

**CITY OF ONTARIO
CITY COUNCIL AND HOUSING AUTHORITY
AGENDA
MAY 19, 2020**

Paul S. Leon
Mayor

Debra Dorst-Porada
Mayor pro Tem

Alan D. Wapner
Council Member

Jim W. Bowman
Council Member

Ruben Valencia
Council Member



Scott Ochoa
City Manager

Scott E. Huber
City Attorney

Sheila Mautz
City Clerk

James R. Milhiser
Treasurer

SPECIAL AND URGENT NOTICE

In accordance with the Governor's Declarations of Emergency for the State of California (Executive Orders N-25-20 and N-29-20) and the Governor's Stay at Home Order (Executive Order N-33-20), the Ontario City Council Meetings are being conducted via teleconference to limit in-person attendance at the upcoming meeting of the City of Ontario City Council and Housing Authority.

Members of the public may utilize alternative measures established by the City of Ontario to view the City Council meetings and/or to address the Mayor and City Council Members.

The meeting will be live broadcast on local cable Channel 3 as well as internet live streamed: www.ontarioca.gov/Agendas/CityCouncil

We appreciate your understanding during this unprecedented time of social distancing under the Stay at Home Order. These procedures may be modified in the future as social and public gathering protocols change.

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 provide public comment or to address the Council have been provided alternative measures including U.S. mail, email, a website comment form, and the ability to dial in and record a 3 minute voicemail. All public comments received by the established deadline for this meeting will be included as part of the official meeting record.
- 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.

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

CALL TO ORDER (*OPEN SESSION*)

6:00 p.m.

ROLL CALL

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

CLOSED SESSION PUBLIC COMMENT

Members of the public who wish to address a closed session agenda item may do so by mailing comments to the City Clerk's Office, or by calling (909) 395-2251 or by emailing PublicComments@ontarioca.gov no later than 5:00 p.m. on the day of the meeting. Under provisions of the Brown Act, Council is prohibited from taking action on oral requests.

CLOSED SESSION

- GC 54956.9 (d)(1), CONFERENCE WITH LEGAL COUNSEL, EXISTING LITIGATION: *Bonnie Kessner and Andrea McCartney-Page, et al., v. City of Santa Clara, et al., Santa Clara County Superior Court, Case No. 20CV364054*
- GC 54956.9 (d)(1), CONFERENCE WITH LEGAL COUNSEL, EXISTING LITIGATION: *Jay Spicer v. City of Ontario, et al., Superior Court of California, County of San Bernardino, Case No. CIVDS1711812*
- GC 54957.6 LABOR NEGOTIATIONS: City Negotiator: City Manager or his designees; Bargaining Units: American Federation of State, County and Municipal Employees (AFSCME); Association of Ontario Management Employees (AOME); Teamsters Local 1932; Ontario Police Management Group; Ontario Police Office Association; Ontario Fire Management Group; and Ontario Firefighters Association, Local 1430.

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

PLEDGE OF ALLEGIANCE

Council Member Valencia

INVOCATION

REPORT ON CLOSED SESSION

City Attorney

PUBLIC COMMENTS

6:30 p.m.

Members of the public who wish to provide a general comment or address a specific agenda item may do so by mailing comments to the City Clerk's Office, or by calling (909) 395-2251 or by emailing PublicComments@ontarioca.gov no later than 5:00 p.m. on the day of the meeting. Under provisions of the Brown Act, Council is prohibited from taking action on oral requests.

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 April 21, 2020, approving same as on file in the Records Management Department.

2. BILLS/PAYROLL

Bills April 17, 2020 through April 30, 2020 and **Payroll** April 12, 2020 through April 25, 2020, when audited by the Finance Committee.

3. A DEVELOPMENT IMPACT FEE CREDIT AGREEMENT (FILE NO. PDIF20-008) BETWEEN THE CITY OF ONTARIO AND LENNAR HOMES OF CALIFORNIA, INC., FOR FACILITY CONSTRUCTION ASSOCIATED WITH TRACT MAP 20012 (FILE NO. PMTT16-003), LOCATED AT THE NORTHWEST CORNER OF TURNER AVENUE AND ONTARIO RANCH ROAD WITHIN THE AVENUE SPECIFIC PLAN

That the City Council approve the Development Impact Fee Credit Agreement (File No. PDIF20-008) between the City of Ontario and Lennar Homes of California, Inc., for facility construction associated with Tract Map 20012 (File No. PMTT16-003), located at the northwest corner of Turner Avenue and Ontario Ranch Road within The Avenue Specific Plan; and authorize the City Manager to execute the agreement.

4. PURCHASE OF NETWORK SECURITY FIREWALLS/FORTNETSECURITY, INC.

That the City Council award Bid No. 1182 and authorize the purchase of Palo Alto network security firewalls in the amount of \$99,430 for the Ontario Police Department network from FortNetSecurity, Inc. (FSI) of Gilroy, California.

5. AN AMENDMENT TO THE PROFESSIONAL SERVICES AGREEMENT WITH HARRIS AND ASSOCIATES FOR ON-CALL PLAN CHECKING SERVICES

That the City Council approve an amendment to the Professional Services Agreement (on file in the Records Management Department) with Harris and Associates, of Irvine, California, to provide on-call Plan Checking Services adding \$400,000 for a revised total authorized expenditure of \$1,120,000.

6. A MAINTENANCE SERVICE AGREEMENT FOR LANDSCAPE MAINTENANCE SERVICES FOR PARK PLACE/MERCHANTS LANDSCAPE SERVICES, INC.

That the City Council authorize the City Manager to execute a three-year Maintenance Services Agreement (on file in the Records Management Department) for Contract No. PM1920-6 with Merchants Landscape Services Inc., of Rancho Cucamonga, California, for an annual estimated cost of \$122,400 plus a contingency of \$12,240; authorize the addition of future service areas; and authorize the option to extend the agreement for up to two additional years consistent with City Council approved budgets.

7. AN AMENDMENT TO THE AGREEMENT WITH COLLABORATIVE SOLUTIONS FOR WORKDAY ON DEMAND SUPPORT

That the City Council authorize the City Manager to execute an amendment (on file in the Records Management Department) to the agreement with Collaborative Solutions, LLC, of Reston, Virginia, for Workday on-demand support extending the term by three years and increasing the revised authorized contract amount by \$300,000, for a new total of \$400,000.

8. A PROFESSIONAL SERVICE AGREEMENT WITH KIMLEY-HORN AND ASSOCIATES, INC. FOR THE PREPARATION OF AN ENVIRONMENTAL IMPACT REPORT FOR THE SOUTH ONTARIO LOGISTICS CENTER SPECIFIC PLAN FOR PROPERTY LOCATED NORTH OF MERRILL AVENUE, SOUTH OF EUCALYPTUS AVENUE, EAST OF CAMPUS AVENUE AND WEST OF GROVE AVENUE

That the City Council approve and authorize the City Manager to execute an agreement (on file in the Records Management Department) with Kimley-Horn and Associates, Inc., of Riverside, California, to prepare an Environmental Impact Report (EIR) for the South Ontario Logistics Center Specific Plan, in the amount of \$682,740, plus a 15% contingency of \$102,411, for a total authorized expenditure of \$785,151; and authorize the City Manager to approve any future budget adjustments necessary to complete the EIR.

9. A PROFESSIONAL SERVICES AGREEMENT WITH PLACEWORKS, INC., FOR THE PREPARATION OF A GENERAL PLAN UPDATE, COMMUNITY CLIMATE ACTION PLAN UPDATE, ENVIRONMENTAL IMPACT REPORT AND OBJECTIVE DESIGN AND DEVELOPMENT STANDARDS

That the City Council approve and authorize the City Manager to execute a Professional Services Agreement (on file in the Records Management Department) with PlaceWorks, Inc. of Santa Ana, California, in the amount of \$2,946,600, plus a contingency of \$363,400, for a total authorized expenditure of \$3,310,000 to prepare (1) an update to The Ontario Plan Policy Plan (General Plan), Governance, Implementation, and Tracking and Feedback Components; (2) an update to the Community Climate Action Plan; (3) an Environmental Impact Report (EIR); and (4) Objective Design and Development Standards to streamline future development and comply with legislative mandates.

10. A RESOLUTION APPROVING THE SUBMITTAL OF A PLANNING GRANT PURSUANT TO THE LOCAL EARLY ACTION PLANNING GRANT (LEAP) AND AUTHORIZING THE CITY MANAGER TO ACCEPT THE NON-COMPETITIVE AWARD

That the City Council consider and adopt a resolution to approve the submittal of the Local Early Action Planning Grant (LEAP) administered by the California Department of Housing and Community Development (HCD), and authorize the City Manager to accept the non-competitive award and execute all related grant documents.

RESOLUTION NO. _____

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF ONTARIO, CALIFORNIA, FOR FILE NO. PADV20-004, AUTHORIZING THE APPLICATION FOR, AND RECEIPT OF, LOCAL GOVERNMENT PLANNING SUPPORT (LEAP) GRANT PROGRAM FUNDS.

11. 2019 GENERAL PLAN ANNUAL PROGRESS REPORT

That the City Council consider and adopt a resolution authorizing staff to transmit the 2019 General Plan Annual Progress Report to the California Department of Housing and Community Development and the Governor's Office of Planning and Research.

RESOLUTION NO. _____

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF ONTARIO, CALIFORNIA, APPROVING THE 2019 GENERAL PLAN ANNUAL PROGRESS REPORT (FILE NO. PADV20-003) AND AUTHORIZING STAFF TO SUBMIT THE REPORT TO THE CALIFORNIA DEPARTMENT OF HOUSING AND COMMUNITY DEVELOPMENT AND THE OFFICE OF PLANNING AND RESEARCH.

12. AUTHORIZE THE PURCHASE OF FLEET VEHICLES/NATIONAL AUTO FLEET GROUP

That the City Council authorize the cooperative purchase and delivery of one replacement Chevrolet Tahoe in the amount of \$38,633 for the Police Department, and one Ford Escape SUV in the amount of \$25,655 for the Utilities Department from National Auto Fleet Group of Watsonville, California, consistent with the terms and conditions of the Sourcewell (formerly known as NJPA) Cooperative Contract # 120716-NAF.

13. A MAINTENANCE SERVICE AGREEMENT FOR ONTARIO RANCH WEED ABATEMENT AND LANDSCAPE MAINTENANCE/DW LANDSCAPE INC.

That the City Council authorize the City Manager to execute a three-year Maintenance Services Agreement (on file in the Records Management Department) for Contract No. PM1920-7 with DW Landscape Inc., located in Upland, California, for an annual estimated cost of \$105,600 plus a contingency of \$5,280; authorize the addition of future service areas; and authorize the option to extend the agreement for up to two additional years consistent with City Council approved budgets.

14. CHANGE IN FUND OWNERSHIP OF WATER RIGHTS AND CERTAIN OTHER CITY ASSETS

That the City Council authorize the change in designated fund ownership of certain City assets including Chino Basin groundwater rights, South Coast Air Quality Management District (SCAQMD) air credits, and various properties between the City Fund and the Water Fund.

15. VOTING DELEGATE FOR THE SOUTHERN CALIFORNIA ASSOCIATION OF GOVERNMENTS (SCAG) GENERAL ASSEMBLY

That the City Council designate Mayor pro Tem Dorst-Porada as the City's voting delegate for the Southern California Association of Governments (SCAG) General Assembly scheduled for June 5, 2020.

16. A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF ONTARIO AUTHORIZING AND CONFIRMING AN INTERNAL FINANCING AND INVESTMENT PROGRAM TO PAY DOWN THE CITY'S UNFUNDED ACCRUED LIABILITY AND AUTHORIZING THE CITY MANAGER TO ADMINISTER SUCH PROGRAM

That the City Council consider and adopt a resolution authorizing the City Manager to execute all documents necessary to utilize the City's available cash for the reduction of the City's Unfunded Accrued Liability attributable to miscellaneous employee groups under the California Public Employees' Retirement System (CalPERS).

RESOLUTION NO. _____

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF ONTARIO, CALIFORNIA, AUTHORIZING AND CONFIRMING AN INTERNAL FINANCING AND INVESTMENT PROGRAM AND AUTHORIZING THE CITY MANAGER TO ADMINISTER SUCH PROGRAM.

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.

17. A PUBLIC HEARING TO CONSIDER A RESOLUTION OF NECESSITY FOR THE ACQUISITION OF PERMANENT ROAD RIGHT-OF-WAY AND TEMPORARY CONSTRUCTION EASEMENT INTERESTS IN A PORTION OF REAL PROPERTY LOCATED AT 9131 EAST MERRILL AVENUE

That the City Council consider and adopt a Resolution of Necessity for the purposes of acquiring permanent road right-of-way and temporary construction easement (TCE) interests in a portion of real property located at 9131 East Merrill Avenue, by eminent domain, for the widening of Merrill Avenue, east of Carpenter Avenue.

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 NECESSITY OF THE CITY COUNCIL OF THE CITY OF ONTARIO, CALIFORNIA, FOR THE ACQUISITION BY EMINENT DOMAIN OF THE INTEREST IN A PORTION OF REAL PROPERTY LOCATED AT 9131 E. MERRILL AVENUE, MORE PARTICULARLY DESCRIBED AS ASSESSOR PARCEL NO. 0218-261-24, FOR THE ACQUISITION OF RIGHTS OF WAY AND A TEMPORARY CONSTRUCTION EASEMENT, IN THE CITY OF ONTARIO, CALIFORNIA.

18. A PUBLIC HEARING TO CONSIDER A RESOLUTION REGARDING THE FORMATION OF THE CITY OF ONTARIO COMMUNITY FACILITIES DISTRICT NO. 41 (CANVAS PARK FACILITIES); ADOPTION OF A RESOLUTION MODIFYING THE RESOLUTION OF INTENTION AND APPROVING THE AMENDED AND RESTATED RATE AND METHOD OF APPORTIONMENT (RMA), ADOPTION OF A RESOLUTION TO INCUR BONDED INDEBTEDNESS; AND INTRODUCTION OF AN ORDINANCE LEVYING SPECIAL TAXES

That the City Council consider and:

- (A) Adopt a resolution modifying the Resolution of Intention (adopted at the April 7, 2020 City Council meeting) and approving the amended and restated rate and method of apportionment for the proposed City of Ontario Community Facilities District No. 41 (Canvas Park Facilities);
- (B) Adopt a resolution establishing Community Facilities District No. 41 (Canvas Park Facilities), authorizing the levy of special taxes within the community facilities district, and establishing an appropriations limit for the community facilities district;
- (C) Adopt a resolution deeming it necessary to incur bonded indebtedness within Community Facilities District No. 41 (Canvas Park Facilities);
- (D) Adopt a resolution calling a special election for City of Ontario Community Facilities District No. 41 (Canvas Park Facilities);
- (E) Adopt a resolution declaring the results of the special election and directing the recording of a Notice of Special Tax Lien;
- (F) Introduce and waive further reading of an ordinance levying special taxes within City of Ontario Community Facilities District No. 41 (Canvas Park Facilities); and
- (G) Authorize staff to take all steps necessary to implement the above actions.

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, MODIFYING RESOLUTION OF INTENTION AND APPROVING AMENDED AND RESTATED RATE AND METHOD OF APPORTIONMENT FOR THE PROPOSED CITY OF ONTARIO COMMUNITY FACILITIES DISTRICT NO. 41 (CANVAS PARK FACILITIES).

RESOLUTION NO. _____

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF ONTARIO, CALIFORNIA, OF FORMATION OF THE CITY OF ONTARIO COMMUNITY FACILITIES DISTRICT NO.41 (CANVAS PARK FACILITIES), AUTHORIZING THE LEVY OF A SPECIAL TAX WITHIN THE COMMUNITY FACILITIES DISTRICT AND ESTABLISHING AN APPROPRIATIONS LIMIT FOR THE COMMUNITY FACILITIES DISTRICT.

RESOLUTION NO. _____

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF ONTARIO, CALIFORNIA, DEEMING IT NECESSARY TO INCUR BONDED INDEBTEDNESS WITHIN THE CITY OF ONTARIO COMMUNITY FACILITIES DISTRICT NO. 41 (CANVAS PARK FACILITIES).

RESOLUTION NO. _____

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF ONTARIO, CALIFORNIA, CALLING SPECIAL ELECTION FOR CITY OF ONTARIO COMMUNITY FACILITIES DISTRICT NO. 41 (CANVAS PARK FACILITIES).

RESOLUTION NO. _____

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF ONTARIO, CALIFORNIA, DECLARING RESULTS OF SPECIAL ELECTION AND DIRECTING RECORDING OF NOTICE OF SPECIAL TAX LIEN.

ORDINANCE NO. _____

AN ORDINANCE OF THE CITY COUNCIL OF THE CITY OF ONTARIO, CALIFORNIA, LEVYING SPECIAL TAXES WITHIN THE CITY OF ONTARIO COMMUNITY FACILITIES DISTRICT NO. 41 (CANVAS PARK FACILITIES).

19. A PUBLIC HEARING TO CONSIDER A RESOLUTION REGARDING THE FORMATION OF THE CITY OF ONTARIO COMMUNITY FACILITIES DISTRICT NO. 54 (ESPERANZA FACILITIES); ADOPTION OF A RESOLUTION MODIFYING THE RESOLUTION OF INTENTION AND APPROVING THE AMENDED AND RESTATED RATE AND METHOD OF APPORTIONMENT (RMA), ADOPTION OF A RESOLUTION TO INCUR BONDED INDEBTEDNESS; AND INTRODUCTION OF AN ORDINANCE LEVYING SPECIAL TAXES

That the City Council consider and:

- (A) Adopt a resolution modifying the Resolution of Intention (adopted at the April 7, 2020 City Council meeting) and approving the amended and restated rate and method of apportionment for the proposed City of Ontario Community Facilities District No. 54 (Esperanza Facilities);
- (B) Adopt a resolution establishing Community Facilities District No. 54 (Esperanza Facilities), authorizing the levy of special taxes within the community facilities district, and establishing an appropriations limit for the community facilities district;
- (C) Adopt a resolution deeming it necessary to incur bonded indebtedness within Community Facilities District No. 54 (Esperanza Facilities);
- (D) Adopt a resolution calling a special election for City of Ontario Community Facilities District No. 54 (Esperanza Facilities);
- (E) Adopt a resolution declaring the results of the special election and directing the recording of a Notice of Special Tax Lien;
- (F) Introduce and waive further reading of an ordinance levying special taxes within City of Ontario Community Facilities District No. 54 (Esperanza Facilities); and
- (G) Adopt a resolution authorizing the execution and delivery of an acquisition and funding agreement with GDC/CDG Esperanza PA 4 Venture, L.P. a Delaware limited partnership corporation.

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, MODIFYING RESOLUTION OF INTENTION AND APPROVING AMENDED AND RESTATED RATE AND METHOD OF APPORTIONMENT FOR THE PROPOSED CITY OF ONTARIO COMMUNITY FACILITIES DISTRICT NO. 54 (ESPERANZA FACILITIES).

RESOLUTION NO. _____

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF ONTARIO, CALIFORNIA, OF FORMATION OF THE CITY OF ONTARIO COMMUNITY FACILITIES DISTRICT NO. 54 (ESPERANZA FACILITIES), AUTHORIZING THE LEVY OF A SPECIAL TAX WITHIN THE COMMUNITY FACILITIES DISTRICT AND ESTABLISHING AN APPROPRIATIONS LIMIT FOR THE COMMUNITY FACILITIES DISTRICT.

RESOLUTION NO. _____

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF ONTARIO, CALIFORNIA, DEEMING IT NECESSARY TO INCUR BONDED INDEBTEDNESS WITHIN THE CITY OF ONTARIO COMMUNITY FACILITIES DISTRICT NO. 54 (ESPERANZA FACILITIES).

RESOLUTION NO. _____

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF ONTARIO, CALIFORNIA, CALLING SPECIAL ELECTION FOR CITY OF ONTARIO COMMUNITY FACILITIES DISTRICT NO. 54 (ESPERANZA FACILITIES).

RESOLUTION NO. _____

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF ONTARIO, CALIFORNIA, DECLARING RESULTS OF SPECIAL ELECTION AND DIRECTING RECORDING OF NOTICE OF SPECIAL TAX LIEN.

ORDINANCE NO. _____

AN ORDINANCE OF THE CITY COUNCIL OF THE CITY OF ONTARIO, CALIFORNIA, LEVYING SPECIAL TAXES WITHIN THE CITY OF ONTARIO COMMUNITY FACILITIES DISTRICT NO. 54 (ESPERANZA FACILITIES).

RESOLUTION NO. _____

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF ONTARIO, CALIFORNIA, AUTHORIZING THE EXECUTION AND DELIVERY OF AN ACQUISITION AND FUNDING AGREEMENT WITH GDC/CDG ESPERANZA PA 4 VENTURE, L.P.

20. A PUBLIC HEARING TO CONSIDER AN URGENCY ORDINANCE REPEALING URGENCY ORDINANCE NO. 3159, ADOPTING TEMPORARY REGULATIONS RELATING TO THE EVICTION OF RESIDENTIAL TENANTS, COMMERCIAL TENANTS, AND STORAGE UNIT PATRONS, AND ENACTING A MORATORIUM ON RESIDENTIAL FORECLOSURES DUE TO LOSS OF INCOME DURING THE STATE OF LOCAL EMERGENCY CAUSED BY THE COVID-19 PANDEMIC

That the City Council read by title only, waive further reading, and adopt an urgency ordinance repealing City of Ontario Ordinance No. 3159 and enacting amendments to the City's existing regulations on the eviction of residential tenants, commercial tenants, and storage unit patrons experiencing a loss of income due to the COVID-19 pandemic, to make technical corrections and to include regulations on foreclosures.

- Written communication.
- Oral presentation.
- Public hearing closed.

ORDINANCE NO. _____

AN URGENCY ORDINANCE OF THE CITY COUNCIL OF THE CITY OF ONTARIO, CALIFORNIA, REPEALING URGENCY ORDINANCE NO. 3159, ADOPTING TEMPORARY REGULATIONS PROHIBITING THE EVICTION OF RESIDENTIAL TENANTS, COMMERCIAL TENANTS, AND STORAGE UNIT PATRONS, AND ENACTING A MORATORIUM ON RESIDENTIAL FORECLOSURES DUE TO LOSS OF INCOME DURING THE STATE OF LOCAL EMERGENCY CAUSED BY THE COVID-19 PANDEMIC.

ADMINISTRATIVE REPORTS/DISCUSSION/ACTION

21. RECEIPT AND FILING OF INFORMATION RELATED TO THE CITY'S INTENTION TO PROVIDE TWO-YEARS ADDITIONAL SERVICE CREDIT IN ACCORDANCE WITH CALIFORNIA GOVERNMENT CODE SECTION 20903

That the City Council, by motion, receive and file information related to the City's intention to provide two-years additional service credit in accordance with California Government Code section 20903 for designated classifications, departments or organizational units.

STAFF MATTERS

City Manager Ochoa

COUNCIL MATTERS

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

ADJOURNMENT

**CITY OF ONTARIO
CLOSED SESSION REPORT**
City Council // Housing Authority // Other // (GC 54957.1)
May 19, 2020

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

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

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

- GC 54956.9 (d)(1), CONFERENCE WITH LEGAL COUNSEL, EXISTING LITIGATION: Bonnie Kessner and Andrea McCartney-Page, et al., v. City of Santa Clara, et al., Santa Clara County Superior Court, Case No. 20CV364054

No Reportable Action	Continue	Approved
//	//	//

Disposition: _____

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

- GC 54956.9 (d)(1), CONFERENCE WITH LEGAL COUNSEL, EXISTING LITIGATION: Jay Spicer v. City of Ontario, et al., Superior Court of California, County of San Bernardino, Case No. CIVDS1711812

No Reportable Action	Continue	Approved
//	//	//

Disposition: _____

CITY OF ONTARIO
CLOSED SESSION REPORT
City Council // Housing Authority // Other // (GC 54957.1)
May 19, 2020
(continued)

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

- GC 54957.6 LABOR NEGOTIATIONS: City Negotiator: City Manager or his designees; Bargaining Units: American Federation of State, County and Municipal Employees (AFSCME); Association of Ontario Management Employees (AOME); Teamsters Local 1932; Ontario Police Management Group; Ontario Police Office Association; Ontario Fire Management Group; and Ontario Firefighters Association, Local 1430.

No Reportable Action	Continue	Approved
/ /	/ /	/ /

Disposition: _____

Reported by:

City Attorney / City Manager / Executive Director

CITY OF ONTARIO

Agenda Report
May 19, 2020

SECTION:
CONSENT CALENDAR

SUBJECT: A DEVELOPMENT IMPACT FEE CREDIT AGREEMENT (FILE NO. PDIF20-008) BETWEEN THE CITY OF ONTARIO AND LENNAR HOMES OF CALIFORNIA, INC., FOR FACILITY CONSTRUCTION ASSOCIATED WITH TRACT MAP 20012 (FILE NO. PMTT16-003), LOCATED AT THE NORTHWEST CORNER OF TURNER AVENUE AND ONTARIO RANCH ROAD WITHIN THE AVENUE SPECIFIC PLAN

RECOMMENDATION: That the City Council approve the Development Impact Fee Credit Agreement (File No. PDIF20-008) between the City of Ontario and Lennar Homes of California, Inc., for facility construction associated with Tract Map 20012 (File No. PMTT16-003), located at the northwest corner of Turner Avenue and Ontario Ranch Road within The Avenue Specific Plan; and authorize the City Manager to execute the agreement.

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: Approval of the proposed Development Impact Fee ("DIF") Credit Agreement (File No. PDIF20-008) will result in no fiscal impact to the City's General Fund. The project's Development Agreement (File No. PDA17-007) and related conditions requires Lennar Homes of California, Inc. ("Developer") to construct DIF program infrastructure with estimated costs of \$368,073. The proposed DIF Credit Agreement defines the amount of DIF credit that the Developer may be eligible to receive for construction of these improvements. The DIF credit that the Developer will receive upon completion of the improvements may be exchanged for a refund of DIF that was paid by the Developer (up to the Developer's maximum DIF obligation) in the respective DIF category.

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. 05/19/2020
Approved: _____
Continued to: _____
Denied: _____

3

BACKGROUND: On May 1, 2018, the City Council approved the Development Agreement (File No. PDA17-007) between the City of Ontario and Ontario Avenida Property Owner LLC, the original owner for Tract Map 20012. On June 1, 2018, the Development Agreement was assigned to the Developer and included the construction of necessary infrastructure to serve the project development.

Per the Development Agreement and related conditions, the Developer is required to construct DIF Program infrastructure to serve Tract Map 20012. Improvements include the installation of fiber optic facilities and a traffic signal on Ontario Ranch Road.

Pursuant to the City's adopted DIF credit policies, construction of DIF program facilities requires the Developer and the City to enter into a DIF Credit Agreement ("Agreement"). The terms of the proposed Agreement specify the defined portion of the infrastructure to be constructed by the Developer in the Local Adjacent or Regional DIF categories and includes an estimate of the maximum DIF credit (not reimbursement) that may be applied in the respective Local Adjacent or Regional DIF category. This infrastructure is within Ontario Ranch Streets and Fiber Optic System categories. Since the maximum eligible costs in the Agreement for the required infrastructure exceeds the Developer's DIF obligation, the Developer is eligible to receive DIF Credit under the proposed Agreement.

The proposed Agreement complies with the City's DIF policies and is in conformance with the approved Development Agreement and related conditions. Under the provisions of the City's DIF program, the City Manager is authorized to execute such agreements upon approval by the City Council.

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

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

Space above this line for Recorder's Use

Exempt from Fees Per Gov. Code §6103

FILE NO. PDIF20-008

**DEVELOPMENT IMPACT FEE CREDIT AGREEMENT
FOR FACILITY CONSTRUCTION**

By and Between

**City of Ontario
a California municipal corporation**

and

**Lennar Homes of California, Inc.
a California Corporation**

_____, 2020

San Bernardino County, California

**DEVELOPMENT IMPACT FEE CREDIT AGREEMENT FOR FACILITY
CONSTRUCTION BY AND BETWEEN THE CITY OF ONTARIO AND
LENNAR HOMES OF CALIFORNIA, INC.
(FILE NO. PDIF20-008)**

This DEVELOPMENT IMPACT FEE CREDIT AGREEMENT ("Fee Credit Agreement"), entered into this _____ day of _____, 2020, between the CITY OF ONTARIO, a California municipal corporation, hereinafter referred to as the "City," and Lennar Homes of California, Inc., a California Corporation, hereinafter referred to as the "Developer."

RECITALS

A. Developer is the owner and developer of property located within the City, which property has received development approvals from the City, including The Avenue Specific Plan ("Specific Plan") and Tract Map No. 20012 (the "Tract Map"). A legal description of the property is attached as Exhibit 1 (the "Property"). A map of the Property is attached as Exhibit 2.

B. As a condition of the development approvals for the Property, including the Specific Plan and Tract Map approvals, the Developer is required to construct those public improvements identified on Exhibit 3, consisting of certain master planned public infrastructure and Improvements, (hereinafter referred to as the "Improvements") The estimated costs for the design and construction of the Improvements are set forth in Exhibit 4.

C. On July 1, 2003, City Ordinance No. Ordinance No. 2779 was adopted establishing certain development impact fees ("DIF Fees") to be paid as a condition to the issuance of certain entitlements within the City. Section 7 of Ordinance 2779 authorizes the City Manager, when he or she determines that the public interest among other reasons would be served by such an agreement, to execute agreements on behalf of the City with applicants in order to provide a credit to the applicant against certain DIF Fees in exchange for the applicant's construction and dedication of public improvements, upon reasonable terms and conditions as may be determined on a case by case basis.

D. City and the previous owner of the Property have previously entered into a statutory Development Agreement (File No. PDA17-007), pursuant to Section 65864, et seq., of the Government Code, (the "Development Agreement") and such Development Agreement has been assigned to Developer and Developer has assumed all rights, responsibilities and obligations of the Development Agreement, including the design and construction of the Improvements identified in Exhibit 3 and such improvements are included in the City's Development Impact Fee (DIF) Program as a project, or a portion of a project and eligible for credit against DIF Fees.

E. City and Developer have agreed that the costs to design and construct the Improvements shall be eligible for DIF Credit in accordance with the City's [Ontario Ranch] DIF Credit policies as contained in the City's DIF Program and Resolution No. 2019-135.

AGREEMENT

NOW, THEREFORE, for good and valuable consideration, the receipt of which is hereby acknowledged, and the mutual promises contained herein, it is agreed as follows:

1. Definitions. For purposes of this Agreement, the terms below shall be defined as follows:

"Acceptable Title" means title to land or an interest therein required for the construction, operation and maintenance of an Improvement, in form acceptable to the City Manager, free and clear of all liens, taxes, assessments, leases, easements and encumbrances, whether or not recorded, but subject to any exceptions determined by the City Manager as not materially interfering with the actual or intended use of the land or interest therein required for the operation of an Improvement. Notwithstanding the foregoing, an irrevocable offer of dedication may constitute "Acceptable Title."

"Acceptance Date" means the earlier of (i) date the City Manager or his/her designee takes final action, in writing, to accept dedication or transfer of an Improvement or (ii) the date determined pursuant to Section 3 below.

"Bid Documents" means all designs, bid documents, construction plans and specifications, system layout drawings and other construction documents and permits approved by the City relating to an Improvement.

"Certificate of DIF Credit" means a City certificate for the issuance of DIF Credit to Developer in the form attached hereto as Exhibit 5.

"City DIF Program and Policies" or "DIF Program" means Ordinance Nos. 2779 and 2780 and Resolution No. 2019-135, as -it may be amended from time to time and as DIF Fees and the capital improvement projects and public infrastructure identified therein may be revised by Resolution.

"City Manager" means the City Manager of the City or his or her designee.

"City Engineer" means the City's City Engineer or his or her designee.

"Completed", "Complete" and "Completion" with respect to an Improvement mean that such Improvement has been completed in accordance with its Bid Documents, including any final "punch list" items, as approved in writing by the City Engineer, which approval shall not be unreasonably withheld, and that such

Improvement is Usable. Notwithstanding the foregoing, if an Improvement which Developer is obligated to construct pursuant to the applicable conditions of approval for a portion of the Property is only a portion of a larger work of improvement, then a determination of "Completed" or "Completion" with respect to that Improvement shall be made only as to that Improvement and not with respect to the larger work of improvement of which it is a portion.

"Credit Request" means a document, substantially in the form of Exhibit 6, to be used by Developer in requesting DIF Credits with respect to one or more Improvements.

"Days" shall mean business days unless otherwise stated.

"Developer Contract" means a contract between the Developer and a qualified contractor awarded to the qualified contractor for the construction of the Improvements at the direction of Developer.

"Development Agreement" has the meaning set forth in Recital D above.

"DIF" or "DIF Fees" means the development impact fees imposed within the [Ontario Ranch] area pursuant to City Ordinance Nos. 2779 and 2780 and City Resolution No. 2019-135 and any subsequent City ordinances and resolutions lawfully adopted by the City Council to update or modify such development impact fees.

"DIF Credit" means credits earned against the payment of DIF pursuant to this Agreement.

"DIF Obligation" means the amount of Developer's total obligation for Development Impact Fees in either the Regional or Local Adjacent portion of a DIF category for the Property. Developer's DIF Obligation Amounts for each DIF Category shall be as provided in Exhibit 4.

"Effective Date" means the date set forth in the first paragraph of this Agreement.

"Eligible Cost" means the substantiated cost of an Improvement to be used in calculating DIF Credit amounts, which costs may include: (i) the costs for the construction (including grading) of such Improvement, (ii) costs directly related to the construction and/or acquisition of the Improvement, such as costs of payment, performance and/or maintenance bonds, the professional costs of material testing, and insurance costs (including costs of any title insurance required); (iii) the cost of acquiring any real property or interest therein in order to construct or operate the Improvement, (iv) the costs incurred in preparing Bid Documents and the related costs of geotechnical and environmental evaluations of the Improvement, (v) the fees paid to the City and any other governmental agencies for, and all other costs incurred in connection with obtaining permits, licenses or other governmental approvals for

such Improvement, (vi) costs of construction and project management, administration and supervision (but only up to five percent (5%) of the costs described in clause (i) above) incurred for the construction of such Improvement, (vii) professional costs associated with such Improvement, such as design, engineering, accounting, inspection, construction staking, and similar professional services including legal services related to the review of construction contracts. The maximum amount of Eligible Costs described in clauses (iv) through (vii) shall be limited to a total of fifteen percent (15%) of the costs described in clause (i).

“Improvement” or “Improvements” means the public improvements required to support the development of the Property as described in Exhibit 3 to the extent required by the applicable conditions of approval.

“Program Cost” or “DIF Program Cost” means the estimated cost of an Improvement identified in the “Nexus Study” referenced in City Resolution No. 2019-135 as it may be modified, supplemented or superseded from time to time. The Program Cost to be applied shall be the Program Cost in effect at the time the DIF Credit Request is submitted to the City.

“Usable” shall mean that, with respect to any particular Improvement, the Improvement is actually usable for its intended purposes, and includes, for water Improvements, connection to the applicable water supply, for sewer Improvements connection to an applicable disposal system, and for recycled water Improvements connection to a treated water supply and distribution system as those connections are set out in the project approvals. Notwithstanding the foregoing, if an Improvement which Developer is obligated to construct pursuant to the applicable conditions of approval for a portion of the Property is only a portion of a larger work of improvement, then a determination by the City Engineer of whether that Improvement is “Usable” shall be made only with respect to that Improvement and not with respect to the larger work of improvement of which it is a portion.

2. Construction and Funding of Improvements by Developer.

(a) Construction of Improvements by Developer. Developer shall commence each Improvements in accordance with the terms of the conditions of approval, Development Agreement and individual Tract or Parcel Maps, including any extension thereof. In the event of any conflict between these documents, the soonest date of commencement shall apply. Upon commencement of the Improvement(s), Developer shall proceed expeditiously with the construction of the Improvement(s) under the terms herein.

(b) For the purposes of this Agreement, commencement of the Improvements shall mean when Developer receives the first permit from City for any grading of the Property.

(c) City and Developer agree that Developer shall award, or cause to be awarded, all contracts for the construction and Completion of the Improvements

as necessary to assure the timely and satisfactory completion of such Improvements. The Developer shall perform all of its obligations hereunder and shall conduct all operations with respect to the construction of the Improvements in a good, workmanlike and commercially reasonable manner, with the standard of diligence and care normally employed by duly qualified persons utilizing commercially reasonable efforts in the performance of comparable work and in accordance with generally accepted practices appropriate to the activities undertaken.

(d) The Developer shall not be relieved of its obligation to construct the Improvements and shall cause title to the Improvements to be conveyed to the City even if the DIF Credit Amount is less than the actual cost of the Improvements.

(e) If Developer is unable or unwilling to proceed with, and Complete, the construction of the Improvement(s) for any reason, and subject to the provisions in Section 14 below, Developer shall be considered to be in default of this Agreement.

3. Inspection and Acceptance of Completed Improvement by City. City shall make or shall cause to be made periodic site inspections of Developer's construction work. The Acceptance Date for each Improvement constructed by Developer shall be no later than twenty (20) Days following the last to occur of the following requirements:

(a) the City Engineer's determination the Improvement is Complete;

(b) the City Engineer's determination that Acceptable Title with respect to the Improvement is available for acceptance;

(c) Developer's provision of one (1) set of "as-built" or record drawings or plans for the Improvement, certified and reflecting the condition of the Improvement as constructed; and

(d) Developer's provision of such evidence or proof as the City Manager shall require that all persons, firms and corporations supplying work, labor, materials, supplies and equipment to the construction of the Improvement have been paid and that no claims or liens have been recorded by or on behalf of any such person, firm or corporation. Alternatively, rather than await the expiration of the time for the recording of claims of liens, Developer may elect to provide a title insurance policy or other security acceptable to the City Manager guaranteeing that no such claims of liens will be recorded or become a lien upon any of the real property required for the Improvement.

4. Conveyance of Acceptable Title to City. Acceptable Title to all property on, in or over which the Improvement is located, shall, prior to and as a condition precedent to the City's acceptance of any Improvement, be conveyed to City by way of dedication of such property on the Tract or Parcel Map or by a separate recorded instrument, to permit the City to properly own, operate and maintain such Improvement. Developer shall assist the City in obtaining such documents as are

required to obtain Acceptable Title. Completion of the transfer of Acceptable Title shall be evidenced by recordation of the acceptance thereof by the City Engineer.

5. Maintenance and Warranties to be provided to City. Developer shall maintain the Improvement in good and safe condition until the Acceptance Date of the Improvement. Prior to the Acceptance Date, Developer shall, at its sole cost and expense, be responsible for performing any required maintenance on the Improvement. On or before the Acceptance Date of the Improvement, Developer shall assign to the City all of Developer's rights in any warranties, guarantees, maintenance obligations or other evidence of contingent obligations of third persons with respect to such Improvement. All warranties, guarantees or other evidences of contingent obligations of third persons with respect to the Improvement shall be delivered to the City Engineer, in writing, as part of the transfer of title.

(a) After the Acceptance Date, City shall be solely responsible for maintenance of the Improvement.

(b) With respect to the Improvement, Developer shall warrant that the Improvement is free from defects in materials and construction defects (and shall correct or cause to be corrected any such defects at Developer's expense) for a period of one year from the Acceptance Date thereof (the "Warranty Period") and Developer shall provide a bond or other security reasonably acceptable in form and substance to the City for such period and such purpose to insure that such defects that appear within said period will be repaired, replaced or corrected by Developer, at its own cost and expense, to the reasonable satisfaction of the City Manager. During the Warranty Period, Developer shall continue to repair, replace or correct any such defects within thirty (30) Days after written notice thereof by the City Engineer to Developer, and shall complete such repairs, replacement or correction as soon as practicable.

(c) In the event that Developer does not repair, replace or correct defects after such written notice, in addition to the provisions of Section 14 below, City may repair, replace or correct the defects in the Improvement and charge the Developer for the cost of such repair, replacement or correction plus City staff time and overhead.

6. Issuance of DIF Credit to Developer. Developer shall receive DIF Credits based upon the verified Eligible Costs of the Improvement (or accepted portion of the Improvement). Issued DIF Credits shall specify the DIF Credit infrastructure category and whether the DIF Credit is for construction of a Regional or Local Adjacent DIF Program Improvement.

7. Limitations on the Issuance of DIF Credit to Developer upon Completion of an Improvement. The amount of DIF Credit to be issued by City shall be limited to the amount of the DIF Program Costs for the Improvement or segment cost for the percentage of the Program Costs proportional to the segment of improvement constructed or accepted. The DIF Program Costs identified in the City's

DIF Program shall be subject to change, from time to time, as part of the continuing update of the City's DIF Program. The DIF Program Costs for the Improvement (or accepted portion of the Improvement) shall be those in effect at the time the DIF Credit Request is submitted to the City.

(a) To the extent that NMC Builders LLC incurred the costs for the design of the Improvements, Developer agrees that the DIF Credit, up to ten (10%) of the DIF Program Costs, for those design costs portion of the Improvements shall be issued to NMC Builders LLC.

8. Issuance of a DIF Credit Certificate. When an Improvement is Complete, Developer shall submit a DIF Credit Request to City with all supporting documentation evidencing the total actual Eligible Costs of the Improvement at the time of submittal. The City Manager shall determine the completeness of the DIF Credit Request and notify Developer of whether the DIF Credit Request is considered complete or if additional information is needed from Developer. Once the DIF Credit Request is considered complete, the City Manager shall use his or her best efforts to determine the total actual Eligible Costs of the Improvements and provide Developer with a Certificate of DIF Credit within twenty (20) Days following receipt of the completed DIF Credit Request.

9. DIF Program Modifications. The estimated cost in the City's DIF Program for DIF Improvements (or defined portions of DIF Improvements) as listed in Exhibit 4 and Developer's total DIF Obligation amount may be modified from time to time based on modifications to the City's DIF Program.

10. Assignment of DIF Credits. Developer shall have the right to sell, transfer or assign DIF Credits provided for herein, to any person, partnership, limited liability company, joint venture, firm or corporation; provided, however, that any such sale, transfer or assignment shall only be made in strict compliance with the following:

(a) Concurrent with any such sale, transfer or assignment, or within fifteen (15) business days thereafter, Developer (i) shall notify the City Manager, in writing, of such sale, transfer or assignment and (ii) shall provide the City with an executed agreement between Developer and the purchaser, transferee or assignee that identifies the amount of DIF Credits transferred, as provided in Exhibit 8 of this Agreement.

(b) Except for the limited assignment of DIF Credits under subsection 10 (a) above, any assignment by Developer of any of the obligations of Developer under this Agreement (a "DIF Improvement Assignment") with regards to the Improvements listed in Exhibit 3, shall identify the Improvements that are the subject of the Assignment Agreement and require the prior written approval of the City Manager, which approval shall not be unreasonably withheld so long as adequate security as determined by City in its sole discretion, is in place to secure the Completion of the subject Improvements. Any DIF Improvement Assignment not made in strict compliance with the foregoing conditions (other than a transfer under

Section 23 below) shall, unless such obligations are performed by Developer when required by this Agreement notwithstanding such assignment, constitute a default by Developer under Section 14 below. In such event, City shall have no further obligations with regard to acceptance of Certificates of DIF Credit issued to Developer, including any DIF Credit assigned or transferred by Developer.

(c) If Developer enters into a DIF Improvement Assignment with a successor in interest with respect to all or a part of the Property (a "Successor Developer") in accordance with subsection 10(b) above, and the Successor Developer obtains DIF Credit pursuant to this Agreement upon its completion of the Improvements identified in the DIF Improvement Assignment, then

(i) such Successor Developer shall have the right to sell, transfer or assign to Developer, and Developer shall have the right to acquire from such Successor Developer, all or a portion of such DIF Credit by complying only with Section 10(a) above, and

(ii) Developer shall have the right to sell, transfer or assign all or a portion of such DIF Credit to other Successor Developers who acquire other portions of the Property by complying only with Section 10(a) above, if the sale, transfer or assignment of such DIF Credit occurs concurrently with the conveyance of another portion of the Property to the other Successor Developer.

11. Additional Documents/Actions. The City Manager is authorized to approve and execute any documents and to take any actions necessary to effectuate the purposes of this Agreement.

12. Integration. This Agreement reflects the complete understanding of the parties with respect to the subject matter hereof. In all other respects, the parties hereto re-affirm and ratify all other provisions of the Development Agreement.

13. Prevailing Wages. Developer is aware of the requirements of California Labor Code Section 1720, et seq. (as amended by Stats 2001 ch. 938 § 2 (S.B. 975)), through 1770, et seq., as well as California Code of Regulations, Title 8, Section 1600, et seq. and Labor Code Sections 1810, 1811, 1813, 1814; (collectively, the "Prevailing Wage Laws"), which require the payment of prevailing wage rates and the performance of other requirements on "public works" and "maintenance" projects. The Bid Documents and each Developer's Contract shall require all contractors for the construction of Improvements to register with the Department of Industrial Relations and to pay and report prevailing wages in accordance with the applicable provisions of the Labor Code. Developer shall obtain from the City and make copies of the prevailing rates of per diem wages for each craft, classification or type of worker needed to execute the services available to interested parties upon request, and shall post copies at the Developer's principal place of business and at the project site. Developer shall defend, indemnify and hold the City, its officials, officers, employees, agents, contractors, attorneys and volunteers free and harmless from any fine,

penalty claim or liability of any kind arising out of any failure or alleged failure to comply with the Prevailing Wage Laws.

14. Default and Force Majeure.

(a) Default. Failure or delay by Developer or City to perform any of its obligations under this Agreement constitutes a default by such party under this Agreement. The party alleged to be in default shall have thirty (30) Days after the date of the written notice by the other party to commence to cure such default. The party alleged to be in default shall diligently pursue such cure to completion within a reasonable timeframe as established in the written notice provided by the party asserting the default. If the party alleged to be in default has not cured its default within the cure period set forth therein, the defaulting party shall be deemed in breach. Any failure or delay in giving such notice or in asserting any rights and remedies as to any default shall not constitute a waiver of any default, nor shall it change the time of default, nor shall it deprive the party not in default of its rights to institute and maintain any actions or proceeding which it may deem necessary to protect, assert or enforce any of its rights or remedies. If any default by Developer is not cured within the time period provided by the City, City shall be entitled to terminate this Agreement in its entirety and thereafter, the City shall be under no obligation to perform any of City's obligations hereunder, including, but not limited to, the issuance of DIF Credits and DIF Reimbursements that Developer may claim.

(b) Force Majeure. Notwithstanding the provisions contained in the foregoing paragraph, performance by either party hereunder shall not be deemed to be in default where delay or defaults are due to war, insurrection, strikes, lock-outs, riots, floods, earthquakes, fires, casualties, acts of God, acts of the public enemy, epidemics, quarantine restrictions, freight embargoes, lack of transportation, governmental restrictions or priority, litigation brought by a third party, unusually severe weather, reasonably unforeseeable property conditions, acts of the other party, acts or failure to act of the other party or any other public or governmental agency or entity, or any causes beyond the control or without the failure of the party claiming an extension of time to perform (a "Force Majeure Event"). An extension of time for any such cause (an "Excusable Delay") shall be for the time period of the delay and shall commence to run from the time of the commencement of the cause, if notice by the party claiming such extension is sent to the other party within thirty (30) days of knowledge of the commencement of the cause or from the date of the notice if provided after such thirty-day period. Notwithstanding the foregoing, none of the foregoing events shall constitute an Excusable Delay unless and until the party claiming such delay and interference delivers to the other party written notice describing the event, its cause, when and how such party obtained knowledge, the date the event commenced, and the estimated delay resulting therefrom. Any party claiming an Excusable Delay shall make a good faith effort to deliver such written notice within thirty (30) Days after it obtains actual knowledge of the event. Times of performance under this Agreement may also be extended in writing by City and Developer. The Parties hereto expressly acknowledge and agree that changes in either general economic conditions or changes in the economic assumptions of any

of them (unless such conditions were caused by a Force Majeure Event) that may have provided a basis for entering into this Agreement and that occur at any time after the execution of this Agreement are not Force Majeure Events and do not provide any Party with grounds for asserting the existence of a delay in the performance of any covenant or undertaking that may arise under this Agreement. Each Party expressly assumes the risk that changes in general economic conditions or changes in such economic assumptions relating to the terms and covenants of this Agreement could impose an inconvenience or hardship on the continued performance of such Party under this Agreement, but that such inconvenience or hardship is not a force majeure event and does not excuse the performance by such Party of its obligations under this Agreement. Without limiting the nature of the foregoing, the parties agree that the inability of Developer to obtain a satisfactory commitment from a construction lender for the improvement of the Property or to satisfy any other condition of this Agreement relating to the development of the Property shall not be deemed to be a force majeure event or otherwise provide grounds for the assertion of the existence of a delay under this Section 14.

15. Licenses and Permits. The Developer shall secure (or shall cause to be secured) any and all permits that may be required by the City or any other governmental agency for the construction of the Improvements. The Developer shall be responsible for paying all applicable fees and charges to the City or other governmental agency to obtain any land use entitlements and permits that are necessary to construct the Improvements, although a portion of such costs may be recoverable as DIF credits.

16. Indemnification. The Developer shall protect, indemnify, defend and hold the City, and its respective officials, officers, employees, agents, contractors, attorneys and volunteers, and each of them, harmless from and against any and all claims, losses, expenses, suits, actions, fines, penalties, decrees, judgments, awards, attorney's fees (to Counsel chosen by City), expert and court costs (collectively "Damages") that the City, or its respective officers, officials, employees, agents, contractors and volunteers or any combination thereof, may suffer or that may be sought against or recovered or obtained from the City, or its respective officers, officials, employees, agents, contractors, attorneys or volunteers or any combination thereof, as a result of or by reason of or arising out of or in consequence of (a) the acquisition, construction, or installation of the Improvements; (b) the untruth or inaccuracy of any representation or warranty made by the Developer in this Agreement or in any certifications delivered by the Developer hereunder; or (c) any act or omission of the Developer or any of its subcontractors, or their respective officers, employees, agents, or contractors in connection with the Improvements. If the Developer fails to do so, the City shall have the right, but not the obligation, to defend the same and charge all of the direct, indirect and incidental costs of such defense, including any reasonable attorney fees, expert or court costs, to and recover the same from the Developer. Notwithstanding the foregoing, neither the City nor its respective officers, officials, employees, agents, contractors, attorneys or volunteers shall be indemnified, defended or held harmless against such Damages to the extent that such Damages have been caused by their sole active negligence or sole willful

misconduct. The parties acknowledge and agree that the Developer shall be released from the indemnity, defense and hold harmless obligations set forth herein upon the acceptance of the Completed Improvements by the City and completion of the Warranty Period for such Improvements.

17. Developer as a Private Developer. In performing under this Agreement, it is mutually understood that the Developer is acting as a private developer, and not as an agent of the City or as a joint venturer with City. The City shall have no responsibility for payment to any contractor, subcontractor or supplier of the Developer. Accordingly, this Agreement does not constitute a debt or liability of the City. The City shall not be obligated to advance any of its own funds or any other costs incurred in connection with the Project. No member, official, employee, agent, contractor, attorney or volunteer of the City shall be personally liable to the Developer, or any successor in interest, in the event of any default or breach by the City or for any amount that may become due to the Developer or its successors, or on any obligations under the terms of this Agreement.

18. Other Obligations. Nothing contained herein shall be construed as affecting the Developer's respective duty to perform its respective obligations under other agreements, land use regulations or subdivision requirements relating to the development of the Property, which obligations are and shall remain independent of the Developer's rights and obligations, and the City's rights and obligations, under this Agreement; provided, however, that the Developer shall use its reasonable and diligent efforts to perform each and every covenant to be performed by it under any lien or encumbrance, instrument, declaration, covenant, condition, restriction, license, order, or other agreement, the nonperformance of which could reasonably be expected to materially and adversely affect the design, acquisition, construction and installation of the Improvements. This Agreement is not, and shall not be construed as, a statutory development agreement as authorized by Government Code sections 65864 et seq., and this Agreement shall not be interpreted as limiting the authority of the City to adopt and amend regulations concerning permitted uses of property, the density or intensity of use, the maximum height and size of proposed buildings, provisions for the reservation or dedication of land or the payment of impact fees for public purposes.

19. Binding on Successors and Assigns. Except as set forth in Section 10 or Section 23 hereof, neither this Agreement nor the duties and obligations of the Developer hereunder may be assigned to any person or legal entity other than an affiliate of the Developer without the prior written consent of the City, which consent shall not be unreasonably withheld or delayed. Neither this Agreement nor the duties and obligations of the City hereunder may be assigned to any person or legal entity, without the written consent of the Developer, which consent shall not be unreasonably withheld or delayed. The agreements and covenants included herein shall be binding on and inure to the benefit of any partners, permitted and accepted assigns, and successors-in-interest of the parties hereto.

20. Amendments. This Agreement can only be amended by an instrument in writing executed and delivered by the City and the Developer.

21. Waivers. No waiver of, or consent with respect to, any provision of this Agreement by a party hereto shall in any event be effective unless the same shall be in writing and signed by such party, and then such waiver or consent shall be effective only in the specific instance and for the specific purpose for which it was given.

22. No Third Party Beneficiaries. No person or entity, other than the City, shall be deemed to be a third party beneficiary hereof, and nothing in this Agreement (either express or implied) is intended to confer upon any person or entity, other than the City and the Developer (and their respective successors and assigns), any rights, remedies, obligations or liabilities under or by reason of this Agreement.

23. Mortgagee Protection. The parties hereto agree that this Agreement shall not prevent or limit Developer, at Developer's sole discretion, from encumbering the Property or any portion thereof or any improvement thereon by any mortgage, deed of trust or other security device securing financing with respect to the Property. Developer shall have the right to encumber and assign its rights and interests hereunder to the lenders providing such financing as security for such financing without the consent of the City and without complying with Section 10 hereof. City acknowledges that the lenders providing such financing may require certain Agreement interpretations and modifications and agrees upon request, from time to time, to meet with Developer and representatives of such lenders to negotiate in good faith any such request for interpretation or modification. City will not unreasonably withhold its consent to any such requested interpretation or modification provided such interpretation or modification is consistent with the intent and purposes of this Agreement. A mortgagee of the Property shall be entitled to the following rights and privileges:

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

(b) The mortgagee of any mortgage or deed of trust encumbering the Property, or any part thereof, which mortgagee has submitted a request in writing to the City in the manner specified herein for giving notices, shall be entitled to receive written notification from City of any default by Developer in the performance of Developer's obligations under this Agreement.

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

(d) Any mortgagee who comes into possession of the Property, or any part thereof, pursuant to foreclosure of the mortgage or deed of trust, or deed in lieu of such foreclosure, shall take the Property, or part thereof, subject to the terms of this Agreement. Notwithstanding any other provision of this Agreement to the contrary, no mortgagee shall have an obligation or duty under this Agreement to perform any of Developer's obligations or other affirmative covenants of Developer hereunder, or to guarantee such performance; provided, however, that to the extent that any covenant to be performed by Developer is a condition precedent to the performance of a covenant by City, the performance thereof shall continue to be a condition precedent to City's performance hereunder, and further provided that any sale, transfer or assignment by any mortgagee in possession shall be subject to the provisions of Section 10 of this Agreement.

24. Notices. Any written notice, statement, demand, consent approval, authorization, offer, designation, request or other communication to be given hereunder shall be given to the party entitled thereto at its address set forth below, or at such other address as such party may provide to the other party in writing from time to time, namely:

Developer:

Lennar Homes of California, Inc.
980 Montecito Drive, Suite 206
Corona, CA 92879
Attn: Geoff Smith, Vice President
Email: Geoffrey.Smith@Lennar.com
Phone: (951) 817-3517

City:

City of Ontario
Attn: City Manager
303 East "B" Street
Ontario, CA 91764
Phone: (909) 395-2000

with a copy to:

Scott Huber, City Attorney
Cole Huber, LLP
2281 Lava Ridge Court, Ste. 300
Roseville, CA 95661

Each such notice, statement, demand, consent, approval, authorization, offer, designation, request or other communication hereunder shall be deemed delivered to the party to whom it is addressed (a) if personally served or delivered, upon delivery; (b) if given by electronic communication, whether by telex, or telecopy, upon the sender's receipt of an appropriate answerback or other written acknowledgment; (c) if given by registered or certified mail, return receipt requested, deposited with the United States mail postage prepaid, 72 hours after such notice is

deposited with the United States mail; (d) if given by overnight courier, with courier charges prepaid, 24 hours after delivery to said overnight courier; or (e) if given by any other means, upon delivery at the address specified in this Section.

25. Jurisdiction and Venue. City and the Developer (a) agree that any suit, action or other legal proceeding arising out of or relating to this Agreement shall be brought in state or local court in the County of San Bernardino or in the Courts of the United States of America in the district in which the City is located, (b) each consents to the jurisdiction of each such court in any suit, action or proceeding, and (c) each waives any objection that it may have to the venue or any suit, action or proceeding in any of such courts and any claim that any such suit, action or proceeding has been brought in an inconvenient forum. Each of the City and the Developer agrees that a final and non-appealable judgment in any such action or proceeding shall be conclusive and may be enforced in other jurisdictions by suit on the judgment or in any other manner provided by law.

26. Attorneys' Fees. If any action is instituted to interpret or enforce any of the provisions of this Agreement, the prevailing party in such action shall be entitled to recover from the other party thereto reasonable attorney's fees and costs of such suit (including both prejudgment and post judgment fees and costs) as determined by the court as part of the judgment.

27. Governing Law. This Agreement and any dispute arising hereunder shall be governed by and interpreted in accordance with the laws of the State of California.

28. Usage of Words. As used herein, the singular of any word includes the plural, and terms in the masculine gender shall include the feminine and the non-gender specific.

29. Counterparts. This Agreement may be executed in counterparts, each of which shall be deemed an original.

30. Severability. If any section, sentence, clause or phrase of this Agreement 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 Agreement that can be given effect without the invalid provision of application, and to this end the provisions of this Agreement are severable. The City Council hereby declares that they would have adopted this Agreement 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.

31. Incorporation by Reference. The following Exhibits attached hereto and the Recitals of this Agreement are hereby incorporated by reference as though fully set forth herein:

- Exhibit 1 – Legal Description of Property
- Exhibit 2 – Map of Property
- Exhibit 3 – Description of Improvements
- Exhibit 4 – Estimated Costs of Improvements
- Exhibit 5 – Certificate of DIF Credit
- Exhibit 6 - DIF Credit Request
- Exhibit 7 - none referenced
- Exhibit 8 - DIF Improvement Assignment

[Signatures On Next Page]

IN WITNESS WHEREOF, the parties have executed this Agreement as of the respective dates set forth below.

“CITY”

CITY OF ONTARIO, a California municipal corporation

Dated: _____, 2020 By: _____
Scott Ochoa, City Manager

ATTEST:

By: _____
City Clerk

APPROVED AS TO FORM:
COLE HUBER, LLP

By: _____
City Attorney

“DEVELOPER”

LENNAR HOMES OF CALIFORNIA, INC.
a California Corporation

Dated: _____, 2020

By: _____

Name: _____

Its: _____

ACKNOWLEDGEMENT

A notary public or other officer completing this certificate verifies only the identity of the individual who signed the document to which this certificate is attached, and not the truthfulness, accuracy, or validity of that document.

STATE OF CALIFORNIA)
COUNTY OF _____)

On _____, 20____, before me, _____,
Date *Insert Name and Title of the Officer*

personally appeared _____
Name(s) of Signer(s)

who proved to me on the basis of satisfactory evidence to be the person whose name(s) is/are subscribed to the within instrument and acknowledged to me that he/she/they executed the same in his/her/their authorized capacity, and that by his/her/their signature(s) on the instrument the person(s), or the entity upon behalf of which the person(s) acted, executed the instrument.

I certify under PENALTY OF PERJURY under the laws of the State of California that the foregoing paragraph is true and correct.

WITNESS my hand and official seal.

Signature _____
Signature of Notary Public

Place Notary Seal Above

ACKNOWLEDGEMENT

A notary public or other officer completing this certificate verifies only the identity of the individual who signed the document to which this certificate is attached, and not the truthfulness, accuracy, or validity of that document.

STATE OF CALIFORNIA)
COUNTY OF _____)

On _____, 20____, before me, _____,
Date *Insert Name and Title of the Officer*

personally appeared _____
Name(s) of Signer(s)

who proved to me on the basis of satisfactory evidence to be the person whose name(s) is/are subscribed to the within instrument and acknowledged to me that he/she/they executed the same in his/her/their authorized capacity, and that by his/her/their signature(s) on the instrument the person(s), or the entity upon behalf of which the person(s) acted, executed the instrument.

