2A and Planning Area 3). In a similar manner, the alignment of Inland Empire Boulevard separates the Industrial land uses in Planning Area 1 from the Urban Commercial and Mixed-use land uses in Planning Area 2/2A and separates Planning Area 4 and Planning Area 5 from Planning Area 3.

The boundaries of Planning Area 1A, and Planning Area 5 were determined by uses that were present in those areas at the time Specific Plan Amendment No. 1 was prepared (2015). Planning Area 1A (2.0 acres) was developed with an elementary school and public water utility use and Planning Area 5 (2.7 acres) was developed as a small retail commercial shopping center. **The Planning Area 2A Mixed-Use Overlay 22.39 acres was determined by the remainder of the Planning Area 2 Urban Commercial.**



Planning Area	Land Use Designation	Acres	LOGGING	RESIDENTIAL	INDUSTRIAL/COMMERCIAL
			ROOMS	UNITS	Max. SQ. FT.
1	Industrial	146.6			
1A	Industrial	2			3,007,000
2	Urban Commercial	43.7	200		650,000
3	Urban Commercial	25.3	400		480,000
4	Urban Residential	21.4		800	
5 (Existing)	Urban Commercial	2.7			13,000
	Circulation	16			
<b>TOTALS</b>		<b>257.7</b>	<b>600</b>	<b>800</b>	<b>4,150,000</b>

Planning Area	Land Use Designation	Acres	LOGGING	RESIDENTIAL	INDUSTRIAL/COMMERCIAL
			ROOMS	UNITS	Max. SQ. FT.
1	Industrial	146.6			
1A	Industrial	2			3,007,000
2A	Urban Commercial	21.4	98		2,108,000
2A	Mixed Use Overlay	22.39		925	5,000
3	Urban Commercial	25.3	400		480,000
4	Urban Residential	21.4		800	
5 (Existing)	Urban Commercial	2.7			13,000
	Circulation	16			
<b>TOTALS</b>		<b>257.7</b>	<b>498</b>	<b>1,725</b>	<b>3,766,080</b>

**Notes:**  
 Acreages are approximate and subject to survey verification.  
 Spacing and location of driveway access points shown are approximate and conceptual. Actual locations are subject to City approval.  
 \*The number of overnight lodging rooms and residential units combined shall not exceed 2,223  
 Sewer Capacity Study is required to build the 98 lodging rooms  
 Additionally, refer to Page 2-3 of the MICSPE EIR Addendum for a thorough analysis of the building area determination.  
 \* PA 1A contains an existing school site and public utility lot.

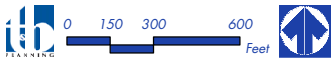


FIGURE 2-1  
 LAND USE PLAN

*Table 2-2 Alternative Land Use Plan Statistical Summary*

Planning Area	Land Use	Acreage	Development Intensity		
			Units		Non-Residential Square Footage
			Overnight Lodging Room	Multi-Family Residential	
1	Industrial	146.6			3,007,000
1A	Industrial	2			
2	Urban Commercial	21.31	98 (B)(D)(E)		261,080
2A	Mixed-Use Overlay	22.39		925	5,000 (D)
3	Urban Commercial	25.3	400 (B)		480,000
4	Urban Residential	21.4		800	
5	Urban Commercial	2.7			13000 (A)
	Circulation	16			
<b>TOTALS</b>		257.7	498 (B)	1,725	3,766,080
			2,223 (C) (E)		

A - Planning Area 5 was fully constructed at the time Specific Plan Amendment No. 1 was prepared. The building square footage of 13,000 SF is approximate.

B - Overnight lodging rooms are included in the non-residential square footage.

C - Overnight lodging rooms may be swapped for additional multi-family residences in Planning Area 4 at a ratio of 1:1. Alternatively, multi-family residences may be swapped for additional overnight lodging rooms in Planning Areas 2 and/or 3 at a ratio of 1:1. The number of overnight lodging rooms and residential units combined shall not exceed 2,223.

D - Additionally, refer to Page 2-3 of the MICSPA ER Addendum for a thorough analysis of the building area determination

E - Sewer Capacity Study is required to build the 98 lodging rooms.