I certify under PENALTY OF PERJURY under the laws of the State of California that the foregoing paragraph is true and correct.

WITNESS my hand and official seal.

Signature _____
Signature of Notary Public

Place Notary Seal Above

Exhibit 1

Legal Description of Property

Real property in the City of Ontario, County of San Bernardino, State of California, described as follows:

LOTS 1 THROUGH 176 AND LETTERED LOTS A THROUGH Z AND AA THROUGH EE, GG THROUGH II, INCLUSIVE, OF TRACT NO. 20012, IN THE CITY OF ONTARIO, COUNTY OF SAN BERNARDINO, STATE OF CALIFORNIA, AS SHOWN BY MAP ON FILE IN BOOK 351, PAGES 82 THROUGH 90 OF MAPS, IN THE OFFICE OF THE COUNTY RECORDER OF SAID COUNTY.

Assessor Parcel Numbers are set forth below:

0218-043-01-0000 through 0218-043-55-0000, inclusive
0218-044-01-0000 through 0218-044-46-0000, inclusive
0218-413-01-0000 through 0218-413-44-0000, inclusive
0218-414-01-0000 through 0218-414-65-0000, inclusive

Exhibit 2

Map of Property

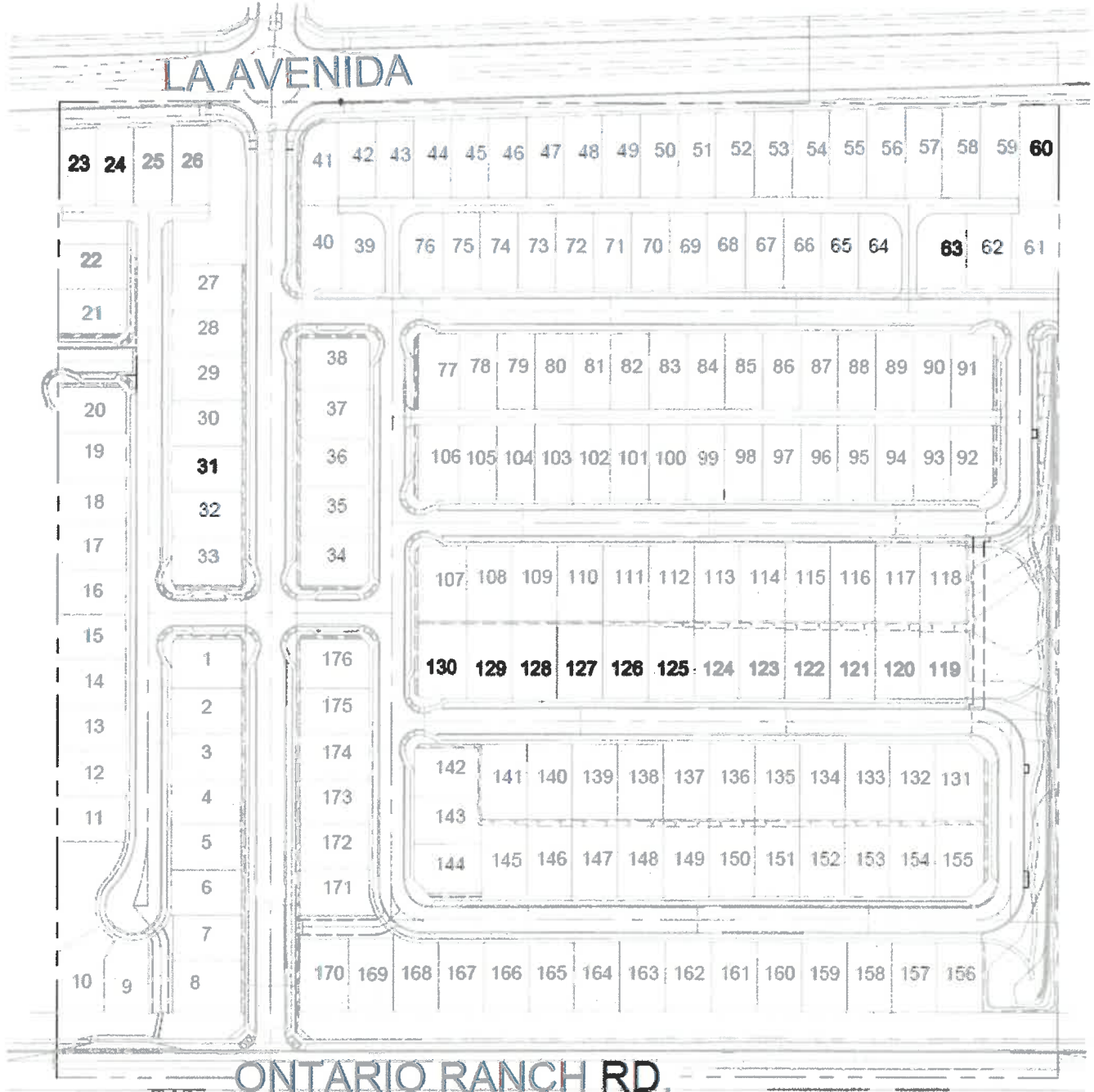


Exhibit 3

Description of Improvements

DIF Eligible Facilities: The DIF Eligible Facilities consist of the following Components and Segments; provided, however, that each such Segment described below shall constitute a Segment for purposes of this Agreement only if such Segment was constructed by or on behalf of the Developer

Streets and Bridges Facilities					
<u>Project</u>	<u>DIF Category</u>	<u>DIF Program Project No.</u>	<u>DIF Project Description</u>	<u>Segment Description</u>	<u>Project Scope/Length [LF]</u>
TM 20012	Local Adjacent Streets	ST-024	Ontario Ranch Traffic Control System	Construction of signalized intersection at Ontario Ranch Road (Edison) and south Broadway Avenue (tract entrance)	Full Signalized Intersection Improvements

Fiber Optic Communications Facilities					
<u>Project</u>	<u>DIF Category</u>	<u>DIF Program Project No.</u>	<u>DIF Project Description</u>	<u>Segment Description</u>	<u>Project Scope/Length [LF]</u>
TM 20012	Local Adjacent Fiber Optic Communications	FO-04	Fiber Optic System Distribution Network	Construction of Fiber Optic Conduit in Ontario Ranch Road from western tract limits to eastern tract limits.	1,344
Subtotal Local Adjacent Fiber Optic Communications:					

Exhibit 4

Estimated Costs of Improvements

Streets and Bridges Facilities								
<u>Project</u>	<u>DIF Category</u>	<u>DIF Program Project No.</u>	<u>DIF Project Description</u>	<u>Segment Description</u>	<u>Project Scope/Length [LF]</u>	<u>Total DIF Project Costs</u>	<u>Segment Cost Percentage</u>	<u>Maximum Eligible Costs</u>
TM 20012	Local Adjacent Streets	ST-024	Ontario Ranch Traffic Control System	Construction of signalized intersection at Ontario Ranch Road (Edison) and south Broadway Avenue (tract entrance)	Full Signalized Intersection Improvements	\$27,201,323	1.2182%	\$ 331,355
Subtotal Local Adjacent Street and Bridge Facilities								\$ 331,355

Fiber Optic Communications Facilities								
<u>Project</u>	<u>DIF Category</u>	<u>DIF Program Project No.</u>	<u>DIF Project Description</u>	<u>Segment Description</u>	<u>Project Scope/Length [LF]</u>	<u>Total DIF Project Costs</u>	<u>Segment Cost Percentage</u>	<u>Maximum Eligible Costs</u>
TM 20012	Local Adjacent Fiber Optic Communications	FO-04	Fiber Optic System Distribution Network	Construction of Fiber Optic Conduit in Ontario Ranch Road from western tract limits to eastern tract limits.	1,344	9,819,358	0.3739%	\$ 36,718
Subtotal Local Adjacent Fiber Optic Communications								\$ 36,718

Total DIF Eligible Facilities - Lennar Homes of California, Inc.			
Tract Map 20012	DIF Eligible Improvements to be Constructed or Funded		
Infrastructure Category	Total DIF Eligible Costs	DIF Obligations - Maximum DIF Credit	DIF Credit in Excess of Obligation
Local Adjacent Streets and Bridges Facilities	\$ 331,355	\$ 511,808	\$ -
Local Adjacent Fiber Optic Facilities	\$ 36,718	\$ 151,360	\$ -
Totals	\$ 368,073	\$ 663,168	\$ -

Exhibit 5

FORM OF CERTIFICATE OF REGIONAL OR LOCAL ADJACENT DIF CREDIT

Pursuant to Section 6 of the Development Impact Fee Credit Agreement for Facility Construction by and between the City of Ontario and _____ dated _____, 20__, the terms and definitions of which are hereby incorporated herein by this reference and hereinafter called the "Fee Credit Agreement", the City of Ontario hereby certifies that Developer is entitled to the following amount and nature of DIF Credits:

Amount of Credit: \$ _____
Infrastructure Category of DIF: _____
Local Adjacent or Regional Category of DIF: _____

Scott Ochoa, City Manager

Dated: _____

Exhibit 6

FORM OF DIF CREDIT REQUEST

DIF Project Name & Number: _____

The undersigned (the "Developer"), hereby requests DIF Credits in the DIF categories and amounts specified in Attachment 1 hereto, attached and incorporated. In connection with this Credit Request, the undersigned hereby represents and warrants to the City as follows:

1. He (she) is a duly authorized officer or representative of the Developer, qualified to execute this Credit Request on behalf of the Developer and is knowledgeable as to the matters set forth herein.

2. All costs of the Improvements for which credit is requested hereby are Eligible Costs (as defined in the Fee Credit Agreement) and have not been inflated in any respect. The Eligible Costs for which credit is requested have not been the subject of any prior credit request submitted to the City.

3. Supporting documentation (such as the applicable Developer Contract, third party invoices, lien releases and cancelled checks or other evidence of payment) is attached with respect to each cost for which credit is requested.

4. The Improvement for which credit is requested was constructed in accordance with the requirements of the Fee Credit Agreement.

5. Please issue a Certificate of DIF Credit to the Developer in the amount requested.

I declare under penalty of perjury that the above representations and warranties are true and connect.

DEVELOPER:

CITY:

[INSERT ENTITY]

Credit Request Approved

By: _____
Authorized Representative of Developer
Date: _____

Scott Ochoa, City Manager
Date: _____

ATTACHMENT 1 to Form of DIF Credit Request

SUMMARY OF IMPROVEMENTS AND REQUESTED DIF CREDITS

Improvement	Eligible Costs/Contract Amount	DIF Credit Requested
-------------	--------------------------------	----------------------

[List here all Improvements for
which credit is requested, and attach support documentation]

Exhibit 8

FORM OF ASSIGNMENT, SALE, OR TRANSFER OF DIF CREDIT

FROM _____ to _____

This Sale or Transfer of DIF Credit ("DIF Credit Transfer") is entered into as of _____, 20____, between _____, a _____
_____ ("Transferor")
and _____ ("Transferee").

A. NMC Builders, LLC is a limited liability company formed under the laws of the state of California, the business affairs of which are governed by that certain Amended and Restated Limited Liability Company Agreement of NMC Builders, LLC dated as of March 31, 2005, as amended ("NMC Agreement").

B. Transferor is a Member of the NMC Builders, LLC.

C. Pursuant to that certain Certificate of DIF Credit (the "Certificate") issued by the City of Ontario to NMC Builders, LLC, dated _____, an amount of DIF Credit was made available to the Transferor for use in the eastern portion of the New Model Colony. A copy of the Certificate is DIF Credit issued to NMC Builders, LLC by CITY is attached hereto and incorporated herein as Exhibit "C-2".

D. Transferee is owner of real property within the eastern portion of the New Model Colony of the City of Ontario and further described as Tract Map No. _____. (*or other description of the property*).

D. Pursuant to the terms of this DIF Credit Assignment, Transferee desires to receive from the Transferor, a share of the DIF Credit issued to Transferor by NMC Builders LLC.

For good, valuable and sufficient consideration received, the receipt of which is hereby acknowledged, the Transferor and Transferee hereby agree as follows:

1. TRANSFER

The Transferor hereby assigns, transfers and conveys to Transferee the DIF Credit of:

DIF Credit Category

DIF Credit Amount

2. ACCEPTANCE

Transferee hereby accepts and assumes DIF Credit as listed above. Transferee and CITY shall track DIF Credit as it is redeemed, and the remaining balance to be used, by completing, dating and initialing Exhibit "D-3" attached hereto and incorporated herein. The original Exhibit "C-2" shall not be removed from this Transfer Agreement.

3. EFFECTIVE DATE.

This Transfer Agreement shall become effective as of the date first above written.

4. TRANSFEROR'S REPRESENTATIONS AND WARRANTIES.

The Transferor makes the following representations and warranties, which representations and warranties shall survive this DIF Credit Transfer:

The Transferor has the full power and authority to enter into this DIF Credit Transfer.

The execution, delivery and performance of this DIF Credit Transfer will not result in any violation or default under its organizational documents or any instruments to which the Transferor is a party.

From and after the date of this DIF Credit Transfer, the Transferor shall have no further rights, title or interest in or to the DIF Credit.

5. TRANSFEREE'S REPRESENTATION AND WARRANTIES.

Transferee makes the following representations and warranties, which representations and warranties shall survive this Transfer:

Transferee is the owner of Tract No. _____ (*or other property description*) in the eastern portion of the New Model Colony, City of Ontario.

Transferee has the full power and authority to enter into this DIF Credit Transfer.

This DIF Credit Transfer, when executed, shall constitute a valid and legal obligation binding as to Transferee.

6. NOTICES.

All notices, consents, waivers and other communications under this DIF Credit Transfer must be in writing and will be deemed to have been duly given when (a) delivered by hand (with written confirmation of receipt), (b) when received by the addressee, if sent by a nationally recognized overnight delivery service (receipt requested), in each case to the appropriate addresses set forth below (or to such other addresses as a party may designate by notice to the other parties); (c) when received by the addresses as confirmed by a confirmation receipt, if sent by facsimile to the appropriate facsimile number designated below (or to such other facsimile number as the parties may designate by notice to the other parties).

If to the Transferor: Entity Name: _____
Address: _____

Attention: _____
Phone: _____
Email: _____

If to Transferee: Entity Name: _____
Address: _____

Attention: _____
Phone: (____) _____
Email: _____

7. GENERAL PROVISIONS.

Severability. In the event that the application of any of the provisions of this DIF Credit Transfer are held to be unenforceable or invalid, the validity and enforceability of other applications of that provision and of the remaining provisions shall not be affected.

Counterparts. This DIF Credit Transfer may be executed in counterparts.

Entire Agreement. This DIF Credit Transfer contains the entire final understanding of and between the parties and supersedes any prior written or oral agreements between them respecting the subject matter of this DIF Credit Transfer. There are no representations, agreements, arrangements or understandings, oral or written, between the parties that are not fully set forth herein.

Construction. Every covenant, term and provision of this DIF Credit Transfer shall be construed simply according to its fair meaning and not strictly for or against any party.

No Modifications. No supplement, modifications or amendment to this DIF Credit Transfer shall be binding unless executed in writing by both parties.

Further Assurances. The Transferor and Transferee each agree to execute such other documents and perform such other acts as may be necessary or desirable to effectuate this DIF Credit Transfer.

Effect of NMC Agreement and Certificate. This DIF Credit Transfer Agreement is, and shall remain, subject to the terms and conditions of the DIF Credit Certificate and the NMC Agreement, as may be amended by the parties thereto from time to time.

No Third Party Beneficiaries. This DIF Credit Transfer Agreement is made and entered into for the sole protection and benefit of the parties hereto, the City of Ontario, and their respective successors and assigns. No other person or entity shall have any right of action based upon any provision of this DIF Credit Transfer Agreement.

IN WITNESS WHEREOF, the Transferor and Transferee have duly executed this DIF Credit Transfer as of the date first written above.

TRANSFEROR:

Entity Name (NMC Builders Member) a _____

By: _____

By: _____

TRANSFEE:

Entity Name _____ a, _____

By: _____

By: _____

(All Signatures must be notarized)

EXHIBIT "C-2" to Transfer of DIF Credit

(Certificate of DIF Credit)

(Original DIF Credit Certificate issued by City must be attached).

EXHIBIT "D-3" to Transfer of DIF Credit
Available DIF Credit Reconciliation

DIF Credit Category _____

Assigned to: _____ **(NMC Member)**

Date Assigned to NMC Member: _____

Transferee: _____

Date Transferred: _____

Starting DIF Credit Balance	Amount Redeemed	Date	Remaining DIF Credit Balance	City's Initials	Transferee's Initials

CITY OF ONTARIO

Agenda Report
May 19, 2020

SECTION:
CONSENT CALENDAR

SUBJECT: PURCHASE OF NETWORK SECURITY FIREWALLS

RECOMMENDATION: That the City Council award Bid No. 1182 and authorize the purchase of Palo Alto network security firewalls in the amount of \$99,430 for the Ontario Police Department network from FortNetSecurity, Inc. (FSI) of Gilroy, California.

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

FISCAL IMPACT: The Fiscal Year 2019-2020 Adopted Operating Budget includes appropriations from the Information Technology Fund for replacement of the City network equipment. The bid amount of \$99,430 includes a redundant security firewall system with one year of support services.

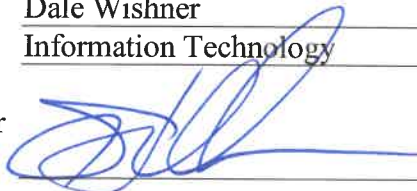
BACKGROUND: The current network security firewall is nearing the end of its support period. The recommended firewalls will work as a pair for redundancy offering a next generation technology that not only chooses what data can pass in and out of the network, but also analyses data for malicious software and emails.

In August 2019, the City solicited bids for the Palo Alto firewall solution and two (2) bids were received. The IT Department has previously purchased other items from ForNetSecurity, Inc. (FSI) during the current fiscal year. With this purchase, cumulative purchases from this vendor will exceed \$100,000, and staff is requesting City Council approval.

<u>Vendor</u>	<u>Location</u>	<u>Amount</u>
FortNetSecurity, Inc. (FSI)	Gilroy, CA	\$99,430
Howard Industries Inc.	Laurel, MS	\$120,596

Staff recommends award Bid No. 1182 to ForNetSecurity, Inc. (FSI) as they submitted the lowest responsive bid.

STAFF MEMBER PRESENTING: Colin Fernandes, Executive Director Information Technology

Prepared by: Dale Wishner
Department: Information Technology
City Manager Approval: 

Submitted to Council/O.H.A. 05/19/2020
Approved: _____
Continued to: _____
Denied: _____

CITY OF ONTARIO

Agenda Report
May 19, 2020

SECTION:
CONSENT CALENDAR

SUBJECT: AN AMENDMENT TO THE PROFESSIONAL SERVICES AGREEMENT WITH HARRIS AND ASSOCIATES FOR ON-CALL PLAN CHECKING SERVICES

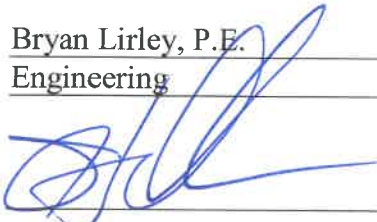
RECOMMENDATION: That the City Council approve an amendment to the Professional Services Agreement (on file in the Records Management Department) with Harris and Associates, of Irvine, California, to provide on-call Plan Checking Services adding \$400,000 for a revised total authorized expenditure of \$1,120,000.

**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 October 2019, the City authorized Amendment No. 4 to the Harris and Associates contract for on-call Plan Checking Services, which increased the contract not-to-exceed amount to \$720,000 and extended the term of the contract to October 6, 2020. This recommended action will add \$400,000 for a revised contract not-to-exceed amount of \$1,120,000. The additional funding for these services will be paid for by developers by way of plan check fees. If approved, additional General Fund revenue and expenditure appropriations will be included in the next quarterly budget report to the City Council.

BACKGROUND: Due to the current volume of development projects within the City, there is an associated increase in the volume of improvement plans submitted to the Engineering Department for review. This amendment to the Professional Services Agreement with Harris and Associates allows the Engineering Department to continue to provide plan checking services in a timely manner to maintain the City's plan check review schedule commitment to the development community.

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

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

Submitted to Council/O.H.A. 05/19/2020
Approved: _____
Continued to: _____
Denied: _____

CITY OF ONTARIO

Agenda Report
May 19, 2020

SECTION:
CONSENT CALENDAR

SUBJECT: A MAINTENANCE SERVICE AGREEMENT FOR LANDSCAPE MAINTENANCE SERVICES FOR PARK PLACE

RECOMMENDATION: That the City Council authorize the City Manager to execute a three-year Maintenance Services Agreement (on file in the Records Management Department) for Contract No. PM1920-6 with Merchants Landscape Services Inc., of Rancho Cucamonga, California, for an annual estimated cost of \$122,400 plus a contingency of \$12,240; authorize the addition of future service areas; and authorize the option to extend the agreement for up to two additional years consistent with City Council approved budgets.

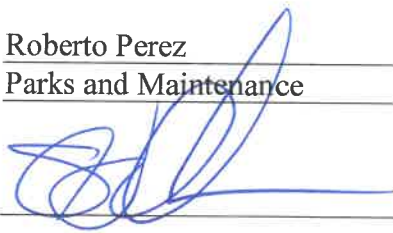
COUNCIL GOALS: Invest in the City's Infrastructure (Water, Streets, Sewers, Parks, Storm Drains and Public Facilities)
Ensure the Development of a Well Planned, Balanced and Self-Sustaining Community in Ontario Ranch

FISCAL IMPACT: The estimated annual base cost of the proposed Maintenance Services Agreement is \$122,400 plus \$12,240 of contingency for unforeseen maintenance that might be needed due to weather, events or extraordinary circumstances for a total of \$134,640 each of the first three years, or a total of \$403,920. Appropriations for landscape maintenance services will be included in the Fiscal Year 2020-21 Proposed Annual Operating Budget.

At the City's discretion, two one-year extensions may be exercised, first optional year includes a base price increase of 4% and a 3.75% base price increase would apply for the second option year. Future contracting actions will be commensurate with the City Council authorized work programs and budgets. Contracting for the multi-year period will allow the City to avoid the costs of re-bidding the contract annually, provide service continuity; and better project future years' cost.

BACKGROUND: In March 2020, the City solicited bids for Contract No. PM1920-6 for landscape maintenance services for Park Place. Six proposals were received. Five proposals met the bid criteria

STAFF MEMBER PRESENTING: Tito Haes, Executive Director Public Works

Prepared by: Roberto Perez
Department: Parks and Maintenance
City Manager Approval: 

Submitted to Council/O.H.A. 05/19/2020
Approved: _____
Continued to: _____
Denied: _____

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and standards necessary to perform this work and one was deemed non-responsive. The base cost proposed ranged from \$122,400 to \$372,000 and are summarized below.

<u>Vendor</u>	<u>Location</u>	<u>Amount</u>
Merchants Landscape	Rancho Cucamonga, CA	\$122,400
Nieves Landscape Inc.	Santa Ana, CA	\$129,252
Green Tech	Whittier, CA	\$138,000
Priority	Brea, CA	\$187,200
Yamamoto	La Habra CA	\$372,000
* DW Landscape	Upland, CA	N/A

* *Bid Proposal was incomplete and therefore deemed non-responsive.*

Merchants Landscape Services Inc., located in Rancho Cucamonga, California, submitted a proposal that met all the required specifications with a base cost, three-year total of \$367,200. Based upon their proposal, credentials, pricing and favorable reference checks, staff recommends award of this Maintenance Services Agreement to Merchants Landscape Services Inc.

CITY OF ONTARIO

Agenda Report
May 19, 2020

SECTION:
CONSENT CALENDAR

SUBJECT: AN AMENDMENT TO THE AGREEMENT WITH COLLABORATIVE SOLUTIONS FOR WORKDAY ON DEMAND SUPPORT

RECOMMENDATION: That the City Council authorize the City Manager to execute an amendment (on file in the Records Management Department) to the agreement with Collaborative Solutions, LLC, of Reston, Virginia, for Workday on-demand support extending the term by three years and increasing the revised authorized contract amount by \$300,000, for a new total of \$400,000.

COUNCIL GOALS: Operate in a Businesslike Manner

FISCAL IMPACT: This amendment increases the agreement amount from \$100,000 to \$400,000 and extends the contract term for an additional three years. Appropriations for FY 2019-20 service are contained in the Information Technology Fund. Appropriations for the latter two years of the amendment will be included in annual proposed budgets for the respective fiscal years.

BACKGROUND: In 2018, the City first contracted with Collaborative Solutions for Workday on-demand support services. Collaborative Solutions provides specialized expertise and support of the HR/Payroll System, Workday, on an-as needed basis. This amendment extends the term of the current agreement through May 31, 2023 and amends the authorized contract amount to \$400,000. Support from Collaborative Solutions ensures our HR/Payroll System is compliant with state and federal regulations and can issue timely and accurate paychecks to employees.

STAFF MEMBER PRESENTING: Toni McNaughton, IT Applications Director

Prepared by: Jose Andrade
Department: Information Technology

City Manager
Approval: 

Submitted to Council/O.H.A. 05/19/2020

Approved: _____

Continued to: _____

Denied: _____

CITY OF ONTARIO

Agenda Report
May 19, 2020

SECTION:
CONSENT CALENDAR

SUBJECT: A PROFESSIONAL SERVICE AGREEMENT WITH KIMLEY-HORN AND ASSOCIATES, INC. FOR THE PREPARATION OF AN ENVIRONMENTAL IMPACT REPORT FOR THE SOUTH ONTARIO LOGISTICS CENTER SPECIFIC PLAN FOR PROPERTY LOCATED NORTH OF MERRILL AVENUE, SOUTH OF EUCALYPTUS AVENUE, EAST OF CAMPUS AVENUE AND WEST OF GROVE AVENUE

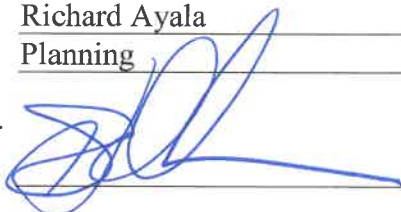
RECOMMENDATION: That the City Council approve and authorize the City Manager to execute an agreement (on file in the Records Management Department) with Kimley-Horn and Associates, Inc., of Riverside, California, to prepare an Environmental Impact Report (EIR) for the South Ontario Logistics Center Specific Plan, in the amount of \$682,740, plus a 15% contingency of \$102,411, for a total authorized expenditure of \$785,151; and authorize the City Manager to approve any future budget adjustments necessary to complete the EIR.

COUNCIL GOALS: Invest in the Growth and Evolution of the City's Economy
Operate in a Businesslike Manner
Ensure the Development of a Well Planned, Balanced, and Self-Sustaining Community in Ontario Ranch

FISCAL IMPACT: None. The EIR contract is a "pass-thru" to be paid by the project applicant. A budget adjustment for the \$785,151 in Development revenue and corresponding expenditure appropriations will be included in the next quarterly budget update report to the City Council.

BACKGROUND: On January 27, 2010, the City adopted The Ontario Plan (TOP) and certified the accompanying EIR. TOP serves as the City's new General Plan for the entire City, including Ontario Ranch. The project site is zoned SP/AG (Specific Plan/Agriculture Preserve). The zoning of "SP" requires the project area to be developed with a specific plan to carry out the goals and policies of TOP.

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

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

Submitted to Council/O.H.A. 05/19/2020
Approved: _____
Continued to: _____
Denied: _____

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REDA, OLV (Applicant), is proposing the South Ontario Logistics Center Specific Plan to govern the development of approximately 228 acres of land for industrial/warehouse and ancillary office space. The Specific Plan site is generally located north of Merrill Avenue, south of Eucalyptus Avenue, east of Campus Avenue, and west of Grove Avenue.

The South Ontario Logistics Center Specific Plan proposes to establish two (2) planning areas that would provide for the development of approximately 228 acres of the land (hereafter referred to as the "Project Site") with up to 3,596,967 square feet of industrial/warehouse and ancillary office space. The Project will include the construction of roadways, landscaping, signage, lighting, and utility improvements to serve the site. The Project site is located in the southwest portion of the City of Ontario, California and is currently used for agricultural purposes. The discretionary approvals requested from the City of Ontario include a General Plan Amendment, Specific Plan, Development Agreement, Development Plan, and Tentative Parcel Tract Map(s).

In order to thoroughly address the environmental impacts associated with the proposed specific plan, a project Environmental Impact Report (EIR) is required. The City of Ontario Planning Department is responsible for selecting the consultant to prepare the EIR. A Request for Proposals (RFP) to prepare an EIR for the South Ontario Logistics Center Specific Plan was sent to six qualified environmental consulting firms. The selection committee unanimously recommended Kimley-Horn and Associates, Inc. to prepare the EIR for the South Ontario Logistics Center Specific Plan. The experience and qualifications of Kimley-Horn and Associates, Inc., seemed to best address and fully respond to the work scope.

The total estimated cost for completing the EIR is \$785,151, which includes a fifteen percent (15%) contingency required by the City, to be paid by the applicant. The applicant is aware of and has agreed to the total amount. Staff will oversee the project from start to finish.

CITY OF ONTARIO

Agenda Report
May 19, 2020

SECTION:
CONSENT CALENDAR

SUBJECT: A PROFESSIONAL SERVICES AGREEMENT WITH PLACEWORKS, INC., FOR THE PREPARATION OF A GENERAL PLAN UPDATE, COMMUNITY CLIMATE ACTION PLAN UPDATE, ENVIRONMENTAL IMPACT REPORT AND OBJECTIVE DESIGN AND DEVELOPMENT STANDARDS

RECOMMENDATION: That the City Council approve and authorize the City Manager to execute a Professional Services Agreement (on file in the Records Management Department) with PlaceWorks, Inc. of Santa Ana, California, in the amount of \$2,946,600, plus a contingency of \$363,400, for a total authorized expenditure of \$3,310,000 to prepare (1) an update to The Ontario Plan Policy Plan (General Plan), Governance, Implementation, and Tracking and Feedback Components; (2) an update to the Community Climate Action Plan; (3) an Environmental Impact Report (EIR); and (4) Objective Design and Development Standards to streamline future development and comply with legislative mandates.

COUNCIL GOALS: Invest in the Growth and Evolution of the City's Economy
Operate in a Businesslike Manner
Pursue City's Goals and Objectives by Working with Other Governmental Agencies
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

FISCAL IMPACT: This three-year project will have a total fiscal impact of \$3,310,000. The Fiscal Year 2019-20 Adopted Budget includes appropriations of \$750,000 in the General Fund and \$250,000 in the Capital Projects Fund, and \$310,000 from the General Fund Grants Fund will be included in the Fiscal Year 2019- 20 Third Quarter Budget Update Report to the City Council. The remaining \$2,000,000 will be included in future annual budgets as approved by City Council. In addition, on January 21, 2020, the City Council adopted a new fee schedule which included a 5% General Plan Maintenance Fee on certain entitlement applications to collect revenue over time to offset costs associated with maintaining and updating the General Plan. The amount of revenue anticipated from this fee is not known at this time.

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

Prepared by: Tom Grah
Department: Planning
City Manager Approval: 

Submitted to Council/O.H.A. 05/19/2020
Approved: _____
Continued to: _____
Denied: _____

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BACKGROUND: California State law requires each city and county to adopt a General Plan "for the physical development of the county or city, and any land outside its boundaries which, in the planning agency's judgement, bears relation to its planning" (Gov Code Section 65300). The General Plan expresses the community's development goals and embodies public policies relative to the distribution of future land uses, both public and private. A General Plan must address the following elements: land use, circulation, housing, conservation, open space, noise, and safety. In 2010, the City of Ontario adopted The Ontario Plan (TOP) to address state requirements; a technical update to the Housing Element was adopted in 2013.

TOP integrates components of city governance that are typically disconnected and integrates them into a single guidance system to shape the Ontario community for 20 years or more into the future. TOP provides for lasting policies to accommodate change and consists of a six-part Component Framework: (1) Vision, (2) Governance Manual, (3) Policy Plan (the General Plan), (4) City Council Priorities, (5) Implementation, and (6) Tracking and Feedback. Together, these components provide the overall business plan for the community.

In September 2019, staff issued a Request for Qualifications (RFQ) seeking a qualified consultant to assist with refining and technically updating the City's General Plan. Four Statement of Qualifications (SOQ) were received; responding firms include: PlaceWorks (Ontario), MIG (Pasadena), Kimley-Horn (Riverside), and DeNovo Planning (Tustin). Each SOQ was screened and scored by City staff according to the criteria outlined in the RFQ. The scoring criteria consisted of (1) qualifications, (2) experience with similar projects, (3) references, (4) demonstrated capacity, (5) services offered, (6) sub-consultants, (7) analysis and approach, and (8) exploratory questions. Following this review, staff invited PlaceWorks and MIG to respond to the Request for Proposals (RFP).

In October 2019, staff issued an RFP to PlaceWorks and MIG expanding on the criteria listed in the RFQ, and further requesting that the consultant demonstrate their ability to accomplish the TOP update. Each proposal was screened and scored by City staff according to the criteria outlined in the RFP. The scoring criteria consisted of (1) demonstrated ability to successfully manage a general plan update, (2) familiarity and prior experience with similar projects, (3) proficient understanding and experience with related best practices and mandates related to general plan updates, (4) level of creativity in conceptually designing the City's TOP update process, (5) ability to work with the public and build consensus, (6) experience with digital publishing, mapping and data analytics, and utilization of current technology, (7) demonstrated competency of livable communities/smart cities concepts, and (8) experience with implementation and community indicators.

On November 20, 2019, staff interviewed both PlaceWorks and MIG, ultimately selecting PlaceWorks to accomplish The Ontario Plan – General Plan Update. In addition the General Plan Update the project will also include the following components:

- **Community Climate Action Plan (CCAP):** The City of Ontario adopted its current Climate Action Plan (CAP) in 2014 with a year 2008 baseline greenhouse gas (GHG) emissions inventory and targets to reduce the City's GHG emissions to 30 percent below baseline emissions by 2020, consistent with requirements of Assembly Bill 32, the "Global Warming Solutions Act of 2006". In 2016, Senate Bill 32 extended the State regulations regarding climate change which provides targets to reduce GHG emissions to 40 percent below 1990 levels by the year 2030. The City will

be updating the CCAP and incorporating the environmental clearance as part of the TOP Update pursuant to the requirements of the California Environmental Quality Act (CEQA).

- Senate Bill 2 Planning Grants Program: In 2019, the City of Ontario applied for and was awarded \$310,000 from the SB 2 Planning Grants program. These funds will be used to establish Objective Design and Development Standards (ODDS) for various types of residential projects (i.e., Mixed Use, Multi-Family, and Single-Family). These design and development standards will assist in the acceleration of streamlined residential projects.
- Local Early Action Planning (LEAP) Grants: The City of Ontario will be applying for \$500,000 from the LEAP grant program that can be used for projects that accelerate the projection of housing. The City proposes to utilize this funding with tasks associated with the TOP update.

Over the next 18 months, staff will work closely with PlaceWorks to accomplish a series of tasks to complete the TOP update. If approved, this project will begin immediately and end with the completion of The Ontario Plan – General Plan Update, which includes the Housing Element completed within statutory deadlines established by the California Department of Housing and Community Development (HCD). The series of tasks outlined in the attached agreement are as follows:

- Task 1: Project Management and Coordination
- Task 2: Technical Studies of Existing and Future Conditions (Including the CCAP)
- Task 3: Outreach and Engagement
- Task 4: Land Use Planning (Including ODDS/SB2)
- Task 5: Policy Plan (Including the Housing Element update)
- Task 6: CEQA Compliance
- Task 7: GIS Data & Analysis
- Task 8: Business Plan
- Task 9: Website Development

CITY OF ONTARIO

Agenda Report
May 19, 2020

SECTION:
CONSENT CALENDAR

SUBJECT: A RESOLUTION APPROVING THE SUBMITTAL OF A PLANNING GRANT PURSUANT TO THE LOCAL EARLY ACTION PLANNING GRANT (LEAP) AND AUTHORIZING THE CITY MANAGER TO ACCEPT THE NON-COMPETITIVE AWARD

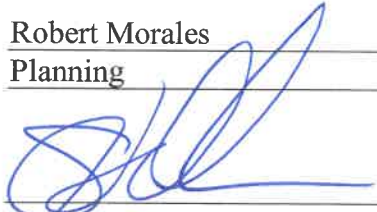
RECOMMENDATION: That the City Council consider and adopt a resolution to approve the submittal of the Local Early Action Planning Grant (LEAP) administered by the California Department of Housing and Community Development (HCD), and authorize the City Manager to accept the non-competitive award and execute all related grant documents.

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: The LEAP grant is a non-competitive reimbursement grant available to cities and counties to fund projects that will assist in the preparation and adoption of planning documents and process improvements that accelerate housing production and facilitate compliance to implement the sixth cycle of the Regional Housing Needs Assessment (RHNA). The City of Ontario is eligible to receive a grant award of \$500,000. There is no local matching funds requirement. If awarded, the associated revenue and appropriations adjustments, will be included in the next quarterly budget update report to the City Council.

BACKGROUND: In the 2019-20 Budget Act, the California legislature allocated \$250 million for all regions, cities, and counties to do their part by prioritizing planning activities that accelerate housing production to meet identified needs of every community. With this allocation, HCD established the LEAP Grant Program with \$119 million for cities and counties. The LEAP Grant provides one-time funding to update planning documents and implement process improvements that will facilitate the acceleration of housing production and help local governments prepare for the sixth cycle RHNA, much like the SB2 Planning Grant the City received in 2019.

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

Prepared by: Robert Morales
Department: Planning
City Manager Approval: 

Submitted to Council/O.H.A. 05/19/2020
Approved: _____
Continued to: _____
Denied: _____

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HCD determined the maximum award amounts based on Department of Finance estimates of jurisdictional population. The City of Ontario, with a population of 178,268, is eligible for an award of \$500,000.

The LEAP Grant funds will be used to support The Ontario Plan – General Plan Update and specifically support the preparation and adoption of planning documents and process improvements that accelerate housing production and facilitate compliance to implement the sixth cycle of the regional housing need assessment.

RESOLUTION NO. _____

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF ONTARIO, CALIFORNIA, FOR FILE NO. PADV20-004, AUTHORIZING THE APPLICATION FOR, AND RECEIPT OF, LOCAL GOVERNMENT PLANNING SUPPORT (LEAP) GRANT PROGRAM FUNDS.

WHEREAS, pursuant to Health and Safety Code 50515 et. Seq, the Department of Housing and Community Development (Department) is authorized to issue a Notice of Funding Availability (NOFA) as part of the Local Government Planning Support Grants Program (hereinafter referred to by the Department as the Local Early Action Planning Grants program or LEAP); and

WHEREAS, the City Council of the City of Ontario desires to submit a LEAP grant application package ("Application"), on the forms provided by the Department, for approval of grant funding for projects that assist in the preparation and adoption of planning documents and process improvements that accelerate housing production and facilitate compliance to implement the sixth cycle of the regional housing need assessment; and

WHEREAS, the Department has issued a NOFA and Application on January 27, 2020 in the amount of \$119,040,000 for assistance to all California Jurisdictions; and

WHEREAS, the LEAP grant is a non-competitive grant with award amounts based on jurisdictional Department of Finance population estimates; and

WHEREAS, as indicated in the LEAP grant NOFA, the City of Ontario has a population of 178,268 with an award amount of \$500,000.

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

SECTION 1. The City Manager is hereby authorized and directed to apply for and submit to the Department the Application package; and

SECTION 2. In connection with the LEAP grant, if the Application is approved by the Department, the City Manager of the City of Ontario is authorized to submit the Application, enter into, execute, and deliver on behalf of the Applicant, a State of California Agreement (Standard Agreement) for the amount of \$500,000, and any and all other documents required or deemed necessary or appropriate to evidence and secure the LEAP grant, the Applicant's obligations related thereto, and all amendments thereto; and

SECTION 3. The Applicant shall be subject to the terms and conditions as specified in the NOFA, and the Standard Agreement provided by the Department after approval. The Application and any and all accompanying documents are incorporated in full as part of the Standard Agreement. Any and all activities funded, information provided,

and timelines represented in the Application will be enforceable through the fully executed Standard Agreement. Pursuant to the NOFA and in conjunction with the terms of the Standard Agreement, the Applicant hereby agrees to use the funds for eligible uses and allowable expenditures in the manner presented and specifically identified in the approved Application.

PASSED, APPROVED, AND ADOPTED this 19th day of May 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 Resolution No. 2020-____ was duly passed and adopted by the City Council of the City of Ontario at their regular meeting held May 19, 2020, 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. 2020-____ duly passed and adopted by the Ontario City Council at their regular meeting held May 19, 2020.

SHEILA MAUTZ, CITY CLERK

(SEAL)

CITY OF ONTARIO

Agenda Report
May 19, 2020

SECTION:
CONSENT CALENDAR

SUBJECT: 2019 GENERAL PLAN ANNUAL PROGRESS REPORT

RECOMMENDATION: That the City Council consider and adopt a resolution authorizing staff to transmit the 2019 General Plan Annual Progress Report to the California Department of Housing and Community Development and the Governor's Office of Planning and Research.

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

FISCAL IMPACT: None.

BACKGROUND: California Government Code Section 65400 mandates that all cities and counties submit an annual report on the status of the General Plan and progress in its implementation to their legislative bodies, the Governor's Office of Planning and Research (OPR), and Housing and Community Development (HCD) by April 1st of each year. Section 65400(a)(2)(A) requires an annual report on the status of the General Plan and progress in its implementation, and Section 65400(a)(2)(B) requires a housing element annual progress report. The General Plan Annual Progress Report includes the Housing Element Annual Progress Report approved by City Council on March 17, 2020 and submitted to OPR and HCD prior to April 1, 2020.

The Ontario Plan (TOP) was adopted by City Council on January 27, 2010, which included the last comprehensive update to the Policy Plan (General Plan). A technical update to the Housing Element portion of the Policy Plan was adopted by City Council on October 15, 2013. The 2019 General Plan Annual Progress Report (Attachment A of the resolution) summarizes progress towards implementation of the nine elements of the General Plan.

As outlined in the report, the City continues to make substantial progress towards the 300-plus goals and policies identified in the Policy Plan.

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

Prepared by: Thomas Grahn

Department: Planning

City Manager Approval: 

Submitted to Council/O.H.A. 05/19/2020

Approved: _____

Continued to: _____

Denied: _____

RESOLUTION NO. _____

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF ONTARIO, CALIFORNIA, APPROVING THE 2019 GENERAL PLAN ANNUAL PROGRESS REPORT (FILE NO. PADV20-003) AND AUTHORIZING STAFF TO SUBMIT THE REPORT TO THE CALIFORNIA DEPARTMENT OF HOUSING AND COMMUNITY DEVELOPMENT AND THE OFFICE OF PLANNING AND RESEARCH.

WHEREAS, the City of Ontario adopted The Ontario Plan pursuant to Section 65300 of the Government Code on January 27, 2010; and

WHEREAS, the City is required to submit an annual report on the status of the General Plan and progress in its implementation per Government Code Sections 65400 and 65700; and

WHEREAS, the proposed 2019 General Plan Annual Progress Report (Attachment "A") has been prepared in accordance with Government Code Sections 65400 and 65700; and

WHEREAS, the proposed 2019 General Plan Annual Progress Report is categorically exempt from California Environmental Quality Act (CEQA), as amended (Section 15306, Information Collection); and

WHEREAS, on May 19, 2020, the City Council of the City of Ontario conducted a hearing to review the proposed 2019 General Plan Annual Progress Report and accept public comments on the Report and concluded said hearing on that date.

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 administrative record for the Project. Based upon the facts and information contained in the administrative record, including all written and oral evidence presented to the City Council, the City Council finds as follows:

- (1) The administrative record has been completed in compliance with CEQA, the State CEQA Guidelines, and the City of Ontario Local CEQA Guidelines; and
- (2) The Project is categorically exempt from environmental review pursuant to Section 15306, (Class 6—Information Collection) of the CEQA Guidelines; 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 judgement of the City Council.

SECTION 2. City Council Action. Based upon the findings and conclusions set forth in Section 1 above and upon the substantial evidence presented to the City Council including the 2019 General Plan Annual Progress Report and public comments during the above-referenced hearing, the City Council hereby APPROVES the herein described Report attached hereto as “Attachment A,” and incorporated herein by this reference; and Planning staff is hereby authorized to submit the Report to the California Department of Housing and Community Development (HCD) and the Office of Planning and Research (OPR).

SECTION 3. 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 4. Certification to Adoption. The City Clerk shall certify to the adoption of the Resolution.

PASSED, APPROVED, AND ADOPTED this 19th day of May 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 Resolution No. 2020-_____ was duly passed and adopted by the City Council of the City of Ontario at their regular meeting held May 19, 2020, 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. 2020-_____ duly passed and adopted by the Ontario City Council at their regular meeting held May 19, 2020.

SHEILA MAUTZ, CITY CLERK

(SEAL)

ATTACHMENT A:

2019 General Plan Annual Progress Report

(Document follows this page)

Attachment "A"



CITY OF ONTARIO

2019 GENERAL PLAN ANNUAL PROGRESS REPORT

Prepared by
City of Ontario
Planning Department
May 2020

The Ontario Plan:

The Ontario Plan (TOP) serves as the framework for the City's business plan and provides a foundation for the City to operate as a municipal corporation that consists of six (6) distinct components: 1) Vision; 2) Governance Manual; 3) Policy Plan (General Plan); 4) Council Priorities; 5) Implementation; and 6) Tracking and Feedback. The Policy Plan component of TOP meets the functional and legal mandate of a General Plan. It contains nine elements: Land Use, Housing, Parks and Recreation, Environmental Resources, Community Economics, Safety, Mobility, Community Design, and Social Resources. The online version of The Ontario Plan can be found at www.ontarioplan.org.

Advancing towards the City's vision of "Complete Community", The Ontario Plan provides a framework that connects long and short-term goals and policies to budgeting, implementation, and assessment of outcomes in support of day-to-day operations. This approach and establishing and promoting Ontario's leadership role in the region in key areas. The Ontario Plan unifies planning decisions with those made by other City departments and provide better linkages between goals of different documents. The City will be embarking on a TOP Update this year to incorporate legislative mandates and re-visit the shared vision of "Complete Community".

Annual General Plan Report:

The City of Ontario conducted a comprehensive update to the City's General Plan – The Ontario Plan (TOP), which was adopted by the City Council on January 27, 2010 and initiated the update to TOP in 2019. The 2019 General Plan Annual Progress Report (Attachment A) provides a comprehensive listing of the Policy Plan Goals and Policies and associated status and/or comment. The primary purpose of the Annual Progress Report is to provide City Council with an update of the City's progress in implementing the General Plan's (TOP) Vision. A secondary purpose of the APR is to fulfill the Housing Element requirements. The latest Housing Element Annual Progress Report was reviewed by the City Council at their March 17, 2020 meeting and was submitted to the state on March 23, 2020. For subsequent year reporting, both the General Plan and Housing Element Annual Progress Reports will be submitted for concurrent City Council review.

To assist in the review of the General Plan Progress Report, this report presents the following information:

- General Plan implementation programs that have been completed, are in progress, or are an ongoing activity of the City of Ontario. (EXHIBIT A)
- Amendments to the General Plan adopted by the City since 2019.
- 2019 Housing Element Progress Report.
- Housing Element Land Inventory Map.

EXHIBIT A
2019 GENERAL PLAN
IMPLEMENTATION PROGRAM TABLE

<i>Goal</i>	<i>Policy</i>	<i>Action</i>	<i>Action Status/Comments</i>
LAND USE ELEMENT			
Goal LU-1 A Community that has a spectrum of housing types and price ranges.			
	LU1	Balance	
	LU 1-1	Strategic Growth. We concentrate growth in strategic locations that help create place and identify, maximize available and planned infrastructure, and foster the development of transit.	<p>The City of Ontario continues to be a focus for development in the region with Ontario Ranch recognized as one of "The Top-Selling Master-Planned Communities of 2019" and Best of the Decade" ranked 8th following Irvine Ranch with over 3,000 residential units entitled to date. Milestones for the Year 2019 include the first commercial center, New Haven Market Place, a 90,000 square foot commercial center; the first age-qualified neighborhood, Esperanza, a 326-unit detached single-family unit development; and construction of a 2 million square foot West Ontario Commerce Center. Near the I-10 freeway corridor and Ontario International Airport, several construction projects were completed, including the 130-room Elements Hotel, 800-unit Paseo Luxury Apartments, and Carvana dealership. Project approvals included the Porsche Dealership, a 925-unit mixed-use project at the Meredith International Center, the Costco Business Center, and FedEx Cargo Sorting Facility.</p> <p>In 2018, the City of Ontario was awarded a \$33.25 million dollars competitive Strategic Growth Council Transformative Climate Community – Ontario Together- a community-driven plan and initiative to transform a 4.86 square mile area of Downtown Ontario through a suite of projects and plans that will reduce greenhouse gas (GHG) emissions while also providing local environmental, health and economic co-benefits. Projects include the construction of the Vista Verde Apartments providing, a 101-unit affordable housing development, as well as public transportation and pedestrian/bicycle improvements (e.g., two new buses powered by renewable natural gas, 11 new bus shelters, 100 monthly free monthly bus passes over a three year period, 25 bike lockers, 12 bike racks, 0.51 miles of multi-use trails, etc.); Active Transportation aimed at improving 435 feet of missing sidewalk segments and constructing 5 miles of bikes lanes and 3 miles of sidewalks along Mission Blvd. corridor; construction and operation of a two-acre carbon farm organics recycling system and the planting of 365 trees. The program also includes a workforce development program and a robust community-based outreach program. Ontario Together grant program project implementation started in mid- 2019 with projects in the design/ construction phase, including the 101- unit Vista Verde under</p>

CITY OF ONTARIO GENERAL PLAN PROGRESS REPORT

Goal	Policy	Action	Action Status/Comments
			construction to meetings of the Ontario Together Transformative Climate Communities Trustees Board.
	LU1-2	Sustainable Community Strategy. We integrate state, regional and local Sustainable Community/Smart Growth principles into the development and entitlement process	City staff is continuing to work with both SBCTA and SCAG in support of sustainable strategies through participation in the development of the RTP/SCS So Cal Connect and local initiatives, including participation in the formation and founding member of the Inland Southern California Climate Collaborative (ISC3).
	LU1-3	Adequate Capacity. We require adequate infrastructure and services for all development.	On-going. Through our CIP program, City staff continues to update infrastructure needs.
	LU1-4	Mobility. We require development and urban design, where appropriate, that reduces reliance on the automobile and capitalizes on multi-modal transportation opportunities. (Refer to Mobility Element Policy M3-3)	On-going.
	LU1-5	Jobs-Housing Balance. We coordinate land use, infrastructure, and transportation planning and analysis with the regional, county, and other local agencies to further regional and sub-regional goals for jobs-housing balance. (Refer to Community Economics Element Policy CE1-1)	On-going.
	LU1-6	Complete Community. We incorporate a variety of land uses and building types in our land use planning efforts that result in a complete community where residents at all stages of life, employers, workers, and visitors have a wide spectrum of choices of where they can live, work, shop and recreate within Ontario. (Refer to Complete Community Section of Community Economics Element)	City staff has processed over 100 Development Plan application, tract maps and 100 Conditional Use Permits encompassing a wide variety of residential, commercial, and industrial land uses. In addition, the City was awarded a \$310,000.00 State-Funded SB 2 Grant for the development of Objective Design and Development Standards to streamline development further.
Goal LU-2 Compatibility between a wide range of uses			
	LU2	Compatibility	
	LU2-1	Land Use Decisions. We minimize adverse impacts on adjacent properties when considering land use and zoning request.	On-going.
	LU2-2	Buffers. We require new uses to provide mitigation or buffers between existing uses where potential	On-going.

CITY OF ONTARIO GENERAL PLAN PROGRESS REPORT

Goal	Policy	Action	Action Status/Comments
		adverse impacts could occur. (Refer to Community Design)	
	LU2-3	Hazardous Uses. We regulate the development of industrial and similar uses that use, store, produce or transport toxic substances, air emissions, other pollutants, or hazardous materials. (Refer to Hazardous Materials & Waste including Policies S6-4 and S6-5)	Ongoing. Reviewed as part of project processing.
	LU2-4	Regulation of Nuisances. We regulate the location, concentration, and operations of potential nuisances.	On-going.
	LU2-5	Regulation of Uses. We regulate the location, concentration, and operations of uses that have impacts on surrounding land uses.	On-going.
	LU2-6	Infrastructure Compatibility. We require infrastructure to be aesthetically pleasing and in context with the community.	Ongoing. Infrastructure siting is reviewed as part of the project processing.
	LU2-7	Inter-jurisdictional Coordination. We maintain an ongoing liaison with LAWA, Caltrans, Public Utilities Commission, the railroads, and other agencies to help minimize impacts and improve the operations and aesthetics of their facilities.	The City of Ontario coordinates with the Ontario International Airport Authority (OIAA), state and local entities, and other agencies to help minimize impacts and improve the operations and aesthetics of their facilities.
	LU2-8	Transitional Areas. We require development in transitional areas to protect the quality of life of current residents.	On-going.
	LU2-9	Methane Gas Sites. We require sensitive land uses and new uses on former dairy farms or other methane-producing sites to be designed to minimize health risks.	On-going.
Goal LU 3 Staff, regulations, and processes that support and allow flexible responses to conditions and circumstances in order to achieve the Vision.			
	LU3	Flexibility	
	LU3-1	Development Standards. We maintain clear development standards that allow flexibility to achieve our Vision.	The City has periodically updated the zoning and development standards to support project processing and implemented a streamlined Administrative Use Permit process, in compliance with State mandates. The City was awarded a \$310,000.00 State-Funded SB 2 Grant for the development of Objective Design and Development Standards to further enhance streamline development processing.

Goal	Policy	Action	Action Status/Comments
	LU3-2	Design Incentives. We offer design incentives to help projects achieve the Vision. (Link to Community Design)	The City offers a Preliminary Review process for proposed entitlement projects.
	LU3-3	Land Use Flexibility. We consider uses not typically permitted within a land-use category if doing so improves livability, reduces vehicular trips, creates community gathering places and activity nodes, and helps create identity.	On-going.
Goal LU 4 Development that provides short-term value only when the opportunity to achieve our Vision can be preserved			
	LU4	Phased Growth	
	LU4-1	Commitment to Vision. We are committed to achieving our Vision but realize that it may take time and several interim steps to get there.	On-going.
	LU4-2	Interim Development. We allow development in growth areas that are not immediately reflective of our ultimate Vision provided. It can be modified or replaced when circumstances are right. We will not allow development that impedes, precludes, or compromises our ability to achieve our Vision. (Refer to Community Economics Policy CE2-3).	On-going. The City encourages development in growth areas commensary to the scale of development that the investment can be sufficiently amortized to make Vision-compatible redevelopment financially feasible.
	LU4-3	Infrastructure Timing. We require that the necessary infrastructure and services be in place prior to or concurrently with development.	On-going and achieved through the City development entitlement process.
Goal LU 5 Integrated airport facilities that minimize negative impacts and maximize economic benefit			
	LU5	Airport Planning	
	LU5-1	Coordination with Airport Authorities. We collaborate with FAA, Caltrans Division of Aeronautics, airport owners, neighboring jurisdictions, and other shareholders in the preparation, update and maintenance of airport-related plans.	On-going.

CITY OF ONTARIO GENERAL PLAN PROGRESS REPORT

Goal	Policy	Action	Action Status/Comments
	LU5-2	Airport Planning Consistency. We coordinate with airport authorities to ensure The Ontario Plan is consistent with state law, federal regulations, and/or adopted master plans and airport land use compatibility plans for ONT and Chino Airport.	The City of Ontario updated the Ontario Airport Land Use Compatibility Plan to be consistent with the most recent Airport Layout Plan for ONT. The City of Ontario completed a study to evaluate the impacts of Chino Airport within the City Limits and is working towards completing a compatibility plan and general plan amendment to provide consistency between Chino Airport and the surrounding land uses.
	LU5-3	Airport Impacts. We work with agencies to maximize resources to mitigate the impacts and hazards related to airport operations – their homes.	The City of Ontario continues to manage the Part 150 (Quiet Home Program) initially approved by FAA in 1991. The program focused on land acquisition and noise insulation of residential properties impacted by airport noise. The City continues to support the Ontario International Airport Authority (OIAA) to maintain the Noise Management Program for ONT.
	LU5-4	ONT Growth Forecast. We support and promote an ONT that accommodates 30 million annual passengers and 1.6 million tons of cargo per year, as long as the impacts associated with that level of operations are planned for and mitigated.	The City supports the OIAA Joint Powers Agreement (JPA), the owner of the Ontario International Airport. The City supports an ONT that accommodated 5,583,732 passengers and 781,993 tons of cargo in 2019.
	LU5-5	Airport Compatibility Planning for ONT. We create and maintain the Airport Land Use Compatibility Plan for ONT.	On-going.
	LU5-6	Alternative Process. We fulfill our responsibilities and comply with state law with regard to the Alternative Process for proper airport land use compatibility planning.	On-going.
	LU5-7	ALUCP Consistency with Land Use Regulations. We comply with state law that requires general plans, specific plans, and all new development to be consistent with the policies and criteria set forth within an Airport Land Use Compatibility Plan for any public-use airport.	On-going.
	LU5-8	Chino Airport. We will support the creation and implementation of the Airport Land Use Compatibility Plan for Chino Airport.	On-going.

COMMUNITY DESIGN ELEMENT

Goal CD 1 A dynamic, progressive city containing distinct neighborhoods and commercial districts that foster a positive sense of identity and belonging among residents, visitors, and businesses

Goal	Policy	Action	Action Status/Comments
	CD1	Image & Identity	
	CD1-1	City Identity. We take actions that are consistent with the City being a leading urban center in Southern California while recognizing the diverse character of our existing viable neighborhoods.	On-going.
	CD1-2	Growth Areas. We require development in growth areas to be distinctive and unique places within which there are cohesive design themes.	The General Plan provides guidance in the development of identified Growth Areas and supports distinctive and unique places as development applications are submitted. Within the Historic Downtown Growth Area, the City is in the process of developing a Downtown Mixed-Use District Plan to provide a clear and distinctive design program.
	CD1-3	Neighborhood Improvement. We require viable existing residential and non-residential neighborhoods to be preserved, protected, and enhanced in accordance with our land-use policies and themes.	On-going.
	CD1-4	Transportation Corridors. We will enhance our major transportation corridors within the City through landscape, hardscape, signage, and lighting.	On-going.
	CD1-5	View Corridors. We require all major north-south streets be designed and redeveloped to feature views of the San Gabriel Mountains, which are part of the City's visual identity and a key to geographic orientation. Such views should be free of visual clutter, including billboards, and maybe enhanced by framing with trees.	On-going and implemented through our entitlement design review process.
Goal CD 2 A high level of design quality resulting in public spaces, streetscapes, and developments that are attractive, safe, functional, and distinct.			
	CD2	Quality Design	
	CD2-1	Quality Architecture. We encourage all development projects to convey visual interest and character through 1) Building volume, massing, and height to provide appropriate scale and proportion; 2) A true architectural style which is carried out in the plan, section and elevation through all aspects of the building and site design and appropriate for its setting; 3) Exterior building materials that are	To ensure quality architecture and consistent application, the City has created an on-going Urban Design Studio training module providing staff the opportunity to learn and collaborate regarding basic quality design concepts. In addition, the Ontario Development Code and city-wide Specific Plans provide for design guidelines for residential and non-residential developments that focus on neighborhood context, building scale/massing, materials, and architectural styles.

Goal	Policy	Action	Action Status/Comments
		visually interesting, high quality, durable, and appropriate for the architectural style.	
	CD2-2	Neighborhood Design. We create distinct residential neighborhoods that are functional, have a sense of community, emphasize livability and social interaction, and are uniquely identifiable places through such elements as 1) A pattern of smaller, walkable blocks that promote access, activity, and safety; 2) Variable setbacks and parcel sizes to accommodate a diversity of housing types; 3) Traffic calming measures to slow traffic and promote walkability while maintaining acceptable fire protection and traffic flows; 4) Floor plans that encourage views onto the street and de-emphasize the visual and physical dominance of garages (introducing the street frontage as the “outdoor living room”) and porches in front of homes, as appropriate; and 5) Landscaped parkways, with sidewalks separated from the curb.	On-going and implemented through the Ontario Development Code, City-wide Specific Plans, and Planned Unit Developments.
	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.	On-going and implemented through the Ontario Development Code, City-wide Specific Plans, and Planned Unit Developments.
	CD2-4	Mixed-Use, Urban Office, and Transit Serving Areas. We require mixed-use, urban office and transit serving areas to be designed and developed as pedestrian-oriented “villages” that promote a vibrant, comfortable, and functional environment.	On-going and implemented through the Ontario Development Code, City-wide Specific Plans, and Planned Unit Developments.
	CD2-5	Streetscapes. We design new and, when necessary, retrofit existing streets to improve walkability, bicycling, and transit integration, to 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.	On-going and implemented through the Ontario Development Code, City-wide Specific Plans, and Planned Unit Developments.

Goal	Policy	Action	Action Status/Comments
	CD2-6	Connectivity. We promote development of street patterns and pedestrian networks that create and unify neighborhoods, rather than divide them, and create cohesive and continuous corridors, rather than independent “islands” through the following means (Link to Mobility): 1) Local street patterns that provide access between subdivisions, within a neighborhood and discourage through traffic; 2) A local street system that is logical and understandable for the user. A grid system is preferred to avoid circuitous and confusing travel paths between internal neighborhood areas and adjacent arterials; and 3) Neighborhoods, centers, public schools, and parks that are linked by pedestrian greenways/open space networks. These may also be used to establish clear boundaries between distinct neighborhoods and/or centers.	On-going and implemented through the Ontario Development Code, City-wide Specific Plans, and Planned Unit Developments.
	CD2-7	Sustainability. We collaborate with the development community to design and build neighborhoods, streetscapes, sites, outdoor spaces, landscaping, and buildings to reduce energy demand through solar orientation, maximum use of natural daylight, passive solar and natural ventilation, building form, mechanical and structural systems, building materials and construction techniques.	On-going and implemented through the Ontario Development Code, City-wide Specific Plans, and Planned Unit Developments.
	CD2-8	Safe Design. We incorporate defensible space design into new and existing developments to ensure the maximum safe travel and visibility on pathways, corridors, and open space and at building entrances and parking areas by avoiding physically and visually isolated spaces, maintaining visibility and accessibility, and using lighting.	On-going and implemented through the Ontario Development Code, City-wide Specific Plans, and Planned Unit Developments.
	CD2-9	Landscape Design. We encourage durable landscaping materials and designs that enhance the aesthetics of structures, create and define public and	On-going and implemented through the Ontario Development Code, City-wide Specific Plans, and Planned Unit Developments.

Goal	Policy	Action	Action Status/Comments
		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.	On-going and implemented through the Ontario Development Code, City-wide Specific Plans, and Planned Unit Developments.
	CD2-11	Entry Statements. We encourage the inclusion of amenities, signage, and landscaping at the entry to neighborhoods, commercial centers, mixed-use areas, industrial developments, and public places that reinforce them as uniquely identifiable places.	On-going and implemented through the Ontario Development Code, City-wide Specific Plans, and Planned Unit Developments.
	CD2-12	Site and Building Signage. We encourage the use of sign programs that utilize complementary materials, colors, and themes. Project signage should be designed to effectively communicate and direct users to various aspects of the development and complement the character of the structures.	On-going and implemented through the Ontario Development Code, City-wide Specific Plans, and Planned Unit Developments.
	CD2-13	Entitlement Process. We work collaboratively with all stakeholders to ensure a high degree of certainty in the efficient review and timely processing of all development plans and permits.	On-going and implemented through the City' Preliminary Review process that allows stakeholders to anticipate Development Code, and infrastructure requirements, before formal entitlement submittal.
	CD2-14	Availability of Information. We provide easy access to information for developers, builders, and the public about design quality, construction quality, and sustainable building practices.	On-going and implemented through information on the Planning Department Website and Public Counter handouts.
	CD2-15	Leverage Professional and Trade Organizations. We support excellence in design and construction quality through collaboration with trade and professional organizations that provide expertise, resources, and programs for developers, builders, and the public.	On-going. The City continues to work in collaboration with the Building Industry Association (BIA) and other organizations to help provide resources and programs for developers, builders, and the public.

<i>Goal</i>	<i>Policy</i>	<i>Action</i>	<i>Action Status/Comments</i>
Goal CD 3 Vibrant urban environments that are organized around intense buildings, pedestrian and transit areas, public plazas, and linkages between and within developments that are conveniently located, visually appealing and safe during all hours			
	CD3	Pedestrian Environment	
	CD3-1	Design. We require that pedestrian, vehicular, bicycle, and equestrian circulation on both public and private property be coordinated and designed to maximize safety, comfort, and aesthetics.	On-going and implemented through the Ontario Development Code, City-wide Specific Plans, and Planned Unit Developments.
	CD3-2	Connectivity Between Streets, Sidewalks, Walkways, and Plazas. We require landscaping and paving to be used to optimize visual connectivity between streets, sidewalks, walkways, and plazas for pedestrians.	On-going and implemented through the Ontario Development Code, City-wide Specific Plans, and Planned Unit Developments.
	CD3-3	Building Entrances. We require all building entrances to be accessible and visible from adjacent streets, sidewalks, or public open spaces.	On-going and implemented through the Ontario Development Code, City-wide Specific Plans, and Planned Unit Developments.
	CD3-4	Ground Floor Usage of Commercial Buildings. We create lively pedestrian streetscapes by requiring the location of uses, such as shopping, galleries, restaurants, etc., on ground floors adjacent to sidewalks.	On-going and implemented through the Ontario Development Code, City-wide Specific Plans, and Planned Unit Developments.
	CD3-5	Paving. We require sidewalks and road surfaces to be of a type and quality that contributes to the appearance and utility of streets and public spaces.	On-going and implemented through the Ontario Development Code, City-wide Specific Plans, and Planned Unit Developments.
	CD3-6	Landscaping. We utilize landscaping to enhance the aesthetics, functionality, and sustainability of streetscapes, outdoor spaces, and buildings.	On-going and implemented through the Ontario Development Code, City-wide Specific Plans, and Planned Unit Developments.
	CD3-7	Transit Stops. We require transit stops be well lit, safe, appealing to, and accessible by pedestrians.	On-going and implemented through the Ontario Development Code, City-wide Specific Plans, and Planned Unit Developments.
Goal CD 4 Historic buildings, streets, landscapes, and neighborhoods, as well as the story of Ontario’s people, businesses, and social and community organizations, have been preserved and serve as a focal point for civic pride and identity.			
	CD4	Historic Preservation	
	CD4-1	Cultural Resource Management. We update and maintain an inventory of historic sites and buildings, professional collections, artifacts, manuscripts, photographs, documents, maps, and other archives.	City staff updates and maintains the inventory on an on-going regular basis.

Goal	Policy	Action	Action Status/Comments
	CD4-2	Collaboration with Property Owners and Developers. We educate and collaborate with property owners and developers to implement strategies and best practices that preserve the character of our historic buildings, streetscapes, and neighborhoods.	City staff are working on adaptive reuse, residential property owners, and new development standards to guide the applicant through the process and make recommendations on appropriate treatments. Certificate of Appropriateness in support of the Downtown revitalization efforts include the Starbucks at W. E Street and Euclid Ave., and Bank of Italy at B Street and Euclid Ave.
	CD4-3	Collaboration with Outside Agencies. We pursue opportunities to team with other agencies, local organizations, and non-profits in order to preserve and promote Ontario's heritage.	City staff collaborates with state, regional, and sub-regional agencies on historic environmental resources to avoid or mitigate impacts that projects might have. City staff completed the Jay Littleton Structure Report working with Public Services and working with Neighborhood Preservation the Historic Interpretive Program for Emporia Place.
	CD4-4	Incentives. We use the Mills Act and other federal, state, regional, and local programs to assist property owners with the preservation of select properties and structures.	The City has a Mills Act Program and a Downtown Façade Improvement Program to incentivize the preservation of historic buildings.
	CD4-5	Adaptive Reuse. We actively promote and support the adaptive reuse of historic sites and buildings to preserve and maintain their viability.	City staff receives training and support for the use of the Historic Building Code for the adaptive reuse of historic buildings.
	CD4-6	Promotion of Public Involvement in Preservation. We engage in programs to publicize and promote the City's and the public involvement in preservation efforts.	The City provides a variety of programs, including Landmark Plaque Program, annual Historic Preservation Awards for property owners who have excelled in historic preservation, and yearly events include Culture Fest.
	CD4-7	Public Outreach. We provide opportunities for our residents to research and learn about the history of Ontario through the Planning Department, Museum of History and Art, Ontario, and the Robert E. Ellingwood Model Colony History Room.	Provide opportunities for our residents to learn about preservation through Arts and Culture programming, including the website for cataloging historic information.
Goal CD 5 A sustained level of maintenance and improvement of properties, buildings, and infrastructure that protects the property values and encourages additional public and private investments.			
	CD5	Protection of Investment	
	CD5-1	Maintenance of Buildings and Property. We require all public and privately-owned buildings and property (including trails and easements) to be properly and consistently maintained.	On-going.

Goal	Policy	Action	Action Status/Comments
	CD5-2	Maintenance of Infrastructure. We require the continual maintenance of infrastructure.	On-going.
	CD5-3	Improvements to Property & Infrastructure. We provide programs to improve property and infrastructure.	Complete the integration of New Model Colony (NMC) Development Impact Fee (DIF) credits and reimbursements with the Accela Permitting System, improving the accounting data as well as secure city assets and infrastructure.
	CD5-4	Neighborhood Involvement. We encourage active community involvement to implement programs aimed at the beautification and improvement of neighborhoods.	The Neighborhood Action Team was formed in 2019 and included key members from various City agencies. This team is the implementing entity for the Neighborhood Preservation Strategy, which is designed to create meaningful community engagement to build sustainable neighborhoods organically.

HOUSING ELEMENT

Refer to the attached [Housing Element Annual Progress Report](#)

COMMUNITY ECONOMICS ELEMENT

Goal CE 1 A complete community that provides for all incomes and stages of life.

CE1	Complete Community	
CE1-1	Jobs-Housing Balance. We pursue improvement to the Inland Empire’s balance between jobs and housing by promoting job growth that reduces the regional economy’s reliance on out-commuting.	On-going.
CE1-2	Jobs and Workforce Skills. We use our economic development resources to 1) attract jobs suited for the skills and education of current and future City residents; 2) work with regional partners to provide opportunities for the labor force to improve its skills and education, and 3) attract businesses that increase Ontario’s stake and participation in growing sectors of the regional and global economy. (Refer to Social Resources Policy SR2-2)	<p>The City is engaged in several partnership programs from local school districts (OMSD, etc.) and Community Colleges to San Bernardino County Workforce Development Department (SBCWDD). Partnering with the schools, the City continues to support the Promise Scholars Program to incentivize educational opportunities. SBCWDD oversees a suite of workforce development programs in the region that help place San Bernardino County residents in new jobs or gain new skills. These programs include job fairs at the local community colleges and high schools, job readiness workshops, and one-on-one job coaching. Additionally, SBCWDD oversees a number of educational programs to help prepare unemployed or underemployed residents to enter the workforce, including English language courses, assistance obtaining a high school diploma or General Educational Development (GED), and scholarships for higher education.</p> <p>As part of the Strategic Growth Council TCC grant workforce opportunities reach residents of the TCC project area specifically, SBCWDD created a permanent workforce development program within downtown Ontario. At the Ovitt Family Community Library location, residents will be able to meet with an employment</p>

Goal	Policy	Action	Action Status/Comments
			counselor to learn about open job postings, upcoming training opportunities, and funding opportunities to gain new skills or higher education, and staff regarding training and education opportunities.
	CE1-3	Regional Approach to Workforce Development. We work with our partners to provide workforce training and development services throughout the region, recognizing that Ontario employers rely on workers living outside of the City.	SBCWDD established a Satellite Workforce Services Office to provide job training and placement assistance for residents; a new Community Benefits District in the improvement of Downtown Euclid; over \$109 million of investments for new affordable housing; construction of a new First Station No. 9 in the Ontario Ranch area; and \$7.7 million for street pavement rehabilitation and traffic signage projects to ensure city streets are of the highest possible quality.
	CE1-4	Business Retention and Expansion. We continuously improve two-way communication with the Ontario business community and emphasize customer service to existing businesses as part of our competitive advantage.	City staff engages in an on-going proactive business retention program encompassing scheduled one-on-one meetings with the business to identify needs to help enhance business services or explore possible expansion options and informal periodic check-ins.
	CE1-5	Business Attraction. We proactively attract new and expanding businesses to Ontario in order to increase the City's share of growing sectors of the regional and global economy.	The City continues a proactive approach to attract businesses through attendance to various conferences and tradeshows (e.g., ICSC) throughout the country and collaborate with local partners (e.g., OIAA).
	CE1-6	Diversity of Housing. We collaborate with residents, housing providers, and the development community to provide housing opportunities for every stage of life; we plan for a variety of housing types and price points to encourage the development of housing supportive of our efforts to attract business in growing sectors of the community while being respectful of existing viable uses.	On-going. The City continues to collaborate with the development community on a variety of housing types for all every stage of life.
	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.	On-going and implemented through the Ontario Development Code, City-wide Specific Plans, and Planned Unit Developments.
	CE1-8	Regional Attractions. We encourage the development and programming of regional cultural and entertainment destinations in Ontario.	On-going. The City-Owned Toyota Area and regional Outlet Mall (Ontario Mills) are regional attractions. Currently, the City is working on the Downtown Mixed-Use District Plan to revitalize the Historic Downtown into a vibrant, culturally diverse, mixed-use entertainment destination for our community and visitors. Other regional attractions include the City's Museum of History and Art and the Chaffey Community Museum of Art, located in the City's Downtown. Through special

Goal	Policy	Action	Action Status/Comments
			themed exhibits and programmed cultural events, such as the yearly Ontario Festival of the Arts, the Museums attract many residents and visitors to the downtown.
	CE1-9	Regional Leadership. We provide leadership for public, quasi-public, and private-sector partners that help Ontario and its residents and businesses realize our goals and achieve our Vision.	On-going.
	CE1-10	Life-Long Education. We work with our partners who provide life-long learning to ensure that our residents and workforce have access to education at all stages of life.	On-going. We partner with nonprofit organizations, health organizations, and school districts to provide and ensure life-long learning opportunities for our residents and workforce have access to education at all stages of life. The City has established and continues the Community College Promise Program to expand access to higher education, support local economic development initiatives, and encourage students to obtain a vocational or higher education degree to enhance and retain the workforce in the region.
	CE1-11	Socioeconomic Trends. We continuously monitor, plan for, and respond to changing socioeconomic trends.	On-going.
	CD1-12	Circulation. We continuously plan and improve public transit and non-vehicular circulation for the mobility of all, including those with limited or no access to private automobiles. (Refer to Mobility Public Transit)	On-going.
	CD1-13	Safety and Security. We invest in public safety and communicate our successes because the perception and reality of safety and security are necessary prerequisites for private investment and economic growth.	On-going.
Goal CE 2 A City of distinctive neighborhoods, districts, and corridors, where people choose to be			
	CE2	Place Making	
	CE2-1	Development Projects. We require new development and redevelopment to create unique, high-quality places that add value to the community. (Refer to Community Design Element)	On-going.
	CE2-2	Development Review. We require those proposing new development and redevelopment to demonstrate how their projects will create appropriately unique,	On-going.

Goal	Policy	Action	Action Status/Comments
		functional, and sustainable places that will compete well with their competition within the region.	
	CE2-3	Interim Development. We require interim development that does not reflect the long-term Vision, be limited in the scale of development so that the investment can be sufficiently amortized to make Vision-compatible redevelopment financially feasible.	On-going.
	CE2-4	Protection of Investment. We require that new development and redevelopment protect the existing investment by providing architecture and urban design of equal or greater quality.	On-going.
	CE2-5	Private Maintenance. We require adequate maintenance, upkeep, and investment in private property because proper maintenance on private property protects property values. (Refer to Community Design Policy CD5-1)	On-going.
	CE2-6	Public Maintenance. We require the establishment and operation of maintenance districts or other vehicles to fund the long-term operation and maintenance of the public realm, whether on private land, in rights-of-way, or on publicly owned property. (Refer to Community Design Policy CD5-1)	On-going.
Goal CE 3 Decision-making deliberations that incorporate the full short-term and long-term economic and fiscal implications of proposed City Council actions			
	CE3	Fiscal Decision Making	
	CE3-1	Fiscal Impact Disclosure. We require requests for City Council action to disclose the full fiscal impacts, including direct and indirect costs.	Ongoing.
	CE3-2	General Plan Amendments. We require those proposing General Plan amendments to disclose reasonably foreseeable impacts through a fiscal analysis.	On-going.
	CE3-3	Long-Term Funding Disclosure. We require those requesting City support or funding for projects or	The City CIP is in compliance per state law and provides website with links to all revenue share agreements.

<i>Goal</i>	<i>Policy</i>	<i>Action</i>	<i>Action Status/Comments</i>
		programs to disclose if and how they can be continued without further City support.	
	CE3-4	Improving Fiscal Decision-Making. We periodically assess the accuracy of projections for staff time and City resources and use the assessment results to improve our fiscal decision-making process.	On-going.
	CE3-5	Sustainable Development. We recognize impacts to municipal finances as an element of sustainability, and we require claims of sustainability to assess fiscal impacts.	On-going.
	CE3-6	Fully Funded Liability. We require long term liabilities such as retiree medical benefits, employee accrued leave balances, and self-insured liability claims to be fully funded to ensure sound, long term fiscal health.	On-going.
	CE3-7	Programmatically Balanced Budget. We require that the annual budget include appropriations allocated in a manner to meet the goal of the programmatically balanced budget.	On-going.
	CE3-8	Budget Margins. We require that the adopted budget for revenues and expenditures reflect sufficient budget margins to minimize negative impacts to City services due to economic uncertainties.	On-going.

MOBILITY ELEMENT

Goal M 1 A system of roadways that meets the mobility needs of a dynamic and prosperous Ontario

M1	Roadway Systems	
M1-1	Roadway Design and Maintenance. We require our roadways to: 1) Comply with federal, state and local design and safety standards; 2) Meet the needs of multiple transportation modes and users; 3) Handle the capacity envisioned in the Functional Roadway Classification Plan; 4) Maintain a peak hour Level of Service (LOS) E or better at all intersections;	Ongoing maintenance includes 1,111,309 linear feet of minor street overlays, 435 pothole repairs, and 13,912 linear feet of sidewalk replaced.

Goal	Policy	Action	Action Status/Comments
		5) Be compatible with the streetscape and surrounding land uses, and 6) Be maintained in accordance with best practices and our Right-Of-Way Management Plan.	
	M1-2	Mitigation of Impacts. We require development to mitigate its traffic impacts.	Ongoing.
	M1-3	Roadway Improvements. We work with Caltrans, SANBAG, and others to identify, fund, and implement needed improvements to roadways identified in the Functional Roadway Classification Plan.	The City is working with Caltrans and SBCTA to improve the freeway interchanges at SR 60, Grove Avenue/SR 60, and Archibald Avenue/SR 60, in addition to, the I-10 Freeway Express Lane project. The City is also working with SBCTA and Omnitrans to improve Holt Blvd to accommodate a future Bus Rapid Transit (West Valley Connector) and improvements to the intersection of Holt Blvd.and Mountain Ave. and Holt Blvd. and Grove Ave.
	M1-4	Adjacent Jurisdictions. We work with neighboring jurisdictions to meet our level of service standards at the City limits.	The City is working with the City of Fontana on improvements to the intersection of Airport Dr. and Etiwanda Ave. and initiated a collaboration with adjacent cities to discuss sub-regional bicycle network opportunities.
Goal M2 A system of trails and corridors that facilitate and encourage bicycling and walking			
	M2	Bicycles and Pedestrians	
	M2-1	Bikeway Plan. We maintain our Multipurpose Trails and Bikeway Corridor Plan to create a comprehensive system of on-and off-street bikeways that connect residential areas, businesses, schools, parks, and other key destination points.	The City started the preparation of an Active Transportation Master Plan that will result in updating the City's Bicycle Plan, create a pedestrian plan, and address access to schools and transit for both pedestrians and bicyclists. The plan is expected to be completed in early 2021.
	M2-2	Bicycle System. We provide off-street multipurpose trails and Class II bikeways as our primary paths of travel and use the Class III for connectivity in constrained circumstances.	As part of the TCC grant, design began on 5-mile buffered bike lane improvements on Mission Blvd.
	M2-3	Pedestrian Walkways. We require walkways that promote safe and convenient travel between residential areas, businesses, schools, parks, recreation areas, and other key destination points.	The City was awarded a \$7 million Active Transportation Plan (ATP) grant for more than 3 miles of missing sidewalks, 189 handicap ramps, and two enhanced crossings. As part of the TCC grant, design began on three missing sidewalk sections and enhanced crossings on Holt Blvd. and Euclid Ave.
	M2-4	Network Opportunities. We explore opportunities to expand pedestrian and bicycle networks. This includes consideration of utility easements, levees, drainage corridors, road rights-of-way, medians, and other potential options.	On-going.

Goal	Policy	Action	Action Status/Comments
Goal M 3 A public transit system that is a viable alternative to automobile travel and meets the basic transportation needs of transit-dependent.			
	M3	Public Transit	
	M3-1	Transitional Areas. We require development in transitional areas to protect the quality of life of current residents.	On-going.
	M3-2	Transit Facilities at New Development. We require new development to provide transit facilities, such as bus shelters, transit bays, and turnouts, as necessary.	On-going. These improvements are incorporated into the design of street improvements where applicable.
	M3-3	Transit-Oriented Development. We may provide additional development-related incentives to those inherent in the Land Use Plan for projects that promote transit use.	On-going.
	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.	On-going. The City continues to work with SBCTA and Ominitrans to refine the design of the West Valley Connector (BRT) project.
	M3-5	Light Rail. We support the extension of the Metro Rail Gold Line to Ontario and will work to secure station locations adjacent to the Meredith site and at the proposed multimodal transit center.	The City began work on a Multimodal Transportation Center (MTC) Needs Assessment and Siting Criteria project that will assist in determining the optimum location for an MTC on or near the Ontario International Airport connecting future modes of transportation including light rail opportunities.
	M3-6	Metrolink Expansion. We advocate expansion of Metrolink service to include the Downtown and the multimodal transit center.	On-going.
	M3-7	High-Speed Rail. We encourage the development of high-speed rail systems that would enhance regional mobility in southern California and serve the City of Ontario.	On-going.
	M3-8	Feeder Systems. We work with regional transit agencies to secure convenient feeder service from the Metrolink station and the proposed multimodal transit center to employment centers in Ontario.	The City supported SBCRTA's pilot program that offers Lyft connections to and from the Ontario International Airport and three Metrolink stations.
	M3-9	Ontario Airport Metro Center Circulator. We will explore the development of a convenient mobility system, including but not limited to shuttle service,	On-going.

Goal	Policy	Action	Action Status/Comments
		people mover, and shared car system for the Ontario Airport Metro Center.	
	M3-10	Multimodal Transit Center. We intend to ensure the development of a multimodal transit center near LAONT airport to serve as a transit hub for local buses, BRT, the Gold Line, high-speed rail, the proposed Ontario Airport Metro Center circulator, and other future transit modes.	City staff began work on a Multimodal Transportation Center (MTC) Needs Assessment and Siting Criteria project that will help determine the best location for an MTC on or near the Ontario International Airport that will serve all modes of transportation.
	M3-11	Transit and Community Facilities. We require the future development of community-wide serving facilities to be sited in transit-ready areas that can be served and made accessible by public transit. Conversely, we plan (and coordinate with other transit agencies to plan) future transit routes to serve existing community facilities.	The City continues to work with the community in assessing potential needs and collaborate with Omnitrans in potential modifications related to their routes and service levels.
Goal M 4 An efficient flow of goods through the City that maximizes economic benefit and minimizes negative impacts			
	M4	Good Movement	
	M4-1	Truck Routes. We designate and maintain a network of City truck routes that provide for the effective transport of goods while minimizing negative impacts on local circulation and noise-sensitive land uses, as shown in the Truck Routes Plan.	On-going.
	M4-2	Regional Participation. We work with regional and sub-regional transportation agencies to plan and implement goods movement strategies, including those that improve mobility, deliver goods efficiently, and minimize negative environmental impacts. (Refer to Environmental Resources Policy ER4-3)	City staff work with our regional partners (Southern California Association of Governments (SCAG), California Air Resources Board (CARB), and SBCTA) as new strategies are developed.
	M4-3	Railroad Grade Separations. We eliminate at-grade rail crossings identified on the Functional Roadway Classifications Plan.	On-going.

Goal	Policy	Action	Action Status/Comments
	M4-4	Environmental Considerations. We support efforts to reduce/eliminate the negative environmental impacts of goods movement.	Through the City's rezoning efforts to ensure the zoning of properties were consistent with the City's adopted General Plan, in part, to ensure warehousing/ industrial uses will be compatible with adjacent land uses.
	M4-5	Air Cargo. We support and promote a LAONT that accommodates 1.6 million tons of cargo per year, as long as the impacts associated with that level of operations are planned for and mitigated.	In 2018, local control of the Ontario International Airport was acquired through the formation of the OIAA JPA. The City continues to review development applications for on-airport development projects to ensure the impacts are adequately mitigated.
Goal M 5A productive leadership role in helping identify and facilitate the implementation of strategies that address regional transportation challenges			
	M5	Regional Transportation	
	M5-1	Regional Leadership. We maintain a leadership role to help identify and implement potential solutions to long-term regional transportation problems.	City staff are active participants on the SBCTA's Transportation Technical Committee, the SCAG SoCal Connects Technical Working Group, and the State's Active Transportation Advisory Committee.
	M5-2	Land Use Compatibility with Regional Transportation Facilities. We work with LAWA, railroads, Caltrans, SANBAG, and other transportation agencies to minimize impacts.	On-going.
ENVIRONMENTAL RESOURCE ELEMENT			
Goal ER1 A reliable and cost-effective that permits the City to manage its diverse water resources and needs			
	ER1	Water and Wastewater	
	ER1-1	Local Water Supply. We increase local water supplies to reduce our dependence on imported water.	The City collaborates with Metropolitan Water District (MWD), and Inland Empire Utilities Agency (IEUA) in support of local water supplies.
	ER1-2	Matching Supply to Use. We match the water supply and quality to the appropriate use.	On-going.
	ER1-3	Conservation. We require conservation strategies that reduce water usage.	On-going. The Community Climate Action Plan provides water conservation measures, and associated landscape conservation measures. In addition, the Ontario Municipal Utility Company provides citizens with access to water conservation programs.
	ER1-4	Supply-Demand Balance. We require that available water supply and demands be balanced.	On-going.
	ER1-5	Groundwater Management. We protect groundwater quality by incorporating strategies that prevent pollution, require remediation where necessary, capture and treat urban runoff, and recharge the aquifer.	On-going.

Goal	Policy	Action	Action Status/Comments
	ER1-6	Urban Run-Off Quantity. We encourage the use of low impact development strategies to intercept run-off, slow the discharge rate, increase infiltration, and ultimately reduce discharge volumes to traditional storm drain systems.	On-going.
	ER1-7	Urban Run-Off Quality. We require the control and management of urban runoff, consistent with Regional Water Quality Control Board regulations.	On-going.
	ER1-8	Wastewater Management. We require the management of wastewater discharge and collection consistent with waste discharge requirements adopted by the Regional Water Quality Control Board.	On-going.
Goal ER 2 Cost-effective integrated waste management system that meets or exceed state and federal recycling and waste diversion mandates			
	ER2	Waste and Recycling	
	ER2-1	Waste Diversion. We shall meet or exceed the AB 939 requirements.	On-going.
	ER2-2	Hazardous and Electronic Wastes. We prohibit the disposal of hazardous and electronic waste into the municipal waste stream pursuant to state law.	On-going.
	ER2-3	Purchase Products Made from Recycled Materials. We purchase recycled-content products where it is cost-effective.	On-going.
Goal ER 3 Cost-effective and reliable energy system sustained through a combination of low impact buildings, site and neighborhood, energy conservation, and diverse sources of energy generation that collectively helps to minimize the region's carbon footprint.			
	ER3	Energy	
	ER3-1	Conservation Strategy. We require conservation as the first strategy to be employed to meet applicable energy-saving standards.	On-going.
	ER3-2	Green Development – Communities. We encourage the use of the LEED Neighborhood Development rating system, or similar mechanism, to guide the planning and development of all new communities.	On-going.

Goal	Policy	Action	Action Status/Comments
	ER3-3	Building and Site Design. We require new construction to incorporate energy-efficient building and site design strategies, which could include appropriate solar orientation, maximum use of natural daylight, passive solar, and natural ventilation.	The City has adopted the most current Uniform Building Code Title 24 requirements and incorporates energy-efficient and site design strategies in compliance with the Community Climate Action Plan implementation strategies.
	ER3-4	Green Development – Public Buildings. We require all new and substantially renovated City buildings in excess of 10,000 square feet to achieve a LEED Silver Certification standard, as determined by the U.S. Green Building Council.	The City is in the design phase of both a new fire station and renovation of the Anthony Munoz Park facility incorporating site and building conservation measures.
	ER3-5	Fuel-Efficient and Alternative Energy Vehicles and Equipment. We should purchase and use vehicles and equipment that are fuel-efficient and meet or surpass state emissions requirements and/or use renewable sources of energy.	City staff has procured two additional electric fleet vehicles and provides on-going operation and maintenance of 76 CNG trash trucks. Working in partnership with public and private entities, the City has installed an additional 4 EV chargers for a total of 28 level two chargers installed at public facility city-wide. City staff participated in the development of the SBCOG EV Readiness Plan, completed in 2019.
	ER3-6	Generation - Renewable Sources. We promote the use of renewable energy sources (e.g., solar, wind, biomass) in public and private sector development.	The City has secured a third-party partner to conduct a city-facilities energy audit in support of enhancing energy conservation measures and location for potential renewable energy solutions. Through the TCC grant, the City's partner Grid Alternatives and initiated the solar installation program to install up to 100 low-income single-family homes and several multi-family projects.
Goal ER 4 Improve indoor and outdoor air quality and reduced locally generated pollutant sources			
	ER4	Air Quality	
	ER4-1	Land Use. We reduce GHG and other local pollutant emissions through compact, mixed-use, and transit-oriented development and development that improves the regional jobs-housing balance.	On-going.
	ER4-2	Sensitive Land Uses. We prohibit the future siting of sensitive land uses within the distances defined by the California Air Resources Board for specific source categories without sufficient mitigation.	City staff project review process incorporates a pilot Healthy Development Checklist in support of Healthy Ontario objectives and the potential need to conduct a Health Risk Assessment.
	ER4-3	Greenhouse Gases (GHG) Emissions Reductions. We reduce GHG emissions in accordance with regional, state, and federal regulations.	The City has been implementing reduction measures within the Ontario Community Climate Action Plan, adopted by the City Council in 2014, in conjunction with those

Goal	Policy	Action	Action Status/Comments
			reduction measures identified within the SBCTA Greenhouse Gas Inventory and Reduction Plan sub-regional efforts.
	ER4-4	Indoor Air Quality. We will comply with State Green Building Codes relative to indoor air quality.	On-going.
	ER4-5	Transportation. We promote mass transit and non-motorized mobility options (walking, biking) to reduce air pollutant emissions.	On-going
	ER4-6	Particulate Matter. We support efforts to reduce particulate matter to meet State and Federal Clean Air Standards.	On-going.
	ER4-7	Other Agency Collaboration. We collaborate with other agencies within the South Coast Air Basin to improve regional air quality at the emission source.	On-going.
	ER4-8	Tree Planting. We protect healthy trees within the City and plant new trees to increase carbon sequestration and help the regional/local air quality.	On-going. The City is designated as a "Tree City" . This past year planted over 3,586 trees.
Goal ER 5 Protect high-value habitat and farming and mineral resources extraction activities that are compatible with adjacent development			
	ER5	Biological, Mineral and Agricultural Resources	
	ER5-1	Habitat Conservation Areas. We support the protection of biological resources through the establishment, restoration, and conservation of high-quality habitat areas.	On-going.
	ER5-2	Entitlement and Permitting Process. We comply with state and federal regulations regarding protected species.	On-going.
	ER5-3	Right to Farm. We support the right of existing farms to continue their operations within the New Model Colony.	The City allows existing agricultural uses to continue for as long as they wish to operate and interim agricultural uses to operate. In 2019, an interim TCC carbon farm use was approved to operate in Ontario Ranch.
	ER5-4	The transition of Farms. We protect both existing farms and sensitive uses around them as agricultural areas transition to urban uses.	On-going.
	ER5-5	Mining Operations. We prohibit future mining operations where the resource extraction activities are incompatible with existing or proposed adjacent land uses.	On-going.

Goal	Policy	Action	Action Status/Comments
SAFETY ELEMENT			
Goal S1 Minimize risk of injury, loss of life, property damage and economic and social disruption caused by earthquake-induced or other geological hazards			
	S1	Seismic/Geologic Hazards	
	S1-1	Implementation of Regulations and Standards. We require that all new habitable structures be designed in accordance with the most recent California Building Code adopted by the City, including provisions regarding lateral forces and grading.	On-going.
	S1-2	Entitlement and Permitting Process. We follow state guidelines and the California Building Code to determine when development proposals must conduct geotechnical and geological investigations.	On-going.
	S1-3	Continual Update of Technical Information. We maintain up-to-date California Geological Survey seismic hazard maps.	On-going.
	S1-4	Seismically Vulnerable Structures. We conform to state law regarding unreinforced masonry structures.	On-going.
Goal S2 Minimize risk of injury, loss of life, property damage and economic and social disruption caused by flooding and inundation hazards			
	S2	Flood Hazards	
	S2-1	Entitlement and Permitting Process. We follow State guidelines and building codes to determine when development proposals require hydrological studies prepared by a State-certified engineer to assess the impact that the new development will have on the flooding potential of existing development down-gradient.	On-going.
	S2-2	Flood Insurance. We will limit development in flood plains and participate in the National Flood Insurance Program.	On-going.
	S2-3	Facilities that Use Hazardous Materials. We comply with state and federal law and do not permit facilities using, storing, or otherwise involved with substantial quantities of onsite hazardous materials to be located in the 100-year flood zone unless all standards of elevation, floodproofing, and storage	On-going.

Goal	Policy	Action	Action Status/Comments
		have been implemented to the satisfaction of the Building Department.	
	S2-4	Prohibited Land Uses. We prohibit the development of new essential and critical facilities in the 100-year floodplain.	On-going.
	S2-5	Storm Drain System. We maintain and improve the storm drain system to minimize flooding.	On-going.
	S2-6	Use of Flood Control Facilities. We encourage the joint use of flood control facilities as open space or other types of recreational facilities.	The city continues to support the Mill Creek Wetlands, a multi-jurisdictional regional watershed water quality management project via stormwater wetlands treatment.
Goal S3 Reduce the risk of death, injury, property damage and economic loss due to fires, accidents and normal everyday occurrences through prompt and capable emergency services			
	S3	Fire & Rescue & Related Services	
	S3-1	Prevention Services. We proactively mitigate or reduce the negative effects of fire, hazardous materials release, and structural collapse by implementing the adopted Fire Code.	On-going.
	S3-2	Community Outreach. We provide education to local schools and community groups to promote personal and public safety.	On-going. The Ontario Fire Department offers Automated External Defibrillator (AED) classes, cardiopulmonary resuscitation (CPR) classes, and has sponsored Fire Explorer Post #357 since January 1, 1995. This on-going program is a fire service career introduction program that is “youth lead/youth ran” and coordinated by volunteer fire service adult advisors. Community Emergency Response Team (CERT) classes.
	S3-3	Fire and Emergency Medical Services. We maintain sufficient fire stations, equipment, and staffing to respond effectively to emergencies.	On-going.
	S3-4	Special Team Services. We maintain effective special rescue services.	On-going.
	S3-5	Emergency Communication Services. We maintain a 9-1-1 emergency communication and dispatch center.	On-going.
	S3-6	Interagency Cooperation. In order to back up and supplement our capabilities to respond to emergencies, we participate in the California Fire Rescue and Mutual Aid Plan.	On-going.

Goal	Policy	Action	Action Status/Comments
	S3-7	Water Supply and System Redundancy. We monitor our water system to manage firefighting water supplies.	On-going.
	S3-8	Fire Prevention through Environmental Design. We require new development to incorporate fire prevention considerations in the design of streetscapes, sites, open spaces, and buildings. (Refer to Community Design Element).	On-going .
Goal S 4 An environment where noise does not adversely affect the public's health, safety, and welfare			
	S4	Noise	
	S4-1	Noise Mitigation. We utilize the City's Noise Ordinance, building codes, and subdivision and development code regulations to mitigate noise impacts.	On-going.
	S4-2	Coordination with Transportation Authorities. We collaborate with airport owners, FAA, Caltrans, SANBAG, SCAG, neighboring jurisdictions, and other transportation providers in the preparation and maintenance of and updates to transportation-related plans to minimize noise impacts and provide appropriate mitigation measures.	On-going.
	S4-3	Airport Noise Mitigation. We aggressively pursue funding and utilize programs to reduce the effects of aircraft noise in impacted areas of our community.	The City of Ontario continues to manage the Part 150 (Quiet Home Program) initially approved by FAA in 1991. The program focused on land acquisition and noise insulation of residential properties impacted by airport noise. The City continues to support the OIAA to maintain the Noise Management Program for ONT.
	S4-4	Truck Traffic. We manage truck traffic to minimize noise impacts on sensitive land uses.	On-going.
	S4-5	Roadway Design. We design streets and highways to minimize noise impacts.	On-going.
	S4-6	Airport Noise Compatibility. We utilize information from Airport Land Use Compatibility Plans to prevent the construction of new noise-sensitive land uses within airport noise impact zones.	On-going. The City continues to implement the Ontario Airport Land Use Compatibility Plan.
Goal S5 Reduce the risk of injury, property damage, and economic loss resulting from windstorms and wind-related hazards			

Goal	Policy	Action	Action Status/Comments
	S5	Wind-Related Hazards	
	S5-1	Backup Power in Critical Facilities. We require backup power to be maintained in critical facilities.	On-going. The City provides back-up power facilities to critical facilities and exploring opportunities to incorporate battery storage as feasible.
	S5-2	Dust Control Measures. We require the implementation of Best Management Practices for dust control at all excavation and grading projects.	On-going.
	S5-3	Grading in High Winds. We prohibit excavation and grading during strong wind conditions, as defined by the Building Code.	On-going.
Goal S6 Reduce the potential for hazardous materials exposure and contamination			
	S6	Hazardous Materials	
	S6-1	Disclosure and Notification. We enforce disclosure laws that require all users, producers, and transporters of hazardous materials and wastes to clearly identify the materials that they store, use, or transport.	On-going.
	S6-2	Response to Hazardous Materials Releases. We respond to hazardous materials incidents and coordinate these services with other jurisdictions.	On-going.
	S6-3	Safer Alternatives. We minimize our use of hazardous materials by choosing non-toxic alternatives that do not pose a threat to the environment.	On-going.
	S6-4	Safe Storage and Maintenance Practices. We require that the users of hazardous materials be adequately prepared to prevent and mitigate hazardous materials releases.	On-going.
	S6-5	Location of Hazardous Material Facilities. We regulate facilities that will be involved in the production, use, storage, or disposal of hazardous materials, pursuant to federal, state, county, and local regulations so that impacts to the environment and sensitive land uses are mitigated.	On-going.
	S6-6	Location of Sensitive Uses. We prohibit new sensitive land uses from locating within airport	On-going.

Goal	Policy	Action	Action Status/Comments
		Safety Zones and near existing sites that use, store, or generate large quantities of hazardous materials. (Refer to Land Use Element)	
	S6-7	Household Hazardous Waste. We support the proper disposal of household hazardous substances.	On-going. The City continues to operate the Household Hazardous Waste Facility for our residents to ensure proper disposal.
	S6-8	Mitigation and Remediation of Groundwater Contamination. We actively participate in local and regional efforts directed at both mitigating environmental exposure to contaminated groundwater and taking action to clean up contaminated groundwater once exposure occurs.	On-going.
	S6-9	Remediation of Methane. We require development to assess and mitigate the presence of methane, per regulatory standards and guidelines.	On-going.
Goal S7 Neighborhood and commercial and industrial districts that keep safe through a multi-faceted approach of prevention, suppression, community involvement and a system of continuous monitoring			
	S7	Law Enforcement	
	S7-1	Police Unit Response. We respond to calls requiring service in a timely manner.	On-going.
	S7-2	Community Oriented Problem Solving (C.O.P.S.). We support and maintain the mission of COPS to identify and resolve community problems.	On-going. The Ontario Police Department has a Community Oriented Police Division. They partner with Community Improvement and Public Works to resolve community problems.
	S7-3	Prevention Services. We provide crime prevention programs targeted to youth, parents, seniors, businesses, and neighborhoods.	On-going. Youth: Every 15 mins, Drug Awareness, Drunk Driving Awareness, Fatal Vision, Teen Dating Violence Parents/Children: Bicycle Safety, Bullying Prevention, Child Abuse Awareness, Child Safety/Dangerous People, Finger Printing, Drug Use Prevention; Seniors: Fraud Prevention, Elder Abuse Prevention; Businesses: Building Security Guidelines, Business Burglary Prevention, Internal Theft/White Collar Crimes, Retail Security Guidelines Neighborhoods: Neighborhood Watch, Ontario Night Out.
	S7-4	Crime Prevention through Environmental Design (CPTED). We require new development to incorporate CPTED in the design of streetscapes, sites, open spaces, and buildings.	On-going. Continuously working with other City agencies to incorporate CPTED. We have a Police Representative who is embedded in this project review process. In addition, there are programs available through Crime Prevention.

Goal	Policy	Action	Action Status/Comments
	S7-5	Interdepartmental Coordination. We utilize all City departments to help reduce crime and promote public safety.	On-going. Collaboration with Community Life and Culture, Public Works, and Community Improvement.
	S7-6	Partnerships. We partner with other local, state, and federal law enforcement agencies and private security providers to enhance law enforcement service to Ontario.	On-going. Currently partnering with FBI, County Probation, County Crisis Team and Private security to enhance law enforcement and other services for city residents.
	S7-7	Resource Allocation. We analyze crime data to evaluate the effectiveness of crime prevention and reduction strategies and allocate resources accordingly.	On-going. Crime Analysis Unit provides information to attempt to predict crime. This allows for the police resources to be allocated in an attempt to reduce crime.
Goal S8 Disaster resilient, prepared community through effective emergency/disaster preparedness, response, mitigation, and recovery.			
	S8	Emergency Management	
	S8-1	State and Federal Mandates. We maintain emergency management programs that meet the requirements of the State of California Standardized Emergency Management System (SEMS) and the National Incident Management System (NIMS).	On-going. Continued compliance with SEMS and NIMS.
	S8-2	Emergency Management Plans. We maintain, update, and adopt the Emergency Operations Plan (EOP) and the Hazard Mitigation Plan (HMP).	The City updated the EOP in 2017 and currently being updated in 2020, while the HMP was updated in 2018 with revision due in 2023.
	S8-3	Emergency/Disaster Training and Exercises. We conduct training and exercises to prepare for and evaluate emergency/disaster response and recovery procedures.	On-going training, including Active Shooter Training, Stop the Bleed, and CERT. Train and credential EOC responders through the West End Academy under the California Specialized Training Institute outreach program.
	S8-4	Interagency Collaboration. We partner with public and private organizations, such as participation in the California Mutual Aid Agreement, in order to enhance and complement our planning and response capabilities.	On-going. City staff has on-going coordination and collaboration with the San Bernardino County Operational Area, West End Emergency Response Commission, San Bernardino County Collaborative Organizations Active in Disaster.
	S8-5	Interdepartmental Coordination. We utilize all City departments to help support emergency/disaster mitigation, preparedness, response mitigation, and recovery.	On-going monthly coordination meetings with the Emergency Management Working Committee comprised of all city departments.

Goal	Policy	Action	Action Status/Comments
	S8-6	Community Outreach. We provide education to the community to promote personal, family, and community emergency preparedness.	On-going. City staff manages and coordinates the Community Emergency Response Team and youth program providing training and includes 29 graduates of CERT Basic Training in 2019. Outreach through Leaders in Preparedness Academy, Summer Concerts in the Park, Ontario Night Out, Ontario Preparedness Month, Fire Open House and Annual Emergency Preparedness Expo.
PARKS & RECREATION ELEMENT			
Goal P 1 Disaster resilient, prepared community through effective emergency/disaster preparedness, response, mitigation, and recovery.			
	PR1	Planning & Design	
	PR1-1	Access to Parks. We strive to provide a park and/or recreational facility within walking distance (¼ mile) of every residence.	On-going.
	PR1-2	Adjacency to Schools. We examine locating parks adjacent to school sites to promote joint-use opportunities.	On-going.
	PR1-3	Funding. We shall seek outside, one-time sources of funding for capital improvements and reserve ongoing City funds primarily for operations and maintenance.	On-going. The City continues to utilized Kaiser Permanente funding to make capital improvements (such as trails, lighting, bathroom improvements, and outdoor fitness equipment) in several parks based on a community needs assessment.
	PR1-4	Joint-use Opportunities. In areas where there is a need but no City recreational facility, we explore joint-use opportunities (e.g., school sites).	On-going.
	PR1-5	Acreage Standard. We strive to provide 5 acres of parkland (private and public) per 1,000 residents.	On-going.
	PR1-6	Private Parks. We expect the development to provide a minimum of 2 acres of developed private park space per 1,000 residents.	On-going.
	PR1-7	Special Needs/Universal Design. We attempt to provide recreational opportunities at parks for people of all ages and abilities.	City staff is in the process of developing a Great Park Concept Plan to plan for phased active/passive spaces and entertainment venues and leveraging opportunities for innovation in water conservation and environmental stewardship.
	PR1-8	Renovation. We examine renovating existing facilities prior to building replacement facilities.	Completion of Munoz Park and Community Center renovation plans approved in 2019 and starting construction in 2020. Renovated the public bathrooms at Dorothy Quesada Park and De Anza Park.
	PR1-9	Phased Development. We require parks to be built in new communities before a significant proportion of residents move in.	On-going.

Goal	Policy	Action	Action Status/Comments
	PR1-10	Master Plans for Individual Park Facilities. We require an individual park master plan for parks in excess of 10 acres.	On-going.
	PR1-11	Environmental Function of Parks. We require new parks to meet environmental management objectives.	On-going.
	PR1-12	Trails. We promote connections between parks and local trails, including those managed by other public agencies.	On-going.
	PR1-13	Equestrian Trails. We require the design, construction, and maintenance of equestrian trails in Rural Residential designated areas.	On-going.
	PR1-14	Multi-family Residential Developments. We require that new multi-family residential developments of five or more units provide recreational facilities or open space, in addition to paying adopted impact fees.	On-going.
	PR1-15	Trail Connectivity. We strengthen and improve the equestrian, bike, and multipurpose trail connections within the City and work to improve trail connections into adjacent jurisdictions.	As part of the TCC grant, the Grove Connector project has been approved and in design. This trail will connect to the G Street Crosstown bike lane, which connects to the City of Montclair.
	PR1-16	Equestrian Master Plan. We use Homer Briggs Park as the primary focal point for the development of a Master Plan of Equestrian Trails in the Rural Residential area.	On-going.
Goal P 1 A range of recreational programs provided by public, private and non-profit organizations that meet the needs of the community's varied interests, age groups and abilities			
	PR2	Recreational Programs	
	PR2-1	Participation. We program park facilities to maximize utilization and participation while considering park size, location, and population served.	On-going. The City hosted a neighborhood Fair in February at De Anza Park and utilized this event to kick-off the parks and recreation master plan to get community participation.
	PR2-2	Needs Assessment. We track the needs and priorities for recreational programming and look for ways to meet demand.	On-going.

Goal	Policy	Action	Action Status/Comments
	PR2-3	Community Involvement. We involve the local community in planning programs for neighborhood and community park facilities.	On-going. The City host monthly community forums at our recreation centers to solicit feedback from the community on issues that matter in their neighborhoods. We also have a very active teen action committee (Advocates for a Healthy Life), and they advocated for a smoke -free park policy that City Council adopted in 2019.
	PR2-4	Access to Programs. We provide a range of program opportunities for residents of all income levels.	On-going. The City continues to provide many free classes daily to our community, including over 100 free Zumba classes. We also partnered with a local healthcare provider to offer health screenings for free in our community centers.
	PR2-5	Partnerships. We partner with local and regional agencies, non-profit organizations, and the private sector to provide a comprehensive range of recreational programs.	On-going.
	PR2-6	Crime Deterrents. We promote and participate in recreational programming as part of our crime prevention effort.	On-going.

SOCIAL RESOURCES ELEMENT

Goal SR 1 Residents have access to information, services, and goods that improve their health and wellbeing.

SR1	Health	
SR1-1	Partnering for Healthcare. We work with healthcare providers, and local, regional, state, and federal agencies to attract and retain a diversity of affordable, quality healthcare and facilities for the entire community.	On-going. The Healthy Ontario Program, in place since 2010, continues to serve our community through a strong partnership with a coalition of over 25 participants, including Kaiser Permanente, Department of Public Health and San Antonio Regional Hospital and local clinics.
SR1-2	Nutrition Choices. We support the promotion of healthy nutritional food choices in the community	On-going. The City partners with Huerta Del Valle Community Garden and Urban Farm to bring fresh, local organic produce to the community at affordable prices, including local community-supported agriculture (CSA program). We partnered with UC Cooperative Extension to provide nutrition education classes at our community centers to support healthy nutritional choices and with the Ontario Montclair School District to provide free Summer meals to our community through our community centers and library.
SR1-3	Healthy Education. We promote health education, including disease prevention, mental health, nutrition, and physical fitness	On-going. The City through our community engagement activities have five community promoters that promote all the health education resources available to the community through our centers or through partner organizations.
SR1-4	Physical Activity. We encourage activities and community design that improves the physical fitness of our community members.	On-going. In 2019 the City contracted to prepare a citywide Active Transportation Master Plan to encourage walking and bike riding throughout the City.

<i>Goal</i>	<i>Policy</i>	<i>Action</i>	<i>Action Status/Comments</i>
Goal SR 2 A range of educational and training opportunities for residents and workers of all ages and abilities that improves their life choices and provides a skilled workforce for our businesses.			
	SR2	Education	
	SR2-1	Education Partners. We partner with educational institutions throughout the region in order to expand the range and quality of educational offerings available to the community.	On-going.
	SR2-2	Workforce Training. We work with industrial organizations, businesses, and educational institutions to create opportunities for workforce training.	On-going. City staff partnering with San Bernardino County Workforce Development located a satellite office Ontario Library to provide jobs and training resources directly to our community.
	SR2-3	Joint-use Facilities. We partner with public and private educational institutions to jointly use facilities for both City and educational purposes	On-going.
	SR2-4	Access to Schools. We work with our local and regional partners to improve safety in and around schools and to improve access for all citizens of all ages and abilities to schools and community services such as afterschool and other programs.	On-going. The City annually partner with parents, students, schools, and our police department to celebrate National Walk to School Day to bring awareness and resources to safety around our schools. We have also secured several rounds of Caltrans Active Transportation funding to improve sidewalks, handicap ramps, and safety crossings near our schools.
	SR2-5	School Facilities. We plan and coordinate with the school districts for designing and locating school facilities to meet the city's goals, such as for health, walkability, and safety, and to minimize impacts to the existing neighborhood.	On-going.
Goal SR 3 A range of community and leisure programs and activities provided by public, private and non-profit organizations that meet the needs of the community's varied interests, age groups, and abilities			
	SR3	Community and Leisure Activities	
	SR3-1	Partnerships. We partner with local and regional agencies, non-profit organizations, and the private sector to provide a comprehensive range of community activities and events to citizens.	On-going.
	SR3-2	Needs Assessment. We promote information about leisure activities, classes, and special events and other services and activities to our community.	A Library Facility Needs Assessment and Master Plan was initiated in 2019 to identify space and facilities needs and/or alternative service delivery options for the city and defining best approaches to address identified needs.

Goal	Policy	Action	Action Status/Comments
	SR3-3	Program Outreach. We promote information about leisure activities, classes, and special events and other services and activities in our community.	On-going. The City provides information on all City programming through our Ontario Living magazine, on social media, and through a Promotore Outreach program.
	SR3-4	Community Events. We plan and actively participate in regularly scheduled community events and seasonal or yearly citywide events.	On-going. The City celebrates our annual 5K Reindeer Run, Christmas on Euclid, and Concerts in the Park.
	SR3-5	Community Activities as a Crime Deterrent. We promote and participate in community activities as part of our crime prevention efforts. (Refer to Safety Element S7-3)	On-going. The City annually celebrates National Night Out at all City Park facilities to bring community awareness to Crime Prevention efforts.
Goal SR 4 City libraries that connect community members of all ages and abilities to a broad range of programs, communication, and informational resources.			
	SR4	Library	
	SR4-1	Community Needs. We identify and monitor community needs for library services, technology, and facilities, and tailor them to effectively meet those needs.	On-going. Through community outreach events the City has developed and implemented the Lightspeed Makerspace at Lewis Family Branch, Implementation of JVS So Cal partnership at Ovitt Family Community Library, creation of Workforce office at Ovitt to meet the needs of job seekers on West end of San Bernardino County, hiring of consultant services to further identify community needs by hosting of focus groups and performed a Community Library Needs Assessment through six community conversations and one survey to determine the future needs of our community, such as new library locations, satellite offices, and potential bookmobile locations.
	SR4-2	Interagency Coordination. We leverage relationships with outside agencies, educational institutions, and neighboring jurisdictions to share the library resources to the benefit of Ontario residents.	On-going. Partnership with four school districts and adult schools to share library resources, KinderGo program which invites other City employees to take part in library programming at school sites, in addition to partnerships with community organizations to provide library programming and access to resources.
	SR4-3	Library Outreach. We outreach to the community to increase the patronage of the library.	On-going. Outreach includes attendance at the opening of Little Free Library at HOA in Creek Side, annual attendance at weekly Movies in the Parks events, regular outreach to school/campus events, weekly outreach to Senior Center and other homebound locations, Ontario Reign partnership and outreach at games, Little Learners, Big Futures, and other programming as outreach to introduce families to libraries, Volunteer Program for those 13 and up.
	SR4-4	Coordination with other Community Services. We coordinate library programs with other recreational and community programs and facilities.	On-going. Annual participation in Agency-wide efforts: Dia de Los Muertos program at Museum, Festival of the Arts staffing and volunteer coordination, Library tours for Recreation Tiny Tots program, implementation of Ontario on the Go mobile vehicle in collaboration with Recreation/Museum. Attendance at

Goal	Policy	Action	Action Status/Comments
			Citywide programming: 4th of July parade participation, Ontario’s Night Out, first annual Ontario Neighborhood Fair event in February at De Anza Park. Quarterly programming meeting to support museum exhibits with displays, Programming in support of summer meal sites at Westwind and DeAnza, use of Senior Center facility for summer performers, Huerta del Valle summer programming.
	SR4-5	Focal Points of the Community. We design and program Ontario's libraries as focal points of community engagement, including public outreach and community engagement.	On-going. Several large and ongoing programs that create positive engagement with our community: Star Wars Day, Summer at Ontario City Library, Lunch at the Library, ongoing Library Master Plan approach, KinderFair, storytimes (huge following), Ontario Reads, Lightspeed makerspaces at both library locations and free Wi-Fi at both locations.
	SR4-6		
Goal SR 5 Local heritage, entertainment and cultural experiences that enrich the lives of Ontario’s residents, workers, and visitors and serve to attract residents and businesses to the City			
	SR5	Entertainment and Culture	
	SR5-1	Provisions of Entertainment and Culture. We support a range of entertainment and cultural experiences, such as public art, exhibitions, and performances.	On-going. Community Life & Culture Agency supports a range of arts experiences from the Arts Festival, Summer Concert Series, and Museum Exhibits.
	SR5-2	Local Heritage Education. We partner with educational providers to promote culture and heritage. (Refer to Historic Preservation Section of Community Design Element).	On-going. Community Life & Culture Agency maintains collections related to local history and partners with Heritage organizations to promote Culture & Heritage.
	SR5-3	Public Art. We encourage public art in buildings, parks, open spaces, and other public and private spaces.	On-going.
	SR5-4	Private-Public Sector Events. We partner with private and non-profit sectors to provide and promote participation in cultural activities, including fairs, festivals, and other events geared to neighborhoods, the City as a whole, and the region.	On-going. Community Life & Culture Agency coordinates the Arts & Culture working group which consists of local nonprofits conducting arts programming and activities within the City.
	SR5-5	Promotion of Ontario Artists and Musicians. We promote awareness of entertainment and culture produced in Ontario.	On-going. Community Life and Culture Agency hosts the annual Arts & Culture Festival highlighting work from local artists.

EXHIBIT A
2019 GENERAL PLAN IMPLEMENTATION
PROGRAM TABLE
ATTACHMENT 1
Amendments to the General Plan in 2019

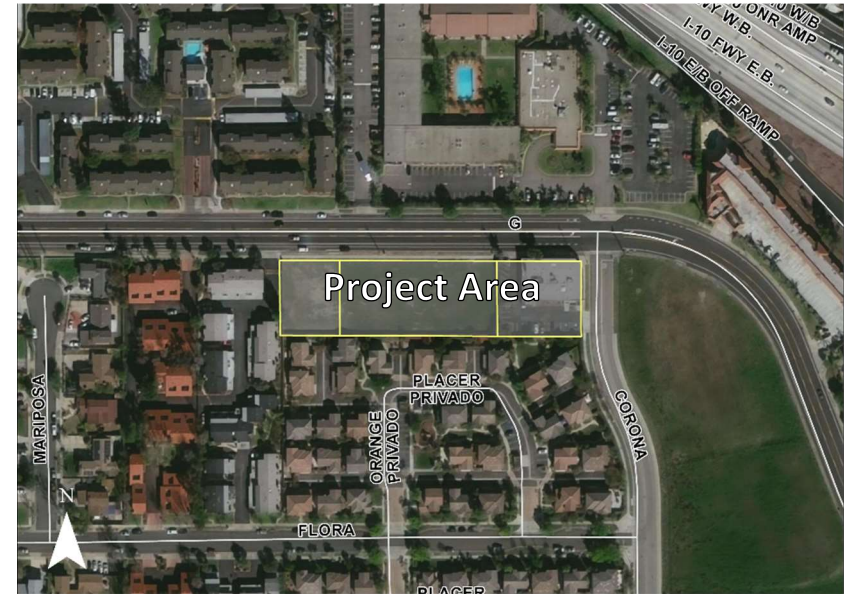
Amendments to the General Plan in 2019

Two applications were approved by the City Council in 2019.

See Below for Details.