**B.3. Planning Area 2/2A - Urban Commercial/ Mixed Use**

VISION  
STATISTICS



LAND USE CATEGORY: Urban Commercial/Mixed Use  
 ACREAGE: 43.7 acres  
 BUILDING INTENSITY: 650,000 s.f.

Planning Area 2 encompasses 43.7 acres of land located in the southwestern portion of the Specific Plan area. As shown on Figure 2-4, Planning Area 2, it is bordered on the north by Inland Empire Boulevard, on the south by Interstate 10, on the west by North Vineyard Avenue, and on the east by the Cucamonga Creek Channel.

Having a long, linear configuration adjacent to Interstate 10 with good visibility to passing motorists and easy access to the North Vineyard Avenue on- and off-ramps, Planning Area 2 is designed to accommodate Urban Commercial land uses, with a **Residential Mixed Use Overlay**. In concert with Planning Area 3, the uses in Planning Area 2 are designed to form an attractive visual gateway into MEREDITH INTERNATIONAL CENTRE.

The Urban Commercial **and Mixed Use** designation of Planning Area 2/2A allows for a range of commercial uses that benefit from the properties adjacency to Interstate 10 and approximately ½-mile distance to Ontario International Airport. Planning Area 2/2A is designed as an area offering a variety of market-driven commercial and residential uses to service nearby residents, visitors to the area, and travelers on Interstate 10. Two hundred (200) overnight lodging rooms are permitted in Planning Area 2. **Nine hundred twenty five (925) residential units are permitted in the Planning Area 2 Mixed Use Overlay. 5,000 sf of commercial space is also permitted.** The range of permitted land uses achieves this Specific Plans vision and intention to provide a mix of uses that take advantage of proximity to transportation corridors and serve the surrounding community and region.

Refer to Section 5, Development Standards, for a list of permitted uses and additional information. Vehicular access into Planning Area 2 is provided via Inland Empire Boulevard. The 4-way intersection at Del Rio Place and Inland Empire Boulevard provides a primary entry point to Planning Area 2 from Inland Empire Boulevard. Direct access into Planning Area 2 from North Vineyard Avenue is not permitted.

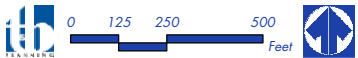
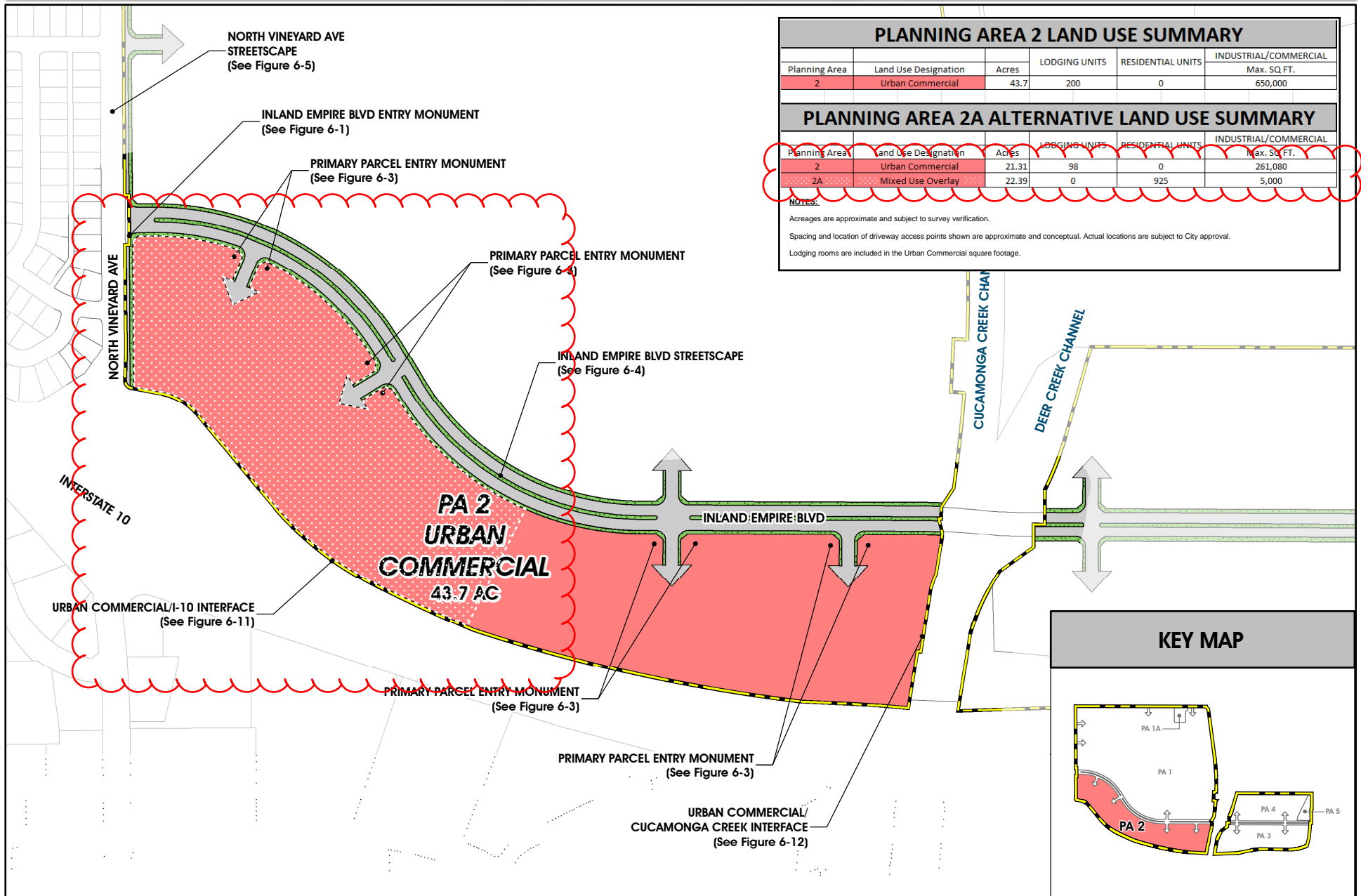