File No: PGPA 19-009 (General Plan Amendment)

A request to change the General Plan Land designation on 1.02 acres of land from General Commercial to Low Medium Residential and changing the land use designation on 0.46 acres of land from General Commercial to Hospitality totaling approximately 1.50 acres of land. The application was approved by City Council on July 16, 2019. **(top graphic)**



File No: PGPA 19-002 (General Plan Amendment)

A request to change the existing General Plan land use designation on two parcels from General Commercial to Industrial totaling 11.9 acres of land. The application was approved by City Council on September 17, 2019. **(bottom graphic)**

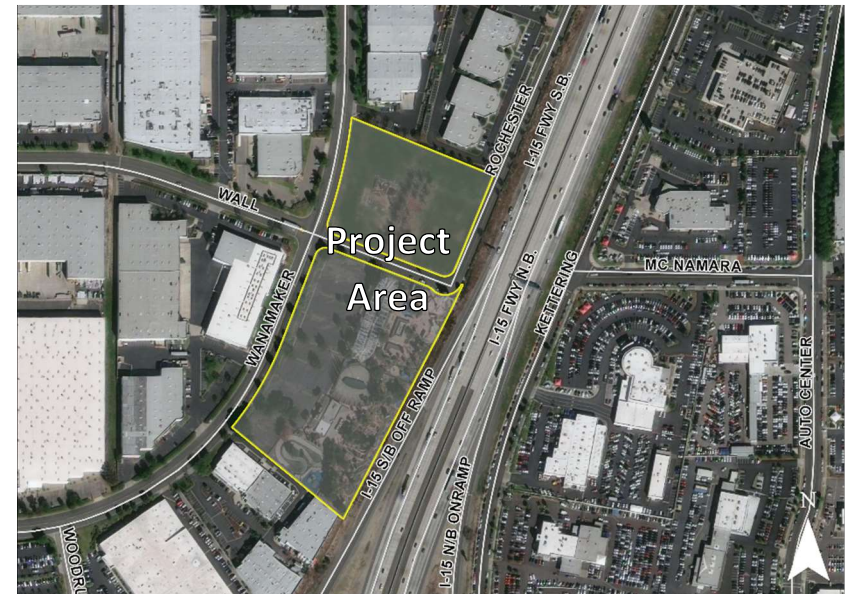


EXHIBIT B
2019 HOUSING ELEMENT
ANNUAL PROGRESS REPORT

Please Start Here

General Information	
Jurisdiction Name	Ontario
Reporting Calendar Year	2019
Contact Information	
First Name	Cathy
Last Name	Wahlstrom
Title	Planning Director
Email	cwahlstrom@ontarioca.gov
Phone	9093952036
Mailing Address	
Street Address	303 East B Street
City	Ontario
Zipcode	91764

Optional: Click here to import last year's data. This is best used when the workbook is new and empty. You will be prompted to pick an old workbook to import from. Project and program data will be copied exactly how it was entered in last year's form and must be updated.

v 12_23_19

CITY OF ONTARIO GENERAL PLAN PROGRESS REPORT

Jurisdiction	Ontario	
Reporting Year	2019	(Jan. 1 - Dec. 31)

ANNUAL ELEMENT PROGRESS REPORT Housing Element Implementation

(CCR Title 25 §6202)

Note: "*" indicates an optional field

Cells in grey contain auto-calculation formulas

Table A Housing Development Applications Submitted																			
Project Identifier				Unit Types		Date Application Submitted	Proposed Units - Affordability by Household Incomes							Total Approved Units by Project	Total Disapproved Units by Project	Streamlining	Notes		
							Very Low-Income Deed Restricted	Very Low-Income Non Deed Restricted	Low-Income Deed Restricted	Low-Income Non Deed Restricted	Moderate-Income Deed Restricted	Moderate-Income Non Deed Restricted	Above Moderate-Income					Total PROPOSED Units by Project	
Prior APN*	Current APN	Street Address	Project Name*	Local Jurisdiction Tracking ID*	Unit Category (SFA, SFD, 2 to 4, 5+, ADU, MH)	Tenure R=Renter O=Owner	Date Application Submitted	Very Low-Income Deed Restricted	Very Low-Income Non Deed Restricted	Low-Income Deed Restricted	Low-Income Non Deed Restricted	Moderate-Income Deed Restricted	Moderate-Income Non Deed Restricted	Above Moderate-Income	Total PROPOSED Units by Project	Total APPROVED Units by project	Total DISAPPROVED Units by Project (Auto-calculated Can Be Overwritten)	Was APPLICATION SUBMITTED Pursuant to GC 65913.4(b)? (SB 35 Streamlining)	Notes*
Summary Row: Start Data Entry Below							0	0	0	0	0	0	0	2951	2951	1857	0	0	
	101138204	1055 West Mission Boulevard		PDEV19-002	5+	R	1/8/2019							68	68		0	No	In Process
	21827122	Addresses to be assigned at Building Permit		PDEV19-008	SFD	O	1/29/2019							432	432		0	No	
	21827102 21821105	Addresses to be assigned at Building Permit		PDEV19-010	5+	R	2/22/2019							204	204	204	0	No	
	21821102 21821105	Addresses to be assigned at Building Permit		PDEV19-011	SFA	O	2/22/2019							61	61	61	0	No	
	21821102 21821105	Addresses to be assigned at Building Permit		PDEV19-012	5+	R	2/22/2019							168	168	168	0	No	
	101419107	Addresses to be assigned at Building Permit		PDEV19-016	SFD	O	3/8/2019							6	6		0	No	In Process
	21811156	9510 East Chino Avenue		PDEV19-023	SFD	O	4/10/2019							37	37		0	No	In Process
	11031152 11031153 11031104 11031105	Addresses to be assigned at Building Permit		PDEV19-025	5+	R	5/2/2019							925	925	925	0	No	
	104846117 104849123	Addresses to be assigned at Building Permit		PDEV19-028	5+	R	5/14/2019							5	5		0	No	In Process
	21830201	Addresses to be assigned at Building Permit		PDEV19-030	5+	R	5/29/2019							126	126		0	No	In Process
	101137115 101137116	Addresses to be assigned at Building Permit		PDEV19-031	5+	R	6/5/2019							49	49		0	No	In Process
	21801425	Addresses to be assigned at Building Permit		PDEV19-039	SFD	O	7/5/2019							67	67	67	0	No	
	104717217 104717222	Addresses to be assigned at Building Permit		PDEV19-043	5+	O	7/19/2019							18	18		0	No	In Process
	10848118 10848119 10848120 10848121 10848122 10848123 10848124 10848125 10848126 10848127	Addresses to be assigned at Building Permit		PDEV19-047	SFD	O	8/6/2019							10	10		0	No	In Process
	101136101	Addresses to be assigned at Building Permit		PDEV19-049	5+	R	9/3/2019							30	30		0	No	In Process
	21020440	Addresses to be assigned at Building Permit		PDEV19-054	5+	O	10/1/2019							72	72		0	No	In Process
	101136115	1445 West Mission Boulevard		PDEV19-060	5+	R	10/15/2019							23	23	23	0	No	In Process
	21020426	Addresses to be assigned at Building Permit		PDEV19-061	5+	O	10/16/2019							110	110		0	No	In Process
	21823112 21823114 21823117 21823118 21823119 21823120 21823121 21823122 21823126 21823129 21823131 21823133 21823135	Addresses to be assigned at Building Permit		PDEV19-064	SFD	O	11/13/2019							540	540		0	No	In Process
														0	0		0		
														0	0		0		
														0	0		0		
														0	0		0		

CITY OF ONTARIO GENERAL PLAN PROGRESS REPORT

Amendments: 0
 Reporting Year: 2012 (Jan 1 - Dec 31)

ANNUAL ELEMENT PROGRESS REPORT Housing Element Implementation

Note: "N" indicates an optional field
<http://city.ontario.ca/city-services>

Annual Building Activity Report Summary - New Construction, Entitled, Permits and Completed Units																																								
Project Identifier		Unit Types		Affordability by Household Income - Completed Entitlement										Affordability by Household Income - Building Permits										Affordability by Household Income - Certificates of Occupancy										Stipulating	LEED	Housing with Financial Assistance and/or Deed Restrictions	Housing with Financial Assistance or Deed Restrictions	Units of Affordability or Deed Restriction	Demolished/Converted Units	Notes
File #/PC #	Council #/PA #	Street Address	Project Name	1	2	3	4	5	6	7	8	9	10	11	12	13	14	15	16	17	18	19	20	21	22	23	24	25	26	27										
				100% Complete (1/1/12 to 12/31/12)	90% Complete	80% Complete	70% Complete	60% Complete	50% Complete	40% Complete	30% Complete	20% Complete	10% Complete	Permitted	Permitted	Permitted	Permitted	Permitted	Permitted	Permitted	Permitted	Permitted	Permitted	Permitted	Permitted	Permitted	Permitted	Permitted	Permitted	Permitted										
2182171		Address in the City of Ontario	POV18-028	950	0																																			
2182172		Address in the City of Ontario	POV18-027	176	0																																			
2182173		Address in the City of Ontario	POV18-026	100	0																																			
2182174		Address in the City of Ontario	POV18-025	204	0																																			
2182175		Address in the City of Ontario	POV18-024	81	0																																			
2182176		Address in the City of Ontario	POV18-023	108	0																																			
2182177		Address in the City of Ontario	POV17-025	17	0																																			
2182178		Address in the City of Ontario	POV18-022	102	0																																			
2182179		Address in the City of Ontario	POV18-021	86	0																																			
2182180		Address in the City of Ontario	POV18-020	2	0																																			
2182181		Address in the City of Ontario	POV18-019	87	0																																			
2182182		Address in the City of Ontario	POV18-018	90	0																																			
2182183		Address in the City of Ontario	POV18-017																																					
2182184		Address in the City of Ontario	POV18-016																																					
2182185		Address in the City of Ontario	POV18-015																																					
2182186		Address in the City of Ontario	POV18-014																																					
2182187		Address in the City of Ontario	POV18-013																																					
2182188		Address in the City of Ontario	POV18-012																																					
2182189		Address in the City of Ontario	POV18-011																																					
2182190		Address in the City of Ontario	POV18-010																																					
2182191		Address in the City of Ontario	POV18-009																																					
2182192		Address in the City of Ontario	POV18-008																																					
2182193		Address in the City of Ontario	POV18-007																																					
2182194		Address in the City of Ontario	POV18-006																																					
2182195		Address in the City of Ontario	POV18-005																																					
2182196		Address in the City of Ontario	POV18-004																																					
2182197		Address in the City of Ontario	POV18-003																																					
2182198		Address in the City of Ontario	POV18-002																																					
2182199		Address in the City of Ontario	POV18-001																																					

CITY OF ONTARIO GENERAL PLAN PROGRESS REPORT

Adopted Reporting Year	2019	2020	2021	2022	2023	2024	2025	2026	2027	2028	2029	2030	2031	2032	2033	2034	2035	2036	2037	2038	2039	2040	2041	2042	2043	2044	2045	2046	2047	2048	2049	2050
21980207	2019	2020	2021	2022	2023	2024	2025	2026	2027	2028	2029	2030	2031	2032	2033	2034	2035	2036	2037	2038	2039	2040	2041	2042	2043	2044	2045	2046	2047	2048	2049	2050
21980211	2019	2020	2021	2022	2023	2024	2025	2026	2027	2028	2029	2030	2031	2032	2033	2034	2035	2036	2037	2038	2039	2040	2041	2042	2043	2044	2045	2046	2047	2048	2049	2050

CITY OF ONTARIO GENERAL PLAN PROGRESS REPORT

Adopted Resolution	Category	Annual Element Progress Report	Reporting Year	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024	2025	2026	2027	2028	2029	2030	
2189235	2182	2182-2-2-2-2-2-2																					
2189236	2182	2182-2-2-2-2-2-2																					
2189237	2182	2182-2-2-2-2-2-2																					
2189238	2182	2182-2-2-2-2-2-2																					
2189239	2182	2182-2-2-2-2-2-2																					
2189240	2182	2182-2-2-2-2-2-2																					
2189241	2182	2182-2-2-2-2-2-2																					
2189242	2182	2182-2-2-2-2-2-2																					
2189243	2182	2182-2-2-2-2-2-2																					
2189244	2182	2182-2-2-2-2-2-2																					
2189245	2182	2182-2-2-2-2-2-2																					
2189246	2182	2182-2-2-2-2-2-2																					
2189247	2182	2182-2-2-2-2-2-2																					
2189248	2182	2182-2-2-2-2-2-2																					
2189249	2182	2182-2-2-2-2-2-2																					
2189250	2182	2182-2-2-2-2-2-2																					
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2189257	2182	2182-2-2-2-2-2-2																					
2189258	2182	2182-2-2-2-2-2-2																					
2189259	2182	2182-2-2-2-2-2-2																					
2189260	2182	2182-2-2-2-2-2-2																					
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2189262	2182	2182-2-2-2-2-2-2																					
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2189265	2182	2182-2-2-2-2-2-2																					
2189266	2182	2182-2-2-2-2-2-2																					
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2189270	2182	2182-2-2-2-2-2-2																					
2189271	2182	2182-2-2-2-2-2-2																					
2189272	2182	2182-2-2-2-2-2-2																					
2189273	2182	2182-2-2-2-2-2-2																					
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2189275	2182	2182-2-2-2-2-2-2																					
2189276	2182	2182-2-2-2-2-2-2																					
2189277	2182	2182-2-2-2-2-2-2																					
2189278	2182	2182-2-2-2-2-2-2																					
2189279	2182	2182-2-2-2-2-2-2																					
2189280	2182	2182-2-2-2-2-2-2																					

CITY OF ONTARIO GENERAL PLAN PROGRESS REPORT

Attachments		Chart		ANNUAL ELEMENT PROGRESS REPORT															Note: "N" indicates an optional field																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																										
Reporting Year	2012	2013	2014	Housing Element Implementation															2015	2016																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																									
2186401	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024	2025	2026	2027	2028	2029	2030	2031	2032	2033	2034	2035	2036	2037	2038	2039	2040	2041	2042	2043	2044	2045	2046	2047	2048	2049	2050	2051	2052	2053	2054	2055	2056	2057	2058	2059	2060	2061	2062	2063	2064	2065	2066	2067	2068	2069	2070	2071	2072	2073	2074	2075	2076	2077	2078	2079	2080	2081	2082	2083	2084	2085	2086	2087	2088	2089	2090	2091	2092	2093	2094	2095	2096	2097	2098	2099	2100	2101	2102	2103	2104	2105	2106	2107	2108	2109	2110	2111	2112	2113	2114	2115	2116	2117	2118	2119	2120	2121	2122	2123	2124	2125	2126	2127	2128	2129	2130	2131	2132	2133	2134	2135	2136	2137	2138	2139	2140	2141	2142	2143	2144	2145	2146	2147	2148	2149	2150	2151	2152	2153	2154	2155	2156	2157	2158	2159	2160	2161	2162	2163	2164	2165	2166	2167	2168	2169	2170	2171	2172	2173	2174	2175	2176	2177	2178	2179	2180	2181	2182	2183	2184	2185	2186	2187	2188	2189	2190	2191	2192	2193	2194	2195	2196	2197	2198	2199	2200	2201	2202	2203	2204	2205	2206	2207	2208	2209	2210	2211	2212	2213	2214	2215	2216	2217	2218	2219	2220	2221	2222	2223	2224	2225	2226	2227	2228	2229	2230	2231	2232	2233	2234	2235	2236	2237	2238	2239	2240	2241	2242	2243	2244	2245	2246	2247	2248	2249	2250	2251	2252	2253	2254	2255	2256	2257	2258	2259	2260	2261	2262	2263	2264	2265	2266	2267	2268	2269	2270	2271	2272	2273	2274	2275	2276	2277	2278	2279	2280	2281	2282	2283	2284	2285	2286	2287	2288	2289	2290	2291	2292	2293	2294	2295	2296	2297	2298	2299	2300	2301	2302	2303	2304	2305	2306	2307	2308	2309	2310	2311	2312	2313	2314	2315	2316	2317	2318	2319	2320	2321	2322	2323	2324	2325	2326	2327	2328	2329	2330	2331	2332	2333	2334	2335	2336	2337	2338	2339	2340	2341	2342	2343	2344	2345	2346	2347	2348	2349	2350	2351	2352	2353	2354	2355	2356	2357	2358	2359	2360	2361	2362	2363	2364	2365	2366	2367	2368	2369	2370	2371	2372	2373	2374	2375	2376	2377	2378	2379	2380	2381	2382	2383	2384	2385	2386	2387	2388	2389	2390	2391	2392	2393	2394	2395	2396	2397	2398	2399	2400	2401	2402	2403	2404	2405	2406	2407	2408	2409	2410	2411	2412	2413	2414	2415	2416	2417	2418	2419	2420	2421	2422	2423	2424	2425	2426	2427	2428	2429	2430	2431	2432	2433	2434	2435	2436	2437	2438	2439	2440	2441	2442	2443	2444	2445	2446	2447	2448	2449	2450	2451	2452	2453	2454	2455	2456	2457	2458	2459	2460	2461	2462	2463	2464	2465	2466	2467	2468	2469	2470	2471	2472	2473	2474	2475	2476	2477	2478	2479	2480	2481	2482	2483	2484	2485	2486	2487	2488	2489	2490	2491	2492	2493	2494	2495	2496	2497	2498	2499	2500	2501	2502	2503	2504	2505	2506	2507	2508	2509	2510	2511	2512	2513	2514	2515	2516	2517	2518	2519	2520	2521	2522	2523	2524	2525	2526	2527	2528	2529	2530	2531	2532	2533	2534	2535	2536	2537	2538	2539	2540	2541	2542	2543	2544	2545	2546	2547	2548	2549	2550	2551	2552	2553	2554	2555	2556	2557	2558	2559	2560	2561	2562	2563	2564	2565	2566	2567	2568	2569	2570	2571	2572	2573	2574	2575	2576	2577	2578	2579	2580	2581	2582	2583	2584	2585	2586	2587	2588	2589	2590	2591	2592	2593	2594	2595	2596	2597	2598	2599	2600	2601	2602	2603	2604	2605	2606	2607	2608	2609	2610	2611	2612	2613	2614	2615	2616	2617	2618	2619	2620	2621	2622	2623	2624	2625	2626	2627	2628	2629	2630	2631	2632	2633	2634	2635	2636	2637	2638	2639	2640	2641	2642	2643	2644	2645	2646	2647	2648	2649	2650	2651	2652	2653	2654	2655	2656	2657	2658	2659	2660	2661	2662	2663	2664	2665	2666	2667	2668	2669	2670	2671	2672	2673	2674	2675	2676	2677	2678	2679	2680	2681	2682	2683	2684	2685	2686	2687	2688	2689	2690	2691	2692	2693	2694	2695	2696	2697	2698	2699	2700	2701	2702	2703	2704	2705	2706	2707	2708	2709	2710	2711	2712	2713	2714	2715	2716	2717	2718	2719	2720	2721	2722	2723	2724	2725	2726	2727	2728	2729	2730	2731	2732	2733	2734	2735	2736	2737	2738	2739	2740	2741	2742	2743	2744	2745	2746	2747	2748	2749	2750	2751	2752	2753	2754	2755	2756	2757	2758	2759	2760	2761	2762	2763	2764	2765	2766	2767	2768	2769	2770	2771	2772	2773	2774	2775	2776	2777	2778	2779	2780	2781	2782	2783	2784	2785	2786	2787	2788	2789	2790	2791	2792	2793	2794	2795	2796	2797	2798	2799	2800	2801	2802	2803	2804	2805	2806	2807	2808	2809	2810	2811	2812	2813	2814	2815	2816	2817	2818	2819	2820	2821	2822	2823	2824	2825	2826	2827	2828	2829	2830	2831	2832	2833	2834	2835	2836	2837	2838	2839	2840	2841	2842	2843	2844	2845	2846	2847	2848	2849	2850	2851	2852	2853	2854	2855	2856	2857	2858	2859	2860	2861	2862	2863	2864	2865	2866	2867	2868	2869	2870	2871	2872	2873	2874	2875	2876	2877	2878	2879	2880	2881	2882	2883	2884	2885	2886	2887	2888	2889	2890	2891	2892	2893	2894	2895	2896	2897	2898	2899	2900	2901	2902	2903	2904	2905	2906	2907	2908	2909	2910	2911	2912	2913	2914	2915	2916	2917	2918	2919	2920	2921	2922	2923	2924	2925	2926	2927	2928	2929	2930	2931	2932	2933	2934	2935	2936	2937	2938	2939	2940	2941	2942	2943	2944	2945	2946	2947	2948	2949	2950	2951	2952	2953	2954	2955	2956	2957	2958	2959	2960	2961	2962	2963	2964	2965	2966	2967	2968	2969	2970	2971	2972	2973	2974	2975	2976	2977	2978	2979	2980	2981	2982	2983	2984	2985	2986	2987	2988	2989	2990	2991	2992	2993	2994	2995	2996	2997	2998	2999	3000

CITY OF ONTARIO GENERAL PLAN PROGRESS REPORT

Jurisdiction		City	ANNUAL ELEMENT PROGRESS REPORT Housing Element Implementation		Status		Start/End Dates		Progress		Notes	
Reporting Year	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023
2186340	2186341	2186342	2186343	2186344	2186345	2186346	2186347	2186348	2186349	2186350	2186351	2186352
2186353	2186354	2186355	2186356	2186357	2186358	2186359	2186360	2186361	2186362	2186363	2186364	2186365
2186366	2186367	2186368	2186369	2186370	2186371	2186372	2186373	2186374	2186375	2186376	2186377	2186378
2186379	2186380	2186381	2186382	2186383	2186384	2186385	2186386	2186387	2186388	2186389	2186390	2186391
2186392	2186393	2186394	2186395	2186396	2186397	2186398	2186399	2186400	2186401	2186402	2186403	2186404
2186405	2186406	2186407	2186408	2186409	2186410	2186411	2186412	2186413	2186414	2186415	2186416	2186417
2186418	2186419	2186420	2186421	2186422	2186423	2186424	2186425	2186426	2186427	2186428	2186429	2186430
2186431	2186432	2186433	2186434	2186435	2186436	2186437	2186438	2186439	2186440	2186441	2186442	2186443
2186444	2186445	2186446	2186447	2186448	2186449	2186450	2186451	2186452	2186453	2186454	2186455	2186456
2186457	2186458	2186459	2186460	2186461	2186462	2186463	2186464	2186465	2186466	2186467	2186468	2186469
2186470	2186471	2186472	2186473	2186474	2186475	2186476	2186477	2186478	2186479	2186480	2186481	2186482
2186483	2186484	2186485	2186486	2186487	2186488	2186489	2186490	2186491	2186492	2186493	2186494	2186495
2186496	2186497	2186498	2186499	2186500	2186501	2186502	2186503	2186504	2186505	2186506	2186507	2186508
2186509	2186510	2186511	2186512	2186513	2186514	2186515	2186516	2186517	2186518	2186519	2186520	2186521
2186522	2186523	2186524	2186525	2186526	2186527	2186528	2186529	2186530	2186531	2186532	2186533	2186534
2186535	2186536	2186537	2186538	2186539	2186540	2186541	2186542	2186543	2186544	2186545	2186546	2186547
2186548	2186549	2186550	2186551	2186552	2186553	2186554	2186555	2186556	2186557	2186558	2186559	2186560
2186561	2186562	2186563	2186564	2186565	2186566	2186567	2186568	2186569	2186570	2186571	2186572	2186573
2186574	2186575	2186576	2186577	2186578	2186579	2186580	2186581	2186582	2186583	2186584	2186585	2186586
2186587	2186588	2186589	2186590	2186591	2186592	2186593	2186594	2186595	2186596	2186597	2186598	2186599
2186600	2186601	2186602	2186603	2186604	2186605	2186606	2186607	2186608	2186609	2186610	2186611	2186612
2186613	2186614	2186615	2186616	2186617	2186618	2186619	2186620	2186621	2186622	2186623	2186624	2186625
2186626	2186627	2186628	2186629	2186630	2186631	2186632	2186633	2186634	2186635	2186636	2186637	2186638
2186639	2186640	2186641	2186642	2186643	2186644	2186645	2186646	2186647	2186648	2186649	2186650	2186651
2186652	2186653	2186654	2186655	2186656	2186657	2186658	2186659	2186660	2186661	2186662	2186663	2186664
2186665	2186666	2186667	2186668	2186669	2186670	2186671	2186672	2186673	2186674	2186675	2186676	2186677
2186678	2186679	2186680	2186681	2186682	2186683	2186684	2186685	2186686	2186687	2186688	2186689	2186690
2186691	2186692	2186693	2186694	2186695	2186696	2186697	2186698	2186699	2186700	2186701	2186702	2186703
2186704	2186705	2186706	2186707	2186708	2186709	2186710	2186711	2186712	2186713	2186714	2186715	2186716
2186717	2186718	2186719	2186720	2186721	2186722	2186723	2186724	2186725	2186726	2186727	2186728	2186729
2186730	2186731	2186732	2186733	2186734	2186735	2186736	2186737	2186738	2186739	2186740	2186741	2186742
2186743	2186744	2186745	2186746	2186747	2186748	2186749	2186750	2186751	2186752	2186753	2186754	2186755
2186756	2186757	2186758	2186759	2186760	2186761	2186762	2186763	2186764	2186765	2186766	2186767	2186768
2186769	2186770	2186771	2186772	2186773	2186774	2186775	2186776	2186777	2186778	2186779	2186780	2186781
2186782	2186783	2186784	2186785	2186786	2186787	2186788	2186789	2186790	2186791	2186792	2186793	2186794
2186795	2186796	2186797	2186798	2186799	2186800	2186801	2186802	2186803	2186804	2186805	2186806	2186807
2186808	2186809	2186810	2186811	2186812	2186813	2186814	2186815	2186816	2186817	2186818	2186819	2186820
2186821	2186822	2186823	2186824	2186825	2186826	2186827	2186828	2186829	2186830	2186831	2186832	2186833
2186834	2186835	2186836	2186837	2186838	2186839	2186840	2186841	2186842	2186843	2186844	2186845	2186846
2186847	2186848	2186849	2186850	2186851	2186852	2186853	2186854	2186855	2186856	2186857	2186858	2186859
2186860	2186861	2186862	2186863	2186864	2186865	2186866	2186867	2186868	2186869	2186870	2186871	2186872
2186873	2186874	2186875	2186876	2186877	2186878	2186879	2186880	2186881	2186882	2186883	2186884	2186885
2186886	2186887	2186888	2186889	2186890	2186891	2186892	2186893	2186894	2186895	2186896	2186897	2186898
2186899	2186900	2186901	2186902	2186903	2186904	2186905	2186906	2186907	2186908	2186909	2186910	2186911
2186912	2186913	2186914	2186915	2186916	2186917	2186918	2186919	2186920	2186921	2186922	2186923	2186924
2186925	2186926	2186927	2186928	2186929	2186930	2186931	2186932	2186933	2186934	2186935	2186936	2186937
2186938	2186939	2186940	2186941	2186942	2186943	2186944	2186945	2186946	2186947	2186948	2186949	2186950
2186951	2186952	2186953	2186954	2186955	2186956	2186957	2186958	2186959	2186960	2186961	2186962	2186963
2186964	2186965	2186966	2186967	2186968	2186969	2186970	2186971	2186972	2186973	2186974	2186975	2186976
2186977	2186978	2186979	2186980	2186981	2186982	2186983	2186984	2186985	2186986	2186987	2186988	2186989
2186990	2186991	2186992	2186993	2186994	2186995	2186996	2186997	2186998	2186999	2187000	2187001	2187002

CITY OF ONTARIO GENERAL PLAN PROGRESS REPORT

Adopted	Class	ANNUAL ELEMENT PROGRESS REPORT Housing Element Implementation		Status		Location		Type		Value		Date		Notes	
Year		Code	Unit	Value	Unit	Value	Unit	Value	Unit	Value	Unit	Value	Unit	Value	Unit
218408	218	00000000	000	0	0	1	1	1	1	1	1	1	1	1	1
218409	218	00000000	000	0	0	1	1	1	1	1	1	1	1	1	1
218410	218	00000000	000	0	0	1	1	1	1	1	1	1	1	1	1
218411	218	00000000	000	0	0	1	1	1	1	1	1	1	1	1	1
218412	218	00000000	000	0	0	1	1	1	1	1	1	1	1	1	1
218413	218	00000000	000	0	0	1	1	1	1	1	1	1	1	1	1
218414	218	00000000	000	0	0	1	1	1	1	1	1	1	1	1	1
218415	218	00000000	000	0	0	1	1	1	1	1	1	1	1	1	1
218416	218	00000000	000	0	0	1	1	1	1	1	1	1	1	1	1
218417	218	00000000	000	0	0	1	1	1	1	1	1	1	1	1	1
218418	218	00000000	000	0	0	1	1	1	1	1	1	1	1	1	1
218419	218	00000000	000	0	0	1	1	1	1	1	1	1	1	1	1
218420	218	00000000	000	0	0	1	1	1	1	1	1	1	1	1	1
218421	218	00000000	000	0	0	1	1	1	1	1	1	1	1	1	1
218422	218	00000000	000	0	0	1	1	1	1	1	1	1	1	1	1
218423	218	00000000	000	0	0	1	1	1	1	1	1	1	1	1	1
218424	218	00000000	000	0	0	1	1	1	1	1	1	1	1	1	1
218425	218	00000000	000	0	0	1	1	1	1	1	1	1	1	1	1
218426	218	00000000	000	0	0	1	1	1	1	1	1	1	1	1	1
218427	218	00000000	000	0	0	1	1	1	1	1	1	1	1	1	1
218428	218	00000000	000	0	0	1	1	1	1	1	1	1	1	1	1
218429	218	00000000	000	0	0	1	1	1	1	1	1	1	1	1	1
218430	218	00000000	000	0	0	1	1	1	1	1	1	1	1	1	1
218431	218	00000000	000	0	0	1	1	1	1	1	1	1	1	1	1
218432	218	00000000	000	0	0	1	1	1	1	1	1	1	1	1	1
218433	218	00000000	000	0	0	1	1	1	1	1	1	1	1	1	1
218434	218	00000000	000	0	0	1	1	1	1	1	1	1	1	1	1
218435	218	00000000	000	0	0	1	1	1	1	1	1	1	1	1	1
218436	218	00000000	000	0	0	1	1	1	1	1	1	1	1	1	1
218437	218	00000000	000	0	0	1	1	1	1	1	1	1	1	1	1
218438	218	00000000	000	0	0	1	1	1	1	1	1	1	1	1	1
218439	218	00000000	000	0	0	1	1	1	1	1	1	1	1	1	1
218440	218	00000000	000	0	0	1	1	1	1	1	1	1	1	1	1
218441	218	00000000	000	0	0	1	1	1	1	1	1	1	1	1	1
218442	218	00000000	000	0	0	1	1	1	1	1	1	1	1	1	1
218443	218	00000000	000	0	0	1	1	1	1	1	1	1	1	1	1
218444	218	00000000	000	0	0	1	1	1	1	1	1	1	1	1	1
218445	218	00000000	000	0	0	1	1	1	1	1	1	1	1	1	1
218446	218	00000000	000	0	0	1	1	1	1	1	1	1	1	1	1
218447	218	00000000	000	0	0	1	1	1	1	1	1	1	1	1	1
218448	218	00000000	000	0	0	1	1	1	1	1	1	1	1	1	1
218449	218	00000000	000	0	0	1	1	1	1	1	1	1	1	1	1
218450	218	00000000	000	0	0	1	1	1	1	1	1	1	1	1	1

CITY OF ONTARIO GENERAL PLAN PROGRESS REPORT

Annulation	City	Year	Line	Item	Category	Value	Unit	Target	Actual	Notes	Start	End	Status	Year	Value	Unit	Status
218620	W. & Main St. to W. & ...					500	sq	0									
218621	W. & Main St. to W. & ...					500	sq	0									
218622	W. & Main St. to W. & ...					500	sq	0									
218623	W. & Main St. to W. & ...					500	sq	0									
218624	W. & Main St. to W. & ...					500	sq	0									
218625	W. & Main St. to W. & ...					500	sq	0									
218626	W. & Main St. to W. & ...					500	sq	0									
218627	W. & Main St. to W. & ...					500	sq	0									
218628	W. & Main St. to W. & ...					500	sq	0									
218629	W. & Main St. to W. & ...					500	sq	0									
218630	W. & Main St. to W. & ...					500	sq	0									
218631	W. & Main St. to W. & ...					500	sq	0									
218632	W. & Main St. to W. & ...					500	sq	0									
218633	W. & Main St. to W. & ...					500	sq	0									
218634	W. & Main St. to W. & ...					500	sq	0									
218635	W. & Main St. to W. & ...					500	sq	0									
218636	W. & Main St. to W. & ...					500	sq	0									
218637	W. & Main St. to W. & ...					500	sq	0									
218638	W. & Main St. to W. & ...					500	sq	0									
218639	W. & Main St. to W. & ...					500	sq	0									
218640	W. & Main St. to W. & ...					500	sq	0									
218641	W. & Main St. to W. & ...					500	sq	0									
218642	W. & Main St. to W. & ...					500	sq	0									
218643	W. & Main St. to W. & ...					500	sq	0									
218644	W. & Main St. to W. & ...					500	sq	0									
218645	W. & Main St. to W. & ...					500	sq	0									
218646	W. & Main St. to W. & ...					500	sq	0									
218647	W. & Main St. to W. & ...					500	sq	0									
218648	W. & Main St. to W. & ...					500	sq	0									
218649	W. & Main St. to W. & ...					500	sq	0									
218650	W. & Main St. to W. & ...					500	sq	0									

CITY OF ONTARIO GENERAL PLAN PROGRESS REPORT

Reporting Year	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024	2025	2026	2027	2028	2029	2030
	1	1	1	1	1	1	1	1	1	1	1	1	1	1	1	1	1	1	1

CITY OF ONTARIO GENERAL PLAN PROGRESS REPORT

Amendment	Class	ANNUAL ELEMENT PROGRESS REPORT		Housing Element Implementation		Status		Notes	
Reporting Year	2012	2013	2014	2015	2016	2017	2018	2019	2020
2187106	LAND USE								
2187108	LAND USE								
2187109	LAND USE								
2187110	LAND USE								
2187111	LAND USE								
2187112	LAND USE								
2187113	LAND USE								
2187114	LAND USE								
2187115	LAND USE								
2187116	LAND USE								
2187117	LAND USE								
2187118	LAND USE								
2187119	LAND USE								
2187120	LAND USE								
2187121	LAND USE								
2187122	LAND USE								
2187123	LAND USE								
2187124	LAND USE								
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2187197	LAND USE								
2187198	LAND USE								
2187199	LAND USE								
2187200	LAND USE								

CITY OF ONTARIO GENERAL PLAN PROGRESS REPORT

Funding Year	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024	2025	2026	2027	2028	2029	2030	2031	2032	2033	2034	2035	2036	2037	2038	2039	2040	2041	2042	2043	2044	2045	2046	2047	2048	2049	2050	2051	2052	2053	2054	2055	2056	2057	2058	2059	2060	2061	2062	2063	2064	2065	2066	2067	2068	2069	2070	2071	2072	2073	2074	2075	2076	2077	2078	2079	2080	2081	2082	2083	2084	2085	2086	2087	2088	2089	2090	2091	2092	2093	2094	2095	2096	2097	2098	2099	2100	2101	2102	2103	2104	2105	2106	2107	2108	2109	2110	2111	2112	2113	2114	2115	2116	2117	2118	2119	2120	2121	2122	2123	2124	2125	2126	2127	2128	2129	2130	2131	2132	2133	2134	2135	2136	2137	2138	2139	2140	2141	2142	2143	2144	2145	2146	2147	2148	2149	2150	2151	2152	2153	2154	2155	2156	2157	2158	2159	2160	2161	2162	2163	2164	2165	2166	2167	2168	2169	2170	2171	2172	2173	2174	2175	2176	2177	2178	2179	2180	2181	2182	2183	2184	2185	2186	2187	2188	2189	2190	2191	2192	2193	2194	2195	2196	2197	2198	2199	2200	2201	2202	2203	2204	2205	2206	2207	2208	2209	2210	2211	2212	2213	2214	2215	2216	2217	2218	2219	2220	2221	2222	2223	2224	2225	2226	2227	2228	2229	2230	2231	2232	2233	2234	2235	2236	2237	2238	2239	2240	2241	2242	2243	2244	2245	2246	2247	2248	2249	2250	2251	2252	2253	2254	2255	2256	2257	2258	2259	2260	2261	2262	2263	2264	2265	2266	2267	2268	2269	2270	2271	2272	2273	2274	2275	2276	2277	2278	2279	2280	2281	2282	2283	2284	2285	2286	2287	2288	2289	2290	2291	2292	2293	2294	2295	2296	2297	2298	2299	2300																																																																																																																																																																																																																																																																																																								
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Annual Element Progress Report		Housing Element Implementation		COST: \$ (K)		Status: (Y) indicates an additional field COST: 0.00 indicates zero cost/total cost/total revenue		2012		2013		2014		2015		2016		2017		2018		2019		2020		2021		2022		2023		2024		2025		2026		2027		2028		2029		2030		2031		2032		2033		2034		2035		2036		2037		2038		2039		2040		2041		2042		2043		2044		2045		2046		2047		2048		2049		2050		2051		2052		2053		2054		2055		2056		2057		2058		2059		2060		2061		2062		2063		2064		2065		2066		2067		2068		2069		2070		2071		2072		2073		2074		2075		2076		2077		2078		2079		2080		2081		2082		2083		2084		2085		2086		2087		2088		2089		2090		2091		2092		2093		2094		2095		2096		2097		2098		2099		2100		2101		2102		2103		2104		2105		2106		2107		2108		2109		2110		2111		2112		2113		2114		2115		2116		2117		2118		2119		2120		2121		2122		2123		2124		2125		2126		2127		2128		2129		2130		2131		2132		2133		2134		2135		2136		2137		2138		2139		2140		2141		2142		2143		2144		2145		2146		2147		2148		2149		2150		2151		2152		2153		2154		2155		2156		2157		2158		2159		2160		2161		2162		2163		2164		2165		2166		2167		2168		2169		2170		2171		2172		2173		2174		2175		2176		2177		2178		2179		2180		2181		2182		2183		2184		2185		2186		2187		2188		2189		2190		2191		2192		2193		2194		2195		2196		2197		2198		2199		2200		2201		2202		2203		2204		2205		2206		2207		2208		2209		2210		2211		2212		2213		2214		2215		2216		2217		2218		2219		2220		2221		2222		2223		2224		2225		2226		2227		2228		2229		2230		2231		2232		2233		2234		2235		2236		2237		2238		2239		2240		2241		2242		2243		2244		2245		2246		2247		2248		2249		2250		2251		2252		2253		2254		2255		2256		2257		2258		2259		2260		2261		2262		2263		2264		2265		2266		2267		2268		2269		2270		2271		2272		2273		2274		2275		2276		2277		2278		2279		2280		2281		2282		2283		2284		2285		2286		2287		2288		2289		2290		2291		2292		2293		2294		2295		2296		2297		2298		2299		2300	

CITY OF ONTARIO GENERAL PLAN PROGRESS REPORT

Reporting Year	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024	2025	2026	2027	2028	2029	2030	2031	2032	2033	2034	2035	2036	2037	2038	2039	2040	
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210035																														
210036																														
210037																														
210038																														
210039																														
210040																														

CITY OF ONTARIO GENERAL PLAN PROGRESS REPORT

Amendments	Class	ANNUAL ELEMENT PROGRESS REPORT		Housing Element Implementation		Status		Start/End		Progress		Notes	
Reporting Year	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024
2152302	2152	0	0	0	0	0	0	0	0	0	0	0	0
2152303	2152	0	0	0	0	0	0	0	0	0	0	0	0
2152304	2152	0	0	0	0	0	0	0	0	0	0	0	0
2152305	2152	0	0	0	0	0	0	0	0	0	0	0	0
2152306	2152	0	0	0	0	0	0	0	0	0	0	0	0
2152307	2152	0	0	0	0	0	0	0	0	0	0	0	0
2152308	2152	0	0	0	0	0	0	0	0	0	0	0	0
2152309	2152	0	0	0	0	0	0	0	0	0	0	0	0
2152310	2152	0	0	0	0	0	0	0	0	0	0	0	0
2152311	2152	0	0	0	0	0	0	0	0	0	0	0	0
2152312	2152	0	0	0	0	0	0	0	0	0	0	0	0
2152313	2152	0	0	0	0	0	0	0	0	0	0	0	0
2152314	2152	0	0	0	0	0	0	0	0	0	0	0	0
2152315	2152	0	0	0	0	0	0	0	0	0	0	0	0
2152316	2152	0	0	0	0	0	0	0	0	0	0	0	0
2152317	2152	0	0	0	0	0	0	0	0	0	0	0	0
2152318	2152	0	0	0	0	0	0	0	0	0	0	0	0
2152319	2152	0	0	0	0	0	0	0	0	0	0	0	0
2152320	2152	0	0	0	0	0	0	0	0	0	0	0	0
2152321	2152	0	0	0	0	0	0	0	0	0	0	0	0
2152322	2152	0	0	0	0	0	0	0	0	0	0	0	0
2152323	2152	0	0	0	0	0	0	0	0	0	0	0	0
2152324	2152	0	0	0	0	0	0	0	0	0	0	0	0
2152325	2152	0	0	0	0	0	0	0	0	0	0	0	0
2152326	2152	0	0	0	0	0	0	0	0	0	0	0	0
2152327	2152	0	0	0	0	0	0	0	0	0	0	0	0
2152328	2152	0	0	0	0	0	0	0	0	0	0	0	0
2152329	2152	0	0	0	0	0	0	0	0	0	0	0	0
2152330	2152	0	0	0	0	0	0	0	0	0	0	0	0
2152331	2152	0	0	0	0	0	0	0	0	0	0	0	0
2152332	2152	0	0	0	0	0	0	0	0	0	0	0	0
2152333	2152	0	0	0	0	0	0	0	0	0	0	0	0
2152334	2152	0	0	0	0	0	0	0	0	0	0	0	0
2152335	2152	0	0	0	0	0	0	0	0	0	0	0	0
2152336	2152	0	0	0	0	0	0	0	0	0	0	0	0
2152337	2152	0	0	0	0	0	0	0	0	0	0	0	0
2152338	2152	0	0	0	0	0	0	0	0	0	0	0	0
2152339	2152	0	0	0	0	0	0	0	0	0	0	0	0
2152340	2152	0	0	0	0	0	0	0	0	0	0	0	0
2152341	2152	0	0	0	0	0	0	0	0	0	0	0	0
2152342	2152	0	0	0	0	0	0	0	0	0	0	0	0
2152343	2152	0	0	0	0	0	0	0	0	0	0	0	0
2152344	2152	0	0	0	0	0	0	0	0	0	0	0	0
2152345	2152	0	0	0	0	0	0	0	0	0	0	0	0
2152346	2152	0	0	0	0	0	0	0	0	0	0	0	0
2152347	2152	0	0	0	0	0	0	0	0	0	0	0	0
2152348	2152	0	0	0	0	0	0	0	0	0	0	0	0
2152349	2152	0	0	0	0	0	0	0	0	0	0	0	0
2152350	2152	0	0	0	0	0	0	0	0	0	0	0	0
2152351	2152	0	0	0	0	0	0	0	0	0	0	0	0
2152352	2152	0	0	0	0	0	0	0	0	0	0	0	0
2152353	2152	0	0	0	0	0	0	0	0	0	0	0	0
2152354	2152	0	0	0	0	0	0	0	0	0	0	0	0
2152355	2152	0	0	0	0	0	0	0	0	0	0	0	0
2152356	2152	0	0	0	0	0	0	0	0	0	0	0	0
2152357	2152	0	0	0	0	0	0	0	0	0	0	0	0
2152358	2152	0	0	0	0	0	0	0	0	0	0	0	0
2152359	2152	0	0	0	0	0	0	0	0	0	0	0	0
2152360	2152	0	0	0	0	0	0	0	0	0	0	0	0
2152361	2152	0	0	0	0	0	0	0	0	0	0	0	0
2152362	2152	0	0	0	0	0	0	0	0	0	0	0	0
2152363	2152	0	0	0	0	0	0	0	0	0	0	0	0
2152364	2152	0	0	0	0	0	0	0	0	0	0	0	0
2152365	2152	0	0	0	0	0	0	0	0	0	0	0	0
2152366	2152	0	0	0	0	0	0	0	0	0	0	0	0
2152367	2152	0	0	0	0	0	0	0	0	0	0	0	0
2152368	2152	0	0	0	0	0	0	0	0	0	0	0	0
2152369	2152	0	0	0	0	0	0	0	0	0	0	0	0
2152370	2152	0	0	0	0	0	0	0	0	0	0	0	0

CITY OF ONTARIO GENERAL PLAN PROGRESS REPORT

Jurisdiction		City		LMA		LMA 1		LMA 2		LMA 3		LMA 4		LMA 5		LMA 6		LMA 7		LMA 8		LMA 9		LMA 10		LMA 11		LMA 12		LMA 13		LMA 14		LMA 15		LMA 16		LMA 17		LMA 18		LMA 19		LMA 20																																																								
Reporting Year	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024	2025	2026	2027	2028	2029	2030	2031	2032	2033	2034	2035	2036	2037	2038	2039	2040	2041	2042	2043	2044	2045	2046	2047	2048	2049	2050	2051	2052	2053	2054	2055	2056	2057	2058	2059	2060																																																			
2184100	2184101	2184102	2184103	2184104	2184105	2184106	2184107	2184108	2184109	2184110	2184111	2184112	2184113	2184114	2184115	2184116	2184117	2184118	2184119	2184120	2184121	2184122	2184123	2184124	2184125	2184126	2184127	2184128	2184129	2184130	2184131	2184132	2184133	2184134	2184135	2184136	2184137	2184138	2184139	2184140	2184141	2184142	2184143	2184144	2184145	2184146	2184147	2184148	2184149	2184150	2184151	2184152	2184153	2184154	2184155	2184156	2184157	2184158	2184159	2184160	2184161	2184162	2184163	2184164	2184165	2184166	2184167	2184168	2184169	2184170	2184171	2184172	2184173	2184174	2184175	2184176	2184177	2184178	2184179	2184180	2184181	2184182	2184183	2184184	2184185	2184186	2184187	2184188	2184189	2184190	2184191	2184192	2184193	2184194	2184195	2184196	2184197	2184198	2184199	2184200

CITY OF ONTARIO GENERAL PLAN PROGRESS REPORT

Adopted Year	Element	Year	Unit	Value	Target	Actual	Notes
2012	2188201	2012	00000000	0	0	0	
2012	2188202	2012	00000000	0	0	0	
2012	2188203	2012	00000000	0	0	0	
2012	2188204	2012	00000000	0	0	0	
2012	2188205	2012	00000000	0	0	0	
2012	2188206	2012	00000000	0	0	0	
2012	2188207	2012	00000000	0	0	0	
2012	2188208	2012	00000000	0	0	0	
2012	2188209	2012	00000000	0	0	0	
2012	2188210	2012	00000000	0	0	0	
2012	2188211	2012	00000000	0	0	0	
2012	2188212	2012	00000000	0	0	0	
2012	2188213	2012	00000000	0	0	0	
2012	2188214	2012	00000000	0	0	0	
2012	2188215	2012	00000000	0	0	0	
2012	2188216	2012	00000000	0	0	0	
2012	2188217	2012	00000000	0	0	0	
2012	2188218	2012	00000000	0	0	0	
2012	2188219	2012	00000000	0	0	0	
2012	2188220	2012	00000000	0	0	0	
2012	2188221	2012	00000000	0	0	0	
2012	2188222	2012	00000000	0	0	0	
2012	2188223	2012	00000000	0	0	0	
2012	2188224	2012	00000000	0	0	0	
2012	2188225	2012	00000000	0	0	0	
2012	2188226	2012	00000000	0	0	0	
2012	2188227	2012	00000000	0	0	0	
2012	2188228	2012	00000000	0	0	0	
2012	2188229	2012	00000000	0	0	0	
2012	2188230	2012	00000000	0	0	0	
2012	2188231	2012	00000000	0	0	0	
2012	2188232	2012	00000000	0	0	0	
2012	2188233	2012	00000000	0	0	0	
2012	2188234	2012	00000000	0	0	0	
2012	2188235	2012	00000000	0	0	0	
2012	2188236	2012	00000000	0	0	0	
2012	2188237	2012	00000000	0	0	0	
2012	2188238	2012	00000000	0	0	0	
2012	2188239	2012	00000000	0	0	0	
2012	2188240	2012	00000000	0	0	0	
2012	2188241	2012	00000000	0	0	0	
2012	2188242	2012	00000000	0	0	0	
2012	2188243	2012	00000000	0	0	0	
2012	2188244	2012	00000000	0	0	0	
2012	2188245	2012	00000000	0	0	0	
2012	2188246	2012	00000000	0	0	0	
2012	2188247	2012	00000000	0	0	0	
2012	2188248	2012	00000000	0	0	0	
2012	2188249	2012	00000000	0	0	0	
2012	2188250	2012	00000000	0	0	0	
2012	2188251	2012	00000000	0	0	0	
2012	2188252	2012	00000000	0	0	0	
2012	2188253	2012	00000000	0	0	0	
2012	2188254	2012	00000000	0	0	0	
2012	2188255	2012	00000000	0	0	0	
2012	2188256	2012	00000000	0	0	0	
2012	2188257	2012	00000000	0	0	0	
2012	2188258	2012	00000000	0	0	0	
2012	2188259	2012	00000000	0	0	0	
2012	2188260	2012	00000000	0	0	0	
2012	2188261	2012	00000000	0	0	0	
2012	2188262	2012	00000000	0	0	0	
2012	2188263	2012	00000000	0	0	0	
2012	2188264	2012	00000000	0	0	0	
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2012	2188298	2012	00000000	0	0	0	
2012	2188299	2012	00000000	0	0	0	
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Jurisdiction	Ontario	
Reporting Year	2019	(Jan. 1 - Dec. 31)

ANNUAL ELEMENT PROGRESS REPORT
Housing Element Implementation
 (CCR Title 25 §6202)

This table is auto-populated once you enter your jurisdiction name and current year data. Past year information comes from previous APRs.
 Please contact HCD if your data is different than the material supplied here

Table B													
Regional Housing Needs Allocation Progress													
Permitted Units Issued by Affordability													
		1	2									3	4
Income Level		RHNA Allocation by Income Level	2013	2014	2015	2016	2017	2018	2019	2020	2021	Total Units to Date (all years)	Total Remaining RHNA by Income Level
Very Low	Deed Restricted	2592						100	58			158	2434
	Non-Deed Restricted												
Low	Deed Restricted	1745						48	42			90	1655
	Non-Deed Restricted												
Moderate	Deed Restricted	1977										1434	543
	Non-Deed Restricted			364	138	340	520	72					
Above Moderate		4547		163	420	287	1136	1168	1452			4626	
Total RHNA		10861											
Total Units				527	558	627	1656	1388	1552			6308	4632

Note: units serving extremely low-income households are included in the very low-income permitted units totals
 Cells in grey contain auto-calculation formulas

CITY OF ONTARIO GENERAL PLAN PROGRESS REPORT

Jurisdiction	Ontario
Reporting Year	2019 (Jan. 1 - Dec. 31)

ANNUAL ELEMENT PROGRESS REPORT
Housing Element Implementation
 (CCR Title 25 §6202)

Note: "*" indicates an optional field
 Cells in grey contain auto-calculation formulas

Table C Sites Identified or Rezoned to Accommodate Shortfall Housing Need																	
Project Identifier				Date of Rezone	RHNA Shortfall by Household Income Category				Type of Shortfall	Sites Description							
1		2		3				4	5	6	7	8		9	10	11	
APN	Street Address	Project Name*	Local Jurisdiction Tracking ID*	Date of Rezone	Very Low-Income	Low-Income	Moderate-Income	Above Moderate-Income	Type of Shortfall	Parcel Size (Acres)	General Plan Designation	Zoning	Minimum Density Allowed	Maximum Density Allowed	Realistic Capacity	Vacant/Nonvacant	Description of Existing Uses
Summary Row: Start Data Entry Below																	

ANNUAL ELEMENT PROGRESS REPORT
Housing Element Implementation

(CCR Title 25 §6202)

Jurisdiction		Ontario	
Reporting Year		2019 (Jan. 1 - Dec. 31)	
Table D			
Program Implementation Status pursuant to GC Section 65583			
Housing Programs Progress Report			
Describe progress of all programs including local efforts to remove governmental constraints to the maintenance, improvement, and development of housing as identified in the housing element.			
1	2	3	4
Name of Program	Objective	Timeframe in H.E	Status of Program Implementation
1. Code Enforcement	Continue Code Enforcement using a progressive approach of voluntary compliance, citations, and court action, if needed. Continue to apply for funding.	Ongoing, inspect properties annually	Community Improvement conducted 5,283 inspections and 2,145 cases were closed in 2019. As part of the Rental Inspection Program 5,134 housing units were inspected and violations were abated in 4,083 units.
2. Quiet Home	Completed	Completed	Since the program began in 1994, 1,599 units have been insulated and 256 properties were acquired. The Program has sold 30 parcels for future airport compatible development. Program was terminated in September 2015 due to updated NEM eligibility noise contour which eliminated funding for the program.
3. Historic Preservation	Continue to Implement Program	Ongoing	City staff continues to implement the Historic Preservation program, including: 6 properties on the Ontario Register were reviewed for historic significance, 2 were removed, 1 was added and 3 received a Tier Determination, 4 Mills Act Contracts (preservation agreement) were approved, Annual Mills Act Contract Monitoring of 20 contracts were completed, and staff continues to implement design review for historic properties. Completion of community outreach activities including: Historic Preservation Month Photo Contest, Model Colony Awards program, participation in the Ontario Showcase/Heritage Celebration and the Ontario Festival of the Arts.
4. Housing Rehabilitation Loan and Grants	Continue to Implement Program, as funding is available.	Ongoing	The City of Ontario designed the Community Improvement Code Abatement Loan Program. This program was approved during this reporting period. During 2019, zero (0) homes were rehabilitated through this program. The City's largest housing rehabilitation program, the CARES Program continues to remain on hold. Funding for this program had been provided through the Ontario Redevelopment Agency's Low and Moderate-Income Housing Fund (LMIFH). To date, no replacement funding has been identified and secured.
5. CARES	Continue program implementation, as funding is available.	Ongoing	As stated earlier, this program was funded with LMIHF. At this time, the program is on hold and no activity took place during 2019.

CITY OF ONTARIO GENERAL PLAN PROGRESS REPORT

6. Neighborhood Plans	Designate focus neighborhoods, outreach plan and process, and initiate survey efforts. Evaluate the potential of creating neighborhood improvement plans.	Ongoing	The primary Neighborhood Planning programs implemented during 2018 include the HEAL Zone, Zoning Consistency, Transformative Climate Communities (TCC) and Active Transportation Program (ATP). Through the HEAL Zone and TCC programs, feedback from community leaders helped inform decision makers on policy and capital improvements. In 2018, the Zoning Consistency program (created to make zoning consistent with The Ontario Plan (General Plan)) with a major goal of protecting residential areas was completed. The ATP program conducted surveys on pedestrian safety and bicycle routes which will help to support an ATP grant application to be submitted in 2020, that will provide missing sidewalks, ADA ramps, new street lights and parkway shade trees. Design and ROW acquisition was completed for ATP Cycle 3 that will make pedestrian improvements around 1 elementary and 1 middle school. Community outreach and most of the walk audits around public schools was completed as part of the Active Transportation Master Plan. The final segment of the G Street Crosstown Bike Route was completed in 2019. Consultant was hired and work began on a Multimodal Transportation Center Needs Assessment and Siting Criteria project began in 2019 that will centralize multimodal options for residents and employees of and visitors to Ontario.
7. Neighborhood Stabilization	Designate focus neighborhoods, outreach plan and process, and initiate survey efforts. Evaluate the potential of creating neighborhood improvement plans.	Ongoing	During 2019, the City Council approved the Neighborhood Preservation Strategy Plan, which designated four focus neighborhoods (Downtown, Nocta, Mission-Mountain, and Fourth-Grove).
8. Community Oriented Policing	Continue implementation of COPs Program; coordinate marketing efforts with the new Quadrennial Inspection Program.	Ongoing	The Community Oriented Policing (COPS) Division takes a pro-active approach by partnering with building and property owners to prevent, deter, and solve crimes. Additionally during inspections, onsite improvements are identified under the concept of Crime Prevention Through Environmental Design (CPTED). In 2019, two Crime Free Multi-Housing classes were hosted by the Ontario Police Department, providing property owners/managers the tools to take a proactive approach on crime prevention. A total of 13 properties were enrolled in the Crime Free Multi-Housing Program and 16 properties enrolled in the Trespassing Enforcement Program. A total of 527 individuals were served with forbidden trespass forms.
9. Downtown Plan	Downtown planning to facilitate new mixed-use and residential development; continue to acquire property and assemble sites to facilitate new housing.	Ongoing	The objective of the downtown planning effort is to facilitate new mixed-use and residential development and continue to acquire property and assemble sites to facilitate new housing. To facilitate new development and establish new businesses within the downtown area the HEART (Historic Euclid Avenue Revitalization Team) Initiative was established in 2015. HEART leverages resources, services and activities to enhance the downtown experience. Through improved transit and placemaking efforts that integrate arts and culture, the HEART Initiative is creating an environment that attracts new housing, improves existing housing, and encourages a mix of uses and activities. A strategic plan is underway to diversify land uses and improve mobility and connectivity downtown, which is scheduled for approval in 2020. Construction of a 100% affordable (low and very-low income) 101-unit TOD project began in 2019 (Virginia/Holt), a 153-unit mixed use development is expected to be entitled towards the end of 2020 (C1 Block), and, construction of 100% affordable (low and very-low income) 75-unit project (Vine/Holt), is underway with an anticipated completion date in Summer 2020. And finally, the Downtown Plan area is included in a \$35 million Transformative Climate Communities Grant awarded to the City to increase prosperity, improve transportation and housing within a disadvantaged community. The TCC program includes affordable housing, active transportation improvements, mobility hub, urban greening, carbon farm, solar photovoltaic, and transit improvements. This grant is a collaborative effort with public and community-based organizations developing and implementing project in support of reducing greenhouse gas emissions and enhancing overall quality of life.
10. Mountain and Euclid Corridors	Re-designate corridors for medium- and high-density residential uses and develop a lot consolidation ordinance to facilitate the assemblage of lots into larger parcels.	Completed	All sites on the Housing Element Available Land Inventory along these corridors have been rezoned to medium density residential, high density residential, or mixed use designations consistent with The Ontario Plan (which includes the General Plan).
11. Holt Blvd.	Re-designate as High Density and Mixed Use and develop a lot consolidation ordinance to assemble parcels.	Completed	All sites on the Housing Element Available Land Inventory along the Holt Boulevard corridor have been rezoned to accommodate higher densities.

CITY OF ONTARIO GENERAL PLAN PROGRESS REPORT

12. New Model Colony	Continue to review, approve, and implement plans to develop the New Model Colony.	Ongoing	City staff continues to review and process applications for development in the New Model Colony. Permits were issued for 1,398 units within the NMC in 2019.
13. Downtown Core Catalyst Project	Continue to implement the programs identified in the Downtown Core Catalyst Project as funding is available.	Completed	The Catalyst program was completed on June 30, 2017. There was no activity on this program during 2019.
14. Design Review	Continue to implement design review process.	Ongoing	City staff continues to implement design review.
15. Green Building	Promote green building practices in the private sector and explore point-of-sale energy retrofits for residences. Renewable energy incentive and energy efficiency programs. Develop a citywide 20-year energy plan. Support pilot development project as a net-zero-energy community and formulate solar site orientation guideline.	Ongoing	The City continues to trend towards the Climate Action Plan target of 30% greenhouse gas reduction below Year 2020 business as usual by Year 2020 and in the process of updating our Climate Action Plan assess our success and plan for the 2030 GHG reduction Target of 40% below 1990 levels. The City is also initiating The Ontario Plan Update in support of a more resilient future. The City is in the first year of implementation of the GGRF Transformative Climate Communities Grant encompassing a variety of programs from developing 101-units of affordable housing, single family solar installations, and increasing transit/bicycle options to developing a 2-acre carbon farm. This multi-year grant program is anticipated to reduce approximately 19,737 MTCO _{2e} , providing healthy air and pathways for low-income residences to thrive.
16. Land Monitoring Program to Meet the RHNA	Ensure there is sufficient supply of multi-family zoned land to meet the housing needs identified in the Regional Housing Needs Allocation.	Ongoing	City staff monitors entitlement applications to ensure that the Available Land Inventory is maintained and verifies that development of identified sites complies with the minimum density indicated in the Available Land Inventory or identifies alternate sites to meet the City's RHNA needs. Safeguards have been incorporated into the City's Discretionary Permit Application which includes an affidavit regarding compliance with the Available Land Inventory.
17. Incentives	Offer financial and regulatory incentives for residential projects that meet City housing and affordable housing goals.	Ongoing	The City continues to offer financial incentives for affordable housing projects where feasible and as funding is available. Housing incentives have also been included in the comprehensive Development Code update which was adopted in 2016 which continues to be implemented in 2019.
18. Land Acquisition	Continue to approve financial incentives for residential projects that meet City housing and affordable housing goals.	Ongoing	City staff will implement programs as funds become available.
19. Planned Unit Development (PUD)	Continue to utilize the PUD to create tailored development standards to facilitate new housing.	Ongoing	The PUD continues to be a viable tool to implement new multi-family housing.
20. Mixed-Use and High-Density Residential Zone and Standards	Develop new mixed-use and high-density residential development zone and standards to implement the General Plan. Allow residential uses by right in both zones.	Ongoing	New General Plan land use designations were adopted in 2010. The 2016 comprehensive update to the Development Code implements the new General Plan land use designations and allows residential uses by right within the High Density Residential and Mixed Use zones. The City continues its efforts in processing Zone Changes to bring alignment with the adopted General Plan. In 2019 no additional parcels outside the Euclid Avenue, Mountain Avenue, and Holt Boulevard corridors were rezoned to High Density Residential or Mixed Use zones.
21. Public Housing	Continue to assist up to 600 households under the public housing program and seek additional vouchers as available.	Ongoing	Public housing programs in Ontario are administered through the Housing Authority of the County of San Bernardino (HACSB). During 2019, the HACSB managed approximately 676 Housing Choice Vouchers within Ontario.
22. Homeownership	Implement down payment assistance programs Citywide and for the Town Square project.	Ongoing	The CalHome Mortgage Assistance program ended on April 5, 2017. City staff continue tracking the use of loan funds paid off in a reuse account for use on eligible projects.