FIGURE 2-4

PLANNING AREA 2

# Utility Infrastructure Plan

## Section 4

## C. SANITARY SEWER<sup>1</sup>

The Specific Plan area is served by Ontario Municipal Utilities Company, which conveys wastewater to the Inland Empire Utility Agency (IEUA) for transmission to treatment facilities. As shown on Figure 4-3, *Sanitary Sewer Infrastructure Plan*, there is a 12-inch diameter pipe installed beneath North Vineyard Avenue, and an 8-inch diameter pipe installed beneath North Archibald Avenue. In addition, an existing 15-inch diameter pipe traverses Planning Area 3 approximately 300 feet west of North Archibald Avenue; this line conveys sewer flows from the 8-inch line beneath Inland Empire Boulevard south across Interstate 10 to treatment facilities.

IEUA system pipes are installed beneath Inland Empire Boulevard (24-inch diameter), and North Archibald Avenue (24- and 30-inch diameters), as illustrated on Figure 4-2. The IEUA sewer line beneath Inland Empire Boulevard is not available for domestic flows and, therefore, not available to service MEREDITH INTERNATIONAL CENTRE.

The sanitary sewer system for MEREDITH INTERNATIONAL CENTRE is designed to utilize the 15-inch diameter pipe installed within Planning Area 3 as the discharge point for flows produced within the Specific Plan area. To make a connection to this line, a pipe that transitions from an 8-inch to 15-inch diameter is planned beneath Inland Empire Boulevard from just east of North Vineyard Avenue to just west of North Archibald Avenue. Planned 8-inch diameter lines beneath the alignments of East Jay Street and Del Rio Place will convey flows from Planning Area 1 and connect to the planned line beneath Inland Empire Boulevard.

An 8-inch diameter siphon may be required under the Cucamonga Creek Channel and Deer Creek Channel. Additional off-site improvements to the City's sanitary sewer system may be necessary downstream of the MEREDITH INTERNATIONAL CENTRE (to be determined by the City of Ontario as part of the final engineering process for implementing development).

Based on sewer demand rates given in the 2012 City of Ontario Sewer Master Plan, MEREDITH INTERNATIONAL CENTER sanitary sewer flows are estimated at 481,930 gallons per day (gpd).