CITY OF ONTARIO GENERAL PLAN PROGRESS REPORT

23. Preservation of At-Risk Housing	Monitor the status of at-risk projects and, if they are at imminent risk of conversion, provide technical assistance and/or financial assistance to preserve the properties as deemed feasible.	Ongoing	There are a total of 1,836 assisted, multi-family rental units in the City, of which no units were “at-risk” of conversion to market rate during calendar year 2019. To address the preservation of public housing for very low- and low-income persons, the City of Ontario maintains contact with owners of at-risk units as the use restriction expiration date approaches to communicate with the owner the importance of the units to the supply of affordable housing in Ontario, as well as its desire to preserve the units as affordable. The City will make every effort in using local incentives that can be offered to property owners to preserve any at risk units. During 2019, City staff continued to work with the National Foundation for Affordable Housing to assist with the rehabilitation of the Ontario Townhouses project, a project-based Section 8 voucher property, including an extension of the PBV contract for an additional 20 years. The project is expected to be complete during early 2020.
24. Jack Galvin Accord	Continue to implement the Jack Galvin Accord and monitor the effectiveness of the accord.	Ongoing	City staff administered the Accord that covers 1,697 mobile home units located in 10 mobile home parks throughout Ontario. City staff distributed the annual rent adjustments allowed as part of the Accord and designed to limit rental increases within the participating mobile home parks. The Accord was approved for a 5-year extension on November 15, 2019 with an expiration date of January 5, 2025.
25. Fair Housing	Continue to contract with fair housing providers.	Ongoing	The City of Ontario has worked in conjunction with the Inland Fair Housing and Mediation Board to affirmatively further fair housing opportunities in this community. The Inland Fair Housing and Mediation Board “actively supports and promotes freedom of residence through education, advocacy and litigation to the end that all persons have the opportunity to secure the housing they desire and can afford, without regard to their race, color, religion, gender, sexual orientation, national origin, familial status, marital status, disability, ancestry, age, source of income or other characteristics protected by law.”
26. Homeless Continuum of Care	Continue to fund Mercy House to implement the Continuum of Care program for homeless residents and other programs as funding is available.	Ongoing	<p>During 2019, the following achievements were made within the Ontario Homeless Continuum of Care (CoC) programs:</p> <ul style="list-style-type: none"> * Mercy House Ontario Access Center – Provided basic needs and services to 683 new (unduplicated) clients; * Assisi House and Aftercare Services Program – Provided transitional housing and aftercare services to 59 new (unduplicated) clients; * HOME TBRA – Provided tenant based rental assistance to 25 households; * Project Gateway – Assisted 12 chronically homeless individuals with disabilities and their families secure permanent housing with wrap around services through HUD’s Shelter Plus Care Program; and * Permanent Housing Units – Continued to operate 76 permanent housing units in cooperation with the Ontario Housing Authority, Mercy House, and Mercy House CHDO. These units assist in providing priority occupancy to participants in the CoC Project Gateway. <p>In addition, we also created new programs to assist in the delivery of services designed to house persons experiencing homelessness within Ontario, including:</p> <ul style="list-style-type: none"> * Street Outreach – Increased funding of the street outreach team to 40 hours per week; * Created the Extreme Weather Motel Voucher Program – Assisted 11 persons with a total of 58 bed nights. All individuals assisted are provided with the opportunity for case management focused on connecting the individuals to housing; * Created a utility assistance program to facilitate persons experiencing homelessness with zero income to participate in the existing HOME TBRA program operated as part of the CoC; * Partnered with local school district to identify homeless families and assist these families with rental subsidies through the HOME TBRA Program; and * Facilitated monthly meetings with Ontario focused homeless providers and governmental agencies to coordinate services to transition individuals/families from homelessness into a stable housing program.
27. Senior Housing	Continue to provide a full range of housing support services.	Ongoing	During calendar year 2019, the City continued to monitor 762 units of affordable senior housing.

CITY OF ONTARIO GENERAL PLAN PROGRESS REPORT

28. Housing for People with Disabilities	Continue to assist with the development of housing for persons with disabilities, including those with developmental disabilities and update the definition of family to comply with State law.	Ongoing	The City enforces state and federal accessibility laws to facilitate the improvement of housing for disabled people and encourages reasonable accessibility accommodations. In addition, the comprehensive Development Code update, which went into effect in 2016, incorporates reasonable accommodation provisions and redefined "family" to comply with State law.
29. Family Housing	Continue program implementation.	Ongoing	The City continued to monitor 989 units of affordable family housing during calendar year 2019. In addition, Ontario is working with two different developers to construct new affordable housing developments for families. Emporia Place (75-units) and Vista Verde (101-units). These two new developments will provide for extremely low-, very-low, and low-income units for families.
30. Extremely Low-Income Households	Work with non-profits and/or for-profit developers to build housing for ELI households through supporting grants and funding applications. Offer fee reductions and land write downs for new affordable housing for low-income, very low-income, and ELI households.	Annually	<p>During calendar year 2019, the following services were provided to Extremely Low-Income households:</p> <ul style="list-style-type: none"> * Assisted housing units – 20 housing units restricted to extremely low-income occupancy; * Project Gateway – 6 units occupied by extremely low-income households; * HOME Tenant Based Rental Assistance (TBRA) – 13 households assisted; * CoC Permanent Housing (excluding Project Gateway and HOME TBRA) – 2 households assisted; * Assisi House and Aftercare Services program – 59 persons (unduplicated); * Mercy House Center Ontario – 683 persons (unduplicated); * Services for Battered Women and Children – 52 persons (unduplicated); * SOVA Food Security Center – 1,890 persons (unduplicated); * Fair Housing services – 105 households (unduplicated); * Landlord-Tenant Mediation services – 539 households (unduplicated); * Senior Services – 122 persons (unduplicated); and * Child Care Subsidies – 14 persons (unduplicated).
31. Special Needs Housing	Collaborate with affordable housing developers and secure funding, if feasible, to assist with the development of special needs housing projects.	Annually	<p>In conjunction with the Ontario Housing Authority, the Housing Authority of the County of San Bernardino, County of San Bernardino Department of Behavioral Health, and Mercy House Living Centers, 12 Shelter Plus Care project based vouchers were available within Ontario for chronically homeless with disabilities and their families.</p> <p>During 2019, the City in conjunction with Mercy House Living Centers, implemented the HOME Tenant Based Rental Assistance to provide rental assistance with security deposits and utility deposits to chronically homeless and homeless households. Additionally, 25 homeless households were assisted with permanent housing.</p>

Jurisdiction	Ontario	
Reporting Period	2019	(Jan. 1 - Dec. 31)

ANNUAL ELEMENT PROGRESS REPORT
Housing Element Implementation
 (CCR Title 25 §6202)

Note: "+" indicates an optional field
 Cells in grey contain auto-calculation formulas

Table F
Units Rehabilitated, Preserved and Acquired for Alternative Adequate Sites pursuant to Government Code section 65583.1(c)(2)

This table is optional. Jurisdictions may list (for informational purposes only) units that do not count toward RHNA, but were substantially rehabilitated, acquired or preserved. To enter units in this table as progress toward RHNA, please contact HCD at APR@hcd.ca.gov. HCD will provide a password to unlock the grey fields. Units may only be credited to the table below when a jurisdiction has included a program in its housing element to rehabilitate, preserve or acquire units to accommodate a portion of its RHNA which meet the specific criteria as outlined in Government Code section 65583.1(c)(2).

Activity Type	Units that Do Not Count Towards RHNA* Listed for Informational Purposes Only				Units that Count Towards RHNA* Note - Because the statutory requirements severely limit what can be counted, please contact HCD to receive the password that will enable you to populate these fields.				The description should adequately document how each unit complies with subsection (c)(7) of Government Code Section 65583.1*
	Extremely Low-Income*	Very Low-Income*	Low-Income*	TOTAL UNITS*	Extremely Low-Income*	Very Low-Income*	Low-Income*	TOTAL UNITS*	
Rehabilitation Activity		80	4	84					Permits were issued to substantially rehabilitate 86 units (including 2 management units) for the Ontario Townhomes complex operated by the Ontario Housing Agency.
Preservation of Units At-Risk									
Acquisition of Units									
Total Units by Income		80	4	84					

Jurisdiction	Ontario	
Reporting Year	2019	(Jan. 1 - Dec. 31)

Completed Entitlements Issued by Affordability Summary		
Income Level		Current Year
Very Low	Deed Restricted	0
	Non-Deed Restricted	0
Low	Deed Restricted	0
	Non-Deed Restricted	0
Moderate	Deed Restricted	0
	Non-Deed Restricted	0
Above Moderate		3031
Total Units		3031

Note: Units serving extremely low-income households are included in the very low-income permitted units totals

Housing Applications Summary	
Total Housing Applications Submitted:	19
Number of Proposed Units in All Applications Received:	2,951
Total Housing Units Approved:	1,857
Total Housing Units Disapproved:	0

Use of SB 35 Streamlining Provisions	
Number of Applications for Streamlining	0
Number of Streamlining Applications Approved	0
Total Developments Approved with Streamlining	0
Total Units Constructed with Streamlining	0

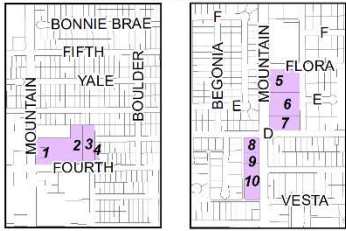
Units Constructed - SB 35 Streamlining Permits			
Income	Rental	Ownership	Total
Very Low	0	0	0
Low	0	0	0
Moderate	0	0	0
Above Moderate	0	0	0
Total	0	0	0

Cells in grey contain auto-calculation formulas

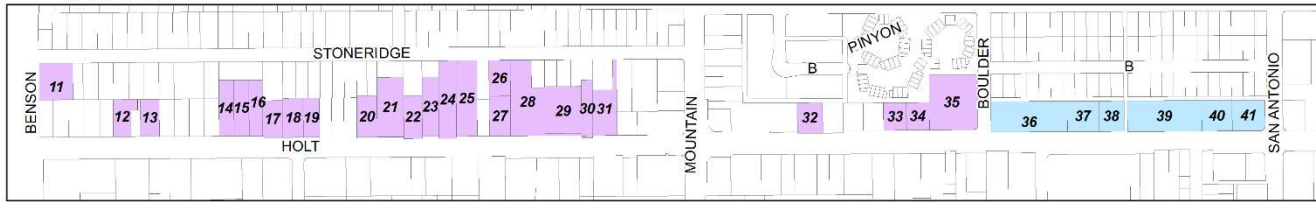
EXHIBIT B
2019 HOUSING ELEMENT
ANNUAL PROGRESS REPORT

ATTACHMENT 1
Housing Element Land Inventory

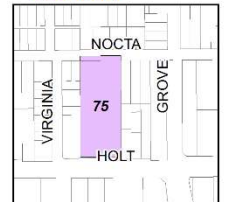
MOUNTAIN CORRIDOR



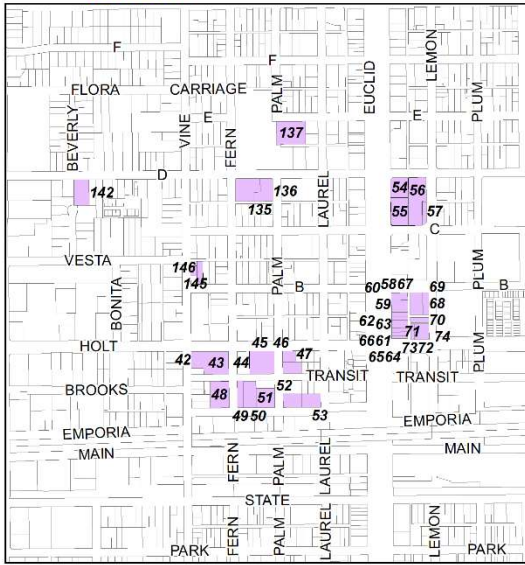
WEST HOLT



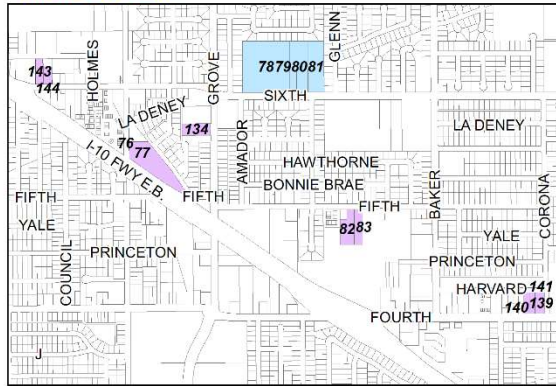
EAST HOLT



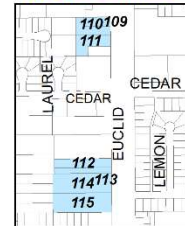
DOWNTOWN



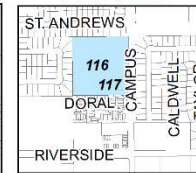
GROVE CORRIDOR



EUCLID CORRIDOR



CAMPUS SITE



Housing Element Land Inventory

- Sites in Housing Element Land Inventory**
- Income Categories**
- Low Income (>25 DU/AC)
 - Moderate Income (10 - 25 DU/AC)
 - Moderate & Above-Moderate Income (See Inventory)
 - Above-Moderate Income (<10 DU/AC)

Map ID# (See Land Inventory for Details)

WEST MISSION



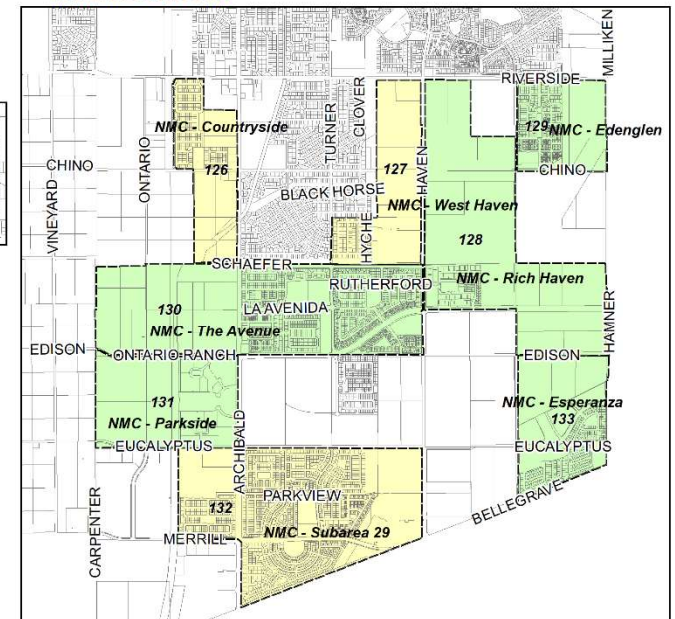
ONTARIO AIRPORT METRO CENTER



PHILADELPHIA SITE



NEW MODEL COLONY



BACKGROUND INFORMATION

Each City in California is required to prepare a Housing Element every 5 - 10 years. The Housing Element must, in part, identify available sites that can accommodate the number and type of dwelling units that have been allocated to the City.

Projects on sites identified in the Available Land Inventory of the Housing Element (and shown on this map) must be consistent with the density range identified in the Land Inventory and the minimum number of units specified in order to be consistent with the City's General Plan (The Ontario Plan). State law requires all projects to be consistent with the General Plan.

If a site is identified on this map as being part of the Inventory, be sure to check the Land Inventory which is found in the appendix of the Ontario Housing Element which can be found at: <http://www.ontarioplan.org/index.cfm?27915/34473>



CITY OF ONTARIO

Agenda Report
May 19, 2020

SECTION:
CONSENT CALENDAR

SUBJECT: AUTHORIZE THE PURCHASE OF FLEET VEHICLES

RECOMMENDATION: That the City Council authorize the cooperative purchase and delivery of one replacement Chevrolet Tahoe in the amount of \$38,633 for the Police Department, and one Ford Escape SUV in the amount of \$25,655 for the Utilities Department from National Auto Fleet Group of Watsonville, California, consistent with the terms and conditions of the Sourcewell (formerly known as NJPA) Cooperative Contract # 120716-NAF.


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

FISCAL IMPACT: The Fiscal Year 2019-20 Adopted Budget includes appropriations in the amount of \$40,000 in the Equipment Services Fund for the purchase of one replacement vehicle, and \$26,000 from the Water Operating Fund for one new, additional vehicle. The total cost of the vehicles recommended for purchase is \$64,288.

BACKGROUND: The vehicle recommended for replacement in this action has outlived its useful life, and it is no longer cost effective to maintain it. The Tahoe is scheduled for replacement pursuant to ongoing efforts to reduce expenses, maximize useful life expectancy and extend replacement cycles of fleet equipment, while ensuring safe and reliable operations. This procurement action will result in the replaced vehicle being available to surplus, with any auction sale proceeds returning to the Equipment Services Fund. The addition of the Ford Escape is for a new water production position that was added to operations this fiscal year.

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

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

Prepared by: Michael Johnson
Department: Municipal Services
City Manager Approval: 

Submitted to Council/O.H.A. 05/19/2020
Approved: _____
Continued to: _____
Denied: _____

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Staff recommends the cooperative purchase and delivery of one replacement Chevrolet Tahoe in the amount of \$38,633 for the Police Department, and one additional Ford Escape SUV in the amount of \$25,655 for the Utilities Department from National Auto Fleet Group of Watsonville, California, consistent with the terms and conditions of the Sourcewell (formerly known as NJPA) Cooperative Contract # 120716-NAF.

CITY OF ONTARIO

Agenda Report
May 19, 2020

SECTION:
CONSENT CALENDAR

SUBJECT: A MAINTENANCE SERVICE AGREEMENT FOR ONTARIO RANCH WEED ABATEMENT AND LANDSCAPE MAINTENANCE

RECOMMENDATION: That the City Council authorize the City Manager to execute a three-year Maintenance Services Agreement (on file in the Records Management Department) for Contract No. PM1920-7 with DW Landscape Inc., located in Upland, California, for an annual estimated cost of \$105,600 plus a contingency of \$5,280; authorize the addition of future service areas; and authorize the option to extend the agreement for up to two additional years consistent with City Council approved budgets.

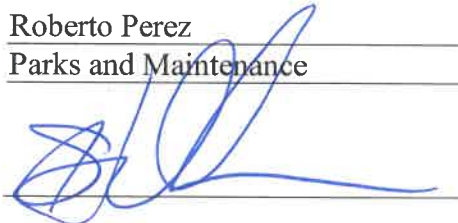
COUNCIL GOALS: Invest in the City's Infrastructure (Water, Streets, Sewers, Parks, Storm Drains and Public Facilities)
Ensure the Development of a Well Planned, Balanced and Self-Sustaining Community in Ontario Ranch

FISCAL IMPACT: The estimated annual base cost of the proposed Maintenance Services Agreement is \$105,600 plus \$5,280 of contingency for unforeseen maintenance that might be needed due to weather, events or extraordinary circumstances for a total of \$110,880 each of the first three years, or a total of \$332,640. Appropriations for landscape maintenance services will be included in the Fiscal Year 2020-21 Proposed Annual Operating Budget.

At the City's discretion, two one-year extensions may be exercised, the first optional year includes a base price increase of 4% and no base price increase is called for in the second optional year. Future contracting actions will be commensurate with the City Council authorized work programs and budgets. Contracting for the multi-year period will allow the City to avoid the costs of re-bidding the contract annually, provide service continuity; and better projection of future years' cost.

BACKGROUND: In March 2020, the City solicited proposals for landscape maintenance services for Ontario Ranch Weed Abatement. Six proposals were received, all of them met the bid criteria and standards necessary to perform this work.

STAFF MEMBER PRESENTING: Tito Haes, Executive Director

Prepared by: Roberto Perez
Department: Parks and Maintenance
City Manager Approval: 

Submitted to Council/O.H.A. 05/19/2020
Approved: _____
Continued to: _____
Denied: _____

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A summary of the bid results is as follows:

<u>Vendor</u>	<u>Location</u>	<u>Amount</u>
DW Landscape	Upland, CA	\$105,600
QSI	Anaheim, CA	\$133,920
SoCal Land	Anaheim, CA	\$147,600
Priority	Brea, CA	\$148,800
Nieves Landscape Inc.	Santa Ana, CA	\$159,060
Brightview	Upland, CA	\$196,396

DW Landscape Inc. located in Upland, California, submitted a proposal that met all the required specifications with a base cost, three-year total of \$316,800. Based on their proposal, credentials, pricing and favorable reference checks, staff recommends award of the Maintenance Services Agreement to DW Landscape Inc.

CITY OF ONTARIO

Agenda Report
May 19, 2020

SECTION:
CONSENT CALENDAR

SUBJECT: CHANGE IN FUND OWNERSHIP OF WATER RIGHTS AND CERTAIN OTHER CITY ASSETS

RECOMMENDATION: That the City Council authorize the change in designated fund ownership of certain City assets including Chino Basin groundwater rights, South Coast Air Quality Management District (SCAQMD) air credits, and various properties between the City Fund and the Water Fund.

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

FISCAL IMPACT: The City has made various purchases of Chino Basin groundwater rights, SCAQMD air credits, and properties using funding from the City Fund and the Water Fund. This proposed action will reassign some of these assets in order to better align with the associated operating funds. Approximately 2,306 acre-feet of permanent Chino Basin Overlying Non-Agricultural Pool groundwater rights and approximately 2,146 acre-feet of stored groundwater rights, several small parcels of land (APN 1049-292-06 and 1049-202-07), and SCAQMD air credits will be reassigned from the City Fund to the Water Fund at the current market value of \$38,743,378, based on the valuation of these types of assets in other similar recent transactions. If approved, any budget changes necessary to complete these fund reassignments will be included in the Third Quarter Budget Update Report to the City Council.

BACKGROUND: The City's Chino Basin groundwater rights are less than its current and long-term projected water demand, and the City has supplemented its water resources through various investments such as an imported water treatment facility, regional Chino Basin Desalter program, recycled water infrastructure, one-time stored water purchases from other Basin parties, and the purchase of permanent groundwater Basin rights from several entities, including Sunkist Growers, Southern California Edison, and Praxair in these instances, within the Overlying Non-Agricultural Pool.

STAFF MEMBER PRESENTING: Scott Burton, Utilities General Manager
Armen Harkalyan, Executive Director of Finance

Prepared by: Mike Sigsbee and Doreen Nunes
Department: OMUC / Financial Services

City Manager
Approval: 

Submitted to Council/O.H.A. 05/19/2020

Approved: _____

Continued to: _____

Denied: _____

14

Funding from the City Fund was used to purchase approximately 2,306 acre-feet of permanent Chino Basin Overlying Non-Agricultural Pool groundwater rights and approximately 2,146 acre-feet of stored groundwater rights that will be reassigned to the Water Fund. Historically the Water Fund has annually leased the use of these water rights or purchased stored water from time to time from the City Fund. These Basin rights are a local, sustainable resource that provides additional water supply reliability to the existing community and helps meet the future needs of The Ontario Plan.

In addition to the Chino Basin groundwater rights, a small quantity of SCAQMD air credits and several small parcels of land (APN 1049-292-06 and 1049-202-07) will be reassigned to the Water Fund for potential future use or sale.

CITY OF ONTARIO

Agenda Report
May 19, 2020

SECTION:
CONSENT CALENDAR

SUBJECT: VOTING DELEGATE FOR THE SOUTHERN CALIFORNIA ASSOCIATION OF GOVERNMENTS (SCAG) GENERAL ASSEMBLY

RECOMMENDATION: That the City Council designate Mayor pro Tem Dorst-Porada as the City's voting delegate for the Southern California Association of Governments (SCAG) General Assembly scheduled for June 5, 2020.


COUNCIL GOALS: Pursue City's Goals and Objectives by Working with the Other Governmental Agencies.

FISCAL IMPACT: There is no direct fiscal impact by taking this action; however, representation and participation in the SCAG General Assembly will help establish policy on matters which may affect the City's finances.

BACKGROUND: SCAG has scheduled their General Assembly for June 5, 2020, which will be conducted as a virtual meeting via Zoom. At the General Assembly, members consider and take actions on resolutions that determine policy matters for SCAG.

Consistent with the SCAG bylaws, a City's voting delegate must be designated by the City Council.

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

Prepared by: Al C. Boling
Department: Management Services
City Manager Approval: 

Submitted to Council/O.H.A. 05/19/2020
Approved: _____
Continued to: _____
Denied: _____

CITY OF ONTARIO

Agenda Report
May 19, 2020

SECTION:
CONSENT CALENDAR

SUBJECT: A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF ONTARIO AUTHORIZING AND CONFIRMING AN INTERNAL FINANCING AND INVESTMENT PROGRAM TO PAY DOWN THE CITY'S UNFUNDED ACCRUED LIABILITY AND AUTHORIZING THE CITY MANAGER TO ADMINISTER SUCH PROGRAM

RECOMMENDATION: That the City Council consider and adopt a resolution authorizing the City Manager to execute all documents necessary to utilize the City's available cash for the reduction of the City's Unfunded Accrued Liability attributable to miscellaneous employee groups under the California Public Employees' Retirement System (CalPERS).

COUNCIL GOALS: Operate in a Businesslike Manner

FISCAL IMPACT: The utilization of the City's available cash to pay down the City's unfunded accrued liability (UAL) for miscellaneous employees, currently approximately \$102.5 million, will save the City of Ontario approximately \$60 million over the next twenty to twenty-five years.

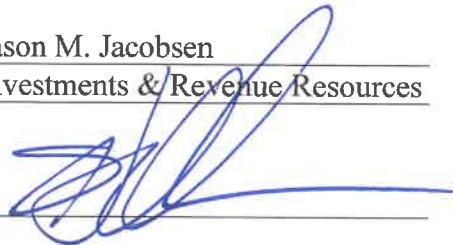
BACKGROUND: Over the last several years, CalPERS has made significant changes to the assumptions used in the calculation of local agencies' pension liabilities. These changes have resulted in (1) an increased overall unfunded accrued liability (UAL) as the CalPERS expected rate of return (discount rate) has been gradually reduced from 7.5% to 7.0%, and (2) sharp increases in annual payments made to CalPERS in the upcoming 15 to 20 years, followed by declining payments in ensuing years due to the method used to amortize these liabilities.

Moreover, current market losses associated with COVID-19's impact on the global economy have further exacerbated losses in CalPERS' investment portfolio. CalPERS is expected to recoup its FY 2019-20 portfolio losses by increasing costs for its participating local agencies in FY 2021-22. These cost increases are passed on to members via their annual UAL payment.

STAFF MEMBER PRESENTING: Armen Harkalyan, Executive Director of Finance

Prepared by: Jason M. Jacobsen
Department: Investments & Revenue Resources

City Manager
Approval: _____



Submitted to Council/O.H.A. 05/19/2020

Approved: _____

Continued to: _____

Denied: _____

16

The City is a member of CalPERS, and as such, is obligated by the Public Employees' Retirement Law, constituting Part 3 of Division 5 of Title 2 of the California Government Code (the "Retirement Law"), and the contract between the Board of Administration of CalPERS and the City Council of the City, effective January 1, 1946, as amended, to make contributions to CalPERS to fund pension benefits for certain City employees, amortize the UAL with respect to such pension benefits, and appropriate funds for the foregoing purposes.

Over the course of the last several months, staff has been exploring different ways to significantly reduce the City's exposure to the coming pension increases while also fulfilling its contractual obligation to CalPERS. The City Council recently approved the City Manager to issue Pension Obligation Bonds to fund the pay down of UAL associated with its *public safety* employee groups, saving the City potentially up to \$110 million over the life of the bond financing. Staff has now identified a solution to stabilize future pension cost increases for its *miscellaneous* employee groups by utilizing the City's available cash balances to pay down the current UAL amount for this group, approximately \$102.5 million, saving the City approximately \$60 million with a combined savings of about \$170 million.

To sustain essential city services that might be negatively impacted by COVID-19 related UAL cost increases, and to realize a long-term savings of potentially \$60 million, staff requests that the City Council authorize the City Manager to execute an internal financing program to pay down the UAL of approximately \$102.5 million.

RESOLUTION NO. _____

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF ONTARIO, CALIFORNIA, AUTHORIZING AND CONFIRMING AN INTERNAL FINANCING AND INVESTMENT PROGRAM AND AUTHORIZING THE CITY MANAGER TO ADMINISTER SUCH PROGRAM.

WHEREAS, the City Council of the City of Ontario (the "City Council") has sought way to address the extreme financial hardships placed on public agencies by the COVID-19 virus and resulting stay-at-home order; and

WHEREAS, the City Council is authorized by state law and specifically by Govt. Code Section 53601(e) to utilize surplus funds to invest in its own internal notes and evidences of indebtedness; and

WHEREAS, such authority includes lending such available cash balances to various City agencies and departments, which loans will be repaid with interest by such agencies and departments through an internal financing and investment program (the "Program"); and

WHEREAS, such authority specifically includes repayments for such loans from enterprise funds; and

WHEREAS, the City contracts with the California Public Employees' Retirement System("CalPERS") to provide pension benefits for the City's employees funded by employee contributions, City contributions, and investment earnings made on CalPERS investments; and

WHEREAS, CalPERS offers a defined benefit pension plan ("Defined Benefit"), which establishes a formula to determine the required pension benefit that employees will receive upon their retirements; and

WHEREAS, the difference between the estimated Defined Benefit amount and the current value of the City's assets held in trust with CalPERS is referred to as the unfunded liability (the "Unfunded Liability") and is an obligation imposed by law; and

WHEREAS, due to numerous factors that have occurred over the last several years, as exacerbated by CalPERS losses due to recent market volatility from the corona virus, the City, along with other California public agencies, has experienced continuing increase in Unfunded Liability; and

WHEREAS, the City's Unfunded Liability accrues interest at the CalPERS stated discount rate of 7.25% for FY 2019-20; and

WHEREAS, the City's estimated Unfunded Liability is \$102.5 million for the period ending June 30, 2019; and

WHEREAS, the City Council now wishes to utilize approximately \$102.5 million of the City's available cash balances to prepay that outstanding Unfunded Liability for miscellaneous City employee group; and

WHEREAS, the purpose of such payment to CalPERS is to replace the variable interest rate charged by CalPERS with a far lower variable interest rate for repayment; and

WHEREAS, the variable interest rate charged by the Program per annum, when payment of interest is deemed to be in the best interest of the City, would be at least equivalent to the effective annual LAIF rate of return received during the prior twelve-month period, not to exceed 2.00%; and

WHEREAS, the Program thus would create savings which will be used not only to repay such loan but that will assist in meeting operational needs and thus is prudent fiscal management consistent with the requirements of state law and City policy; and

WHEREAS, the City Council now wishes to authorize the City Manager, on behalf of the City to enter and execute all necessary documents in connection with the prepayment of the City's Unfunded Liability and the Program.

NOW, THEREFORE, BE IT RESOLVED BY THE CITY COUNCIL OF THE CITY OF ONTARIO:

SECTION 1. The above recitals are true and correct.

SECTION 2. The City Council authorizes its City Manager to take any and all necessary actions to develop and implement the terms and conditions for such investment and loan program, including but not limited to interest rate determination at a minimum of the LAIF rate, and to execute any and all necessary documents for such Program.

SECTION 3. This Resolution shall become effective upon its adoption.

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

PASSED, APPROVED, AND ADOPTED this 19th day of May 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 Resolution No. 2020- was duly passed and adopted by the City Council of the City of Ontario at their regular meeting held May 19, 2020 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. 2020- duly passed and adopted by the Ontario City Council at their regular meeting held May 19, 2020.

SHEILA MAUTZ, CITY CLERK

(SEAL)

CITY OF ONTARIO

Agenda Report
May 19, 2020

SECTION:
PUBLIC HEARINGS

SUBJECT: A PUBLIC HEARING TO CONSIDER A RESOLUTION OF NECESSITY FOR THE ACQUISITION OF PERMANENT ROAD RIGHT-OF-WAY AND TEMPORARY CONSTRUCTION EASEMENT INTERESTS IN A PORTION OF REAL PROPERTY LOCATED AT 9131 EAST MERRILL AVENUE

RECOMMENDATION: That the City Council consider and adopt a Resolution of Necessity for the purposes of acquiring permanent road right-of-way and temporary construction easement (TCE) interests in a portion of real property located at 9131 East Merrill Avenue, by eminent domain, for the widening of Merrill Avenue, east of Carpenter Avenue.

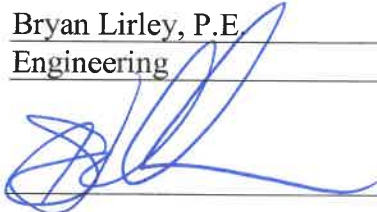
COUNCIL GOALS: Invest in the City's Infrastructure (Water, Streets, Sewers, Parks, Storm Drains and Public Facilities)
Ensure the Development of a Well Planned, Balanced, and Self-Sustaining Community in Ontario Ranch

FISCAL IMPACT: There is no fiscal impact to the City. Prologis LP will be constructing the Merrill Avenue and Carpenter Avenue Road Widening Project and is responsible for the costs associated with this right-of-way acquisition.

BACKGROUND: The Merrill Avenue and Carpenter Avenue Road Widening Project ("Project") will extend from Carpenter Avenue to the Cucamonga Creek Channel and on Carpenter Avenue southerly from Merrill Avenue approximately 170 feet. The project has already started and is expected to be completed in mid-2020.

The City obtained an appraisal of the affected property from Valbridge Property Advisors and made an offer of just compensation to the property owner pursuant to California Government Code Section 7267.2. The City did not retain a consulting firm to assist with acquisitions or relocations because no residences or businesses will be relocated. A preliminary title report was ordered to determine the identity of the record owner. Following standard public records and due diligence searches for ownership information, a notice of this public hearing was mailed to the property owner.

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

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

Submitted to Council/O.H.A. 05/19/2020
Approved: _____
Continued to: _____
Denied: _____

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DESCRIPTION OF PROPERTY TO BE ACQUIRED: The property affected by the proposed acquisition is as follows:

Assessor's Parcel Number – 0218-261-24

Property Address – 9131 E. Merrill Avenue, Ontario, California

Owner – Joseph A. Garcia

Property to be acquired – The proposed acquisition includes the acquisition of a permanent road right-of-way and TCE interests (Exhibit 1).

The affected parcel is within the city limits.

HEARINGS AND REQUIRED FINDINGS: California eminent domain law provides that a public entity may not commence an eminent domain proceeding until its governing body has adopted a Resolution of Necessity, which resolution may only be adopted after the governing body has given each party with an interest in the affected property or their representatives a reasonable opportunity to appear and be heard on the following matters:

1. The public interest and necessity require the proposed project.
2. The project is planned or located in the manner that will be most compatible with the greatest public good and the least private injury.
3. The real property to be acquired is necessary for the project.
4. The offer of just compensation has been made to the property owner.

All notices of hearing were mailed on or before April 28, 2020, by first class mail to the property owners in accordance with Section 1245.235 of the California Code of Civil Procedure.

The four required findings are addressed as follows:

1. The Public Interest and Necessity Require the Proposed Project

The Project will expand Merrill Avenue from one lane in each direction, with no median lane, to two lanes in each direction with a center striped median lane. Access to the adjacent private property will be maintained at all times during construction. The street will be widened consistent with the City's master plans and General Plan, thereby allowing traffic to move easier through the area, which will eliminate delays in general travel times and will enhance safety access to businesses and residents in the area.

2. The Project is Planned or Located in a Manner that will be Most Compatible with the Greatest Public Good and the Least Private Injury

The Project will expand Merrill Avenue from one lane in each direction, with no median lane, to two lanes in each direction with a center striped median lane. The project provides a superior roadway level of service and traffic circulation by eliminating stop-and-go traffic through the area as compared to other alternatives. The property proposed to be acquired is the minimum necessary to provide street improvements (curb, gutter, pavement, traffic signal) consistent with the City's master plans and General Plan. This is the lowest cost alternative with the shortest construction time, thus significantly reducing the short-term impacts and detours to commercial businesses and residents in the area.

3. The Real Property to be Acquired is Necessary for the Proposed Project

The property described in the exhibits attached to the Resolutions of Necessity are portion of APN 0218-261-24, located in San Bernardino County and are necessary for the project. The right-of-way is necessary to widen Merrill Avenue between Carpenter Avenue and the Cucamonga Creek Channel, in Ontario, California, in accordance with the City's master plans and General Plan.

4. The Offer of Just Compensation Has Been Made

Beginning in 2017, developers made multiple unsuccessful efforts to acquire the necessary portions of the property as well as one attempt to purchase the entire property. After many unsuccessful meetings, coordination efforts and acquisition attempts, staff determined that eminent domain was necessary as the final option to complete the project safely. An appraisal was prepared by Valbridge Property Advisors to establish the fair market value of the real property the City is seeking to acquire. Offer of just compensation was made to the property owner to purchase the permanent road right-of-way and temporary construction easement interests as established by the approved appraisal and as required by Section 7267.2 of the California Government Code. Although a negotiated settlement may still be possible for the real property cited above, it would be appropriate to commence the procedures to acquire the property through eminent domain, to ensure that the City has possession of the real property, which is necessary in order for to complete construction of the Project.

ENVIRONMENTAL ANALYSIS: Compliance with the California Environmental Quality Act (CEQA) has been satisfied by the City's filing of Notice of Determination, Project Title/File No. PSP15-001, filed with the County of San Bernardino on October 4, 2017.

SPECIAL VOTE THRESHOLD: Under Government Code section 1245.240, The adoption of the Resolution of Necessity requires approval by two-thirds of all members of the City Council.

EXHIBIT 1



RESOLUTION NO. _____

A RESOLUTION OF NECESSITY OF THE CITY COUNCIL OF THE CITY OF ONTARIO, CALIFORNIA, FOR THE ACQUISITION BY EMINENT DOMAIN OF THE INTEREST IN A PORTION OF REAL PROPERTY LOCATED AT 9131 EAST MERRILL AVENUE, MORE PARTICULARLY DESCRIBED AS ASSESSOR PARCEL NO. 0218-261-24, FOR THE ACQUISITION OF RIGHTS OF WAY AND A TEMPORARY CONSTRUCTION EASEMENT, IN THE CITY OF ONTARIO, CALIFORNIA.

WHEREAS, the City of Ontario (the "City") proposes to acquire, by eminent domain, rights of way and a temporary construction easement in a portion of real property located at 9131 East Merrill Avenue, and more particularly described as Assessor Parcel No. 0218-261-24, for the construction, operation, and maintenance of a traffic signal and dual handicap ramps leading to future sidewalk improvements at the intersection of East Merrill Avenue and Carpenter Avenue, in the City of Ontario, California, pursuant to the authority granted to it by Section 37350.5 of the California Government Code; and

WHEREAS, pursuant to Section 1245.235 of the California Code of Civil Procedure, the City scheduled a hearing for May 19, 2020 at the Ontario City Hall, Council Chambers, 303 East "B" Street, Ontario, California, and gave to each person whose property is to be acquired and whose name and address appeared on the last equalized county assessment roll, notice and a reasonable opportunity to appear at this hearing and be heard on the matters referred to in section 1240.030 of the California Code of Civil Procedure; and

WHEREAS, this hearing has been held by the City and each person whose property is to be acquired by eminent domain was afforded an opportunity to be heard on such matters; and

WHEREAS, California Code of Civil Procedure Sections 1240.110 and 1240.120 and Government Code Sections 37350, 37350.5, 37351, 37353, 40401, and 54031 authorize the City to exercise the power of eminent domain to acquire the above-referenced property interests for public use by condemnation; and

WHEREAS, the City may now adopt a Resolution of Necessity pursuant to Section 1240.040 of the California Code of Civil Procedure.

NOW, THEREFORE, THE CITY DOES HEREBY RESOLVE AND DECLARE AS FOLLOWS:

SECTION 1. Compliance with California Code of Civil Procedure and California Environmental Quality Act. There has been compliance by the City with the requirements of Section 1245.235 of the California Code of Civil Procedure and the California Environmental Quality Act.

SECTION 2. Public Use. The public use for which the real property interest is to be acquired is for the construction, operation, and maintenance of a traffic signal and dual handicap ramps leading to future sidewalk improvements at the intersection of east Merrill Avenue and Carpenter Avenue, in Ontario, California.

SECTION 3. Description of Property. Attached and marked as Exhibit 1: A and B and Exhibit 2: A and B are the legal descriptions and depictions of the real property to be acquired by the City, which describes the general location and extent of the property to be acquired with sufficient detail for reasonable identification.

SECTION 4. Findings. The City hereby finds and determines each of the following:

- (a) The public interest and necessity require the proposed project;
- (b) The proposed project is planned or located in the manner that will be most compatible with the greatest public good and least private injury;
- (c) The real property interests described in Exhibit 1: A and B and Exhibit 2: A and B are necessary for the proposed project;
- (d) The offer required by section 7267.2 of the California Government Code was made.

SECTION 5. Use Not Unreasonably Interfering with Existing Public Use: Some or all of the real property to be acquired may be subject to easements and rights-of-way appropriated to existing public uses. The legal descriptions of these easements and rights-of-way are on file with the City and describe the general location and extent of the easements and rights-of-way with sufficient detail for reasonable identification. In the event the herein described use or uses will not unreasonably interfere with or impair the continuance of the public use as it now exists or may reasonably be expected to exist in the future, counsel for the City is authorized to acquire the real property subject to such existing public use(s) pursuant to Section 1240.510 of the California Code of Civil Procedure.

SECTION 6. More Necessary Public Use. Some or all of the real property to be acquired is subject to easements and rights-of-way appropriated to existing public uses. To the extent that the herein described use or uses will unreasonably interfere with or impair the continuance of the public use as it now exists or may reasonably be expected to exist in the future, the City finds and determines that the herein described use or uses are more necessary than such existing public use. Counsel for the City is authorized to acquire the real property appropriated to such existing public use(s) pursuant to Section 1240.610 of the California Code of Civil Procedure. Staff is further authorized to make such improvements to the real property being acquired that it determines is reasonably necessary to mitigate any adverse impact upon the existing public use.

SECTION 7. Further Activities. Counsel for the City is hereby authorized to file legal proceedings necessary to acquire the hereinabove described real property in the name of and on behalf of the City by eminent domain, and counsel is authorized to institute and prosecute such legal proceedings as may be required in connection therewith. Legal counsel is further authorized to take such steps as may be authorized and required by law, and to make such security deposits as may be required by order of court, to permit the City to take possession of and use said real property at the earliest possible time. Counsel is further authorized to correct any errors or to make or agree to non-material changes in the legal description of the real property that are deemed necessary for the conduct of the condemnation action or other proceedings or transaction required to acquire the subject real property. Counsel is further authorized to reduce or modify the extent of the interests or property to be acquired so as to reduce the compensation payable in the action where such change would not substantially impair the construction and operation for the project for which the real property is being acquired.

SECTION 8. Effective Date. This Resolution shall take effect upon adoption.

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

PASSED, APPROVED AND ADOPTED this 19th day of May 2020.

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. 2020- was duly passed and adopted by the City Council of the City of Ontario at their regular meeting held May 19, 2020 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. 2020- duly passed and adopted by the Ontario City Council at their regular meeting held May 19, 2020.

SHEILA MAUTZ, CITY CLERK

(SEAL)

EXHIBIT 1

“Grant Deed”

EXHIBIT A and EXHIBIT B

follow this page

Legal Definitions of Property to be Acquired

As to Assessor Parcel Numbers 0218-261-24

The following are definitions of legal rights to be acquired by the City of Ontario for its proposed Merrill Avenue Widening project (“Project”):

“**Grant Deed**” means a deed or court order for possession conveying title in fee-simple estate to the City of Ontario for portions of the above-described property for right of way purposes.

EXHIBIT "A"

**GRANT DEED
LEGAL DESCRIPTION**

That portion of Government Lot 2 of Section 22, Township 2 South, Range 7 West, San Bernardino Meridian, in the City of Ontario, County of San Bernardino, State of California, according to Government Township Plat thereof lying southwesterly of southwesterly line of Merrill Avenue (44' half width) and lying easterly of the easterly line of Carpenter Avenue, both being shown on the County of San Bernardino Resolution No. 96-37, Recorded March 5, 1996 as Document No. 19960076690, of Official Records in the County Recorder of said County and State, described as follows:

PARCEL 1:

A 10.00 foot wide strip of land over that portion of said Government Lot 2 described as follows:

COMMENCING at the Southwest corner of said Government Lot 2;

Thence South 89°46'36" East, 503.85 feet along the southerly line of said Government Lot 2, to a point on a non-tangent curve, concave northeasterly, having a radius of 1054.00 feet, said curve being concentric with and 10.00 feet southwesterly of said southwesterly of Merrill Avenue, a radial bearing to which bears South 18°38'36" West, said point being the **TRUE POINT OF BEGINNING**;

Thence northwesterly, 48.02 feet along the arc of said curve, through a central angle of 02°36'37";

Thence North 32°30'09" East 17.07 feet to the southwesterly line of said Merrill Avenue, being a point on a non-tangent 1044.00 foot radius curve, concave northeasterly, a radial bearing to which bears South 22°00'32" West;

Thence southeasterly, 92.78 feet along the arc of said curve, through a central angle of 05°05'31" to said southerly line of Government Lot 2;

Thence North 89°46'36" West, 33.15 feet along the southerly line of said Government Lot 2 to the **TRUE POINT OF BEGINNING**;

Containing 701 square feet (0.016 acres) of land more or less.

PARCEL 2:

That portion of said Government Lot 2 described as follows:

COMMENCING at the Southwest corner of said Government Lot 2;

Thence South 89°46'36" East, 30.00 feet along the southerly line of said Government Lot 2 to the easterly line of Carpenter Avenue per said County of San Bernardino Resolution No. 96-37;

Thence North 00°01'47" East 25.00 feet along said easterly line;

Thence North 89°46'36" West 5.00 feet to the easterly line of said Carpenter Avenue per Right of Way Deed recorded in Book 404 of Deeds, pages 397 through 399;

Thence North 00°01'47" East 73.42 feet to the **TRUE POINT OF BEGINNING**;

Thence continuing North 00°01'47" East 35.06 feet along said easterly line, to the southwesterly line of said Merrill Avenue, being a point on a non-tangent curve, concave southwesterly, having a radius of 956.00 feet, a radial bearing to which bears North 00°54'36" East;

Thence southeasterly 68.08 feet along the arc of said curve, through a central angle of 04°04'50"

Thence South 04°18'57" West, 10.01 feet

Thence North 85°17'35" West, 9.72 feet;

Thence South 49°02'30" West, 0.76 feet;

Thence South 61°27'12" West, 45.82 feet;

Thence North 89°55'24" West, 16.73 feet to the **TRUE POINT OF BEGINNING**;

Containing 1,607 square feet (0.037 acres) of land more or less.

PARCEL 3:

That portion of said Government Lot 2 described as follows:

COMMENCING at the Southwest corner of said Government Lot 2;

Thence South 89°46'36" East, 30.00 feet along the southerly line of said Government Lot 2 to the easterly line of Carpenter Avenue per said County of San Bernardino Resolution No. 96-37;

Thence North 00°01'47" East, 25.00 feet along said easterly line to the **TRUE POINT OF BEGINNING**;

Thence North 89°46'36" West, 5.00 feet to the easterly line of said Carpenter Avenue per Right of Way Deed recorded in Book 404 of Deeds, pages 397 through 399;

Thence North 00°01'47" East, 14.45 feet;

Thence South 62°58'09" East, 4.49 feet;

Thence South 00°01'47" West, 4.00 feet;

Thence South 06°43'59" East, 8.49 feet to the **TRUE POINT OF BEGINNING**;

Containing 58 square feet of land more or less.

Exhibit 'B' attached and made a part thereof.

Prepared by or under the direction of:



04/24/2020

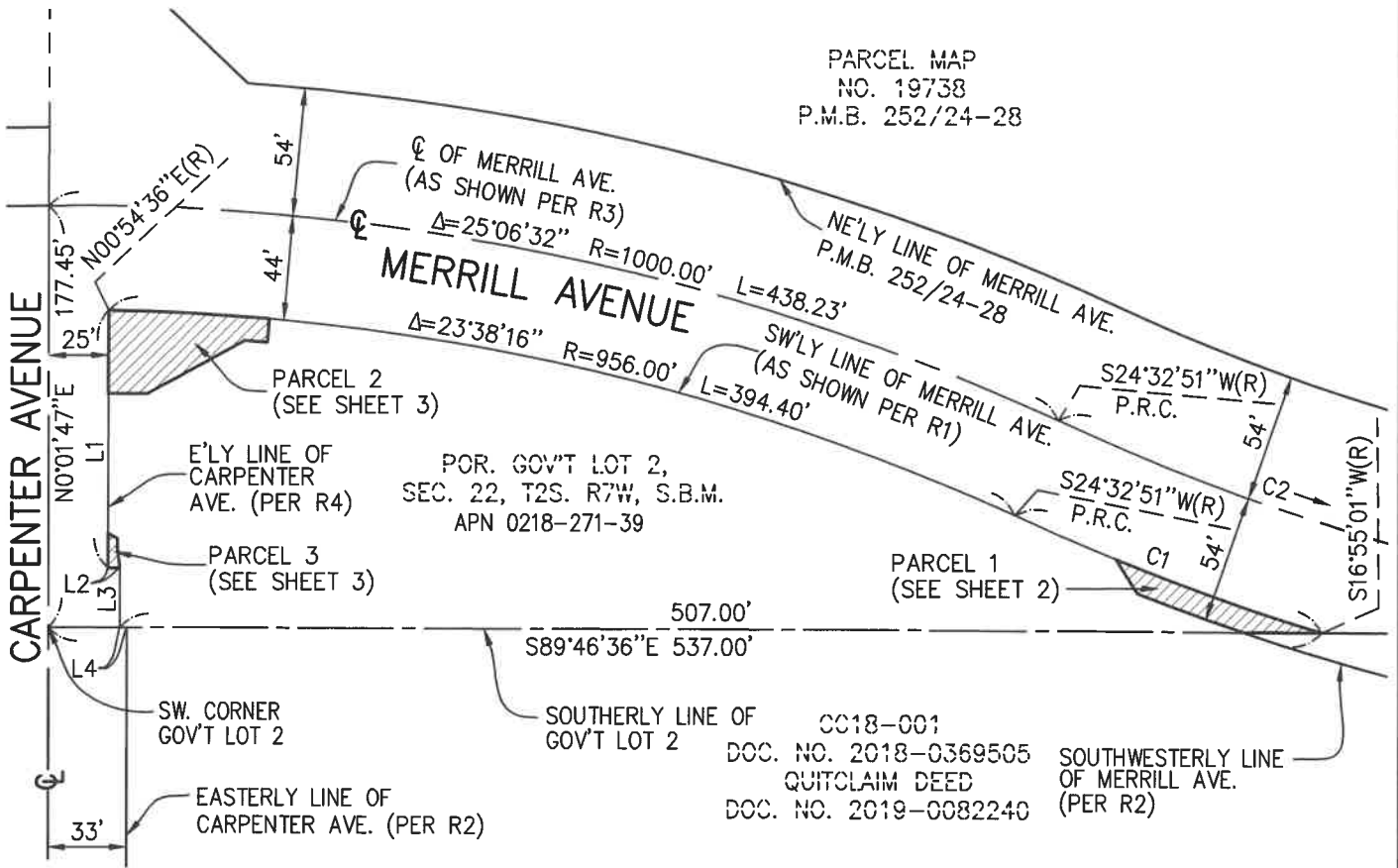
Mark A. Monroe P.L.S. #8170

Date



EXHIBIT "B"
GRANT DEED

PARCEL MAP
NO. 19738
P.M.B. 252/24-28



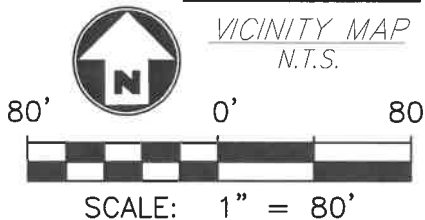
- (R1) VACATED MERRILL AVE. PER COUNTY OF SAN BERNARDINO RESOLUTION NO. 96-37., RECORDED 3/05/1996 AS DOC. NO. 19960076690, O.R.
- (R2) SOUTHERLY LINE OF MERRILL AVE. PER GRANT DEED RECORDED 01/14/2020 AS DOCUMENT NO. 20200014155.
- (R3) RE-ALIGNED CENTERLINE OF MERRILL AVE. PER COUNTY OF SAN BERNARDINO C.S. 2453 ON FILE IN THE COUNTY SURVEYORS OFFICE.
- (R4) R/W DEED PER BOOK 404 OF DEEDS, PAGES 397-399.

Curve Table			
Curve #	Delta	Radius	Length
C1	07°37'50"	1044.00'	139.04'
C2	24°19'27"	1000.00'	424.54'

Line Table		
Line #	Direction	Length
L1	N00°01'47"E	108.47'
L2	N89°46'36"W	5.00'
L3	N00°01'47"E	25.00'
L4	N89°46'36"W	3.00'

LEGEND

- (R) RADIAL BEARING
- GRANT DEED AREA TO THE CITY OF ONTARIO IN FEE SIMPLE FOR PUBLIC STREET AND PUBLIC UTILITY PURPOSES.



WestLAND
Group, Inc.

Land Surveyors • Civil Engineers • GIS
4150 CONCOURS ST., SUITE 100
ONTARIO, CA 91764
PHONE: (909) 989-9789
FAX: (909) 989-9660

PLAT TO ACCOMPANY LEGAL DESCRIPTION

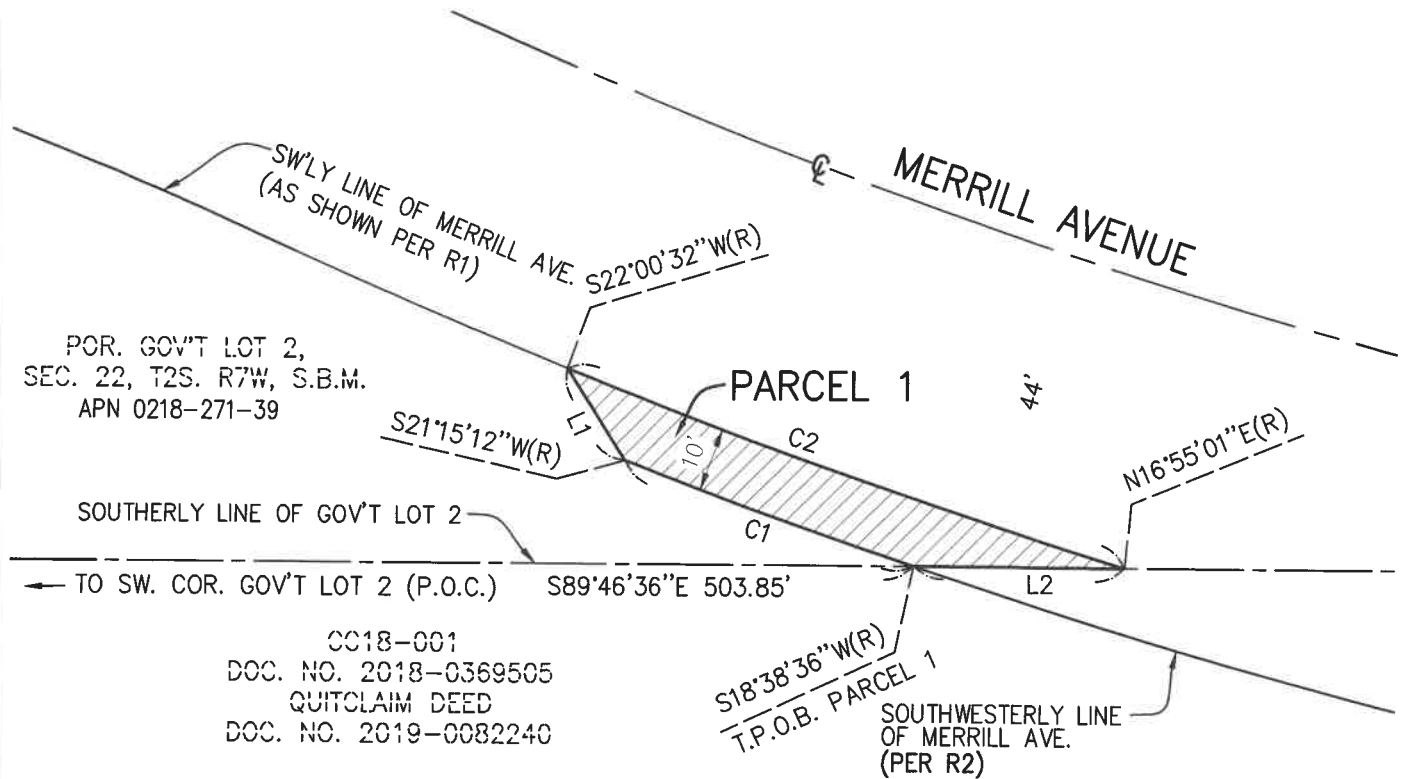
DRAWN BY M2 DATE 04-24-20
APPROVED BY _____ M-1046

PROJECT No. 2017-258

SHEET 1 OF 3

EXHIBIT "B"

GRANT DEED



Line Table		
Line #	Direction	Length
L1	N32°30'09"W	17.07'
L2	N89°46'36"W	33.15'

Curve Table			
Curve #	Delta	Radius	Length
C1	02°36'37"	1054.00'	48.02'
C2	05°05'31"	1044.00'	92.78'

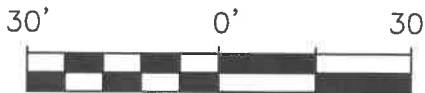
LEGEND

P.O.C. POINT OF COMMENCEMENT

T.P.O.B. TRUE POINT OF BEGINNING

(R) RADIAL BEARING

GRANT DEED AREA TO THE CITY OF ONTARIO IN
FEE SIMPLE FOR PUBLIC STREET AND PUBLIC
UTILITY PURPOSES. 701 SQ.FT. (0.016 AC.)



SCALE: 1" = 30'



WestLAND
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Land Surveyors • Civil Engineers • GIS

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ONTARIO, CA 91764
PHONE: (909) 989-9789
FAX: (909) 989-9660

PLAT TO ACCOMPANY LEGAL DESCRIPTION

DRAWN BY M2

DATE 04-24-20

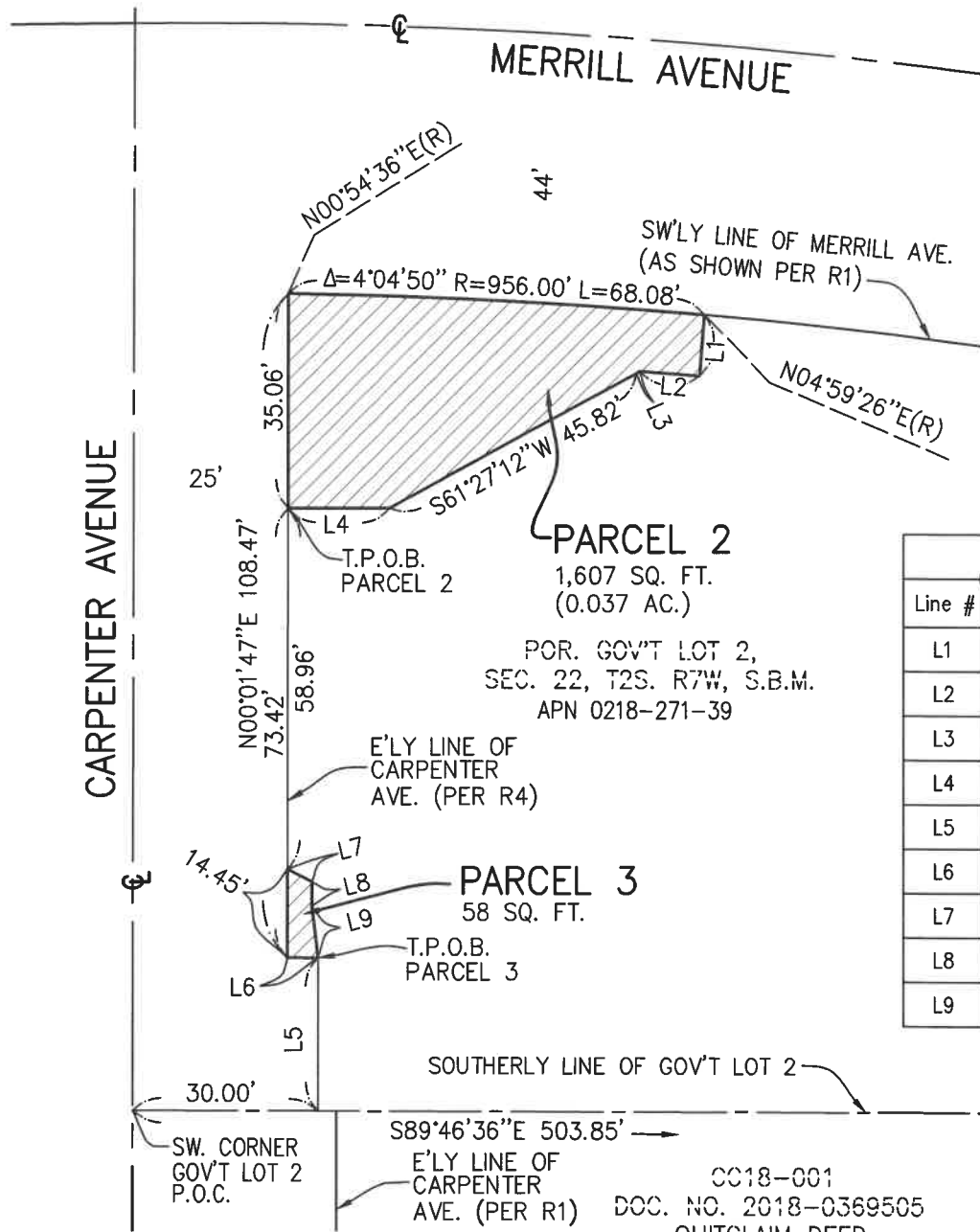
APPROVED BY

M-1046

PROJECT No. 2017-258

SHEET 2 OF 3

EXHIBIT "B"
GRANT DEED

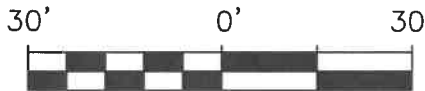


Line Table		
Line #	Direction	Length
L1	S04°18'57"W	10.01'
L2	N85°17'35"W	9.72'
L3	S49°02'30"W	0.76'
L4	N89°55'24"W	16.73'
L5	N00°01'47"E	25.00'
L6	N89°46'36"W	5.00'
L7	S62°58'09"E	4.49'
L8	S00°01'47"W	4.00'
L9	S06°43'59"E	8.49'

LEGEND

- P.O.C. POINT OF COMMENCEMENT
- T.P.O.B. TRUE POINT OF BEGINNING
- (R) RADIAL BEARING
- GRANT DEED AREA TO THE CITY OF ONTARIO IN FEE SIMPLE FOR PUBLIC STREET AND PUBLIC UTILITY PURPOSES.