## D. CONCEPTUAL STORM DRAIN PLAN

The master storm drain plan for MEREDITH INTERNATIONAL CENTRE is shown on Figure 4-4, *Storm Drain Infrastructure Plan*.

Planning Area 1 drains in a southeasterly direction and the drainage ultimately flows into the Cucamonga Creek Channel. Basins for water quality and detention purposes are planned within Planning Area 1 to serve functional drainage purposes and may be supplemented by underground storm water chambers or dry wells if at-grade storm water storage space is limited. Flows discharged from Planning Area 1 will be conveyed east via a new storm drain pipe beneath Inland Empire Boulevard and discharged into the Cucamonga Creek Channel (via a new outlet connection).

Planning Area 2 drains easterly to an existing inlet connection to the Cucamonga Creek Channel adjacent to Interstate 10. No additional storm drain backbone infrastructure is needed to serve Planning Area 2.

1- As a result of the January 14, 2019 sewer study and its findings, the addition of residential units in the PA2 overlay resulted in a deficiency of the existing Inland Empire Siphon Crossing of the flood control channels. In order to address deficiencies, the project will be conditioned to pay a fee to participate in a capital improvement project. An additional 10-inch sewer siphon barrel is to be installed to upgrade the existing sewer siphon and to address the deficiency created.



# Development Standards

## Section 5

## H. Mixed Use Overlay Development Standards

The following standards establish the development criteria that shall apply within the Mixed-use Overlay land use district of this Specific Plan (Planning Area 2A).

MIXED USE OVERLAY DEVELOPMENT STANDARDS		
Subject	Mixed Use Overlay (Proposed)	
Max Density/ Total Unit Count	50 DU/AC- 925 DU	
Max FAR	*1.3	
Setbacks	Vineyard	BLDG: 15' Drive Aisle/Parking: 15'
	Inland Empire Blvd	BLDG: 10' Drive Aisle/Parking: 10'
	Residential Property Setback	BLDG: 15' Drive Aisle/Parking: 5'
	Freeway	BLDG (Front of BLDG facing Freeway): 100' BLDG (Side or Rear of BLDG facing Freeway): 20' **Drive Aisle/Parking: 5'
Allowable Encroachment into Setback	3'	

Minimum Building Separation: Attached structure	Freestanding Structures: Front to Front: 20' Front to Rear: 20' Other: 10'
Parking stall to BLDG Separation	5'
Drive Aisle to BLDG Separation	Front:10' Side/Rear: 5'
Max BLDG Height	70-150'
Private Open Space	Studio: min. 0 SF 1br: min. 40 SF 2-3br: min. 50 SF
Common Open Space	Min: 250 SF/DU
Storage Area	Studio: min. 55 CF 1br: min. 85 CF 2-3br: min. 85 CF
Minimum landscape Coverage	13%
Max Lot Coverage	75%

### *Other Mixed Use Development Standards*

- (1) Private Open Space
  - (a) Each unit shall have a minimum contiguous area of 0 s.f. of private open space for the exclusive use of a dwelling unit's occupants and guests. The design of private open space areas shall comply with the City of Ontario Development Code.
- (2) Common Open Space
  - (a) A minimum of 250 s.f. of common open space per unit shall be provided for the enjoyment of all residents within a development project. Common open space may consist of active areas – including, but not limited to, recreation buildings, tot lots, and swimming or wading pools – and passive areas incorporating features that enhance the appearance and desirability of a development project – such as greenbelts, pathways, waterscapes, hardscapes, rockscapes, benches, gazebos, raised planters, and other unique features. The design of common open space areas shall comply with the City of Ontario Development Code.
- (3) Off-street parking shall be provided in accordance with the City of Ontario Development Code.
- (4) Signage shall conform to the design guidelines contained in Section 6 of this Specific Plan and the City of Ontario Development Code.
- (5) Primary buildings (not ancillary buildings) shall achieve a minimum “Certified” rating under the United States Green Building Council’s Leadership in Energy & Environmental Design (LEED) program.
- (6) Properties located within the Airport Influence Area (AIA) established by the Ontario International Airport Land Use Compatibility Plan (ALUCP) shall be subject to the requirements and standards of the ALUCP.
- (7) The following disclosure shall be made to all buyers as part of any residential real estate transaction in accordance with the Ontario International Airport ALUCP and California Business and Professions Code §11010 and Civil Code §§ 1102.6, 1103.4, and 1353:

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

# Design Guidelines

## Section 6

### **Urban Commercial/Interstate 10 Interface**

The southern boundary of MEREDITH INTERNATIONAL CENTRE (Planning Areas 2 and 3) abuts Interstate 10. At this interface, layers of shade trees and shrub masses provide a green buffer between Urban Commercial development and the freeway, and a solid masonry wall or fence separation at MEREDITH INTERNATIONAL CENTRE.

Figure 6-11, *Urban Commercial/Interstate 10 Interface*, illustrates two conceptual design options at the Urban Commercial/Interstate 10 interface: one option where a front building elevation and parking lot are oriented toward the freeway and another option where a side or rear elevation and drive aisle are oriented toward the freeway. Figure 6-11 also illustrates the varying topographic conditions along this interface; along some portions of the interface, Interstate 10 is elevated above MEREDITH INTERNATIONAL CENTRE and along other portions the CENTRE is generally level with the freeway.

### **Urban Commercial/Cucamonga Creek Interface**

The Cucamonga Creek abuts the eastern boundary of Planning Area 2 and the western boundary of Planning Area 3. To protect the character and integrity of this open space area, MEREDITH INTERNATIONAL CENTRE provides a solid masonry wall or fence along this interface to physically separate development from the Creek. Large canopied shade trees and masses and shrubs and groundcovers are planted along the masonry wall or fence to soften the appearance of the wall from within MEREDITH INTERNATIONAL CENTRE. Figure 6-12, *Urban Commercial/Cucamonga Creek Interface*, presents a conceptual illustration of this interface.

### **Mixed Use Overlay**

The Mixed Use Overlay shall meet Urban Commercial development standards as applicable.

- (2) Window details such as shutters, trim surrounds, window boxes and window recesses are encouraged in keeping with the architectural style.

#### **d. Roof Forms**

Roofs shall be designed for functionality and to complement the overall architectural design of the building. The following roof design guidelines shall apply to Urban Residential development within MEREDITH INTERNATIONAL CENTRE.

- (1) Buildings shall incorporate vertical plane breaks, changes in building/ridge height, direction of gables, or other accent roof forms to create visual interest.
- (2) Appropriate forms include traditional hip and gable designs but also include curved roofs, flat roofs with parapet walls, and half gable roofs.
- (3) Exposed downspouts and overflow holes on building front façades shall be discrete and carefully located.
- (4) Rooftop mounted equipment is prohibited unless screened from view at surrounding streets.

## **F.2. Landscape Design Guidelines**

### **a. Land Use Transitions**

MEREDITH INTERNATIONAL CENTRE utilizes landscape treatments to provide visual and physical buffers between on-site Urban Residential land uses and various abutting, on- and off-site land uses. The conceptual interface conditions are described below and illustrated on the following pages.

### **Urban Residential/Deer Creek Interface**

The western boundary of Planning Area 4 abuts Deer Creek. MEREDITH INTERNATIONAL CENTRE provides a solid masonry wall or fence along this interface to physically separate development from the Creek. Large canopied shade trees and masses and shrubs and groundcovers are planted along the masonry wall or fence to soften the appearance of the wall or fence from residential areas within Planning Area 4. Figure 6-13, *Urban Residential/Deer Creek Interface*, provides a conceptual illustration of this interface.

### **Urban Residential/Urban Commercial Interface**

As depicted in Figure 6-14, *Urban Residential/Urban Commercial Interface*, MEREDITH INTERNATIONAL CENTRE provides a solid masonry wall or fence and several layers of landscaping (primarily evergreen and coniferous screen trees) to create a physical barrier between planned residential land uses in Planning Area 4 and existing Urban Commercial land uses in Planning Area 5 and to reduce the visibility of Urban Commercial buildings. The height of the masonry wall or fence shall be adequate to separate residents in Planning Area 4 from routine operations in Planning Area 5. Landscaping, including shrubs/hedges and vines shall be planted on both sides of the masonry wall or fence to soften the appearance.