CC18-001
DOC. NO. 2018-0369505
QUITCLAIM DEED
DOC. NO. 2019-0082240



SCALE: 1" = 30'



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4150 CONCOURS ST., SUITE 100
ONTARIO, CA 91764
PHONE: (909) 989-9789
FAX: (909) 989-9660

PLAT TO ACCOMPANY LEGAL DESCRIPTION

DRAWN BY M2

DATE 04-24-20

APPROVED BY

M-1046

PROJECT No. 2017-258

SHEET 3 OF 3

EXHIBIT 2

“Temporary Construction Easement”

EXHIBIT A and EXHIBIT B

follow this page

Legal Definitions of Property to be Acquired

As to Assessor Parcel Numbers 0218-261-24

The following are definitions of legal rights to be acquired by the City of Ontario for its proposed Merrill Avenue Widening project (“Project”):

“**Temporary Construction Easement**” or “**TCE**” refers to the right of the City, its successors, and assigns, to engage in construction and activities related to the Project, including road improvements to Merrill Avenue, together with all necessary rights of ingress and egress to the non-exclusive easement area in connection with such construction and related activities.

The TCE will commence after the owner is provided 48 hours advanced written notice by the City of the City’s intent to utilize the TCE area. The use of the TCE area will not exceed two months; provided however, that the term of the TCE may be extended by written agreement of the parties and payment by the City to the property owner of an amount agreed upon by the parties, prorated to the actual date upon which the City’s use of the Property terminates. In no event will the City’s rights under the TCE extend beyond September 1, 2021.

Property Owner shall not cause, directly, indirectly or negligently, any interference with or harm to the rights conveyed hereunder.

EXHIBIT "A"

TEMPORARY PUBLIC EASEMENT DEDICATION
LEGAL DESCRIPTION

A variable width strip of land over that portion of Government Lot 2 of Section 22, Township 2 South, Range 7 West, San Bernardino Meridian, in the City of Ontario, County of San Bernardino, State of California, according to Government Township Plat thereof lying southwesterly of southwesterly line of Merrill Avenue (44' half width) as shown on the County of San Bernardino Resolution No. 96-37, Recorded March 5, 1996 as Document No. 19960076690, of Official Records in the County Recorder of said County and State, described as follows:

COMMENCING at the Southwest corner of said Government Lot 2;

Thence South 89°46'36" East, 459.93 feet along the southerly line of said Government Lot 2 to the **TRUE POINT OF BEGINNING**;

Thence North 65°41'48" West, 48.10 feet;

Thence North 79°47'09" East, 24.53 feet;

Thence North 71°41'09" West, 18.64 feet;

Thence North 67°30'05" West, 14.20 feet;

Thence North 64°43'40" West, 58.10 feet;

Thence North 67°45'30" West, 37.57 feet;

Thence North 71°28'50" West, 79.09 feet;

Thence North 73°51'45" West, 15.84 feet;

Thence North 82°01'20" West, 4.76 feet;

Thence North 77°43'45" West, 33.31 feet;

Thence North 66°57'20" West, 4.93 feet;

Thence North 77°40'27" West, 38.88 feet;

Thence North 82°12'18" West, 39.19 feet;

Thence South 53°12'33" West, 2.96 feet;

Thence North 84°40'26" West, 4.46 feet;

Thence North 36°41'29" West, 2.89 feet;

Thence North 83°57'42" West, 8.92 feet;

Thence North 48°40'08" West, 3.78 feet to the southwesterly line of said Merrill Avenue being a point on a non-tangent curve concave southwesterly, having a radius of 956.00 feet, to which a radial line bears North 04°59'25" East;

Thence southeasterly 326.32 feet, along the arc of said curve through a central angle of 19°33'26" to a point of reverse curvature, concave northeasterly having a radius of 1,044.00 feet, to which a radial line bears South 24°32'51" West;

EXHIBIT "A"

TEMPORARY PUBLIC EASEMENT DEDICATION LEGAL DESCRIPTION

Thence southeasterly 46.26 feet, along the arc of said curve, through a central angle of 02°32'19";

Thence South 32°30'09" East, 17.07 feet to a point on a non-tangent curve concave northeasterly, having a radius of 1054.00 feet, to which a radial line bears South 21°15'12" West;

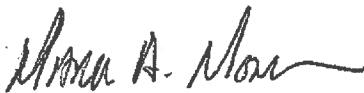
Thence southeasterly 48.02 feet, along the arc of said curve through a central angle of 02°36'37" to the southerly line of said Government Lot 2;

Thence North 89°46'36" West, 43.93 feet along said southerly line, to the **TRUE POINT OF BEGINNING**;

Containing 3,443 square feet (0.079 acres) of land more or less.

Exhibit 'B' attached and made a part thereof.

Prepared by or under the direction of:



04/24/2020

Mark A. Monroe P.L.S. #8170

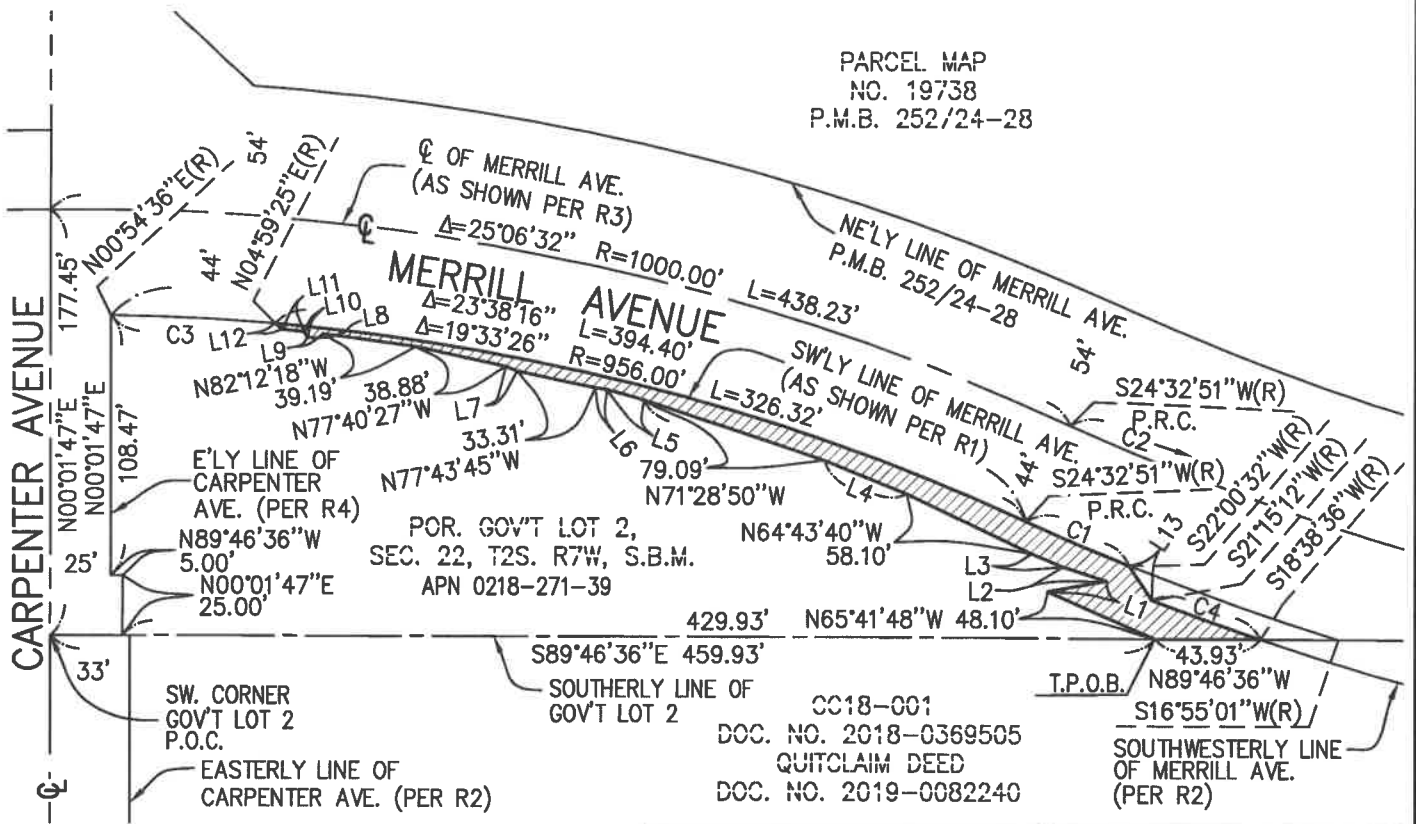
Date



EXHIBIT "B"

TEMPORARY PUBLIC EASEMENT DEDICATION

PARCEL MAP
NO. 19738
P.M.B. 252/24-28



- (R1) VACATED MERRILL AVE. PER COUNTY OF SAN BERNARDINO RESOLUTION NO. 96-37., REC'D 3/05/1996 AS DOC. NO. 19960076690, O.R.
- (R2) SOUTHWESTERLY LINE OF MERRILL AVE. PER GRANT DEED RECORDED 01/14/2020 AS DOCUMENT NO. 20200014155.
- (R3) RE-ALIGNED CENTERLINE OF MERRILL AVE. PER COUNTY OF SAN BERNARDINO C.S. 2453 ON FILE IN THE COUNTY SURVEYORS OFFICE.
- (R4) R/W DEED PER BOOK 404 OF DEEDS, PAGES 397-399.

Curve #	Delta	Radius	Length
C1	02°32'19"	1044.00'	46.26'
C2	24°19'27"	1000.00'	424.54'
C3	04°04'50"	956.00'	68.08'
C4	02°36'37"	1054.00'	48.02'

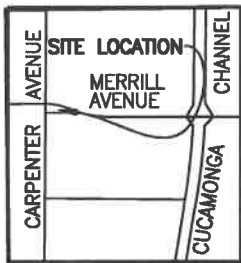
Line #	Direction	Length
L1	N79°47'09"E	24.53'
L2	N71°41'09"W	18.64'
L3	N67°30'05"W	14.20'
L4	N67°45'30"W	37.57'
L5	N73°51'45"W	15.84'
L6	N82°01'20"W	4.76'
L7	N66°57'20"W	4.93'
L8	S53°12'33"W	2.96'

L9	N84°40'26"W	4.46'
L10	N36°41'29"W	2.89'
L11	N83°57'42"W	8.92'
L12	N48°40'08"W	3.78'
L13	S32°30'09"E	17.07'

LEGEND

P.O.C. POINT OF COMMENCEMENT
T.P.O.B. TRUE POINT OF BEGINNING

(R) RADIAL BEARING
EASEMENT TO THE CITY OF ONTARIO FOR
TEMPORARY CONSTRUCTION PURPOSES.
3,443 SQ.FT. (0.079 AC.)



VICINITY MAP
N.T.S.



SCALE: 1" = 80'



WestLAND
Group, Inc.

Land Surveyors • Civil Engineers • GIS
4150 CONCOURS ST., SUITE 100
ONTARIO, CA 91764
PHONE: (909) 989-9789
FAX: (909) 989-9660

PLAT TO ACCOMPANY LEGAL DESCRIPTION

DRAWN BY M2

DATE 04-24-20

PROJECT No. 2017-258

APPROVED BY

M-1046

SHEET 1 OF 1

P:\Vex_2017\2017-258\Borby 1 -- 04/24/20 Survey 03 - Mapping, Legal, & Enbl (S, Geric) Merr 1.dwg 2017-258_EX B - 01.dwg

CITY OF ONTARIO

Agenda Report
May 19, 2020

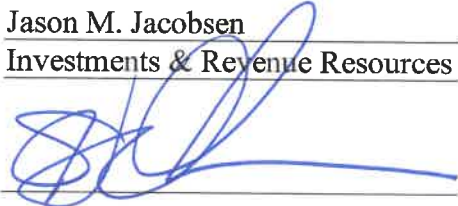
SECTION:
PUBLIC HEARINGS

SUBJECT: A PUBLIC HEARING TO CONSIDER A RESOLUTION REGARDING THE FORMATION OF THE CITY OF ONTARIO COMMUNITY FACILITIES DISTRICT NO. 41 (CANVAS PARK FACILITIES); ADOPTION OF A RESOLUTION MODIFYING THE RESOLUTION OF INTENTION AND APPROVING THE AMENDED AND RESTATED RATE AND METHOD OF APPORTIONMENT (RMA), ADOPTION OF A RESOLUTION TO INCUR BONDED INDEBTEDNESS; AND INTRODUCTION OF AN ORDINANCE LEVYING SPECIAL TAXES

RECOMMENDATION: That the City Council consider and:

- (A) Adopt a resolution modifying the Resolution of Intention (adopted at the April 7, 2020 City Council meeting) and approving the amended and restated rate and method of apportionment for the proposed City of Ontario Community Facilities District No. 41 (Canvas Park Facilities);
- (B) Adopt a resolution establishing Community Facilities District No. 41 (Canvas Park Facilities), authorizing the levy of special taxes within the community facilities district, and establishing an appropriations limit for the community facilities district;
- (C) Adopt a resolution deeming it necessary to incur bonded indebtedness within Community Facilities District No. 41 (Canvas Park Facilities);
- (D) Adopt a resolution calling a special election for City of Ontario Community Facilities District No. 41 (Canvas Park Facilities);
- (E) Adopt a resolution declaring the results of the special election and directing the recording of a Notice of Special Tax Lien;
- (F) Introduce and waive further reading of an ordinance levying special taxes within City of Ontario Community Facilities District No. 41 (Canvas Park Facilities); and

STAFF MEMBER PRESENTING: Armen Harkalyan, Executive Director of Finance

Prepared by: Jason M. Jacobsen
Department: Investments & Revenue Resources
City Manager Approval: 

Submitted to Council/O.H.A. 05/19/2020
Approved: _____
Continued to: _____
Denied: _____

18

(G) Authorize staff to take all steps necessary to implement the above actions.

COUNCIL GOALS: 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 use of Mello-Roos financing for facilities in the residential development of the Canvas Park project is estimated to generate approximately \$13.7 million in bonds proceeds to be used to fund a portion of the public infrastructure improvements that will serve the project. Mello-Roos bonds are not a direct obligation of the City and are paid from special taxes levied on each taxable parcel in the district; therefore, there is no General Fund impact from the issuance of Mello-Roos bonds. City Council approval will be required in future years to process annual special tax levies.

BACKGROUND: The Mello-Roos Community Facilities Act of 1982 provides local government, with consent from a majority of the property owners, the authority to establish community facilities districts for the purpose of levying special taxes to fund governmental services and to finance various kinds of public infrastructure facilities. With the adoption of Resolution 2018-132 on October 2, 2018, the City Council authorized the levy of special taxes to fund various city services for the district. The City Council next took the initial steps in the formation of a community facilities district to finance public improvements within the district. On April 7, 2020, the City Council approved Resolution No. 2020-032, a Resolution of Intention to establish City of Ontario Community Facilities District No. 41 (Canvas Park Facilities) and authorize the levy of special taxes, and Resolution No. 2020-033, a resolution declaring the City Council's intention to issue bonds for the district. The Resolution of Intention set the public hearing date for the regularly scheduled City Council meeting on May 19, 2020, to consider formation matters.

In the First Amended and Restated Agreement for the Financing and Construction of Limited Infrastructure Improvements to Serve an Easterly Portion of the New Model Colony ("First Amended and Restated Construction Agreement") between the City and NMC Builders LLC, the City agreed to cooperate with the members of NMC Builders, LLC in the formation of community facilities districts to assist in the financing of the public improvements included in the agreement. BrookCal Ontario LLC has provided a written petition to the City requesting formation of a community facilities district for the Canvas Park project in Ontario Ranch. The Canvas Park project addresses the development of approximately 45 gross acres located generally east of Haven Avenue, generally west of Hamner Avenue, and north of Ontario Ranch Road. At build out, the development is projected to include 532 attached and 62 detached units.

Included, as part of the resolution of formation is the proposed Amended and Restated Rate and Method of Apportionment of Special Tax for the District. Under the proposed Amended and Restated Rate and Method of Apportionment, the portion of the maximum annual special tax rates which will be used to fund debt service payments on the bonds is fixed and will not increase over time. As proposed, the amount of bonds authorized for the district (\$46 million) is set intentionally higher than the current estimated bond amount (approximately \$13.7 million) in order to allow future City Councils the option, without increasing the amount of the annual special taxes, to issue additional bonds to replace and/or construct new public infrastructure improvements in the future, or to fund City services.

The Amended and Restated Rate and Method of Apportionment of Special Tax for the Canvas Park project has additional language to acknowledge and clarify that certain qualifying parcels that are subject to a welfare exemption under subdivision (g) of Section 214 of the California Revenue and Taxation Code would be exempt from all of a portion of the special tax, in accordance with state law that went into effect this year. The term and structure of the Amended and Restated Rate and Method of Apportionment of Special Tax for the Canvas Park project is consistent with previously adopted Rate and Method of Apportionments to ensure that the special tax rates levied on all residential property owners in community facilities districts in Ontario Ranch are developed in a consistent and equivalent manner. In addition, under the provisions of the Mello-Roos Act, to ensure that home buyers are making an informed decision, all residential builders in the Ontario Ranch districts will be required to disclose the maximum annual special tax amount to each homeowner before entering into a sales contract.

Attached are five resolutions and an ordinance. The first resolution modifies the Resolution of Intention and approves an Amended and Restated Rate and Method of Apportionment (RMA). The second resolution establishes the community facilities district, with the amended and restated Rate and Method of Apportionment of special taxes and authorizes the levy of special taxes within the district. The third resolution deems the necessity of incurring bonded indebtedness for the district. The fourth calls for a special landowner election to be held on May 19, 2020. The fifth resolution declares the results of the election, including a statement from the City Clerk as to the canvass of ballots, and directs the recording of the Notice of Special Tax Lien. The ordinance authorizes the levying of special taxes.

RESOLUTION NO. _____

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF ONTARIO, CALIFORNIA, MODIFYING RESOLUTION OF INTENTION AND APPROVING AMENDED AND RESTATED RATE AND METHOD OF APPORTIONMENT FOR THE PROPOSED CITY OF ONTARIO COMMUNITY FACILITIES DISTRICT NO. 41 (CANVAS PARK FACILITIES).

WHEREAS, on April 7, 2020, the City Council (the "City Council") of the City of Ontario (the "City"), pursuant to the Mello-Roos Community Facilities Act of 1982 (the "Act"), adopted a resolution entitled "A Resolution of the City Council of the City of Ontario, California, of Intention to Establish a Community Facilities District, Proposed to be Named City of Ontario Community Facilities District No. 41 (Canvas Park Facilities), and to Authorize the Levy of Special Taxes" (the "Resolution of Intention"), stating its intention to establish a community facilities district (the "Community Facilities District") proposed to be named City of Ontario Community Facilities District No. 41 (Canvas Park Facilities), to authorize the levy of special taxes within the Community Facilities District to finance certain public facilities and services and setting the date for a public hearing to be held on the establishment of the Community Facilities District; and

WHEREAS, pursuant to the Resolution of Intention, notice of said public hearing was published in the *Inland Valley Daily Bulletin*, a newspaper of general circulation published in the area of the Community Facilities District, in accordance with the Act; and

WHEREAS, on this date, the City Council opened said public hearing; and

WHEREAS, the rate and method of apportionment of the special tax (the "Original Rate and Method") originally proposed to be levied within the Community Facilities District is described in Exhibit B to the Resolution of Intention; and

WHEREAS, the City Council proposes to modify the Resolution of Intention so as to make certain clarifying changes to the Original Rate and Method; and

WHEREAS, such modifications would not increase the maximum special tax or add territory to the Community Facilities District; and

WHEREAS, Section 53325 of the Act provides that the legislative body of a local agency may modify the resolution of intention by changing the rate or method of apportionment of the proposed special tax.

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

SECTION 1. The foregoing recitals are true and correct.

SECTION 2. The Resolution of Intention is hereby modified so as to amend and restate the Original Rate and Method in its entirety, as reflected in the Amended and Restated Rate and Method of Apportionment for Special Tax attached hereto as Exhibit A, which is by this reference incorporated herein.

SECTION 3. The officers, employees and agents of the City are hereby authorized and directed to take all actions and do all things which they, or any of them, may deem necessary or desirable to accomplish the purposes of this Resolution and not inconsistent with the provisions hereof.

SECTION 4. This Resolution shall take effect immediately upon its adoption.

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

PASSED, APPROVED and ADOPTED this 19th day of May 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 Resolution No. 2020- was duly passed and adopted by the City Council of the City of Ontario at their regular meeting held May 19, 2020 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. 2020- duly passed and adopted by the Ontario City Council at their regular meeting held May 19, 2020.

SHEILA MAUTZ, CITY CLERK

(SEAL)

EXHIBIT A

PROPOSED AMENDED AND RESTATED RATE AND METHOD OF
APPORTIONMENT OF SPECIAL TAX

EXHIBIT B

CITY OF ONTARIO COMMUNITY FACILITIES DISTRICT NO. 41 (CANVAS PARK FACILITIES)

AMENDED AND RESTATED RATE AND METHOD OF APPORTIONMENT OF SPECIAL TAX

A Special Tax shall be levied on all Assessor's Parcels in the City of Ontario Community Facilities District No. 41 (Canvas Park Facilities) ("CFD No. 41") and collected each Fiscal Year, commencing in Fiscal Year 2020-21, in an amount determined by the City Council of the City of Ontario through the application of the Rate and Method of Apportionment, as described below. All of the real property in CFD No. 41, unless exempted by law or by the provisions hereof, shall be taxed for the purposes, to the extent, and in the manner herein provided.

A. DEFINITIONS

The terms hereinafter set forth have the following meanings:

"Acre" or "Acreage" means the land area of an Assessor's Parcel as shown on an Assessor's Parcel Map, or if the land area is not shown on an Assessor's Parcel Map, the land area shown on the applicable Final Subdivision Map, parcel map, condominium plan, or other recorded County map.

"Act" means the Mello-Roos Community Facilities Act of 1982, as amended, being Chapter 2.5 of Part 1 of Division 2 of Title 5 of the California Government Code.

"Administrative Expenses" means the following actual or reasonably estimated costs directly related to the administration of CFD No. 41: the costs of computing the Special Taxes and preparing the annual Special Tax collection schedules (whether by the City or CFD No. 41 or both); the costs of collecting the Special Taxes (whether by the County or otherwise); the costs of remitting the Special Taxes to the Trustee; the costs of the Trustee (including its legal counsel) in the discharge of the duties required of it under the Indenture; the costs to the City or CFD No. 41 of complying with arbitrage rebate requirements; the costs to the City or CFD No. 41 of complying with City, CFD No. 41, or obligated persons disclosure requirements associated with applicable federal and state securities laws and of the Act; the costs associated with preparing Special Tax disclosure statements and responding to public inquiries regarding the Special Taxes; the costs of the City or CFD No. 41 related to the analysis and reduction, if any, of the Special Tax on Single Family Property in accordance with Section C.1 herein; the costs of the City or CFD No. 41 related to an appeal of the Special Tax; the costs associated with the release of funds from any escrow account; the City's administration fees and third party expenses; the costs of City staff time and reasonable overhead relating to CFD No. 41; and amounts estimated or advanced by the City or CFD No. 41 for any other

administrative purposes of CFD No. 41, including attorney's fees and other costs related to commencing and pursuing to completion any foreclosure of delinquent Special Taxes.

"Assessor's Parcel" means a lot or parcel shown in an Assessor's Parcel Map with an assigned Assessor's Parcel Number.

"Assessor's Parcel Map" means an official map of the Assessor of the County designating parcels by Assessor's Parcel Number.

"Assessor's Parcel Number" means, with respect to an Assessor's Parcel, that number assigned to such Assessor's Parcel by the County for purposes of identification.

"Assigned Special Tax" means the Special Tax for each Land Use Class of Developed Property, as determined in accordance with Section C.1.a.2 below.

"Backup Special Tax" means the Special Tax for each Land Use Class of Developed Property, as determined in accordance with Section C.1.a.3 below.

"Bonds" means any bonds or other debt (as defined in Section 53317(d) of the Act) issued by CFD No. 41 under the Act and payable from Special Taxes.

"Buildable Lot" means an individual lot, within a Final Subdivision Map or an area expected by CFD No. 41 to become Final Mapped Property, such as the area within a Tentative Tract Map, for which a building permit may be issued without further subdivision of such lot.

"CFD Administrator" means an official of the City responsible for determining the Special Tax Requirement, providing for the levy and collection of the Special Taxes, and performing the other duties provided for herein.

"CFD No. 41" means City of Ontario Community Facilities District No. 41 (Canvas Park Facilities).

"City" means the City of Ontario, California.

"City Council" means the City Council of the City, acting as the legislative body of CFD No. 41.

"Contractual Impositions" means (a) a voluntary contractual assessment established and levied on an Assessor's Parcel pursuant to Chapter 29 of Part 3 of Division 7 of the California Streets and Highways Code (commencing with Section 5898.10 *et seq.*), as amended from time to time, (b) a special tax established and levied on an Assessor's Parcel pursuant to Section 53328.1 of the California Government Code and related provisions of the Act, as amended from time to time, and (c) any other fee, charge, tax, or assessment established and levied on an individual Assessor's Parcel pursuant to a contractual agreement or other voluntary consent by the owner thereof (e.g., property owner association assessments).

“County” means the County of San Bernardino.

“Designated Buildable Lot” means a Buildable Lot for which a building permit has not been issued by the City as of the date of calculation of the Backup Special Tax.

“Developed Property” means for each Fiscal Year, all Taxable Property, exclusive of Final Mapped Property, Taxable Property Owner Association Property, and Taxable Public Property, for which a building permit or other applicable permit for new construction was issued after January 1, 2019, and before May 1 of the prior Fiscal Year.

“Expected Residential Lot Count” means 595 Buildable Lots of Single Family Property or, as determined by the CFD Administrator, the number of Buildable Lots of Single Family Property based on the most recent Tentative Tract Map(s) or most recently recorded Final Subdivision Map(s) or modified Final Subdivision Map(s).

“Facilities” means the public facilities authorized to be financed, in whole or in part, by CFD No. 41.

“Final Mapped Property” means, for each Fiscal Year, all Taxable Property, exclusive of Developed Property, Taxable Property Owner Association Property, and Taxable Public Property, which as of January 1 of the previous Fiscal Year was located within a Final Subdivision Map. The term Final Mapped Property shall include any parcel map or Final Subdivision Map, or portion thereof, that creates individual lots for which a building permit may be issued, including Parcels that are designated as a remainder Parcel (i.e., one where the size, location, etc., precludes any further subdivision or taxable use).

“Final Subdivision Map” means a final tract map, parcel map, or lot line adjustment approved by the City pursuant to the Subdivision Map Act (California Government Code Section 66410 et seq.) or a condominium plan recorded pursuant to California Civil Code 1352 that, in either case, creates individual lots for which building permits may be issued without further subdivision.

“Fiscal Year” means the period starting July 1 and ending on the following June 30.

“Indenture” means the indenture, fiscal agent agreement, resolution, or other instrument pursuant to which Bonds are issued, as modified, amended, and/or supplemented from time to time.

“Land Use Class” means any of the classes listed in Table 1 below.

“Lower Income Household Welfare Exemption Property” means, for each Fiscal Year, an Assessor’s Parcel within the boundaries of CFD No. 41 that is subject to a welfare exemption under subdivision (g) of Section 214 of the California Revenue and Taxation Code (or any successor statute), as indicated in the most recent County assessor’s roll finalized prior to such Fiscal Year.

“Maximum Special Tax” means, with respect to an Assessor’s Parcel of Taxable Property, the Maximum Special Tax determined in accordance with Section C.1 below that can be levied in any Fiscal Year on such Assessor’s Parcel of Taxable Property.

“Minimum Sale Price” means the minimum price at which Units of a given Land Use Class have sold or are expected to be sold in a normal marketing environment and shall not include prices for such Units that are sold at a discount to expected sales prices for the purpose of stimulating the initial sales activity with respect to such Land Use Class.

“Non-Residential Property” means all Assessor’s Parcels of Developed Property for which a building permit was issued by the City permitting the construction of one or more non-residential structures or facilities.

“Other Residential Property” means all Assessor’s Parcels of Developed Property for which a building permit was issued by the City for purposes of constructing Units, excluding Single Family Attached Property, Single Family Attached Three Story Property, and Single Family Detached Property.

“Outstanding Bonds” means all Bonds which are outstanding under and in accordance with the provisions of the Indenture.

“Price Point Consultant” means any consultant or firm of such consultants selected by CFD No. 41 that (a) has substantial experience in performing price point studies for residential units within community facilities districts established under the Act or otherwise estimating or confirming pricing for residential units in such community facilities districts, (b) has recognized expertise in analyzing economic and real estate data that relates to the pricing of residential units in such community facilities districts, (c) is in fact independent and not under the control of CFD No. 41 or the City, (d) does not have any substantial interest, direct or indirect, with or in (i) CFD No. 41, (ii) the City, (iii) any owner of real property in CFD No. 41, or (iv) any real property in CFD No. 41, and (e) is not connected with CFD No. 41 or the City as an officer or employee thereof, but who may be regularly retained to make reports to CFD No. 41 or the City.

“Price Point Study” means a price point study or a letter updating a previous price point study prepared by the Price Point Consultant pursuant to Section C herein.

“Property Owner Association Property” means, for each Fiscal Year, any property within the boundaries of CFD No. 41 that was owned by a property owner association, including any master or sub-association, as of January 1 of the prior Fiscal Year.

“Proportionately” means (a) for Developed Property in the first step of Section D below, that the ratio of the actual Special Tax levy to the Maximum Special Tax is equal for all Assessor’s Parcels of Developed Property; however, for Developed Property in the fourth step of Section D below, Proportionately means that the amount of the increase above the Assigned Special Tax, if necessary, is equal for all Assessor’s Parcels of Developed Property, except that if the Backup Special Tax limits the increase on any Assessor’s Parcel(s), then the amount of the increase shall be equal for the remaining Assessor’s Parcels; (b) for Final Mapped Property, that the ratio of the actual Special Tax

levy to the Maximum Special Tax is equal for all Assessor's Parcels of Final Mapped Property; (c) for Undeveloped Property, that the ratio of the actual Special Tax levy to the Maximum Special Tax is equal for all Assessor's Parcels of Undeveloped Property; (d) for Taxable Property Owner Association Property, that the ratio of the actual Special Tax levy to the Maximum Special Tax is equal for all Assessor's Parcels of Taxable Property Owner Association Property; and (e) for Taxable Public Property, that the ratio of the actual Special Tax levy to the Maximum Special Tax is equal for all Assessor's Parcels of Taxable Public Property.

"Public Property" means, for each Fiscal Year, property within the boundaries of CFD No. 41 that is (a) owned by, irrevocably offered to, or dedicated to the federal government, the State, the County, the City, or any local government or other public agency or (b) encumbered by an easement for purposes of public or utility right-of-way that makes impractical its use for any purpose other than that set forth in such easement, provided that any property leased by a public agency to a private entity and subject to taxation under Section 53340.1 of the Act shall be taxed and classified according to its use.

"Rate and Method of Apportionment" means this Amended and Restated Rate and Method of Apportionment of Special Tax.

"Residential Floor Area" means all of the Square Footage of living area within the perimeter of a Unit, not including any carport, walkway, garage, overhang, patio, enclosed patio, or similar area. The determination of Residential Floor Area shall be as set forth in the building permit(s) issued for such Assessor's Parcel, or as set forth in other official records maintained by the City's Building Department or other appropriate means selected by CFD No. 41. The actual Square Footage shall be rounded up to the next whole square foot. Once such determination has been made for an Assessor's Parcel, it shall remain fixed in all future Fiscal Years unless an appeal pursuant to Section F below is approved that results in a change in the actual Square Footage.

"Services" means the services authorized to be financed, in whole or in part, by CFD No. 41.

"Single Family Attached Property" means all Assessor's Parcels of Developed Property for which a building permit or use permit was issued for construction of a residential structure consisting of two or more Units that share common walls, have separate Assessor's Parcel Numbers assigned to them (except for a duplex unit, which may share an Assessor's Parcel with another duplex unit), may be purchased by individual homebuyers (which shall still be the case even if the Units are purchased and subsequently offered for rent by the owner of the Unit), including such residential structures that meet the statutory definition of a condominium contained in Civil Code Section 1351, and is not Single Family Attached Three Story Property.

"Single Family Attached Three Story Property" means all Assessor's Parcels of Developed Property for which a building permit or use permit was issued for construction of a residential structure consisting of two or more Units that share common walls, have separate Assessor's Parcel Numbers assigned to them (except for a duplex unit, which

may share an Assessor's Parcel with another duplex unit), may be purchased by individual homebuyers (which shall still be the case even if the Units are purchased and subsequently offered for rent by the owner of the Unit), including such residential structures that meet the statutory definition of a condominium contained in Civil Code Section 1351, contains three or more floors of living area at the time the Unit is constructed, and is located within TTM 20081.

"Single Family Detached Property" means all Assessor's Parcels of Developed Property for which a building permit was issued for construction of a Unit, on one legal lot, that does not share a common wall with another Unit.

"Single Family Property" means all Assessor's Parcels of Single Family Attached Property, Single Family Attached Three Story Property, and Single Family Detached Property.

"Special Tax" means the special tax authorized by the qualified electors of CFD No. 41 to be levied within the boundaries of CFD No. 41.

"Special Tax Requirement" means for any Fiscal Year that amount required, after taking into account available amounts held in the funds and accounts established under the Indenture, for CFD No. 41 to: (i) pay debt service on all Outstanding Bonds which is due in the calendar year that commences in such Fiscal Year; (ii) pay periodic costs on the Bonds, including, but not limited to, credit enhancement and rebate payments on the Bonds; (iii) pay Administrative Expenses; (iv) provide any amounts required to establish or replenish any reserve fund for the Bonds; (v) pay directly for acquisition or construction of Facilities, or the cost of Services, to the extent that the inclusion of such amounts does not increase the Special Tax levy on Final Mapped Property or Undeveloped Property; (vi) without duplicating any amounts described in clause (iv), above, provide an amount equal to reasonably anticipated Special Tax delinquencies based on the delinquency rate for the Special Tax in the previous Fiscal Year as determined by the CFD Administrator, as limited by the Act.

"Square Footage" or "Sq. Ft." means the floor area square footage reflected on the original construction building permit, or as set forth in other official records maintained by the City's Building Department or other appropriate means selected by CFD No. 41, issued for construction of Single Family Property, Other Residential Property, or Non-Residential Property, plus any square footage subsequently added to a building of Non-Residential Property after issuance of a building permit for expansion or renovation of such building.

"State" means the State of California.

"Taxable Property" means, for each Fiscal Year, all of the Assessor's Parcels within the boundaries of CFD No. 41 that are not exempt from the Special Tax pursuant to law or Section E below.

“Taxable Property Owner Association Property” means, for each Fiscal Year, all Assessor’s Parcels of Property Owner Association Property that are not exempt from the Special Tax pursuant to Section E below.

“Taxable Public Property” means, for each Fiscal Year, all Assessor’s Parcels of Public Property that are not exempt from the Special Tax pursuant to law or Section E below.

“Tentative Tract Map” means a map: (i) showing a proposed subdivision of an Assessor’s Parcel(s) and the conditions pertaining thereto; (ii) that may or may not be based on a detailed survey; and (iii) that is not recorded by the County to create legal lots.

“Total Tax Burden” means, for a Unit within a Land Use Class, for the Fiscal Year in which Total Tax Burden is being calculated, the sum of (a) the Assigned Special Tax for such Land Use Class for such Fiscal Year, plus (b) the *ad valorem* property taxes, special assessments, special taxes for any overlapping community facilities districts, and any other governmental fees, charges (other than fees or charges for services such as sewer and trash), taxes, and assessments (which do not include Contractual Impositions) collected by the County on *ad valorem* tax bills and that the CFD Administrator estimates would be levied or imposed on such Unit in such Fiscal Year if the residential dwelling unit thereon or therein had been completed and sold, and was subject to such fees, charges, taxes, and assessments in such Fiscal Year.

“Trustee” means the trustee or fiscal agent under the Indenture.

“TTM 20081” means Tentative Tract Map No. 20081, the area of which is located within CFD No. 41.

“Undeveloped Property” means, for each Fiscal Year, all Taxable Property not classified as Developed Property, Final Mapped Property, Taxable Public Property, or Taxable Property Owner Association Property.

“Unit” means an individual single-family detached or attached home, townhome, condominium, apartment, or other residential dwelling unit, including each separate living area within a half-plex, duplex, triplex, fourplex, or other residential structure.

B. ASSIGNMENT TO LAND USE CATEGORIES

Each Fiscal Year, beginning with Fiscal Year 2020-21, all Taxable Property within CFD No. 41 shall be classified as Developed Property, Final Mapped Property, Taxable Public Property, Taxable Property Owner Association Property, or Undeveloped Property and shall be subject to Special Taxes in accordance with the Rate and Method of Apportionment as determined pursuant to Sections C and D below. Assessor’s Parcels of Single Family Detached Property shall be assigned to Land Use Classes 1 through 5, and Assessor’s Parcels of Single Family Attached Property and Single Family Attached Three Story Property shall be assigned to Land Use Classes 6 through 20, as listed in Table 1 below based on the Residential Floor Area of the Units on such Assessor’s Parcels. Other Residential Property shall be assigned to Land Use Class 21, and Non-Residential Property shall be assigned to Land Use Class 22.

C. MAXIMUM SPECIAL TAX

1. Special Tax

At least 30 days prior to the issuance of Bonds, the Assigned Special Tax on Developed Property (set forth in Table 1 below) shall be analyzed in accordance with and subject to the conditions set forth in this Section C. At such time, CFD No. 41 shall select and engage a Price Point Consultant and the CFD Administrator shall request the Price Point Consultant to prepare a Price Point Study setting forth the Minimum Sale Price of Units within each Land Use Class. If based upon such Price Point Study the CFD Administrator calculates that the Total Tax Burden applicable to Units within one or more Land Use Classes of Single Family Property to be constructed within CFD No. 41 exceeds 1.95% of the Minimum Sale Price of such Units, the Assigned Special Tax shall be reduced to the extent necessary to cause the Total Tax Burden that shall apply to Units within such Land Use Class(es) not to exceed 1.95% of the Minimum Sale Price of such Units.

Each Assigned Special Tax reduction for a Land Use Class shall be calculated by the CFD Administrator separately, and it shall not be required that such reduction be proportionate among Land Use Classes. In connection with any reduction in the Assigned Special Tax, the Backup Special Tax shall also be reduced by the CFD Administrator based on the percentage reduction in Maximum Special Tax revenues within the Tentative Tract Map area(s) where the Assigned Special Tax reductions occurred. Upon determining the reductions, if any, in the Assigned Special Tax and Backup Special Tax required pursuant to this Section C, the CFD Administrator shall complete the Certificate of Modification of Special Tax substantially in the form attached hereto as Exhibit A (the "Certificate of Modification"), shall execute such completed Certificate of Modification, and shall deliver such executed Certificate of Modification to CFD No. 41. Upon receipt thereof, if in satisfactory form, CFD No. 41 shall execute such Certificate of Modification. The reduced Assigned Special Tax and Backup Special Tax specified in such Certificate of Modification shall become effective upon the execution of such Certificate of Modification by CFD No. 41.

The Special Tax reductions required pursuant to this section shall be reflected in an amended notice of Special Tax lien, which CFD No. 41 shall cause to be recorded with the County Recorder as soon as practicable after execution of the Certificate of Modification by CFD No. 41. The reductions in this section apply to Single Family Property, but not to Other Residential Property or Non-Residential Property.

a. *Developed Property*

1) *Maximum Special Tax*

The Maximum Special Tax that may be levied in any Fiscal Year for each Assessor's Parcel classified as Developed Property shall be the greater of (i) the amount derived by application of the Assigned Special Tax or (ii) the amount derived by application of the Backup Special Tax. The Maximum Special Tax shall not increase in future years, other than as calculated pursuant to Section C.1.a.3 below.

2) *Assigned Special Tax*

The Assigned Special Tax that may be levied in any Fiscal Year for each Land Use Class is shown below in Table 1.

**TABLE 1
ASSIGNED SPECIAL TAX – DEVELOPED PROPERTY**

Land Use Class	Description	Residential Floor Area (Square Footage)	Assigned Special Tax
1	Single Family Detached	< 1,801	\$2,293 per Unit
2	Single Family Detached	1,801 – 2,000	\$2,378 per Unit
3	Single Family Detached	2,001 – 2,200	\$2,491 per Unit
4	Single Family Detached	2,201 – 2,400	\$2,612 per Unit
5	Single Family Detached	> 2,400	\$2,653 per Unit
6	Single Family Attached	< 901	\$1,075 per Unit
7	Single Family Attached	901 – 1,100	\$1,140 per Unit
8	Single Family Attached	1,101 – 1,300	\$1,400 per Unit
9	Single Family Attached	1,301 – 1,500	\$1,632 per Unit
10	Single Family Attached	1,501 – 1,700	\$1,759 per Unit
11	Single Family Attached	1,701 – 1,900	\$1,923 per Unit
12	Single Family Attached	> 1,900	\$2,066 per Unit
13	Single Family Attached Three Story	< 751	\$711 per Unit
14	Single Family Attached Three Story	751 – 900	\$833 per Unit
15	Single Family Attached Three Story	901 – 1,050	\$1,040 per Unit
16	Single Family Attached Three Story	1,051 – 1,200	\$1,127 per Unit
17	Single Family Attached Three Story	1,201 – 1,400	\$1,251 per Unit
18	Single Family Attached Three Story	1,401 – 1,600	\$1,503 per Unit
19	Single Family Attached Three Story	1,601 – 1,800	\$1,615 per Unit
20	Single Family Attached Three Story	> 1,800	\$1,717 per Unit
21	Other Residential Property		\$43,199 per Acre
22	Non-Residential Property		\$43,199 per Acre

3) *Backup Special Tax*

The Backup Special Tax shall be \$2,492 per Unit for Single Family Detached Property and \$1,547 per Unit for Single Family Attached Property and Single Family Attached Three Story Property. However, if the Expected Residential Lot Count does not equal 61 for Single Family Detached Property or 534 for Single Family Attached Property and Single Family Attached Three Story Property, and the City has not issued Bonds, then the Backup Special Tax for Designated Buildable Lots of Single Family Property shall be calculated separately for Single Family Detached Property or Single Family Attached Property and Single Family Attached Three Story Property according to the following formula:

$$\begin{aligned} \text{Backup Special Tax} &= \$151,998 \div \text{Expected Residential Lot} \\ &\quad \text{Count for Single Family Detached} \\ &\quad \text{Property} \\ &\text{or } \$826,202 \div \text{Expected Residential Lot} \\ &\quad \text{Count for Single Family Attached} \\ &\quad \text{Property and Single Family Attached} \\ &\quad \text{Three Story Property} \end{aligned}$$

If any portion of a Final Subdivision Map, or any area expected by CFD No. 41 to become Final Mapped Property, such as the area within TTM 20081 or any other Tentative Tract Map, changes any time after the City has issued Bonds, causing an adjustment to the number of Designated Buildable Lots, then the Backup Special Tax for all Designated Buildable Lots of Single Family Detached Property or Single Family Attached Property and Single Family Attached Three Story Property subject to the change shall be calculated according to the following steps:

Step 1: Determine the total Backup Special Taxes that could have been collected from Designated Buildable Lots, separately for Single Family Detached Property or Single Family Attached Property and Single Family Attached Three Story Property, prior to the Final Subdivision Map or expected Final Mapped Property change.

Step 2: Divide the amount(s) determined in Step 1 by the number of Designated Buildable Lots, separately for Single Family Detached Property or Single Family Attached Property and Single Family Attached Three Story Property, that exists after the

Final Subdivision Map or expected Final Mapped Property change.

Step 3: Apply the amount(s) determined in Step 2 as the Backup Special Tax per Unit for Single Family Detached Property or Single Family Attached Property and Single Family Attached Three Story Property.

The Backup Special Tax for an Assessor's Parcel shall not change once an Assessor's Parcel is classified as Developed Property.

b. *Final Mapped Property, Taxable Public Property, Taxable Property Owner Association Property, and Undeveloped Property*

The Maximum Special Tax for Final Mapped Property, Taxable Public Property, Taxable Property Owner Association Property, and Undeveloped Property shall be \$43,199 per Acre, and shall not be subject to increase or reduction and, therefore, shall remain the same in every Fiscal Year.

2. Multiple Land Use Classes on an Assessor's Parcel

In some instances an Assessor's Parcel of Developed Property may contain more than one Land Use Class. The Maximum Special Tax levied on such Assessor's Parcel shall be the sum of the Maximum Special Tax for all Units of Single Family Property and Acres of Other Residential Property and Non-Residential Property (based on the pro rata share of Square Footage between Other Residential Property and Non-Residential Property, according to the applicable building permits, Final Subdivision Map, parcel map, condominium plan, or other recorded County map) located on that Assessor's Parcel.

D. METHOD OF APPORTIONMENT OF THE SPECIAL TAX

Each Fiscal Year, beginning with Fiscal Year 2020-21, the CFD Administrator shall determine the Special Tax Requirement for such Fiscal Year. The Special Tax shall then be levied as follows:

First: If needed to satisfy the Special Tax Requirement, the Special Tax shall be levied Proportionately on each Assessor's Parcel of Developed Property up to 100% of the applicable Assigned Special Tax;

Second: If additional monies are needed to satisfy the Special Tax Requirement after the first step has been completed, then the Special Tax shall be levied Proportionately on each Assessor's Parcel of Final Mapped Property up to 100% of the Maximum Special Tax for Final Mapped Property;

Third: If additional monies are needed to satisfy the Special Tax Requirement after the first two steps have been completed, then the Special Tax shall be levied Proportionately on each Assessor's Parcel of Undeveloped Property up to 100% of the Maximum Special Tax for Undeveloped Property;

Fourth: If additional monies are needed to satisfy the Special Tax Requirement after the first three steps have been completed, then the levy of the Special Tax on each Assessor's Parcel of Developed Property whose Maximum Special Tax is determined through the application of the Backup Special Tax shall be increased Proportionately from the Assigned Special Tax up to the Maximum Special Tax for each such Assessor's Parcel;

Fifth: If additional monies are needed to satisfy the Special Tax Requirement after the first four steps have been completed, then the Special Tax shall be levied Proportionately on each Assessor's Parcel of Taxable Property Owner Association Property up to the Maximum Special Tax for Taxable Property Owner Association Property; and

Sixth: If additional monies are needed to satisfy the Special Tax Requirement after the first five steps have been completed, then the Special Tax shall be levied Proportionately on each Assessor's Parcel of Taxable Public Property up to the Maximum Special Tax for Taxable Public Property.

Notwithstanding the above, under no circumstances shall the Special Tax levied in any Fiscal Year on any Assessor's Parcel of Single Family Property or Other Residential Property for which an occupancy permit for private residential use has been issued be increased as a result of delinquency or default by the owner or owners of any other Assessor's Parcel or Assessor's Parcels within CFD No. 41 by more than ten percent above the amount that would have been levied in that Fiscal Year had there never been any such delinquencies or defaults.

E. EXEMPTIONS

No Special Tax shall be levied on up to 7.25 Acres of Public Property and up to 12.57 Acres of Property Owner Association Property. Tax-exempt status will be assigned by the CFD Administrator in the chronological order in which property becomes Public Property or Property Owner Association Property.

Property Owner Association Property or Public Property that is not exempt from the Special Tax under this section shall be subject to the levy of the Special Tax and shall be taxed Proportionately as part of the fifth or sixth step, respectively, in Section D above, up to 100% of the applicable Maximum Special Tax for Taxable Property Owner Association Property and Taxable Public Property. No Special Tax shall be levied in any Fiscal Year on Assessor's Parcels that have fully prepaid the Special Tax obligation pursuant to the formula set forth in Section H.

No Special Tax shall be levied on Lower Income Household Welfare Exemption Property; provided, however, that if, in any Fiscal Year, applicable law does not require that Lower Income Household Welfare Exemption Property be exempt from some portion, or all, of the Special Tax, such portion, or all, of the Special Tax shall be levied

on such property in accordance with this Rate and Method of Apportionment based on the Land Use Class to which the Assessor's Parcel is assigned.

F. APPEALS

Any property owner may file a written appeal of the Special Tax with CFD No. 41 claiming that the amount or application of the Special Tax is not correct. The appeal must be filed not later than one calendar year after having paid the Special Tax that is disputed, and the appellant must be current in all payments of Special Taxes. In addition, during the term of the appeal process, all Special Taxes levied must be paid on or before the payment date established when the levy was made.

The appeal must specify the reasons why the appellant claims the Special Tax is in error. The CFD Administrator shall review the appeal, meet with the appellant if the CFD Administrator deems necessary, and advise the appellant of its determination.

If the property owner disagrees with the CFD Administrator's decision relative to the appeal, the owner may then file a written appeal with the City Council whose subsequent decision shall be final and binding on all interested parties. If the decision of the CFD Administrator or subsequent decision by the City Council requires the Special Tax to be modified or changed in favor of the property owner, then the CFD Administrator shall determine if sufficient Special Tax revenue is available to make a cash refund. If a cash refund cannot be made, then an adjustment shall be made to credit future Special Tax levy(ies).

This procedure shall be exclusive and its exhaustion by any property owner shall be a condition precedent to filing any legal action by such owner.

G. MANNER OF COLLECTION

The Special Tax shall be collected in the same manner and at the same time as ordinary *ad valorem* property taxes; provided, however, that the Special Taxes may be collected in such other manner as the City Council shall determine, including direct billing of affected property owners.

H. PREPAYMENT OF SPECIAL TAX

The following definitions apply to this Section H:

"CFD Public Facilities" means \$12,929,000 for each Prepayment Period, or such lower number as determined by the City Council to be sufficient to fund the Facilities and Services to be provided by CFD No. 41.

"Expenditures Fund" means funds or accounts, regardless of their names, that are established to hold moneys that are available to acquire or construct Facilities and to fund Services.

“Future Facilities Costs” means the CFD Public Facilities minus (i) Facilities and Services costs previously paid from the Expenditures Fund during the Prepayment Period in which the prepayment is being made, (ii) moneys currently on deposit in the Expenditures Fund from deposits made during the Prepayment Period in which the prepayment is being made, and (iii) moneys currently on deposit in an escrow fund that are expected to be available to finance Facilities costs. In no event shall the amount of Future Facilities Costs be less than zero.

“Prepayment Period” means one of three periods of time during which a Special Tax prepayment may be made.

“Prepayment Period 1” means July 1, 2020, through June 30, 2054.

“Prepayment Period 2” means July 1, 2054, through June 30, 2087.

“Prepayment Period 3” means July 1, 2087, through June 30, 2121.

1. Prepayment in Full

The obligation of an Assessor's Parcel to pay the Special Tax may be prepaid as described herein, provided that a prepayment may be made only for Assessor's Parcels for which a building permit for new construction was issued after January 1, 2019, and only if there are no delinquent Special Taxes with respect to such Assessor's Parcel at the time of prepayment. An owner of an Assessor's Parcel intending to prepay the Special Tax obligation shall provide the CFD Administrator with written notice of intent to prepay. Within 30 days of receipt of such written notice, the CFD Administrator shall notify such owner of the prepayment amount for such Assessor's Parcel. The CFD Administrator may charge a fee for providing this service. Prepayment in any six month period must be made not less than 45 days prior to the next occurring date that notice of redemption of Bonds from the proceeds of such prepayment may be given to the Trustee pursuant to the Indenture.

The Special Tax Prepayment Amount (defined below) shall be calculated as summarized below (capitalized terms as defined below):

	Bond Redemption Amount
plus	Redemption Premium
plus	Future Facilities Amount
plus	Defeasance Amount
plus	Administrative Fees and Expenses
<u>less</u>	<u>Reserve Fund Credit</u>
Total	Prepayment Amount

As of the proposed date of prepayment, the Special Tax Prepayment Amount (defined below) shall be calculated by the CFD Administrator as follows:

Paragraph No.

1. Confirm that no Special Tax delinquencies apply to such Assessor's Parcel, and determine the Prepayment Period for the proposed prepayment.
2. Compute the Assigned Special Tax and Backup Special Tax for the Assessor's Parcel to be prepaid based on the Developed Property Special Tax which is, or could be, charged in the current Fiscal Year. For Assessor's Parcels of Final Mapped Property (for which a building permit has been issued but which is not yet classified as Developed Property) to be prepaid, compute the Assigned Special Tax and Backup Special Tax for that Assessor's Parcel as though it was already designated as Developed Property, based upon the building permit which has already been issued for that Assessor's Parcel.
3. (a) Divide the Assigned Special Tax computed pursuant to Paragraph 2 by the total estimated Assigned Special Tax for CFD No. 41 based on the Developed Property Special Tax which could be charged in the current Fiscal Year on all expected development through buildout of CFD No. 41, excluding any Assessor's Parcels which have been prepaid, and

(b) Divide the Backup Special Tax computed pursuant to Paragraph 2 by the estimated total Backup Special Tax at buildout of CFD No. 41, excluding any Assessor's Parcels which have been prepaid.
4. Multiply the larger quotient computed pursuant to Paragraph 3(a) or 3(b) by the Outstanding Bonds to compute the amount of Outstanding Bonds to be retired and prepaid (the "Bond Redemption Amount").
5. Multiply the Bond Redemption Amount computed pursuant to Paragraph 4 by the applicable redemption premium (e.g., the redemption price minus 100%), if any, on the Outstanding Bonds to be redeemed (the "Redemption Premium").
6. Compute the Future Facilities Costs for the applicable Prepayment Period.
7. Multiply the larger quotient computed pursuant to Paragraph 3(a) or 3(b) by the amount determined pursuant to Paragraph 6 to compute the amount of Future Facilities Costs to be prepaid (the "Future Facilities Amount").
8. Compute the amount needed to pay interest on the Bond Redemption Amount from the first bond interest and/or principal payment date following the current Fiscal Year until the earliest redemption date for the Outstanding Bonds.
9. Determine the Special Tax levied on the Assessor's Parcel in the current Fiscal Year which has not yet been paid.
10. Add the amounts computed pursuant to Paragraphs 8 and 9 to determine the "Defeasance Amount".

11. Verify the administrative fees and expenses of CFD No. 41, including the costs to compute the prepayment, the costs to invest the prepayment proceeds, the costs to redeem Bonds, and the costs to record any notices to evidence the prepayment and the redemption (the “Administrative Fees and Expenses”).
12. If reserve funds for the Outstanding Bonds, if any, are at or above 100% of the reserve requirement (as defined in the Indenture) on the prepayment date, a reserve fund credit shall be calculated as a reduction in the applicable reserve fund for the Outstanding Bonds to be redeemed pursuant to the prepayment (the “Reserve Fund Credit”). No Reserve Fund Credit shall be granted if reserve funds are below 100% of the reserve requirement on the prepayment date or the redemption date.
13. The Special Tax prepayment is equal to the sum of the amounts computed pursuant to Paragraphs 4, 5, 7, 10, and 11, less the amount computed pursuant to Paragraph 12 (the “Prepayment Amount”).
14. From the Prepayment Amount, the amounts computed pursuant to Paragraphs 4, 5, 10, and 12 shall be deposited into the appropriate fund as established under the Indenture and be used to retire Outstanding Bonds or make debt service payments. The amount computed pursuant to Paragraph 7 shall be deposited into the Expenditures Fund. The amount computed pursuant to Paragraph 11 shall be retained by CFD No. 41.

The Special Tax Prepayment Amount may be sufficient to redeem other than a \$5,000 increment of Bonds. In such cases, the increment above \$5,000, or integral multiple thereof, will be retained in the appropriate fund established under the Indenture to be used with the next prepayment of Bonds or to make debt service payments.

As a result of the payment of the current Fiscal Year’s Special Tax levy as determined under Paragraph 9 (above), the CFD Administrator shall remove the current Fiscal Year’s Special Tax levy for such Assessor’s Parcel from the County tax rolls. With respect to any Assessor's Parcel that is prepaid during Prepayment Period 3, the CFD Administrator shall cause a suitable notice to be recorded in compliance with the Act to indicate that the Special Tax has been prepaid and that the obligation of such Assessor's Parcel to pay the Special Tax shall cease.

With respect to the Special Tax for any Assessor’s Parcel that is prepaid during Prepayment Period 1 or Prepayment Period 2, the obligation of such Assessor’s Parcel to pay the Special Tax shall be tolled, or suspended, through the end of such Prepayment Period, but shall resume in the first Fiscal Year of the subsequent Prepayment Period. The CFD Administrator shall cause a suitable notice to be recorded in compliance with the Act to indicate that the Special Tax has been satisfied for the remainder of the applicable Prepayment Period but has not been permanently satisfied and the obligation to pay the Special Tax will resume in the first Fiscal Year of the Prepayment Period following the Prepayment Period in which the prepayment was made. Once the

obligation of an Assessor's Parcel to pay the Special Tax resumes, the Special Tax for the then applicable Prepayment Period may be prepaid.

Notwithstanding the foregoing, no Special Tax prepayment shall be allowed unless the amount of Maximum Special Tax that may be levied on Taxable Property within CFD No. 41 (after excluding 7.25 Acres of Public Property and 12.57 acres of Property Owner Association Property) both prior to and after the proposed prepayment is at least 1.1 times the maximum annual debt service on all Outstanding Bonds.

2. Prepayment in Part

The Special Tax on an Assessor's Parcel for which a building permit for new construction was issued after January 1, 2019, may be partially prepaid. The amount of the prepayment shall be calculated as in Section H.1, except that a partial prepayment shall be calculated by the CFD Administrator according to the following formula:

$$PP = (PF - AE) \times \% + AE.$$

The terms above have the following meaning:

PP = the partial prepayment

PF = the Prepayment Amount (full prepayment) for the Special Tax calculated according to Section H.1

AE = the Administrative Fees and Expenses determined pursuant to paragraph 11 above

% = the percentage by which the owner of the Assessor's Parcel(s) is partially prepaying the Special Tax

The Special Tax partial prepayment amount must be sufficient to redeem at least a \$5,000 increment of Bonds.