### **Mixed Use Overlay**

**The Mixed Use Overlay shall meet Urban Residential development standards as applicable.**

**ATTACHMENT B:**

**File No. PSPA19-002;  
Conditions of Approval**

*(Documents follows this page)*



City of Ontario  
Planning Department  
303 East B Street  
Ontario, California 91764  
Phone: 909.395.2036  
Fax: 909.395.2420

*Planning Department  
Land Development Division  
Conditions of Approval*

---

**Meeting Date:** November 26, 2019

**File No:** PSPA19-002

**Related Files:** PDEV19-025

**Project Description:** An Amendment to the Meredith International Centre Specific Plan to establish a Mixed-Use Overlay district on 22.39 acres of land within a portion of Planning Area 2 (Urban Commercial) land use district, located at the southeast corner of Vineyard Avenue and Inland Empire Boulevard. (APNs: 0110-311-52, 0110-311-53, 0110-311-54, and 0110-311-55); **submitted by G.H. Palmer Associates.**

**Prepared By:** Jeanie Irene Aguilo, Associate Planner  
Phone: 909.395.2418 (direct)  
Email: jaguilo@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 Specific Plan/Specific Plan Amendment.** The following shall be submitted to the Planning Department within 30 days following City Council approval of the Specific Plan/Specific Plan Amendment:

- (a) Fifteen copies of the final Specific Plan document;
- (b) One complete, unbound copy of the final Specific Plan document;
- (c) One CD containing a complete Microsoft Word copy of the final Specific Plan document, including all required revisions;
- (d) Five CDs, each containing a complete PDF copy of the final Specific Plan document, including all required revisions; and
- (e) One CD containing a complete electronic website version of the final Specific Plan document, including all required revisions.

**2.2 General Requirements.** The Project shall comply with the following general requirements:



(a) All construction documentation shall be coordinated for consistency, including, but not limited to, architectural, structural, mechanical, electrical, plumbing, landscape and irrigation, grading, utility and street improvement plans. All such plans shall be consistent with the approved entitlement plans on file with the Planning Department.

(b) The project site shall be developed in conformance with the approved plans on file with the City. Any variation from the approved plans must be reviewed and approved by the Planning Department prior to building permit issuance.

(c) The herein-listed conditions of approval from all City departments shall be included in the construction plan set for project, which shall be maintained on site during project construction.

### **2.3** Environmental Review.

(a) The environmental impacts of this project were previously reviewed in conjunction with an Addendum to the Meredith International Centre Specific Plan Amendment Environmental Impact Report (SCH# 2014051020) adopted by City Council on April 7, 2015, in conjunction with File Nos. PGPA13-005 and PSPA14-003. This application introduces no new significant environmental impacts. The City's "Guidelines for the Implementation of the California Environmental Quality Act (CEQA)" provide for the use of a single environmental assessment in situations where the impacts of subsequent projects are adequately analyzed. The previously adopted mitigation measures shall be a condition of project approval, and are incorporated herein by this reference.

(b) If human remains are found during project grading/excavation/construction activities, the area shall not be disturbed until any required investigation is completed by the County Coroner and Native American consultation has been completed (if deemed applicable).

(c) If any archeological or paleontological resources are found during project grading/excavation/construction, the area shall not be disturbed until the significance of the resource is determined. If determined to be significant, the resource shall be recovered by a qualified archeologist or paleontologist consistent with current standards and guidelines, or other appropriate measures implemented.

**2.4** 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.

### **2.5** 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 may result in a 180-day extension to the statute of limitations for the filing of a CEQA lawsuit.

(b) After the Project's entitlement approval, and prior to issuance of final building permits, the Planning Department's Plan Check and Inspection fees shall be paid at the rate established by resolution of the City Council.

### **2.6** Additional Requirements.

**(a)** Development Plan (File No. PDEV19-025) approval is contingent upon the City Council approval of related Specific Plan Amendment (File No. PSPA19-002) and Addendum to the Meredith International Centre Specific Plan Amendment Environmental Impact Report (SCH# 2014051020) adopted by City Council on April 7, 2015.

**(b)** The project developer shall continue to coordinate with the Native American Tribes through the SB18 consultation process through the conclusion of the SB18 review to December 3, 2019. The developer shall be required to comply with the agreed upon terms of the consultation process with the Native American Tribes.