The owner of any Assessor's Parcel who desires such prepayment shall notify the CFD Administrator of such owner's intent to partially prepay the Special Tax and the percentage by which the Special Tax shall be prepaid. The CFD Administrator shall provide the owner with a statement of the amount required for the partial prepayment of the Special Tax for an Assessor's Parcel within thirty (30) days of the request and may charge a fee for providing this service. With respect to any Assessor's Parcel that is partially prepaid, the CFD Administrator shall (i) distribute the remitted prepayment funds according to Section H.1, and (ii) indicate in the records of CFD No. 41 that there has been a partial prepayment of the Special Tax and that a portion of the Special Tax with respect to such Assessor's Parcel, equal to the outstanding percentage (100% - "%", as defined above) of the Maximum Special Tax, shall continue to be levied on such Assessor's Parcel pursuant to Section D during the Prepayment Period in which the partial prepayment is made.

For partial prepayments made during Prepayment Period 1 or Prepayment Period 2, the full amount of the Special Tax shall resume in the first Fiscal Year of the Prepayment Period following the Prepayment Period in which the partial prepayment was made.

Once the obligation of an Assessor's Parcel to pay the Special Tax resumes, the Special Tax for the then applicable Prepayment Period may be prepaid.

I. TERM OF SPECIAL TAX

The Fiscal Year after which no further Special Tax shall be levied or collected is Fiscal Year 2120-2121, except that the Special Tax that was lawfully levied in or before such Fiscal Year and that remains delinquent may be collected in subsequent years.

EXHIBIT A

**CERTIFICATE OF MODIFICATION OF SPECIAL TAX
(PAGE 1 OF 3)**

CFD No. 41 CERTIFICATE

1. Pursuant to Section C.1 of the Rate and Method of Apportionment of Special Tax (the “Rate and Method”) for City of Ontario Community Facilities District No. 41 (Canvas Park Facilities) (“CFD No. 41”), the Assigned Special Tax and the Backup Special Tax for Developed Property within CFD No. 41 has been modified.
 - a. The information in Table 1 relating to the Assigned Special Tax for Developed Property within CFD No. 41, as stated in Section C.1.a.2 of the Rate and Method of Apportionment, has been modified as follows:

**TABLE 1
ASSIGNED SPECIAL TAX – DEVELOPED PROPERTY**

Land Use Class	Description	Residential Floor Area (Square Footage)	Assigned Special Tax
1	Single Family Detached	< 1,801	\$[] per Unit
2	Single Family Detached	1,801 – 2,000	\$[] per Unit
3	Single Family Detached	2,001 – 2,200	\$[] per Unit
4	Single Family Detached	2,201 – 2,400	\$[] per Unit
5	Single Family Detached	> 2,400	\$[] per Unit
6	Single Family Attached	< 901	\$[] per Unit
7	Single Family Attached	901 – 1,100	\$[] per Unit
8	Single Family Attached	1,101 – 1,300	\$[] per Unit
9	Single Family Attached	1,301 – 1,500	\$[] per Unit
10	Single Family Attached	1,501 – 1,700	\$[] per Unit
11	Single Family Attached	1,701 – 1,900	\$[] per Unit
12	Single Family Attached	> 1,900	\$[] per Unit

EXHIBIT A

**CERTIFICATE OF MODIFICATION OF SPECIAL TAX
(PAGE 2 OF 3)**

13	Single Family Attached Three Story	< 751	\$[] per Unit
14	Single Family Attached Three Story	751 – 900	\$[] per Unit
15	Single Family Attached Three Story	901 – 1,050	\$[] per Unit
16	Single Family Attached Three Story	1,051 – 1,200	\$[] per Unit
17	Single Family Attached Three Story	1,201 – 1,400	\$[] per Unit
18	Single Family Attached Three Story	1,401 – 1,600	\$[] per Unit
19	Single Family Attached Three Story	1,601 – 1,800	\$[] per Unit
20	Single Family Attached Three Story	> 1,800	\$[] per Unit
21	Other Residential Property		\$[] per Acre
22	Non-Residential Property		\$[] per Acre

- b. The Backup Special Tax for Developed Property, as stated in Section C.1.a.3, shall be modified as follows:

The Backup Special Tax shall be \$[] per Unit for Single Family Detached Property and \$[] per Unit for Single Family Attached Property and Single Family Attached Three Story Property. However, if the Expected Residential Lot Count does not equal 61 for Single Family Detached Property or 534 for Single Family Attached Property and Single Family Attached Three Story Property, and the City has not issued Bonds, then the Backup Special Tax for Designated Buildable Lots of Single Family Property shall be calculated separately for Single Family Detached Property or Single Family Attached Property and Single Family Attached Three Story Property according to the following formula:

$$\text{Backup Special Tax} = \frac{\$[]}{\text{Expected Residential Lot Count for Single Family Detached Property}}$$

or
$$\frac{\$[]}{\text{Expected Residential Lot Count for Single Family Attached Property and Single Family Attached Three Story Property}}$$

EXHIBIT A

**CERTIFICATE OF MODIFICATION OF SPECIAL TAX
(PAGE 3 OF 3)**

2. The Special Tax for Developed Property may only be modified prior to the first issuance of CFD No. 41 Bonds.
3. Upon execution of this certificate by CFD No. 41, CFD No. 41 shall cause an amended notice of Special Tax lien for CFD No. 41 to be recorded reflecting the modifications set forth herein.

Capitalized undefined terms used herein have the meanings ascribed thereto in the Rate and Method. The modifications set forth in this Certificate have been calculated by the CFD Administrator in accordance with the Rate and Method.

GOODWIN CONSULTING GROUP, INC.
CFD ADMINISTRATOR

By: _____ Date: _____

The undersigned acknowledges receipt of this Certificate and of the modification of the Assigned Special Tax and the Backup Special Tax for Developed Property as set forth in this Certificate.

CITY OF ONTARIO
COMMUNITY FACILITIES DISTRICT NO. 41
(CANVAS PARK FACILITIES)

By: _____ Date: _____

RESOLUTION NO. _____

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF ONTARIO, CALIFORNIA, OF FORMATION OF THE CITY OF ONTARIO COMMUNITY FACILITIES DISTRICT NO. 41 (CANVAS PARK FACILITIES), AUTHORIZING THE LEVY OF A SPECIAL TAX WITHIN THE COMMUNITY FACILITIES DISTRICT AND ESTABLISHING AN APPROPRIATIONS LIMIT FOR THE COMMUNITY FACILITIES DISTRICT.

WHEREAS, on April 7, 2020, the City Council (the "City Council") of the City of Ontario (the "City"), pursuant to the Mello-Roos Community Facilities Act of 1982 (the "Act"), adopted a resolution entitled "A Resolution of the City Council of the City of Ontario, California, of Intention to Establish a Community Facilities District, Proposed to be Named City of Ontario Community Facilities District No. 41 (Canvas Park Facilities), and to Authorize the Levy of Special Taxes" (the "Resolution of Intention"), stating its intention to establish a community facilities district (the "Community Facilities District") proposed to be named City of Ontario Community Facilities District No. 41 (Canvas Park Facilities), to authorize the levy of special taxes within the Community Facilities District to finance certain public facilities and services and setting the date for a public hearing to be held on the establishment of the Community Facilities District; and

WHEREAS, pursuant to the Resolution of Intention, notice of said public hearing was published in the *Inland Valley Daily Bulletin*, a newspaper of general circulation published in the area of the Community Facilities District, in accordance with the Act; and

WHEREAS, on this date, the City Council opened, conducted and closed said public hearing; and

WHEREAS, pursuant to the Resolution of Intention, each officer of the City who is or will be responsible for providing one or more of the proposed types of public facilities or services was directed to study, or cause to be studied, the proposed Community Facilities District and, at or before said public hearing, file a report with the City Council containing a brief description of the public facilities and services by type that will in his or her opinion be required to adequately meet the needs of the Community Facilities District, and his or her estimate of the cost of providing such public facilities and services; such officers were also directed to estimate the fair and reasonable cost of the public facilities proposed to be purchased as completed public facilities and of the incidental expenses proposed to be paid; and

WHEREAS, said report was so filed with the City Council and made a part of the record of said public hearing; and

WHEREAS, at the hearing, the City Council proposed to modify the Resolution of Intention so as to make certain clarifying changes to the rate and method of apportionment of the special tax (the "Original Rate and Method") originally proposed to be levied within the Community Facilities District; and

WHEREAS, at the hearing, the City Council adopted a resolution entitled "A Resolution of the City Council of the City of Ontario, California, Modifying Resolution of Intention and Approving Amended and Restated Rate and Method of Apportionment for the Proposed City of Ontario Community Facilities District No. 41 (Canvas Park Facilities)" modifying the Resolution of Intention so as to amend and restate the Original Rate and Method in its entirety; and

WHEREAS, at the hearing, the testimony of all persons for or against the establishment of the Community Facilities District, the extent of the Community Facilities District and the furnishing of the specified types of public facilities and services was heard; and

WHEREAS, written protests against the establishment of the Community Facilities District, the furnishing of any specified type or types of facilities and services within the Community Facilities District or the levying of any specified special tax were not made or filed at or before said hearing by 50% or more of the registered voters, or six registered voters, whichever is more, residing within the territory proposed to be included in the Community Facilities District, or the owners of one-half or more of the area of land in the territory proposed to be included in the Community Facilities District and not exempt from the special tax; and

WHEREAS, there has been filed with the City Clerk of the City a letter from the Registrar of Voters of the County of San Bernardino indicating that no persons were registered to vote within the territory of the proposed Community Facilities District as of April 23, 2020, and, accordingly, that 12 or more persons have not been registered to vote within the territory of the proposed Community Facilities District for each of the 90 days preceding the close of said public hearing; and

WHEREAS, Section 53314.9 of the Act provides that, at any time either before or after the formation of a community facilities district, the legislative body may accept advances of funds from any source, including, but not limited to, private persons or private entities and may provide, by resolution, for the use of those funds for any authorized purpose, including, but not limited to, paying any cost incurred by the local agency in creating a community facilities district; and

WHEREAS, Section 53314.9 of the Act further provides that the legislative body may enter into an agreement, by resolution, with the person or entity advancing the funds, to repay all or a portion of the funds advanced, as determined by the legislative body, with or without interest, under all the following conditions: (a) the proposal to repay the funds is included in both the resolution of intention to establish a community facilities district adopted pursuant to Section 53521 of the Act and in the resolution of formation to establish a community facilities district pursuant to Section 53325.1 of the Act, (b) any proposed special tax is approved by the qualified electors of the community facilities district pursuant to the Act, and (c) any agreement shall specify that if the qualified electors of the community facilities district do not approve the proposed special tax, the local agency shall return any funds which have not been committed for any authorized purpose by the time of the election to the person or entity advancing the funds; and

WHEREAS, the City and BrookCal Ontario LLC (“BrookCal Ontario”) entered into a Deposit and Reimbursement Agreement, dated as of April 1, 2020 (the “Deposit Agreement”), that provides for the advancement of funds by BrookCal Ontario to be used to pay costs incurred in connection with the establishment of the Community Facilities District and the issuance of special tax bonds thereby, and provides for the reimbursement to BrookCal Ontario of such funds advanced, without interest, from the proceeds of any such bonds issued by the Community Facilities District; and

WHEREAS, in accordance with Section 53314.9 of the Act, the City desires to accept such advances and to reimburse BrookCal Ontario therefor, without interest, from the proceeds of special tax bonds issued by the Community Facilities District; and

WHEREAS, the City and BrookCal Ontario previously entered into the Acquisition and Funding Agreement, dated as of May 7, 2019 (the “Acquisition Agreement”) in order to provide a mechanism to fund the costs of certain facilities in connection with the development of certain property by BrookCal Ontario, a portion of which consists of the territory of the proposed Community Facilities District; and

WHEREAS, the proposed Community Facilities District is the “Second Community Facilities District” as such term is defined in the Acquisition Agreement;

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

SECTION 1. The foregoing recitals are true and correct.

SECTION 2. The Community Facilities District is hereby established pursuant to the Act.

SECTION 3. The Community Facilities District is hereby named “City of Ontario Community Facilities District No. 41 (Canvas Park Facilities).”

SECTION 4. The public facilities (the “Facilities”) proposed to be financed by the Community Facilities District pursuant to the Act are described under the caption “Facilities” on Exhibit A hereto, which is by this reference incorporated herein. Those Facilities proposed to be purchased as completed public facilities are described under the caption “Facilities to be Purchased” on Exhibit A hereto. The services (the “Services”) proposed to be financed by the Community Facilities District pursuant to the Act are described under the caption “Services” on Exhibit A hereto. The incidental expenses proposed to be incurred are identified under the caption “Incidental Expenses” on Exhibit A hereto. All or any portion of the Facilities may be financed through a financing plan, including, but not limited to, a lease, lease-purchase or installment-purchase arrangement.

SECTION 5. The proposed special tax to be levied within the Community Facilities District has not been precluded by majority protest pursuant to Section 53324 of the Act.

SECTION 6. Except where funds are otherwise available, a special tax sufficient to pay for all Facilities and Services, secured by recordation of a continuing lien against all nonexempt real property in the Community Facilities District, will be annually levied within the Community Facilities District. The amended and restated rate and method of apportionment of the special tax (the "Rate and Method"), in sufficient detail to allow each landowner within the proposed Community Facilities District to estimate the maximum amount that he or she will have to pay, is described in Exhibit B attached hereto, which is by this reference incorporated herein. The conditions under which the obligation to pay the special tax to pay for Facilities may be prepaid and permanently satisfied are specified in the Rate and Method. The special tax will be collected in the same manner as ordinary *ad valorem* property taxes or in such other manner as the City Council shall determine, including direct billing of the affected property owners.

SECTION 7. The special tax may only finance the Services to the extent that they are in addition to those provided in the territory of the Community Facilities District before the Community Facilities District is created. The Services may not supplant services already available within that territory when the Community Facilities District is created.

SECTION 8. The tax year after which no further special tax to pay for Facilities will be levied against any parcel used for private residential purposes is specified in the Rate and Method. Under no circumstances shall the special tax to pay for Facilities in any fiscal year against any parcel used for private residential purposes be increased as a consequence of delinquency or default by the owner or owners of any other parcel or parcels within the Community Facilities District by more than 10% above the amount that would have been levied in that fiscal year had there never been any such delinquencies or defaults. For purposes of this paragraph, a parcel shall be considered "used for private residential purposes" not later than the date on which an occupancy permit for private residential use is issued.

SECTION 9. Pursuant to Section 53344.1 of the Act, the City Council hereby reserves to itself the right and authority to allow any interested owner of property within the Community Facilities District, subject to the provisions of said Section 53344.1 and to those conditions as it may impose, and any applicable prepayment penalties as prescribed in the bond indenture or comparable instrument or document, to tender to the Community Facilities District treasurer in full payment or part payment of any installment of the special taxes or the interest or penalties thereon which may be due or delinquent, but for which a bill has been received, any bond or other obligation secured thereby, the bond or other obligation to be taken at par and credit to be given for the accrued interest shown thereby computed to the date of tender.

SECTION 10. The name, address and telephone number of the office that will be responsible for preparing annually a current roll of special tax levy obligations by assessor's parcel number and that will be responsible for estimating further special tax levies pursuant to Section 53340.2 of the Act are as follows: Management Analyst, Financial Services, City of Ontario, 303 East B Street, Ontario, California 91764, (909) 395-2341.

SECTION 11. Upon recordation of a notice of special tax lien pursuant to Section 3114.5 of the California Streets and Highways Code, a continuing lien to secure each levy of the special tax shall attach to all nonexempt real property in the Community Facilities District and this lien shall continue in force and effect until the special tax obligation is prepaid and permanently satisfied and the lien canceled in accordance with law or until collection of the tax by the City Council ceases.

SECTION 12. The boundary map of the Community Facilities District has been recorded in San Bernardino County in Book 89 at Page 17 of Maps of Assessments and Community Facilities Districts in the San Bernardino County Recorder's Office (Document No. 2020-0129295).

SECTION 13. The annual appropriations limit, as defined by subdivision (h) of Section 8 of Article XIII B of the California Constitution, of the Community Facilities District is hereby established at \$46,000,000.

SECTION 14. Pursuant to the provisions of the Act, the levy of the special tax and a proposition to establish the appropriations limit specified above shall be subject to the approval of the qualified electors of the Community Facilities District at a special election. The City Council hereby finds and determines that no persons were registered to vote within the territory of the proposed Community Facilities District as of April 23, 2020, and that 12 or more persons have not been registered to vote within the territory of the Community Facilities District for each of the 90 days preceding the close of the public hearing held by the City Council on the establishment of the Community Facilities District. Accordingly, pursuant to Section 53326 of the Act, the vote shall be by the landowners of the Community Facilities District and each person who is the owner of land as of the close of said public hearings, or the authorized representative thereof, shall have one vote for each acre or portion of an acre that he or she owns within the Community Facilities District not exempt from the special tax. The voting procedure shall be by mailed or hand-delivered ballot.

SECTION 15. BrookCal Ontario has heretofore advanced certain funds, and may advance additional funds, which have been or may be used to pay costs incurred in connection with the creation of the Community Facilities District and the issuance of special tax bonds thereby. The City Council has previously approved the acceptance of such funds for the purpose of paying costs incurred in connection with the creation of the Community Facilities District and the issuance of special tax bonds thereby. The City Council proposes to repay all or a portion of such funds expended for such purpose, solely from the proceeds of such bonds, pursuant to the Deposit Agreement. The Deposit Agreement is hereby incorporated herein as though set forth in full herein.

SECTION 16. The City Council hereby finds and determines that all proceedings up to and including the adoption of this Resolution were valid and in conformity with the requirements of the Act. In accordance with Section 53325.1 of the Act, such finding shall be final and conclusive.

SECTION 17. The officers, employees and agents of the City are hereby authorized and directed to take all actions and do all things which they, or any of them, may deem necessary or desirable to accomplish the purposes of this Resolution and not inconsistent with the provisions hereof.

SECTION 18. This Resolution shall take effect immediately upon its adoption.

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

PASSED, APPROVED, AND ADOPTED this 19th day of May 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 Resolution No. 2020- was duly passed and adopted by the City Council of the City of Ontario at their regular meeting held May 19, 2020 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. 2020- duly passed and adopted by the Ontario City Council at their regular meeting held May 19, 2020.

SHEILA MAUTZ, CITY CLERK

(SEAL)

EXHIBIT A

FACILITIES, SERVICES AND INCIDENTAL EXPENSES

Facilities

The types of facilities to be financed by the Community Facilities District are street and bridge improvements, including grading, paving, curbs and gutters, sidewalks, street signalization and signage, street lights and parkway and landscaping related thereto, domestic and recycled water distribution facilities, sewer collection facilities, solid waste facilities, storm drainage facilities, park and recreation facilities and equipment, aquatic facilities and equipment, fire facilities and equipment, police facilities and equipment, library facilities and equipment, fiber optic telecommunication system facilities, general governmental office, administrative and meeting facilities, and land, rights-of-way and easements necessary for any of such facilities.

Facilities to be Purchased

The types of facilities to be purchased as completed facilities are street and bridge improvements, including grading, paving, curbs and gutters, sidewalks, street signalization and signage, street lights and parkway and landscaping related thereto, domestic and recycled water distribution facilities, sewer collection facilities, solid waste facilities, storm drainage facilities, park and recreation facilities and equipment, aquatic facilities and equipment, fire facilities and equipment, police facilities and equipment, library facilities and equipment, fiber optic telecommunication system facilities, general governmental office, administrative and meeting facilities, and land, rights-of-way and easements necessary for any of such facilities.

Services

The types of services to be financed by the Community Facilities District are police protection services, fire protection and suppression services, ambulance and paramedic services, maintenance and lighting of parks, parkways, streets, roads and open space, flood and storm protection services and maintenance and operation of any real property or other tangible property with an estimated useful life of five or more years that is owned by the City.

Incidental Expenses

The incidental expenses proposed to be incurred include the following:

- (a) the cost of planning and designing public facilities to be financed, including the cost of environmental evaluations of those facilities;
- (b) the costs associated with the creation of the Community Facilities District, issuance of bonds, determination of the amount of taxes, collection of taxes, payment of taxes, or costs otherwise incurred in order to carry out the authorized purposes of the Community Facilities District; and
- (c) any other expenses incidental to the construction, completion, and inspection of the authorized work.

EXHIBIT B

**PROPOSED AMENDED AND RESTATED RATE AND METHOD OF
APPORTIONMENT OF SPECIAL TAX**

EXHIBIT B

CITY OF ONTARIO COMMUNITY FACILITIES DISTRICT No. 41 (CANVAS PARK FACILITIES)

AMENDED AND RESTATED RATE AND METHOD OF APPORTIONMENT OF SPECIAL TAX

A Special Tax shall be levied on all Assessor's Parcels in the City of Ontario Community Facilities District No. 41 (Canvas Park Facilities) ("CFD No. 41") and collected each Fiscal Year, commencing in Fiscal Year 2020-21, in an amount determined by the City Council of the City of Ontario through the application of the Rate and Method of Apportionment, as described below. All of the real property in CFD No. 41, unless exempted by law or by the provisions hereof, shall be taxed for the purposes, to the extent, and in the manner herein provided.

A. DEFINITIONS

The terms hereinafter set forth have the following meanings:

"Acre" or "Acreage" means the land area of an Assessor's Parcel as shown on an Assessor's Parcel Map, or if the land area is not shown on an Assessor's Parcel Map, the land area shown on the applicable Final Subdivision Map, parcel map, condominium plan, or other recorded County map.

"Act" means the Mello-Roos Community Facilities Act of 1982, as amended, being Chapter 2.5 of Part 1 of Division 2 of Title 5 of the California Government Code.

"Administrative Expenses" means the following actual or reasonably estimated costs directly related to the administration of CFD No. 41: the costs of computing the Special Taxes and preparing the annual Special Tax collection schedules (whether by the City or CFD No. 41 or both); the costs of collecting the Special Taxes (whether by the County or otherwise); the costs of remitting the Special Taxes to the Trustee; the costs of the Trustee (including its legal counsel) in the discharge of the duties required of it under the Indenture; the costs to the City or CFD No. 41 of complying with arbitrage rebate requirements; the costs to the City or CFD No. 41 of complying with City, CFD No. 41, or obligated persons disclosure requirements associated with applicable federal and state securities laws and of the Act; the costs associated with preparing Special Tax disclosure statements and responding to public inquiries regarding the Special Taxes; the costs of the City or CFD No. 41 related to the analysis and reduction, if any, of the Special Tax on Single Family Property in accordance with Section C.1 herein; the costs of the City or CFD No. 41 related to an appeal of the Special Tax; the costs associated with the release of funds from any escrow account; the City's administration fees and third party expenses; the costs of City staff time and reasonable overhead relating to CFD No. 41; and amounts estimated or advanced by the City or CFD No. 41 for any other

administrative purposes of CFD No. 41, including attorney’s fees and other costs related to commencing and pursuing to completion any foreclosure of delinquent Special Taxes.

“Assessor’s Parcel” means a lot or parcel shown in an Assessor’s Parcel Map with an assigned Assessor’s Parcel Number.

“Assessor’s Parcel Map” means an official map of the Assessor of the County designating parcels by Assessor’s Parcel Number.

“Assessor’s Parcel Number” means, with respect to an Assessor’s Parcel, that number assigned to such Assessor’s Parcel by the County for purposes of identification.

“Assigned Special Tax” means the Special Tax for each Land Use Class of Developed Property, as determined in accordance with Section C.1.a.2 below.

“Backup Special Tax” means the Special Tax for each Land Use Class of Developed Property, as determined in accordance with Section C.1.a.3 below.

“Bonds” means any bonds or other debt (as defined in Section 53317(d) of the Act) issued by CFD No. 41 under the Act and payable from Special Taxes.

“Buildable Lot” means an individual lot, within a Final Subdivision Map or an area expected by CFD No. 41 to become Final Mapped Property, such as the area within a Tentative Tract Map, for which a building permit may be issued without further subdivision of such lot.

“CFD Administrator” means an official of the City responsible for determining the Special Tax Requirement, providing for the levy and collection of the Special Taxes, and performing the other duties provided for herein.

“CFD No. 41” means City of Ontario Community Facilities District No. 41 (Canvas Park Facilities).

“City” means the City of Ontario, California.

“City Council” means the City Council of the City, acting as the legislative body of CFD No. 41.

“Contractual Impositions” means (a) a voluntary contractual assessment established and levied on an Assessor’s Parcel pursuant to Chapter 29 of Part 3 of Division 7 of the California Streets and Highways Code (commencing with Section 5898.10 *et seq.*), as amended from time to time, (b) a special tax established and levied on an Assessor’s Parcel pursuant to Section 53328.1 of the California Government Code and related provisions of the Act, as amended from time to time, and (c) any other fee, charge, tax, or assessment established and levied on an individual Assessor’s Parcel pursuant to a contractual agreement or other voluntary consent by the owner thereof (e.g., property owner association assessments).

“**County**” means the County of San Bernardino.

“**Designated Buildable Lot**” means a Buildable Lot for which a building permit has not been issued by the City as of the date of calculation of the Backup Special Tax.

“**Developed Property**” means for each Fiscal Year, all Taxable Property, exclusive of Final Mapped Property, Taxable Property Owner Association Property, and Taxable Public Property, for which a building permit or other applicable permit for new construction was issued after January 1, 2019, and before May 1 of the prior Fiscal Year.

“**Expected Residential Lot Count**” means 595 Buildable Lots of Single Family Property or, as determined by the CFD Administrator, the number of Buildable Lots of Single Family Property based on the most recent Tentative Tract Map(s) or most recently recorded Final Subdivision Map(s) or modified Final Subdivision Map(s).

“**Facilities**” means the public facilities authorized to be financed, in whole or in part, by CFD No. 41.

“**Final Mapped Property**” means, for each Fiscal Year, all Taxable Property, exclusive of Developed Property, Taxable Property Owner Association Property, and Taxable Public Property, which as of January 1 of the previous Fiscal Year was located within a Final Subdivision Map. The term Final Mapped Property shall include any parcel map or Final Subdivision Map, or portion thereof, that creates individual lots for which a building permit may be issued, including Parcels that are designated as a remainder Parcel (i.e., one where the size, location, etc., precludes any further subdivision or taxable use).

“**Final Subdivision Map**” means a final tract map, parcel map, or lot line adjustment approved by the City pursuant to the Subdivision Map Act (California Government Code Section 66410 et seq.) or a condominium plan recorded pursuant to California Civil Code 1352 that, in either case, creates individual lots for which building permits may be issued without further subdivision.

“**Fiscal Year**” means the period starting July 1 and ending on the following June 30.

“**Indenture**” means the indenture, fiscal agent agreement, resolution, or other instrument pursuant to which Bonds are issued, as modified, amended, and/or supplemented from time to time.

“**Land Use Class**” means any of the classes listed in Table 1 below.

“**Lower Income Household Welfare Exemption Property**” means, for each Fiscal Year, an Assessor’s Parcel within the boundaries of CFD No. 41 that is subject to a welfare exemption under subdivision (g) of Section 214 of the California Revenue and Taxation Code (or any successor statute), as indicated in the most recent County assessor’s roll finalized prior to such Fiscal Year.

“Maximum Special Tax” means, with respect to an Assessor’s Parcel of Taxable Property, the Maximum Special Tax determined in accordance with Section C.1 below that can be levied in any Fiscal Year on such Assessor’s Parcel of Taxable Property.

“Minimum Sale Price” means the minimum price at which Units of a given Land Use Class have sold or are expected to be sold in a normal marketing environment and shall not include prices for such Units that are sold at a discount to expected sales prices for the purpose of stimulating the initial sales activity with respect to such Land Use Class.

“Non-Residential Property” means all Assessor’s Parcels of Developed Property for which a building permit was issued by the City permitting the construction of one or more non-residential structures or facilities.

“Other Residential Property” means all Assessor’s Parcels of Developed Property for which a building permit was issued by the City for purposes of constructing Units, excluding Single Family Attached Property, Single Family Attached Three Story Property, and Single Family Detached Property.

“Outstanding Bonds” means all Bonds which are outstanding under and in accordance with the provisions of the Indenture.

“Price Point Consultant” means any consultant or firm of such consultants selected by CFD No. 41 that (a) has substantial experience in performing price point studies for residential units within community facilities districts established under the Act or otherwise estimating or confirming pricing for residential units in such community facilities districts, (b) has recognized expertise in analyzing economic and real estate data that relates to the pricing of residential units in such community facilities districts, (c) is in fact independent and not under the control of CFD No. 41 or the City, (d) does not have any substantial interest, direct or indirect, with or in (i) CFD No. 41, (ii) the City, (iii) any owner of real property in CFD No. 41, or (iv) any real property in CFD No. 41, and (e) is not connected with CFD No. 41 or the City as an officer or employee thereof, but who may be regularly retained to make reports to CFD No. 41 or the City.

“Price Point Study” means a price point study or a letter updating a previous price point study prepared by the Price Point Consultant pursuant to Section C herein.

“Property Owner Association Property” means, for each Fiscal Year, any property within the boundaries of CFD No. 41 that was owned by a property owner association, including any master or sub-association, as of January 1 of the prior Fiscal Year.

“Proportionately” means (a) for Developed Property in the first step of Section D below, that the ratio of the actual Special Tax levy to the Maximum Special Tax is equal for all Assessor’s Parcels of Developed Property; however, for Developed Property in the fourth step of Section D below, Proportionately means that the amount of the increase above the Assigned Special Tax, if necessary, is equal for all Assessor’s Parcels of Developed Property, except that if the Backup Special Tax limits the increase on any Assessor’s Parcel(s), then the amount of the increase shall be equal for the remaining Assessor’s Parcels; (b) for Final Mapped Property, that the ratio of the actual Special Tax

levy to the Maximum Special Tax is equal for all Assessor's Parcels of Final Mapped Property; (c) for Undeveloped Property, that the ratio of the actual Special Tax levy to the Maximum Special Tax is equal for all Assessor's Parcels of Undeveloped Property; (d) for Taxable Property Owner Association Property, that the ratio of the actual Special Tax levy to the Maximum Special Tax is equal for all Assessor's Parcels of Taxable Property Owner Association Property; and (e) for Taxable Public Property, that the ratio of the actual Special Tax levy to the Maximum Special Tax is equal for all Assessor's Parcels of Taxable Public Property.

“Public Property” means, for each Fiscal Year, property within the boundaries of CFD No. 41 that is (a) owned by, irrevocably offered to, or dedicated to the federal government, the State, the County, the City, or any local government or other public agency or (b) encumbered by an easement for purposes of public or utility right-of-way that makes impractical its use for any purpose other than that set forth in such easement, provided that any property leased by a public agency to a private entity and subject to taxation under Section 53340.1 of the Act shall be taxed and classified according to its use.

“Rate and Method of Apportionment” means this Amended and Restated Rate and Method of Apportionment of Special Tax.

“Residential Floor Area” means all of the Square Footage of living area within the perimeter of a Unit, not including any carport, walkway, garage, overhang, patio, enclosed patio, or similar area. The determination of Residential Floor Area shall be as set forth in the building permit(s) issued for such Assessor's Parcel, or as set forth in other official records maintained by the City's Building Department or other appropriate means selected by CFD No. 41. The actual Square Footage shall be rounded up to the next whole square foot. Once such determination has been made for an Assessor's Parcel, it shall remain fixed in all future Fiscal Years unless an appeal pursuant to Section F below is approved that results in a change in the actual Square Footage.

“Services” means the services authorized to be financed, in whole or in part, by CFD No. 41.

“Single Family Attached Property” means all Assessor's Parcels of Developed Property for which a building permit or use permit was issued for construction of a residential structure consisting of two or more Units that share common walls, have separate Assessor's Parcel Numbers assigned to them (except for a duplex unit, which may share an Assessor's Parcel with another duplex unit), may be purchased by individual homebuyers (which shall still be the case even if the Units are purchased and subsequently offered for rent by the owner of the Unit), including such residential structures that meet the statutory definition of a condominium contained in Civil Code Section 1351, and is not Single Family Attached Three Story Property.

“Single Family Attached Three Story Property” means all Assessor's Parcels of Developed Property for which a building permit or use permit was issued for construction of a residential structure consisting of two or more Units that share common walls, have separate Assessor's Parcel Numbers assigned to them (except for a duplex unit, which

may share an Assessor's Parcel with another duplex unit), may be purchased by individual homebuyers (which shall still be the case even if the Units are purchased and subsequently offered for rent by the owner of the Unit), including such residential structures that meet the statutory definition of a condominium contained in Civil Code Section 1351, contains three or more floors of living area at the time the Unit is constructed, and is located within TTM 20081.

"Single Family Detached Property" means all Assessor's Parcels of Developed Property for which a building permit was issued for construction of a Unit, on one legal lot, that does not share a common wall with another Unit.

"Single Family Property" means all Assessor's Parcels of Single Family Attached Property, Single Family Attached Three Story Property, and Single Family Detached Property.

"Special Tax" means the special tax authorized by the qualified electors of CFD No. 41 to be levied within the boundaries of CFD No. 41.

"Special Tax Requirement" means for any Fiscal Year that amount required, after taking into account available amounts held in the funds and accounts established under the Indenture, for CFD No. 41 to: (i) pay debt service on all Outstanding Bonds which is due in the calendar year that commences in such Fiscal Year; (ii) pay periodic costs on the Bonds, including, but not limited to, credit enhancement and rebate payments on the Bonds; (iii) pay Administrative Expenses; (iv) provide any amounts required to establish or replenish any reserve fund for the Bonds; (v) pay directly for acquisition or construction of Facilities, or the cost of Services, to the extent that the inclusion of such amounts does not increase the Special Tax levy on Final Mapped Property or Undeveloped Property; (vi) without duplicating any amounts described in clause (iv), above, provide an amount equal to reasonably anticipated Special Tax delinquencies based on the delinquency rate for the Special Tax in the previous Fiscal Year as determined by the CFD Administrator, as limited by the Act.

"Square Footage" or **"Sq. Ft."** means the floor area square footage reflected on the original construction building permit, or as set forth in other official records maintained by the City's Building Department or other appropriate means selected by CFD No. 41, issued for construction of Single Family Property, Other Residential Property, or Non-Residential Property, plus any square footage subsequently added to a building of Non-Residential Property after issuance of a building permit for expansion or renovation of such building.

"State" means the State of California.

"Taxable Property" means, for each Fiscal Year, all of the Assessor's Parcels within the boundaries of CFD No. 41 that are not exempt from the Special Tax pursuant to law or Section E below.

“Taxable Property Owner Association Property” means, for each Fiscal Year, all Assessor’s Parcels of Property Owner Association Property that are not exempt from the Special Tax pursuant to Section E below.

“Taxable Public Property” means, for each Fiscal Year, all Assessor’s Parcels of Public Property that are not exempt from the Special Tax pursuant to law or Section E below.

“Tentative Tract Map” means a map: (i) showing a proposed subdivision of an Assessor’s Parcel(s) and the conditions pertaining thereto; (ii) that may or may not be based on a detailed survey; and (iii) that is not recorded by the County to create legal lots.

“Total Tax Burden” means, for a Unit within a Land Use Class, for the Fiscal Year in which Total Tax Burden is being calculated, the sum of (a) the Assigned Special Tax for such Land Use Class for such Fiscal Year, plus (b) the *ad valorem* property taxes, special assessments, special taxes for any overlapping community facilities districts, and any other governmental fees, charges (other than fees or charges for services such as sewer and trash), taxes, and assessments (which do not include Contractual Impositions) collected by the County on *ad valorem* tax bills and that the CFD Administrator estimates would be levied or imposed on such Unit in such Fiscal Year if the residential dwelling unit thereon or therein had been completed and sold, and was subject to such fees, charges, taxes, and assessments in such Fiscal Year.

“Trustee” means the trustee or fiscal agent under the Indenture.

“TTM 20081” means Tentative Tract Map No. 20081, the area of which is located within CFD No. 41.

“Undeveloped Property” means, for each Fiscal Year, all Taxable Property not classified as Developed Property, Final Mapped Property, Taxable Public Property, or Taxable Property Owner Association Property.

“Unit” means an individual single-family detached or attached home, townhome, condominium, apartment, or other residential dwelling unit, including each separate living area within a half-plex, duplex, triplex, fourplex, or other residential structure.

B. ASSIGNMENT TO LAND USE CATEGORIES

Each Fiscal Year, beginning with Fiscal Year 2020-21, all Taxable Property within CFD No. 41 shall be classified as Developed Property, Final Mapped Property, Taxable Public Property, Taxable Property Owner Association Property, or Undeveloped Property and shall be subject to Special Taxes in accordance with the Rate and Method of Apportionment as determined pursuant to Sections C and D below. Assessor’s Parcels of Single Family Detached Property shall be assigned to Land Use Classes 1 through 5, and Assessor’s Parcels of Single Family Attached Property and Single Family Attached Three Story Property shall be assigned to Land Use Classes 6 through 20, as listed in Table 1 below based on the Residential Floor Area of the Units on such Assessor’s Parcels. Other Residential Property shall be assigned to Land Use Class 21, and Non-Residential Property shall be assigned to Land Use Class 22.

C. MAXIMUM SPECIAL TAX

1. Special Tax

At least 30 days prior to the issuance of Bonds, the Assigned Special Tax on Developed Property (set forth in Table 1 below) shall be analyzed in accordance with and subject to the conditions set forth in this Section C. At such time, CFD No. 41 shall select and engage a Price Point Consultant and the CFD Administrator shall request the Price Point Consultant to prepare a Price Point Study setting forth the Minimum Sale Price of Units within each Land Use Class. If based upon such Price Point Study the CFD Administrator calculates that the Total Tax Burden applicable to Units within one or more Land Use Classes of Single Family Property to be constructed within CFD No. 41 exceeds 1.95% of the Minimum Sale Price of such Units, the Assigned Special Tax shall be reduced to the extent necessary to cause the Total Tax Burden that shall apply to Units within such Land Use Class(es) not to exceed 1.95% of the Minimum Sale Price of such Units.

Each Assigned Special Tax reduction for a Land Use Class shall be calculated by the CFD Administrator separately, and it shall not be required that such reduction be proportionate among Land Use Classes. In connection with any reduction in the Assigned Special Tax, the Backup Special Tax shall also be reduced by the CFD Administrator based on the percentage reduction in Maximum Special Tax revenues within the Tentative Tract Map area(s) where the Assigned Special Tax reductions occurred. Upon determining the reductions, if any, in the Assigned Special Tax and Backup Special Tax required pursuant to this Section C, the CFD Administrator shall complete the Certificate of Modification of Special Tax substantially in the form attached hereto as Exhibit A (the “Certificate of Modification”), shall execute such completed Certificate of Modification, and shall deliver such executed Certificate of Modification to CFD No. 41. Upon receipt thereof, if in satisfactory form, CFD No. 41 shall execute such Certificate of Modification. The reduced Assigned Special Tax and Backup Special Tax specified in such Certificate of Modification shall become effective upon the execution of such Certificate of Modification by CFD No. 41.

The Special Tax reductions required pursuant to this section shall be reflected in an amended notice of Special Tax lien, which CFD No. 41 shall cause to be recorded with the County Recorder as soon as practicable after execution of the Certificate of Modification by CFD No. 41. The reductions in this section apply to Single Family Property, but not to Other Residential Property or Non-Residential Property.

a. Developed Property

1) *Maximum Special Tax*

The Maximum Special Tax that may be levied in any Fiscal Year for each Assessor's Parcel classified as Developed Property shall be the greater of (i) the amount derived by application of the Assigned Special Tax or (ii) the amount derived by application of the Backup Special Tax. The Maximum Special Tax shall not increase in future years, other than as calculated pursuant to Section C.1.a.3 below.

2) *Assigned Special Tax*

The Assigned Special Tax that may be levied in any Fiscal Year for each Land Use Class is shown below in Table 1.

TABLE 1
ASSIGNED SPECIAL TAX – DEVELOPED PROPERTY

Land Use Class	Description	Residential Floor Area (Square Footage)	Assigned Special Tax
1	Single Family Detached	< 1,801	\$2,293 per Unit
2	Single Family Detached	1,801 – 2,000	\$2,378 per Unit
3	Single Family Detached	2,001 – 2,200	\$2,491 per Unit
4	Single Family Detached	2,201 – 2,400	\$2,612 per Unit
5	Single Family Detached	> 2,400	\$2,653 per Unit
6	Single Family Attached	< 901	\$1,075 per Unit
7	Single Family Attached	901 – 1,100	\$1,140 per Unit
8	Single Family Attached	1,101 – 1,300	\$1,400 per Unit
9	Single Family Attached	1,301 – 1,500	\$1,632 per Unit
10	Single Family Attached	1,501 – 1,700	\$1,759 per Unit
11	Single Family Attached	1,701 – 1,900	\$1,923 per Unit
12	Single Family Attached	> 1,900	\$2,066 per Unit
13	Single Family Attached Three Story	< 751	\$711 per Unit
14	Single Family Attached Three Story	751 – 900	\$833 per Unit
15	Single Family Attached Three Story	901 – 1,050	\$1,040 per Unit
16	Single Family Attached Three Story	1,051 – 1,200	\$1,127 per Unit
17	Single Family Attached Three Story	1,201 – 1,400	\$1,251 per Unit
18	Single Family Attached Three Story	1,401 – 1,600	\$1,503 per Unit
19	Single Family Attached Three Story	1,601 – 1,800	\$1,615 per Unit
20	Single Family Attached Three Story	> 1,800	\$1,717 per Unit
21	Other Residential Property		\$43,199 per Acre
22	Non-Residential Property		\$43,199 per Acre

3) *Backup Special Tax*

The Backup Special Tax shall be \$2,492 per Unit for Single Family Detached Property and \$1,547 per Unit for Single Family Attached Property and Single Family Attached Three Story Property. However, if the Expected Residential Lot Count does not equal 61 for Single Family Detached Property or 534 for Single Family Attached Property and Single Family Attached Three Story Property, and the City has not issued Bonds, then the Backup Special Tax for Designated Buildable Lots of Single Family Property shall be calculated separately for Single Family Detached Property or Single Family Attached Property and Single Family Attached Three Story Property according to the following formula:

$$\text{Backup Special Tax} = \$151,998 \div \text{Expected Residential Lot Count for Single Family Detached Property}$$

or $\$826,202 \div \text{Expected Residential Lot Count for Single Family Attached Property and Single Family Attached Three Story Property}$

If any portion of a Final Subdivision Map, or any area expected by CFD No. 41 to become Final Mapped Property, such as the area within TTM 20081 or any other Tentative Tract Map, changes any time after the City has issued Bonds, causing an adjustment to the number of Designated Buildable Lots, then the Backup Special Tax for all Designated Buildable Lots of Single Family Detached Property or Single Family Attached Property and Single Family Attached Three Story Property subject to the change shall be calculated according to the following steps:

Step 1: Determine the total Backup Special Taxes that could have been collected from Designated Buildable Lots, separately for Single Family Detached Property or Single Family Attached Property and Single Family Attached Three Story Property, prior to the Final Subdivision Map or expected Final Mapped Property change.

Step 2: Divide the amount(s) determined in Step 1 by the number of Designated Buildable Lots, separately for Single Family Detached Property or Single Family Attached Property and Single Family Attached Three Story Property, that exists after the

Final Subdivision Map or expected Final Mapped Property change.

Step 3: Apply the amount(s) determined in Step 2 as the Backup Special Tax per Unit for Single Family Detached Property or Single Family Attached Property and Single Family Attached Three Story Property.

The Backup Special Tax for an Assessor's Parcel shall not change once an Assessor's Parcel is classified as Developed Property.

b. Final Mapped Property, Taxable Public Property, Taxable Property Owner Association Property, and Undeveloped Property

The Maximum Special Tax for Final Mapped Property, Taxable Public Property, Taxable Property Owner Association Property, and Undeveloped Property shall be \$43,199 per Acre, and shall not be subject to increase or reduction and, therefore, shall remain the same in every Fiscal Year.

2. Multiple Land Use Classes on an Assessor's Parcel

In some instances an Assessor's Parcel of Developed Property may contain more than one Land Use Class. The Maximum Special Tax levied on such Assessor's Parcel shall be the sum of the Maximum Special Tax for all Units of Single Family Property and Acres of Other Residential Property and Non-Residential Property (based on the pro rata share of Square Footage between Other Residential Property and Non-Residential Property, according to the applicable building permits, Final Subdivision Map, parcel map, condominium plan, or other recorded County map) located on that Assessor's Parcel.

D. METHOD OF APPORTIONMENT OF THE SPECIAL TAX

Each Fiscal Year, beginning with Fiscal Year 2020-21, the CFD Administrator shall determine the Special Tax Requirement for such Fiscal Year. The Special Tax shall then be levied as follows:

First: If needed to satisfy the Special Tax Requirement, the Special Tax shall be levied Proportionately on each Assessor's Parcel of Developed Property up to 100% of the applicable Assigned Special Tax;

Second: If additional monies are needed to satisfy the Special Tax Requirement after the first step has been completed, then the Special Tax shall be levied Proportionately on each Assessor's Parcel of Final Mapped Property up to 100% of the Maximum Special Tax for Final Mapped Property;

Third: If additional monies are needed to satisfy the Special Tax Requirement after the first two steps have been completed, then the Special Tax shall be levied Proportionately on each Assessor's Parcel of Undeveloped Property up to 100% of the Maximum Special Tax for Undeveloped Property;

Fourth: If additional monies are needed to satisfy the Special Tax Requirement after the first three steps have been completed, then the levy of the Special Tax on each Assessor's Parcel of Developed Property whose Maximum Special Tax is determined through the application of the Backup Special Tax shall be increased Proportionately from the Assigned Special Tax up to the Maximum Special Tax for each such Assessor's Parcel;

Fifth: If additional monies are needed to satisfy the Special Tax Requirement after the first four steps have been completed, then the Special Tax shall be levied Proportionately on each Assessor's Parcel of Taxable Property Owner Association Property up to the Maximum Special Tax for Taxable Property Owner Association Property; and

Sixth: If additional monies are needed to satisfy the Special Tax Requirement after the first five steps have been completed, then the Special Tax shall be levied Proportionately on each Assessor's Parcel of Taxable Public Property up to the Maximum Special Tax for Taxable Public Property.

Notwithstanding the above, under no circumstances shall the Special Tax levied in any Fiscal Year on any Assessor's Parcel of Single Family Property or Other Residential Property for which an occupancy permit for private residential use has been issued be increased as a result of delinquency or default by the owner or owners of any other Assessor's Parcel or Assessor's Parcels within CFD No. 41 by more than ten percent above the amount that would have been levied in that Fiscal Year had there never been any such delinquencies or defaults.

E. EXEMPTIONS

No Special Tax shall be levied on up to 7.25 Acres of Public Property and up to 12.57 Acres of Property Owner Association Property. Tax-exempt status will be assigned by the CFD Administrator in the chronological order in which property becomes Public Property or Property Owner Association Property.

Property Owner Association Property or Public Property that is not exempt from the Special Tax under this section shall be subject to the levy of the Special Tax and shall be taxed Proportionately as part of the fifth or sixth step, respectively, in Section D above, up to 100% of the applicable Maximum Special Tax for Taxable Property Owner Association Property and Taxable Public Property. No Special Tax shall be levied in any Fiscal Year on Assessor's Parcels that have fully prepaid the Special Tax obligation pursuant to the formula set forth in Section H.

No Special Tax shall be levied on Lower Income Household Welfare Exemption Property; provided, however, that if, in any Fiscal Year, applicable law does not require that Lower Income Household Welfare Exemption Property be exempt from some portion, or all, of the Special Tax, such portion, or all, of the Special Tax shall be levied

on such property in accordance with this Rate and Method of Apportionment based on the Land Use Class to which the Assessor's Parcel is assigned.

F. APPEALS

Any property owner may file a written appeal of the Special Tax with CFD No. 41 claiming that the amount or application of the Special Tax is not correct. The appeal must be filed not later than one calendar year after having paid the Special Tax that is disputed, and the appellant must be current in all payments of Special Taxes. In addition, during the term of the appeal process, all Special Taxes levied must be paid on or before the payment date established when the levy was made.

The appeal must specify the reasons why the appellant claims the Special Tax is in error. The CFD Administrator shall review the appeal, meet with the appellant if the CFD Administrator deems necessary, and advise the appellant of its determination.

If the property owner disagrees with the CFD Administrator's decision relative to the appeal, the owner may then file a written appeal with the City Council whose subsequent decision shall be final and binding on all interested parties. If the decision of the CFD Administrator or subsequent decision by the City Council requires the Special Tax to be modified or changed in favor of the property owner, then the CFD Administrator shall determine if sufficient Special Tax revenue is available to make a cash refund. If a cash refund cannot be made, then an adjustment shall be made to credit future Special Tax levy(ies).

This procedure shall be exclusive and its exhaustion by any property owner shall be a condition precedent to filing any legal action by such owner.

G. MANNER OF COLLECTION

The Special Tax shall be collected in the same manner and at the same time as ordinary *ad valorem* property taxes; provided, however, that the Special Taxes may be collected in such other manner as the City Council shall determine, including direct billing of affected property owners.

H. PREPAYMENT OF SPECIAL TAX

The following definitions apply to this Section H:

"CFD Public Facilities" means \$12,929,000 for each Prepayment Period, or such lower number as determined by the City Council to be sufficient to fund the Facilities and Services to be provided by CFD No. 41.

"Expenditures Fund" means funds or accounts, regardless of their names, that are established to hold moneys that are available to acquire or construct Facilities and to fund Services.

“Future Facilities Costs” means the CFD Public Facilities minus (i) Facilities and Services costs previously paid from the Expenditures Fund during the Prepayment Period in which the prepayment is being made, (ii) moneys currently on deposit in the Expenditures Fund from deposits made during the Prepayment Period in which the prepayment is being made, and (iii) moneys currently on deposit in an escrow fund that are expected to be available to finance Facilities costs. In no event shall the amount of Future Facilities Costs be less than zero.

“Prepayment Period” means one of three periods of time during which a Special Tax prepayment may be made.

“Prepayment Period 1” means July 1, 2020, through June 30, 2054.

“Prepayment Period 2” means July 1, 2054, through June 30, 2087.

“Prepayment Period 3” means July 1, 2087, through June 30, 2121.

1. Prepayment in Full

The obligation of an Assessor's Parcel to pay the Special Tax may be prepaid as described herein, provided that a prepayment may be made only for Assessor's Parcels for which a building permit for new construction was issued after January 1, 2019, and only if there are no delinquent Special Taxes with respect to such Assessor's Parcel at the time of prepayment. An owner of an Assessor's Parcel intending to prepay the Special Tax obligation shall provide the CFD Administrator with written notice of intent to prepay. Within 30 days of receipt of such written notice, the CFD Administrator shall notify such owner of the prepayment amount for such Assessor's Parcel. The CFD Administrator may charge a fee for providing this service. Prepayment in any six month period must be made not less than 45 days prior to the next occurring date that notice of redemption of Bonds from the proceeds of such prepayment may be given to the Trustee pursuant to the Indenture.

The Special Tax Prepayment Amount (defined below) shall be calculated as summarized below (capitalized terms as defined below):

	Bond Redemption Amount
plus	Redemption Premium
plus	Future Facilities Amount
plus	Defeasance Amount
plus	Administrative Fees and Expenses
less	<u>Reserve Fund Credit</u>
Total	Prepayment Amount

As of the proposed date of prepayment, the Special Tax Prepayment Amount (defined below) shall be calculated by the CFD Administrator as follows:

Paragraph No.

1. Confirm that no Special Tax delinquencies apply to such Assessor's Parcel, and determine the Prepayment Period for the proposed prepayment.
2. Compute the Assigned Special Tax and Backup Special Tax for the Assessor's Parcel to be prepaid based on the Developed Property Special Tax which is, or could be, charged in the current Fiscal Year. For Assessor's Parcels of Final Mapped Property (for which a building permit has been issued but which is not yet classified as Developed Property) to be prepaid, compute the Assigned Special Tax and Backup Special Tax for that Assessor's Parcel as though it was already designated as Developed Property, based upon the building permit which has already been issued for that Assessor's Parcel.
3. (a) Divide the Assigned Special Tax computed pursuant to Paragraph 2 by the total estimated Assigned Special Tax for CFD No. 41 based on the Developed Property Special Tax which could be charged in the current Fiscal Year on all expected development through buildout of CFD No. 41, excluding any Assessor's Parcels which have been prepaid, and

(b) Divide the Backup Special Tax computed pursuant to Paragraph 2 by the estimated total Backup Special Tax at buildout of CFD No. 41, excluding any Assessor's Parcels which have been prepaid.
4. Multiply the larger quotient computed pursuant to Paragraph 3(a) or 3(b) by the Outstanding Bonds to compute the amount of Outstanding Bonds to be retired and prepaid (the "Bond Redemption Amount").
5. Multiply the Bond Redemption Amount computed pursuant to Paragraph 4 by the applicable redemption premium (e.g., the redemption price minus 100%), if any, on the Outstanding Bonds to be redeemed (the "Redemption Premium").
6. Compute the Future Facilities Costs for the applicable Prepayment Period.
7. Multiply the larger quotient computed pursuant to Paragraph 3(a) or 3(b) by the amount determined pursuant to Paragraph 6 to compute the amount of Future Facilities Costs to be prepaid (the "Future Facilities Amount").
8. Compute the amount needed to pay interest on the Bond Redemption Amount from the first bond interest and/or principal payment date following the current Fiscal Year until the earliest redemption date for the Outstanding Bonds.
9. Determine the Special Tax levied on the Assessor's Parcel in the current Fiscal Year which has not yet been paid.
10. Add the amounts computed pursuant to Paragraphs 8 and 9 to determine the "Defeasance Amount".

11. Verify the administrative fees and expenses of CFD No. 41, including the costs to compute the prepayment, the costs to invest the prepayment proceeds, the costs to redeem Bonds, and the costs to record any notices to evidence the prepayment and the redemption (the “Administrative Fees and Expenses”).
12. If reserve funds for the Outstanding Bonds, if any, are at or above 100% of the reserve requirement (as defined in the Indenture) on the prepayment date, a reserve fund credit shall be calculated as a reduction in the applicable reserve fund for the Outstanding Bonds to be redeemed pursuant to the prepayment (the “Reserve Fund Credit”). No Reserve Fund Credit shall be granted if reserve funds are below 100% of the reserve requirement on the prepayment date or the redemption date.
13. The Special Tax prepayment is equal to the sum of the amounts computed pursuant to Paragraphs 4, 5, 7, 10, and 11, less the amount computed pursuant to Paragraph 12 (the “Prepayment Amount”).
14. From the Prepayment Amount, the amounts computed pursuant to Paragraphs 4, 5, 10, and 12 shall be deposited into the appropriate fund as established under the Indenture and be used to retire Outstanding Bonds or make debt service payments. The amount computed pursuant to Paragraph 7 shall be deposited into the Expenditures Fund. The amount computed pursuant to Paragraph 11 shall be retained by CFD No. 41.

The Special Tax Prepayment Amount may be sufficient to redeem other than a \$5,000 increment of Bonds. In such cases, the increment above \$5,000, or integral multiple thereof, will be retained in the appropriate fund established under the Indenture to be used with the next prepayment of Bonds or to make debt service payments.

As a result of the payment of the current Fiscal Year’s Special Tax levy as determined under Paragraph 9 (above), the CFD Administrator shall remove the current Fiscal Year’s Special Tax levy for such Assessor’s Parcel from the County tax rolls. With respect to any Assessor's Parcel that is prepaid during Prepayment Period 3, the CFD Administrator shall cause a suitable notice to be recorded in compliance with the Act to indicate that the Special Tax has been prepaid and that the obligation of such Assessor's Parcel to pay the Special Tax shall cease.

With respect to the Special Tax for any Assessor’s Parcel that is prepaid during Prepayment Period 1 or Prepayment Period 2, the obligation of such Assessor’s Parcel to pay the Special Tax shall be tolled, or suspended, through the end of such Prepayment Period, but shall resume in the first Fiscal Year of the subsequent Prepayment Period. The CFD Administrator shall cause a suitable notice to be recorded in compliance with the Act to indicate that the Special Tax has been satisfied for the remainder of the applicable Prepayment Period but has not been permanently satisfied and the obligation to pay the Special Tax will resume in the first Fiscal Year of the Prepayment Period following the Prepayment Period in which the prepayment was made. Once the

obligation of an Assessor's Parcel to pay the Special Tax resumes, the Special Tax for the then applicable Prepayment Period may be prepaid.

Notwithstanding the foregoing, no Special Tax prepayment shall be allowed unless the amount of Maximum Special Tax that may be levied on Taxable Property within CFD No. 41 (after excluding 7.25 Acres of Public Property and 12.57 acres of Property Owner Association Property) both prior to and after the proposed prepayment is at least 1.1 times the maximum annual debt service on all Outstanding Bonds.

2. Prepayment in Part

The Special Tax on an Assessor's Parcel for which a building permit for new construction was issued after January 1, 2019, may be partially prepaid. The amount of the prepayment shall be calculated as in Section H.1, except that a partial prepayment shall be calculated by the CFD Administrator according to the following formula:

$$PP = (PF - AE) \times \% + AE.$$

The terms above have the following meaning:

PP = the partial prepayment

PF = the Prepayment Amount (full prepayment) for the Special Tax calculated according to Section H.1

AE = the Administrative Fees and Expenses determined pursuant to paragraph 11 above

% = the percentage by which the owner of the Assessor's Parcel(s) is partially prepaying the Special Tax

The Special Tax partial prepayment amount must be sufficient to redeem at least a \$5,000 increment of Bonds.

The owner of any Assessor's Parcel who desires such prepayment shall notify the CFD Administrator of such owner's intent to partially prepay the Special Tax and the percentage by which the Special Tax shall be prepaid. The CFD Administrator shall provide the owner with a statement of the amount required for the partial prepayment of the Special Tax for an Assessor's Parcel within thirty (30) days of the request and may charge a fee for providing this service. With respect to any Assessor's Parcel that is partially prepaid, the CFD Administrator shall (i) distribute the remitted prepayment funds according to Section H.1, and (ii) indicate in the records of CFD No. 41 that there has been a partial prepayment of the Special Tax and that a portion of the Special Tax with respect to such Assessor's Parcel, equal to the outstanding percentage (100% - "%", as defined above) of the Maximum Special Tax, shall continue to be levied on such Assessor's Parcel pursuant to Section D during the Prepayment Period in which the partial prepayment is made.

For partial prepayments made during Prepayment Period 1 or Prepayment Period 2, the full amount of the Special Tax shall resume in the first Fiscal Year of the Prepayment Period following the Prepayment Period in which the partial prepayment was made.

Once the obligation of an Assessor's Parcel to pay the Special Tax resumes, the Special Tax for the then applicable Prepayment Period may be prepaid.

I. TERM OF SPECIAL TAX

The Fiscal Year after which no further Special Tax shall be levied or collected is Fiscal Year 2120-2121, except that the Special Tax that was lawfully levied in or before such Fiscal Year and that remains delinquent may be collected in subsequent years.

EXHIBIT A

**CERTIFICATE OF MODIFICATION OF SPECIAL TAX
(PAGE 1 OF 3)**

CFD No. 41 CERTIFICATE

1. Pursuant to Section C.1 of the Rate and Method of Apportionment of Special Tax (the “Rate and Method”) for City of Ontario Community Facilities District No. 41 (Canvas Park Facilities) (“CFD No. 41”), the Assigned Special Tax and the Backup Special Tax for Developed Property within CFD No. 41 has been modified.
 - a. The information in Table 1 relating to the Assigned Special Tax for Developed Property within CFD No. 41, as stated in Section C.1.a.2 of the Rate and Method of Apportionment, has been modified as follows:

**TABLE 1
ASSIGNED SPECIAL TAX – DEVELOPED PROPERTY**

Land Use Class	Description	Residential Floor Area (Square Footage)	Assigned Special Tax
1	Single Family Detached	< 1,801	[\$] per Unit
2	Single Family Detached	1,801 – 2,000	[\$] per Unit
3	Single Family Detached	2,001 – 2,200	[\$] per Unit
4	Single Family Detached	2,201 – 2,400	[\$] per Unit
5	Single Family Detached	> 2,400	[\$] per Unit
6	Single Family Attached	< 901	[\$] per Unit
7	Single Family Attached	901 – 1,100	[\$] per Unit
8	Single Family Attached	1,101 – 1,300	[\$] per Unit
9	Single Family Attached	1,301 – 1,500	[\$] per Unit
10	Single Family Attached	1,501 – 1,700	[\$] per Unit
11	Single Family Attached	1,701 – 1,900	[\$] per Unit
12	Single Family Attached	> 1,900	[\$] per Unit

EXHIBIT A

**CERTIFICATE OF MODIFICATION OF SPECIAL TAX
(PAGE 2 OF 3)**

13	Single Family Attached Three Story	< 751	\$[] per Unit
14	Single Family Attached Three Story	751 – 900	\$[] per Unit
15	Single Family Attached Three Story	901 – 1,050	\$[] per Unit
16	Single Family Attached Three Story	1,051 – 1,200	\$[] per Unit
17	Single Family Attached Three Story	1,201 – 1,400	\$[] per Unit
18	Single Family Attached Three Story	1,401 – 1,600	\$[] per Unit
19	Single Family Attached Three Story	1,601 – 1,800	\$[] per Unit
20	Single Family Attached Three Story	> 1,800	\$[] per Unit
21	Other Residential Property		\$[] per Acre
22	Non-Residential Property		\$[] per Acre

- b. The Backup Special Tax for Developed Property, as stated in Section C.1.a.3, shall be modified as follows:

The Backup Special Tax shall be \$[_____] per Unit for Single Family Detached Property and \$[_____] per Unit for Single Family Attached Property and Single Family Attached Three Story Property. However, if the Expected Residential Lot Count does not equal 61 for Single Family Detached Property or 534 for Single Family Attached Property and Single Family Attached Three Story Property, and the City has not issued Bonds, then the Backup Special Tax for Designated Buildable Lots of Single Family Property shall be calculated separately for Single Family Detached Property or Single Family Attached Property and Single Family Attached Three Story Property according to the following formula:

$$\text{Backup Special Tax} = \frac{\$[\text{_____}]}{\text{Expected Residential Lot Count for Single Family Detached Property}}$$

or
$$\frac{\$[\text{_____}]}{\text{Expected Residential Lot Count for Single Family Attached Property and Single Family Attached Three Story Property}}$$

EXHIBIT A

**CERTIFICATE OF MODIFICATION OF SPECIAL TAX
(PAGE 3 OF 3)**

2. The Special Tax for Developed Property may only be modified prior to the first issuance of CFD No. 41 Bonds.
3. Upon execution of this certificate by CFD No. 41, CFD No. 41 shall cause an amended notice of Special Tax lien for CFD No. 41 to be recorded reflecting the modifications set forth herein.

Capitalized undefined terms used herein have the meanings ascribed thereto in the Rate and Method. The modifications set forth in this Certificate have been calculated by the CFD Administrator in accordance with the Rate and Method.

GOODWIN CONSULTING GROUP, INC.
CFD ADMINISTRATOR

By: _____

Date: _____

The undersigned acknowledges receipt of this Certificate and of the modification of the Assigned Special Tax and the Backup Special Tax for Developed Property as set forth in this Certificate.

CITY OF ONTARIO
COMMUNITY FACILITIES DISTRICT NO. 41
(CANVAS PARK FACILITIES)

By: _____

Date: _____

RESOLUTION NO. _____

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF ONTARIO, CALIFORNIA, DEEMING IT NECESSARY TO INCUR BONDED INDEBTEDNESS WITHIN THE CITY OF ONTARIO COMMUNITY FACILITIES DISTRICT NO. 41 (CANVAS PARK FACILITIES).

WHEREAS, on April 7, 2020, the City Council (the "City Council") of the City of Ontario (the "City"), pursuant to the Mello-Roos Community Facilities Act of 1982 (the "Act"), adopted a resolution entitled "A Resolution of the City Council of the City of Ontario, California, of Intention to Establish a Community Facilities District, Proposed to be Named City of Ontario Community Facilities District No. 41 (Canvas Park Facilities), and to Authorize the Levy of Special Taxes" stating its intention to establish City of Ontario Community Facilities District No. 41 (Canvas Park Facilities) (the "Community Facilities District") and to authorize the levy of special taxes within the Community Facilities District to finance certain public facilities and services; and

WHEREAS, on April 7, 2020, the City Council also adopted a resolution entitled "A Resolution of the City Council of the City of Ontario, California, to Incur Bonded Indebtedness of the Proposed City of Ontario Community Facilities District No. 41 (Canvas Park Facilities)" (the "Resolution to Incur Bonded Indebtedness") declaring the necessity for incurring bonded indebtedness and setting the date for a public hearing to be held on the proposed debt issue; and

WHEREAS, pursuant to the Resolution to Incur Bonded Indebtedness, notice of said public hearing was published in the *Inland Valley Daily Bulletin*, a newspaper of general circulation published in the area of the Community Facilities District, in accordance with the Act; and

WHEREAS, on this date, the City Council opened, conducted and closed said public hearing; and

WHEREAS, at said public hearing, any person interested, including persons owning property within the area and desiring to appear and present any matters material to the questions set forth in the Resolution to Incur Bonded Indebtedness appeared and presented such matters; and

WHEREAS, oral or written protests against the proposed debt issue were not made or filed at or before said public hearing by 50% or more of the registered voters, or six registered voters, whichever is more, residing within the territory proposed to be included in the Community Facilities District, or the owners of one-half or more of the area of land in the territory proposed to be included in the Community Facilities District and not exempt from the special tax; and

WHEREAS, on this date, the City Council adopted a resolution entitled "A Resolution of the City Council of the City of Ontario, California, of Formation of the City of Ontario Community Facilities District No. 41 (Canvas Park Facilities), Authorizing

the Levy of a Special Tax within the Community Facilities District and Establishing an Appropriations Limit for the Community Facilities District” (the “Resolution of Formation”); and

WHEREAS, the City Clerk of the City (the “City Clerk”) is the election official that will conduct the special election on the proposition to incur bonded indebtedness for the Community Facilities District; and

WHEREAS, there has been filed with the City Clerk a letter from the Registrar of Voters of the County of San Bernardino indicating that no persons were registered to vote within the territory of the proposed Community Facilities District as of April 23, 2020, and, accordingly, that 12 or more persons have not been registered to vote within the territory of the Community Facilities District for each of the 90 days preceding the close of said public hearing; and

WHEREAS, there has been filed with the City Clerk consents and waivers of all of the landowners of record in the Community Facilities District waiving any time limit specified by Section 53326 of the Act and any requirement pertaining to the conduct of said special election, including any time limit or requirement applicable to an election pursuant to Article 5 of the Act (commencing with Section 53345 of the Act), consenting to the holding of said special election on May 19, 2020, and waiving any impartial analysis, arguments or rebuttals, as set forth in Sections 53326 and 53327 of the Act; and

WHEREAS, the City Clerk has concurred in said waivers and has concurred in holding said special election on May 19, 2020.

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

SECTION 1. The foregoing recitals are true and correct.

SECTION 2. The City Council deems it necessary to incur the bonded indebtedness.

SECTION 3. The bonded indebtedness will be incurred for the purpose of financing the costs of the Facilities (as defined in the Resolution of Formation), including all costs and estimated costs incidental to, or connected with, the accomplishment of such purpose.

SECTION 4. In accordance with the previous determination of the City Council, the whole of the Community Facilities District will pay for the bonded indebtedness.

SECTION 5. The maximum aggregate amount of debt to be incurred is \$46,000,000.

SECTION 6. The maximum term the bonds to be issued shall run before maturity is 40 years.

SECTION 7. The maximum annual rate of interest to be paid shall not exceed the maximum interest rate permitted by applicable law at the time of sale of the bonds, payable semiannually or at such times as the City Council or its designee shall determine, the actual rate or rates and times of payment of such interest to be determined by the City Council or its designee at the time or times of sale of the bonds.

SECTION 8. The proposition to incur the bonded indebtedness will be submitted to the voters.

SECTION 9. The City Council hereby finds and determines that no persons were registered to vote within the territory of the proposed Community Facilities District as of April 23, 2020, and that 12 or more persons have not been registered to vote within the territory of the Community Facilities District for each of the 90 days preceding the close of the public hearings held by the City Council on the proposed debt issue for the Community Facilities District. Accordingly, pursuant to Section 53326 of the Act, the vote shall be by the landowners of the Community Facilities District and each person who is the owner of land as of the close of said public hearings, or the authorized representative thereof, shall have one vote for each acre or portion of an acre that he or she owns within the Community Facilities District not exempt from the special tax.

SECTION 10. The City Council hereby finds and determines that the qualified electors of the Community Facilities District have unanimously consented (a) to the waiver of any time limit specified by Section 53326 of the Act and any requirement pertaining to the conduct of said election, including any time limit or requirement applicable to an election pursuant to Article 5 of the Act (commencing with Section 53345 of the Act), and (b) to the holding of said election on May 19, 2020. The City Council hereby finds and determines that the City Clerk has concurred in said waivers and has concurred in holding said election on May 19, 2020.

SECTION 11. The date of the special community facilities district election (which shall be consolidated with the special district election to levy a special tax within the Community Facilities District) at which time the proposition shall be submitted to the voters is May 19, 2020.

SECTION 12. The election is to be conducted by mail ballot. The mailed ballots are required to be received in the office of the City Clerk no later than 7:30 p.m. on May 19, 2020; provided, however, that if all of the qualified electors have voted prior to such time, the election may be closed with the concurrence of the City Clerk.

SECTION 13. The officers, employees and agents of the City are hereby authorized and directed to take all actions and do all things which they, or any of them, may deem necessary or desirable to accomplish the purposes of this Resolution and not inconsistent with the provisions hereof.

SECTION 14. This Resolution shall take effect immediately upon its adoption.

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

PASSED, APPROVED and ADOPTED this 19th day of May 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 Resolution No. 2020- was duly passed and adopted by the City Council of the City of Ontario at their regular meeting held May 19, 2020 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. 2020- duly passed and adopted by the Ontario City Council at their regular meeting held May 19, 2020.

SHEILA MAUTZ, CITY CLERK

(SEAL)

RESOLUTION NO. _____

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF ONTARIO, CALIFORNIA, CALLING SPECIAL ELECTION FOR CITY OF ONTARIO COMMUNITY FACILITIES DISTRICT NO. 41 (CANVAS PARK FACILITIES).

WHEREAS, on this date, the City Council (the "City Council") of the City of Ontario (the "City"), pursuant to the Mello-Roos Community Facilities Act of 1982 (the "Act"), adopted a resolution entitled "A Resolution of the City Council of the City of Ontario, California, of Formation of the City of Ontario Community Facilities District No. 41 (Canvas Park Facilities), Authorizing the Levy of a Special Tax within the Community Facilities District and Establishing an Appropriations Limit for the Community Facilities District" (the "Resolution of Formation"), establishing City of Ontario Community Facilities District No. 41 (Canvas Park Facilities) (the "Community Facilities District"), authorizing the levy of a special tax within the Community Facilities District and establishing an appropriations limit for the Community Facilities District; and

WHEREAS, on this date, the City Council also adopted a resolution entitled "A Resolution of the City Council of the City of Ontario, California, Deeming it Necessary to Incur Bonded Indebtedness within the City of Ontario Community Facilities District No. 41 (Canvas Park Facilities)" (the "Resolution Deeming it Necessary to Incur"), deeming it necessary to incur bonded indebtedness in the maximum amount of \$46,000,000; and

WHEREAS, pursuant to the provisions of said resolutions, the propositions to incur bonded indebtedness, to levy a special tax within the Community Facilities District and to establish an appropriations limit for the Community Facilities District are to be submitted to the qualified electors of the Community Facilities District as required by the Act; and

WHEREAS, the City Council desires to designate the City Clerk of the City (the "City Clerk") as the election official for the special election provided for herein; and

WHEREAS, there has been filed with the City Clerk a letter from the Registrar of Voters of the County of San Bernardino indicating that no persons were registered to vote within the territory of the proposed Community Facilities District as of April 23, 2020, and, accordingly, that 12 or more persons have not been registered to vote within the territory of the Community Facilities District for each of the 90 days preceding the close of the public hearings on the establishment of the Community Facilities District and the proposed debt issue for the Community Facilities District; and

WHEREAS, there has been filed with the City Clerk consents and waivers of all of the landowners of record in the Community Facilities District waiving any time limit specified by Section 53326 of the Act and any requirement pertaining to the conduct of said special election, including any time limit or requirement applicable to an election pursuant to Article 5 of the Act (commencing with Section 53345 of the Act), consenting to the holding of said special election on May 19, 2020 and waiving any impartial analysis, arguments or rebuttals, as set forth in Sections 53326 and 53327 of the Act; and

WHEREAS, the City Clerk has concurred in said waivers and has concurred in holding said special election on May 19, 2020.

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

SECTION 1. Pursuant to Sections 53351, 53326 and 53325.7 of the Act, the propositions to incur bonded indebtedness, to levy a special tax within the Community Facilities District and to establish an appropriations limit for the Community Facilities District shall be submitted to the qualified electors of the Community Facilities District at an election called therefor as provided below.

SECTION 2. The City Clerk is hereby designated as the official to conduct said election.

SECTION 3. As authorized by Section 53353.5 of the Act, the propositions to incur bonded indebtedness, to levy a special tax within the Community Facilities District and to establish an appropriations limit for the Community Facilities District shall be combined into one ballot proposition.

SECTION 4. The City Council hereby finds and determines that no persons were registered to vote within the territory of the proposed Community Facilities District as of April 23, 2020, and that 12 or more persons have not been registered to vote within the territory of the Community Facilities District for each of the 90 days preceding the close of the public hearings heretofore held by the City Council on the establishment of the Community Facilities District and the proposed debt issue for the Community Facilities District. Accordingly, pursuant to Section 53326 of the Act, the vote shall be by the landowners of the Community Facilities District and each person who is the owner of land as of the close of said public hearings, or the authorized representative thereof, shall have one vote for each acre or portion of an acre that he or she owns within the Community Facilities District not exempt from the special tax.

SECTION 5. The City Council hereby finds and determines that the qualified electors of the Community Facilities District have unanimously consented (a) to the waiver of any time limit specified by Section 53326 of the Act and any requirement pertaining to the conduct of said election, including any time limit or requirement applicable to an election pursuant to Article 5 of the Act (commencing with Section 53345 of the Act), (b) to the holding of said election on May 19, 2020, and (c) to the waiver of any impartial analysis, arguments or rebuttals, as set forth in Sections 53326 and 53327 of the Act. The City Council hereby finds and determines that the City Clerk has concurred in said waivers and has concurred in holding said election on May 19, 2020.

SECTION 6. The City Council hereby calls a special election to submit to the qualified electors of the Community Facilities District the combined proposition to incur bonded indebtedness, to levy a special tax within the Community Facilities District and to establish an appropriations limit for the Community Facilities District, which election

shall be held at 303 East B Street, Ontario, California, on May 19, 2020. The City Council has caused to be provided to the City Clerk, as the official to conduct said election, the Resolution of Formation, the Resolution of Deeming it Necessary to Incur, a certified map of sufficient scale and clarity to show the boundaries of the Community Facilities District, and a sufficient description to allow the City Clerk to determine the boundaries of the Community Facilities District.

The voted ballots shall be returned to the City Clerk not later than 7:30 p.m. on May 19, 2020; provided, however, that if all of the qualified electors have voted prior to such time, the election may be closed with the concurrence of the City Clerk.

SECTION 7. Pursuant to Section 53326 of the Act, the election shall be conducted by mail or hand-delivered ballot pursuant to Section 4000 *et. seq.* of the California Elections Code. Except as otherwise provided in the Act, the provisions of law regulating elections of the City, insofar as they may be applicable, will govern the election.

SECTION 8. The form of the ballot for said election is attached hereto as Exhibit A and by this reference incorporated herein, and such form of ballot is hereby approved. The City Clerk shall cause to be delivered to each of the qualified electors of the Community Facilities District a ballot in said form. Each ballot shall indicate the number of votes to be voted by the respective landowner to which it pertains.

Each ballot shall be accompanied by all supplies and written instructions necessary for the use and return of the ballot. The identification envelope for return of the ballot shall be enclosed with the ballot, shall have the return postage prepaid, and shall contain: (a) the name and address of the landowner, (b) a declaration, under penalty of perjury, stating that the voter is the owner of record or the authorized representative of the landowner entitled to vote and is the person whose name appears on the identification envelope, (c) the printed name, signature and address of the voter, (d) the date of signing and place of execution of the declaration described in clause (b) above, and (e) a notice that the envelope contains an official ballot and is to be opened only by the canvassing board.

Analysis and arguments with respect to the ballot proposition are hereby waived, as provided in Section 53327 of the Act.

SECTION 9. The City Clerk shall accept the ballots of the qualified electors in the office of the City Clerk at 303 East B Street, Ontario, California, to and including 7:30 p.m. on May 19, 2020, whether said ballots be personally delivered or received by mail. The City Clerk shall have available ballots which may be marked at said location on the election day by said qualified electors.

SECTION 10. The City Council hereby determines that the facilities and services financed by the Community Facilities District are necessary to meet increased demands placed upon local agencies as a result of development occurring in the Community Facilities District.

SECTION 11. The specific purposes of the bonded indebtedness proposed to be incurred is the financing of the Facilities (as defined in the Resolution of Formation), including all costs and estimated costs incidental to, or connected with, the accomplishment of such purpose, and the proceeds of such bonded indebtedness shall be applied only to such specific purposes.

Upon approval of the proposition to incur bonded indebtedness, and the sale of any bonds evidencing such indebtedness, the City Council shall take such action as may be necessary to cause to be established an account for deposit of the proceeds of sale of the bonds. For so long as any proceeds of the bonds remain unexpended, the Management Analyst, Financial Services of the City shall cause to be filed with the City Council, no later than January 1 of each year, a report stating (a) the amount of bond proceeds received and expended during the preceding year, and (b) the status of any project funded or to be funded from bond proceeds. Said report may relate to the calendar year, fiscal year, or other appropriate annual period, as the Management Analyst, Financial Services of the City shall determine, and may be incorporated into the annual budget, audit, or other appropriate routine report to the City Council.

SECTION 12. The officers, employees and agents of the City are hereby authorized and directed to take all actions and do all things which they, or any of them, may deem necessary or desirable to accomplish the purposes of this Resolution and not inconsistent with the provisions hereof.

SECTION 13. This Resolution shall take effect immediately upon its adoption.

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

PASSED, APPROVED and ADOPTED this 19th day of May 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 Resolution No. 2020- was duly passed and adopted by the City Council of the City of Ontario at their regular meeting held May 19, 2020 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. 2020- duly passed and adopted by the Ontario City Council at their regular meeting held May 19, 2020.

SHEILA MAUTZ, CITY CLERK

(SEAL)

EXHIBIT A

OFFICIAL BALLOT

CITY OF ONTARIO

May 19, 2020

SPECIAL ELECTION

This ballot is for a special, landowner election. The number of votes to be voted pursuant to this ballot is _____.

INSTRUCTIONS TO VOTERS:

To vote on the measure, mark a cross (+ or X) in the voting square after the word "YES" or after the word "NO". All distinguishing marks or erasures are forbidden and make the ballot void. If you wrongly mark, tear, or deface this ballot, return it to the City Clerk of the City of Ontario and obtain another.

CITY OF ONTARIO
COMMUNITY FACILITIES DISTRICT NO. 41
(CANVAS PARK FACILITIES)

MEASURE SUBMITTED TO VOTE OF VOTERS: Shall the City of Ontario Community Facilities District No. 41 (Canvas Park Facilities) (the "Community Facilities District") be authorized to incur bonded indebtedness in a maximum aggregate amount of not to exceed \$46,000,000 and levy a special tax in order to finance certain facilities and services and shall the annual appropriations limit of the Community Facilities District be established in the amount of \$46,000,000, all as specified in the Resolution entitled "A Resolution of the City Council of the City of Ontario, California, of Formation of the City of Ontario Community Facilities District No. 41 (Canvas Park Facilities), Authorizing the Levy of a Special Tax within the Community Facilities District and Establishing an Appropriations Limit for the Community Facilities District" and the Resolution entitled "A Resolution of the City Council of the City of Ontario, California, Deeming it Necessary to Incur Bonded Indebtedness within the City of Ontario Community Facilities District No. 41 (Canvas Park Facilities)," each adopted by the City Council of the City of Ontario on May 19, 2020?

Yes:

No:

RESOLUTION NO. _____

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF ONTARIO,
CALIFORNIA, DECLARING RESULTS OF SPECIAL ELECTION AND
DIRECTING RECORDING OF NOTICE OF SPECIAL TAX LIEN.

WHEREAS, on May 19, 2020, the City Council (the "City Council") of the City of Ontario (the "City"), pursuant to the Mello-Roos Community Facilities Act of 1982 (the "Act"), adopted a resolution entitled "A Resolution of the City Council of the City of Ontario, California, Calling Special Election for City of Ontario Community Facilities District No. 41 (Canvas Park Facilities)" (the "Resolution Calling Election"), calling for a special election of the qualified electors within City of Ontario Community Facilities District No. 41 (Canvas Park Facilities) (the "Community Facilities District"); and

WHEREAS, pursuant to the terms of the Resolution Calling Election and the provisions of the Act, the special election was held on May 19, 2020; and

WHEREAS, the City Clerk of the City (the "City Clerk") has certified the canvass of the returns of the election and has filed a Canvass and Statement of Results of Election (the "Canvass"), a copy of which is attached hereto as Exhibit A;

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

SECTION 1. The City Council has received, reviewed and hereby accepts the Canvass.

SECTION 2. The City Council hereby finds and declares that the ballot proposition submitted to the qualified electors of the Community Facilities District pursuant to the Resolution Calling Election has been passed and approved by such electors in accordance with Section 53328, Section 53355 and Section 53325.7 of the Act.

SECTION 3. The City Clerk is hereby directed to execute and cause to be recorded in the office of the County Recorder of the County of San Bernardino a notice of special tax lien in the form required by the Act, said recording to occur no later than fifteen days following adoption by the City Council of this Resolution.

SECTION 4. The officers, employees and agents of the City are hereby authorized and directed to take all actions and do all things which they, or any of them, may deem necessary or desirable to accomplish the purposes of this Resolution and not inconsistent with the provisions hereof.

SECTION 5. This Resolution shall take effect immediately upon its adoption.

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

PASSED, APPROVED and ADOPTED this 19th day of May 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 Resolution No. 2020- was duly passed and adopted by the City Council of the City of Ontario at their regular meeting held May 19, 2020 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. 2020- duly passed and adopted by the Ontario City Council at their regular meeting held May 19, 2020.

SHEILA MAUTZ, CITY CLERK

(SEAL)

EXHIBIT A

CITY OF ONTARIO
COMMUNITY FACILITIES DISTRICT NO. 41
(CANVAS PARK FACILITIES)

CANVASS AND STATEMENT OF RESULTS OF ELECTION

I hereby certify that on May 19, 2020, I canvassed the returns of the special election held on May 19, 2020, for the City of Ontario Community Facilities District No. 41 (Canvas Park Facilities), that the total number of ballots cast in said Community Facilities District and the total number of votes cast for and against the proposition are as follows and that the totals as shown for and against the proposition are true and correct:

	Qualified Landowner <u>Votes</u>	Votes <u>Cast</u>	<u>YES</u>	<u>NO</u>
City of Ontario Community Facilities District No. 41 (Canvas Park Facilities) Special Election, May 19, 2020	40	—	—	—

MEASURE SUBMITTED TO VOTE OF VOTERS: Shall the City of Ontario Community Facilities District No. 41 (Canvas Park Facilities) (the "Community Facilities District") be authorized to incur bonded indebtedness in a maximum aggregate amount of not to exceed \$46,000,000 and levy a special tax in order to finance certain facilities and services and shall the annual appropriations limit of the Community Facilities District be established in the amount of \$46,000,000, all as specified in the Resolution entitled "A Resolution of the City Council of the City of Ontario, California, of Formation of the City of Ontario Community Facilities District No. 41 (Canvas Park Facilities), Authorizing the Levy of a Special Tax within the Community Facilities District and Establishing an Appropriations Limit for the Community Facilities District" and the Resolution entitled "A Resolution of the City Council of the City of Ontario, California, Deeming it Necessary to Incur Bonded Indebtedness within the City of Ontario Community Facilities District No. 41 (Canvas Park Facilities)," each adopted by the City Council of the City of Ontario on May 19, 2020?

IN WITNESS WHEREOF, I HAVE HEREUNTO SET MY HAND this 19th day of May, 2020.

BY: _____
SHEILA MAUTZ, CITY CLERK

ORDINANCE NO. _____

AN ORDINANCE OF THE CITY COUNCIL OF THE CITY OF ONTARIO, CALIFORNIA, LEVYING SPECIAL TAXES WITHIN THE CITY OF ONTARIO COMMUNITY FACILITIES DISTRICT NO. 41 (CANVAS PARK FACILITIES).

WHEREAS, on April 7, 2020, the City Council (the "City Council") of the City of Ontario (the "City"), pursuant to the Mello-Roos Community Facilities Act of 1982 (the "Act"), adopted a resolution entitled "A Resolution of the City Council of the City of Ontario, California, of Intention to Establish a Community Facilities District, Proposed to be Named City of Ontario Community Facilities District No. 41 (Canvas Park Facilities), and to Authorize the Levy of Special Taxes" stating its intention to establish City of Ontario Community Facilities District No. 41 (Canvas Park Facilities) (the "Community Facilities District") and to finance certain public facilities (the "Facilities") and services (the "Services"); and

WHEREAS, on May 19, 2020, the City Council held a noticed public hearing on the establishment of the Community Facilities District, as required by the Act; and

WHEREAS, subsequent to the close of said hearing, the City Council adopted resolutions entitled "A Resolution of the City Council of the City of Ontario, California, of Formation of the City of Ontario Community Facilities District No. 41 (Canvas Park Facilities), Authorizing the Levy of a Special Tax within the Community Facilities District and Establishing an Appropriations Limit for the Community Facilities District" (the "Resolution of Formation"), "A Resolution of the City Council of the City of Ontario, California, Deeming it Necessary to Incur Bonded Indebtedness within the City of Ontario Community Facilities District No. 41 (Canvas Park Facilities)" and "A Resolution of the City Council of the City of Ontario, California, Calling Special Election for City of Ontario Community Facilities District No. 41 (Canvas Park Facilities)", which resolutions established the Community Facilities District, authorized the levy of a special tax within the Community Facilities District and called an election within the Community Facilities District on the proposition of incurring indebtedness, levying a special tax within the Community Facilities District and establishing an appropriations limit for the Community Facilities District, respectively; and

WHEREAS, on May 19, 2020, an election was held in which the qualified electors of the Community Facilities District approved said proposition by more than the two-thirds vote required by the Act.

THE CITY COUNCIL OF THE CITY OF ONTARIO DOES ORDAIN AS FOLLOWS:

SECTION 1. The City Council hereby authorizes and levies special taxes within the Community Facilities District pursuant to Sections 53328 and 53340 of the Act, at the rate and in accordance with the method of apportionment set forth in Exhibit B to the Resolution of Formation (the "Rate and Method of Apportionment"). The special taxes are hereby levied commencing in fiscal year 2020-21 and in each fiscal year thereafter until the last fiscal year in which such special taxes are authorized to be levied pursuant to the Rate and Method of Apportionment.

SECTION 2. The City Council may, in accordance with subdivision (b) of Section 53340 of the Act, provide, by resolution, for the levy of the special tax in future tax years at the same rate or at a lower rate than the rate provided by this Ordinance. In no event shall the special tax be levied on any parcel within the Community Facilities District in excess of the maximum tax specified therefor in the Rate and Method of Apportionment.

SECTION 3. The special tax shall be levied on all of the parcels in the Community Facilities District, unless exempted by law or by the Rate and Method of Apportionment.

SECTION 4. The proceeds of the special tax shall only be used to pay, in whole or in part, the cost of providing the Facilities and Services and incidental expenses pursuant to the Act.

SECTION 5. The special tax shall be collected in the same manner as ordinary *ad valorem* property taxes are collected and shall be subject to the same penalties and the same procedure, sale and lien priority in the case of delinquency as is provided for *ad valorem* taxes, unless another procedure is adopted by the City Council.

SECTION 6. If for any reason any portion of this Ordinance is found to be invalid, or if the special tax is found inapplicable to any particular parcel within the Community Facilities District, by a court of competent jurisdiction, the balance of this Ordinance and the application of the special tax to the remaining parcels within the Community Facilities District shall not be affected.

SECTION 7. 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.

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

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 May 19, 2020 and adopted at the regular meeting held June 2, 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 June 2, 2020 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
May 19, 2020

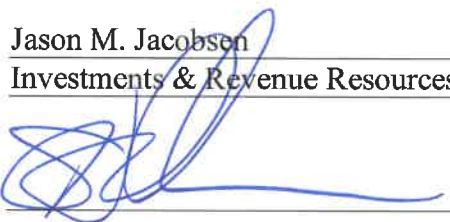
SECTION:
PUBLIC HEARINGS

SUBJECT: A PUBLIC HEARING TO CONSIDER A RESOLUTION REGARDING THE FORMATION OF THE CITY OF ONTARIO COMMUNITY FACILITIES DISTRICT NO. 54 (ESPERANZA FACILITIES); ADOPTION OF A RESOLUTION MODIFYING THE RESOLUTION OF INTENTION AND APPROVING THE AMENDED AND RESTATED RATE AND METHOD OF APPORTIONMENT (RMA), ADOPTION OF A RESOLUTION TO INCUR BONDED INDEBTEDNESS; AND INTRODUCTION OF AN ORDINANCE LEVYING SPECIAL TAXES

RECOMMENDATION: That the City Council consider and:

- (A) Adopt a resolution modifying the Resolution of Intention (adopted at the April 7, 2020 City Council meeting) and approving the amended and restated rate and method of apportionment for the proposed City of Ontario Community Facilities District No. 54 (Esperanza Facilities);
- (B) Adopt a resolution establishing Community Facilities District No. 54 (Esperanza Facilities), authorizing the levy of special taxes within the community facilities district, and establishing an appropriations limit for the community facilities district;
- (C) Adopt a resolution deeming it necessary to incur bonded indebtedness within Community Facilities District No. 54 (Esperanza Facilities);
- (D) Adopt a resolution calling a special election for City of Ontario Community Facilities District No. 54 (Esperanza Facilities);
- (E) Adopt a resolution declaring the results of the special election and directing the recording of a Notice of Special Tax Lien;
- (F) Introduce and waive further reading of an ordinance levying special taxes within City of Ontario Community Facilities District No. 54 (Esperanza Facilities); and

STAFF MEMBER PRESENTING: Armen Harkalyan, Executive Director of Finance

Prepared by: Jason M. Jacobsen
Department: Investments & Revenue Resources
City Manager Approval: 

Submitted to Council/O.H.A. 05/19/2020
Approved: _____
Continued to: _____
Denied: _____

19

- (G) Adopt a resolution authorizing the execution and delivery of an acquisition and funding agreement with GDC/CDG Esperanza PA 4 Venture, L.P. a Delaware limited partnership corporation.

COUNCIL GOALS: 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 use of Mello-Roos financing for facilities in the residential development of the Esperanza project is estimated to generate approximately \$5.7 million in bonds proceeds to be used to fund a portion of the public infrastructure improvements that will serve the project. Mello-Roos bonds are not a direct obligation of the City and are paid from special taxes levied on each taxable parcel in the district; therefore, there is no General Fund impact from the issuance of Mello-Roos bonds. City Council approval will be required in future years to process annual special tax levies.

BACKGROUND: The Mello-Roos Community Facilities Act of 1982 provides local government, with consent from a majority of the property owners, the authority to establish community facilities districts for the purpose of levying special taxes to fund governmental services and to finance various kinds of public infrastructure facilities. With the adoption of Resolution 2018-167 on December 18, 2018, the City Council authorized the levy of special taxes to fund various city services for the district. The City Council next took the initial steps required under the Mello-Roos Act to form a community facilities district to finance public improvements within the district. On April 7, 2020, the City Council approved Resolution No. 2020-034, a Resolution of Intention to establish City of Ontario Community Facilities District No. 54 (Esperanza Facilities) and authorize the levy of special taxes, and Resolution No. 2020-035, a resolution declaring the City Council's intention to issue bonds for the district. The Resolution of Intention set the public hearing date for the regularly scheduled City Council meeting on May 19, 2020, to consider formation matters.

In the First Amended and Restated Agreement for the Financing and Construction of Limited Infrastructure Improvements to Serve an Easterly Portion of the New Model Colony ("First Amended and Restated Construction Agreement") between the City and NMC Builders LLC, the City agreed to cooperate with the members of NMC Builders, LLC in the formation of community facilities districts to assist in the financing of the public improvements included in the agreement. GDC/CDG PA 4 Venture, L.P. and GDC/CDG PA 10 Venture, L.P. have provided written petitions to the City requesting formation of a community facilities district for the Esperanza project in Ontario Ranch. The Esperanza project addresses the development of approximately 26 gross acres located east of Mill Creek Avenue, generally west of Hamner Avenue, and generally north of Bellegrave Avenue and South of Chatham Street. At build out, the development is projected to include 226 units; 100 detached and 126 attached units.

Included, as part of the resolution of formation is the proposed Amended and Restated Rate and Method of Apportionment of Special Tax for the District. Under the proposed Amended and Restated Rate and Method of Apportionment, the portion of the maximum annual special tax rates which will be used to fund debt service payments on the bonds is fixed and will not increase over time. As proposed, the amount of bonds authorized for the district (\$25 million) is set intentionally higher than the current estimated bond amount (approximately \$5.7 million) in order to allow future City Councils the option,

without increasing the amount of the annual special taxes, to issue additional bonds to replace and/or construct new public infrastructure improvements in the future, or to fund City services.

The Amended and Restated Rates and Methods of Apportionment of Special Tax for the Esperanza project has additional language to acknowledge and clarify that certain qualifying parcels that are subject to a welfare exemption under subdivision (g) of Section 214 of the California Revenue and Taxation Code would be exempt from all of a portion of the special tax, in accordance with state law that went into effect this year. The term and structure of the Amended and Restated Rate and Method of Apportionment of special tax for the Esperanza project is consistent with previously adopted Rate and Method of Apportionments to ensure that the special tax rates levied on all residential property owners in community facilities districts in Ontario Ranch are developed in a consistent and equivalent manner. In addition, under the provisions of the Mello-Roos Act, to ensure that home buyers are making an informed decision, all residential builders in the Ontario Ranch districts will be required to disclose the maximum annual special tax amount to each homeowner before entering into a sales contract.

Attached are six resolutions and an ordinance. The first resolution modifies the Resolution of Intention and approves an Amended and Restated Rate and Method of Apportionment (RMA). The second resolution establishes the community facilities district, with the amended and restated Rate and Method of Apportionment of special taxes and authorizes the levy of special taxes within the district. The third resolution deems the necessity of incurring bonded indebtedness for the district. The fourth calls for a special landowner election to be held on May 19, 2020. The fifth resolution declares the results of the election, including a statement from the City Clerk as to the canvass of ballots, and directs the recording of the Notice of Special Tax Lien. The ordinance authorizes the levying of special taxes, and the final resolution authorizes the execution and delivery of an acquisition and funding agreement with GDC.CDG Esperanza PA 4 Venture, L.P.

RESOLUTION NO. _____

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF ONTARIO, CALIFORNIA, MODIFYING RESOLUTION OF INTENTION AND APPROVING AMENDED AND RESTATED RATE AND METHOD OF APPORTIONMENT FOR THE PROPOSED CITY OF ONTARIO COMMUNITY FACILITIES DISTRICT NO. 54 (ESPERANZA FACILITIES).

WHEREAS, on April 7, 2020, the City Council (the "City Council") of the City of Ontario (the "City"), pursuant to the Mello-Roos Community Facilities Act of 1982 (the "Act"), adopted a resolution entitled "A Resolution of the City Council of the City of Ontario, California, of Intention to Establish a Community Facilities District, Proposed to be Named City of Ontario Community Facilities District No. 54 (Esperanza Facilities), and to Authorize the Levy of Special Taxes" (the "Resolution of Intention"), stating its intention to establish a community facilities district (the "Community Facilities District") proposed to be named City of Ontario Community Facilities District No. 54 (Esperanza Facilities), to authorize the levy of special taxes within the Community Facilities District to finance certain public facilities and services and setting the date for a public hearing to be held on the establishment of the Community Facilities District; and

WHEREAS, pursuant to the Resolution of Intention, notice of said public hearing was published in the *Inland Valley Daily Bulletin*, a newspaper of general circulation published in the area of the Community Facilities District, in accordance with the Act; and

WHEREAS, on this date, the City Council opened said public hearing; and

WHEREAS, the rate and method of apportionment of the special tax (the "Original Rate and Method") originally proposed to be levied within the Community Facilities District is described in Exhibit B to the Resolution of Intention; and

WHEREAS, the City Council proposes to modify the Resolution of Intention so as to make certain clarifying changes to the Original Rate and Method; and

WHEREAS, such modifications would not increase the maximum special tax or add territory to the Community Facilities District; and

WHEREAS, Section 53325 of the Act provides that the legislative body of a local agency may modify the resolution of intention by changing the rate or method of apportionment of the proposed special tax;

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

SECTION 1. The foregoing recitals are true and correct.

SECTION 2. The Resolution of Intention is hereby modified so as to amend and restate the Original Rate and Method in its entirety, as reflected in the Amended and Restated Rate and Method of Apportionment for Special Tax attached hereto as Exhibit A, which is by this reference incorporated herein.

SECTION 3. The officers, employees and agents of the City are hereby authorized and directed to take all actions and do all things which they, or any of them, may deem necessary or desirable to accomplish the purposes of this Resolution and not inconsistent with the provisions hereof.

SECTION 4. This Resolution shall take effect immediately upon its adoption.

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

PASSED, APPROVED and ADOPTED this 19th day of May 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 Resolution No. 2020- was duly passed and adopted by the City Council of the City of Ontario at their regular meeting held May 19, 2020 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. 2020- duly passed and adopted by the Ontario City Council at their regular meeting held May 19, 2020.

SHEILA MAUTZ, CITY CLERK

(SEAL)

EXHIBIT A

PROPOSED AMENDED AND RESTATED RATE AND METHOD OF
APPORTIONMENT OF SPECIAL TAX

EXHIBIT B

CITY OF ONTARIO COMMUNITY FACILITIES DISTRICT No. 54 (ESPERANZA FACILITIES)

AMENDED AND RESTATED RATE AND METHOD OF APPORTIONMENT OF SPECIAL TAX

A Special Tax shall be levied on all Assessor's Parcels in the City of Ontario Community Facilities District No. 54 (Esperanza Facilities) ("CFD No. 54") and collected each Fiscal Year, commencing in Fiscal Year 2020-21, in an amount determined by the City Council of the City of Ontario through the application of the Rate and Method of Apportionment, as described below. All of the real property in CFD No. 54, unless exempted by law or by the provisions hereof, shall be taxed for the purposes, to the extent, and in the manner herein provided.

A. DEFINITIONS

The terms hereinafter set forth have the following meanings:

"Acre" or **"Acreage"** means the land area of an Assessor's Parcel as shown on an Assessor's Parcel Map, or if the land area is not shown on an Assessor's Parcel Map, the land area shown on the applicable Final Subdivision Map, parcel map, condominium plan, or other recorded County map.

"Act" means the Mello-Roos Community Facilities Act of 1982, as amended, being Chapter 2.5 of Part 1 of Division 2 of Title 5 of the California Government Code.

"Administrative Expenses" means the following actual or reasonably estimated costs directly related to the administration of CFD No. 54: the costs of computing the Special Taxes and preparing the annual Special Tax collection schedules (whether by the City or CFD No. 54 or both); the costs of collecting the Special Taxes (whether by the County or otherwise); the costs of remitting the Special Taxes to the Trustee; the costs of the Trustee (including its legal counsel) in the discharge of the duties required of it under the Indenture; the costs to the City or CFD No. 54 of complying with arbitrage rebate requirements; the costs to the City or CFD No. 54 of complying with City, CFD No. 54, or obligated persons disclosure requirements associated with applicable federal and state securities laws and of the Act; the costs associated with preparing Special Tax disclosure statements and responding to public inquiries regarding the Special Taxes; the costs of the City or CFD No. 54 related to the analysis and reduction, if any, of the Special Tax on Single Family Property in accordance with Section C.1 herein; the costs of the City or CFD No. 54 related to an appeal of the Special Tax; the costs associated with the release of funds from any escrow account; the City's administration fees and third party expenses; the costs of City staff time and reasonable overhead relating to CFD No. 54; and amounts estimated or advanced by the City or CFD No. 54 for any other

administrative purposes of CFD No. 54, including attorney's fees and other costs related to commencing and pursuing to completion any foreclosure of delinquent Special Taxes.

"Assessor's Parcel" means a lot or parcel shown in an Assessor's Parcel Map with an assigned Assessor's Parcel Number.

"Assessor's Parcel Map" means an official map of the Assessor of the County designating parcels by Assessor's Parcel Number.

"Assessor's Parcel Number" means, with respect to an Assessor's Parcel, that number assigned to such Assessor's Parcel by the County for purposes of identification.

"Assigned Special Tax" means the Special Tax for each Land Use Class of Developed Property, as determined in accordance with Section C.1.a.2 below.

"Backup Special Tax" means the Special Tax for each Land Use Class of Developed Property, as determined in accordance with Section C.1.a.3 below.

"Bonds" means any bonds or other debt (as defined in Section 53317(d) of the Act) issued by CFD No. 54 under the Act and payable from Special Taxes.

"Buildable Lot" means an individual lot, within a Final Subdivision Map or an area expected by CFD No. 54 to become Final Mapped Property, such as the area within a Tentative Tract Map, for which a building permit may be issued without further subdivision of such lot.

"CFD Administrator" means an official of the City responsible for determining the Special Tax Requirement, providing for the levy and collection of the Special Taxes, and performing the other duties provided for herein.

"CFD No. 54" means City of Ontario Community Facilities District No. 54 (Esperanza Facilities).

"City" means the City of Ontario, California.

"City Council" means the City Council of the City, acting as the legislative body of CFD No. 54.

"Contractual Impositions" means (a) a voluntary contractual assessment established and levied on an Assessor's Parcel pursuant to Chapter 29 of Part 3 of Division 7 of the California Streets and Highways Code (commencing with Section 5898.10 *et seq.*), as amended from time to time, (b) a special tax established and levied on an Assessor's Parcel pursuant to Section 53328.1 of the California Government Code and related provisions of the Act, as amended from time to time, and (c) any other fee, charge, tax, or assessment established and levied on an individual Assessor's Parcel pursuant to a contractual agreement or other voluntary consent by the owner thereof (e.g., property owner association assessments).

“**County**” means the County of San Bernardino.

“**Designated Buildable Lot**” means a Buildable Lot for which a building permit has not been issued by the City as of the date of calculation of the Backup Special Tax.

“**Developed Property**” means for each Fiscal Year, all Taxable Property, exclusive of Final Mapped Property, Taxable Property Owner Association Property, and Taxable Public Property, for which a building permit or other applicable permit for new construction was issued after January 1, 2019, and before May 1 of the prior Fiscal Year.

“**Expected Residential Lot Count**” means 226 Buildable Lots of Single Family Property or, as determined by the CFD Administrator, the number of Buildable Lots of Single Family Property based on the most recent Tentative Tract Map(s) or most recently recorded Final Subdivision Map(s) or modified Final Subdivision Map(s).

“**Facilities**” means the public facilities authorized to be financed, in whole or in part, by CFD No. 54.

“**Final Mapped Property**” means, for each Fiscal Year, all Taxable Property, exclusive of Developed Property, Taxable Property Owner Association Property, and Taxable Public Property, which as of January 1 of the previous Fiscal Year was located within a Final Subdivision Map. The term Final Mapped Property shall include any parcel map or Final Subdivision Map, or portion thereof, that creates individual lots for which a building permit may be issued, including Parcels that are designated as a remainder Parcel (i.e., one where the size, location, etc., precludes any further subdivision or taxable use).

“**Final Subdivision Map**” means a final tract map, parcel map, or lot line adjustment approved by the City pursuant to the Subdivision Map Act (California Government Code Section 66410 et seq.) or a condominium plan recorded pursuant to California Civil Code 1352 that, in either case, creates individual lots for which building permits may be issued without further subdivision.

“**Fiscal Year**” means the period starting July 1 and ending on the following June 30.

“**Indenture**” means the indenture, fiscal agent agreement, resolution, or other instrument pursuant to which Bonds are issued, as modified, amended, and/or supplemented from time to time.

“**Land Use Class**” means any of the classes listed in Table 1 below.

“**Lower Income Household Welfare Exemption Property**” means, for each Fiscal Year, an Assessor’s Parcel within the boundaries of CFD No. 54 that is subject to a welfare exemption under subdivision (g) of Section 214 of the California Revenue and Taxation Code (or any successor statute), as indicated in the most recent County assessor’s roll finalized prior to such Fiscal Year.

“Maximum Special Tax” means, with respect to an Assessor’s Parcel of Taxable Property, the Maximum Special Tax determined in accordance with Section C.1 below that can be levied in any Fiscal Year on such Assessor’s Parcel of Taxable Property.

“Minimum Sale Price” means the minimum price at which Units of a given Land Use Class have sold or are expected to be sold in a normal marketing environment and shall not include prices for such Units that are sold at a discount to expected sales prices for the purpose of stimulating the initial sales activity with respect to such Land Use Class.

“Non-Residential Property” means all Assessor’s Parcels of Developed Property for which a building permit was issued by the City permitting the construction of one or more non-residential structures or facilities.

“Other Residential Property” means all Assessor’s Parcels of Developed Property for which a building permit was issued by the City for purposes of constructing Units, excluding Single Family Attached Property and Single Family Detached Property.

“Outstanding Bonds” means all Bonds which are outstanding under and in accordance with the provisions of the Indenture.

“Price Point Consultant” means any consultant or firm of such consultants selected by CFD No. 54 that (a) has substantial experience in performing price point studies for residential units within community facilities districts established under the Act or otherwise estimating or confirming pricing for residential units in such community facilities districts, (b) has recognized expertise in analyzing economic and real estate data that relates to the pricing of residential units in such community facilities districts, (c) is in fact independent and not under the control of CFD No. 54 or the City, (d) does not have any substantial interest, direct or indirect, with or in (i) CFD No. 54, (ii) the City, (iii) any owner of real property in CFD No. 54, or (iv) any real property in CFD No. 54, and (e) is not connected with CFD No. 54 or the City as an officer or employee thereof, but who may be regularly retained to make reports to CFD No. 54 or the City.

“Price Point Study” means a price point study or a letter updating a previous price point study prepared by the Price Point Consultant pursuant to Section C herein.

“Property Owner Association Property” means, for each Fiscal Year, any property within the boundaries of CFD No. 54 that was owned by a property owner association, including any master or sub-association, as of January 1 of the prior Fiscal Year.

“Proportionately” means (a) for Developed Property in the first step of Section D below, that the ratio of the actual Special Tax levy to the Maximum Special Tax is equal for all Assessor’s Parcels of Developed Property; however, for Developed Property in the fourth step of Section D below, Proportionately means that the amount of the increase above the Assigned Special Tax, if necessary, is equal for all Assessor’s Parcels of Developed Property, except that if the Backup Special Tax limits the increase on any Assessor’s Parcel(s), then the amount of the increase shall be equal for the remaining Assessor’s Parcels; (b) for Final Mapped Property, that the ratio of the actual Special Tax levy to the Maximum Special Tax is equal for all Assessor’s Parcels of Final Mapped

Property; (c) for Undeveloped Property, that the ratio of the actual Special Tax levy to the Maximum Special Tax is equal for all Assessor's Parcels of Undeveloped Property; (d) for Taxable Property Owner Association Property, that the ratio of the actual Special Tax levy to the Maximum Special Tax is equal for all Assessor's Parcels of Taxable Property Owner Association Property; and (e) for Taxable Public Property, that the ratio of the actual Special Tax levy to the Maximum Special Tax is equal for all Assessor's Parcels of Taxable Public Property.

"Public Property" means, for each Fiscal Year, property within the boundaries of CFD No. 54 that is (a) owned by, irrevocably offered to, or dedicated to the federal government, the State, the County, the City, or any local government or other public agency or (b) encumbered by an easement for purposes of public or utility right-of-way that makes impractical its use for any purpose other than that set forth in such easement, provided that any property leased by a public agency to a private entity and subject to taxation under Section 53340.1 of the Act shall be taxed and classified according to its use.

"Rate and Method of Apportionment" means this Amended and Restated Rate and Method of Apportionment of Special Tax.

"Residential Floor Area" means all of the Square Footage of living area within the perimeter of a Unit, not including any carport, walkway, garage, overhang, patio, enclosed patio, or similar area. The determination of Residential Floor Area shall be as set forth in the building permit(s) issued for such Assessor's Parcel, or as set forth in other official records maintained by the City's Building Department or other appropriate means selected by CFD No. 54. The actual Square Footage shall be rounded up to the next whole square foot. Once such determination has been made for an Assessor's Parcel, it shall remain fixed in all future Fiscal Years unless an appeal pursuant to Section F below is approved that results in a change in the actual Square Footage.

"Services" means the services authorized to be financed, in whole or in part, by CFD No. 54.

"Single Family Attached Property" means all Assessor's Parcels of Developed Property for which a building permit or use permit was issued for construction of a residential structure consisting of two or more Units that share common walls, have separate Assessor's Parcel Numbers assigned to them (except for a duplex unit, which may share an Assessor's Parcel with another duplex unit), and may be purchased by individual homebuyers (which shall still be the case even if the Units are purchased and subsequently offered for rent by the owner of the Unit), including such residential structures that meet the statutory definition of a condominium contained in Civil Code Section 1351.

"Single Family Detached Property" means all Assessor's Parcels of Developed Property for which a building permit was issued for construction of a Unit, on one legal lot, that does not share a common wall with another Unit.

“Single Family Property” means all Assessor’s Parcels of Single Family Attached Property and Single Family Detached Property.

“Special Tax” means the special tax authorized by the qualified electors of CFD No. 54 to be levied within the boundaries of CFD No. 54.

“Special Tax Requirement” means for any Fiscal Year that amount required, after taking into account available amounts held in the funds and accounts established under the Indenture, for CFD No. 54 to: (i) pay debt service on all Outstanding Bonds which is due in the calendar year that commences in such Fiscal Year; (ii) pay periodic costs on the Bonds, including, but not limited to, credit enhancement and rebate payments on the Bonds; (iii) pay Administrative Expenses; (iv) provide any amounts required to establish or replenish any reserve fund for the Bonds; (v) pay directly for acquisition or construction of Facilities, or the cost of Services, to the extent that the inclusion of such amounts does not increase the Special Tax levy on Final Mapped Property or Undeveloped Property; (vi) without duplicating any amounts described in clause (iv), above, provide an amount equal to reasonably anticipated Special Tax delinquencies based on the delinquency rate for the Special Tax in the previous Fiscal Year as determined by the CFD Administrator, as limited by the Act.

“Square Footage” or **“Sq. Ft.”** means the floor area square footage reflected on the original construction building permit, or as set forth in other official records maintained by the City’s Building Department or other appropriate means selected by CFD No. 54, issued for construction of Single Family Property, Other Residential Property, or Non-Residential Property, plus any square footage subsequently added to a building of Non-Residential Property after issuance of a building permit for expansion or renovation of such building.

“State” means the State of California.

“Taxable Property” means, for each Fiscal Year, all of the Assessor’s Parcels within the boundaries of CFD No. 54 that are not exempt from the Special Tax pursuant to law or Section E below.

“Taxable Property Owner Association Property” means, for each Fiscal Year, all Assessor’s Parcels of Property Owner Association Property that are not exempt from the Special Tax pursuant to Section E below.

“Taxable Public Property” means, for each Fiscal Year, all Assessor’s Parcels of Public Property that are not exempt from the Special Tax pursuant to law or Section E below.

“Tentative Tract Map” means a map: (i) showing a proposed subdivision of an Assessor’s Parcel(s) and the conditions pertaining thereto; (ii) that may or may not be based on a detailed survey; and (iii) that is not recorded by the County to create legal lots.

“Total Tax Burden” means, for a Unit within a Land Use Class, for the Fiscal Year in which Total Tax Burden is being calculated, the sum of (a) the Assigned Special Tax for such Land Use Class for such Fiscal Year, plus (b) the *ad valorem* property taxes, special

assessments, special taxes for any overlapping community facilities districts, and any other governmental fees, charges (other than fees or charges for services such as sewer and trash), taxes, and assessments (which do not include Contractual Impositions) collected by the County on *ad valorem* tax bills and that the CFD Administrator estimates would be levied or imposed on such Unit in such Fiscal Year if the residential dwelling unit thereon or therein had been completed and sold, and was subject to such fees, charges, taxes, and assessments in such Fiscal Year.

“Trustee” means the trustee or fiscal agent under the Indenture.

“TTM 17931” means Tentative Tract Map No. 17931, the area of which is located within CFD No. 54.

“TTM 20285” means Tentative Tract Map No. 20285, the area of which is located within CFD No. 54.

“Undeveloped Property” means, for each Fiscal Year, all Taxable Property not classified as Developed Property, Final Mapped Property, Taxable Public Property, or Taxable Property Owner Association Property.

“Unit” means an individual single-family detached or attached home, townhome, condominium, apartment, or other residential dwelling unit, including each separate living area within a half-plex, duplex, triplex, fourplex, or other residential structure.

B. ASSIGNMENT TO LAND USE CATEGORIES

Each Fiscal Year, beginning with Fiscal Year 2020-21, all Taxable Property within CFD No. 54 shall be classified as Developed Property, Final Mapped Property, Taxable Public Property, Taxable Property Owner Association Property, or Undeveloped Property and shall be subject to Special Taxes in accordance with the Rate and Method of Apportionment as determined pursuant to Sections C and D below. Assessor’s Parcels of Single Family Detached Property shall be assigned to Land Use Classes 1 through 7, and Assessor’s Parcels of Single Family Attached Property shall be assigned to Land Use Classes 8 through 14, as listed in Table 1 below based on the Residential Floor Area of the Units on such Assessor’s Parcels. Other Residential Property shall be assigned to Land Use Class 15, and Non-Residential Property shall be assigned to Land Use Class 16.

C. MAXIMUM SPECIAL TAX

1. Special Tax

At least 30 days prior to the issuance of Bonds, the Assigned Special Tax on Developed Property (set forth in Table 1 below) shall be analyzed in accordance with and subject to the conditions set forth in this Section C. At such time, CFD No. 54 shall select and engage a Price Point Consultant and the CFD Administrator shall request the Price Point Consultant to prepare a Price Point Study setting forth the Minimum Sale Price of Units within each Land Use Class.

If based upon such Price Point Study the CFD Administrator calculates that the Total Tax Burden applicable to Units within one or more Land Use Classes of Single Family Property to be constructed within CFD No. 54 exceeds 1.95% of the Minimum Sale Price of such Units, the Assigned Special Tax shall be reduced to the extent necessary to cause the Total Tax Burden that shall apply to Units within such Land Use Class(es) not to exceed 1.95% of the Minimum Sale Price of such Units.

Each Assigned Special Tax reduction for a Land Use Class shall be calculated by the CFD Administrator separately, and it shall not be required that such reduction be proportionate among Land Use Classes. In connection with any reduction in the Assigned Special Tax, the Backup Special Tax shall also be reduced by the CFD Administrator based on the percentage reduction in Maximum Special Tax revenues within the Tentative Tract Map area(s) where the Assigned Special Tax reductions occurred. Upon determining the reductions, if any, in the Assigned Special Tax and Backup Special Tax required pursuant to this Section C, the CFD Administrator shall complete the Certificate of Modification of Special Tax substantially in the form attached hereto as Exhibit A (the "Certificate of Modification"), shall execute such completed Certificate of Modification, and shall deliver such executed Certificate of Modification to CFD No. 54. Upon receipt thereof, if in satisfactory form, CFD No. 54 shall execute such Certificate of Modification. The reduced Assigned Special Tax and Backup Special Tax specified in such Certificate of Modification shall become effective upon the execution of such Certificate of Modification by CFD No. 54.

The Special Tax reductions required pursuant to this section shall be reflected in an amended notice of Special Tax lien, which CFD No. 54 shall cause to be recorded with the County Recorder as soon as practicable after execution of the Certificate of Modification by CFD No. 54. The reductions in this section apply to Single Family Property, but not to Other Residential Property or Non-Residential Property.

a. *Developed Property*

1) *Maximum Special Tax*

The Maximum Special Tax that may be levied in any Fiscal Year for each Assessor's Parcel classified as Developed Property shall be the greater of (i) the amount derived by application of the Assigned Special Tax or (ii) the amount derived by application of the Backup Special Tax. The Maximum Special Tax shall not increase in future years, other than as calculated pursuant to Section C.1.a.3 below.

2) *Assigned Special Tax*

The Assigned Special Tax that may be levied in any Fiscal Year for each Land Use Class is shown below in Table 1.

TABLE 1
ASSIGNED SPECIAL TAX – DEVELOPED PROPERTY

Land Use Class	Description	Residential Floor Area (Square Footage)	Assigned Special Tax
1	Single Family Detached Property	< 2,201	\$2,574 per Unit
2	Single Family Detached Property	2,201 – 2,400	\$2,848 per Unit
3	Single Family Detached Property	2,401 – 2,600	\$3,016 per Unit
4	Single Family Detached Property	2,601 – 2,800	\$3,216 per Unit
5	Single Family Detached Property	2,801 – 3,000	\$3,441 per Unit
6	Single Family Detached Property	3,001 – 3,200	\$3,579 per Unit
7	Single Family Detached Property	> 3,200	\$3,761 per Unit
8	Single Family Attached Property	< 901	\$1,090 per Unit
9	Single Family Attached Property	901 – 1,100	\$1,166 per Unit
10	Single Family Attached Property	1,101 – 1,300	\$1,312 per Unit
11	Single Family Attached Property	1,301 – 1,500	\$1,484 per Unit
12	Single Family Attached Property	1,501 – 1,700	\$1,623 per Unit
13	Single Family Attached Property	1,701 – 1,900	\$1,766 per Unit
14	Single Family Attached Property	> 1,900	\$1,840 per Unit
15	Other Residential Property		\$32,813 per Acre
16	Non-Residential Property		\$32,813 per Acre

3) *Backup Special Tax*

The Backup Special Tax shall be \$3,235 per Unit for Single Family Detached Property and \$1,473 per Unit for Single Family Attached Property. However, if the Expected Residential Lot Count does not equal 100 for Single Family Detached Property or 126 for Single Family Attached Property, and the City has not issued Bonds, then the Backup Special Tax for Designated Buildable Lots of Single Family Property shall be calculated separately for Single Family Detached Property and Single Family Attached Property according to the following formula:

$$\text{Backup Special Tax} = \$323,525 \div \text{Expected Residential Lot Count for Single Family Detached Property}$$

or $\$185,598 \div \text{Expected Residential Lot Count for Single Family Attached Property}$

If any portion of a Final Subdivision Map, or any area expected by CFD No. 54 to become Final Mapped Property, such as the area within TTM 17931, TTM 20285, or any other Tentative Tract Map, changes any time after the City has issued Bonds, causing an adjustment to the number of Designated Buildable Lots, then the Backup Special Tax for all Designated Buildable Lots of Single Family Detached Property and Single Family Attached Property subject to the change shall be calculated according to the following steps:

Step 1: Determine the total Backup Special Taxes that could have been collected from Designated Buildable Lots, separately for Single Family Detached Property and Single Family Attached Property, prior to the Final Subdivision Map or expected Final Mapped Property change.

Step 2: Divide the amount(s) determined in Step 1 by the number of Designated Buildable Lots, separately for Single Family Detached Property and Single Family Attached Property, that exists after the Final Subdivision Map or expected Final Mapped Property change.

Step 3: Apply the amount(s) determined in Step 2 as the Backup Special Tax per Unit for Single Family Detached Property and Single Family Attached Property.

The Backup Special Tax for an Assessor's Parcel shall not change once an Assessor's Parcel is classified as Developed Property.

b. Final Mapped Property, Taxable Public Property, Taxable Property Owner Association Property, and Undeveloped Property

The Maximum Special Tax for Final Mapped Property, Taxable Public Property, Taxable Property Owner Association Property, and Undeveloped Property shall be \$32,813 per Acre, and shall not be subject to increase or reduction and, therefore, shall remain the same in every Fiscal Year.

2. Multiple Land Use Classes on an Assessor's Parcel

In some instances an Assessor's Parcel of Developed Property may contain more than one Land Use Class. The Maximum Special Tax levied on such Assessor's Parcel shall be the sum of the Maximum Special Tax for all Units of Single

Family Property and Acres of Other Residential Property and Non-Residential Property (based on the pro rata share of Square Footage between Other Residential Property and Non-Residential Property, according to the applicable building permits, Final Subdivision Map, parcel map, condominium plan, or other recorded County map) located on that Assessor's Parcel.

D. METHOD OF APPORTIONMENT OF THE SPECIAL TAX

Each Fiscal Year, beginning with Fiscal Year 2020-21, the CFD Administrator shall determine the Special Tax Requirement for such Fiscal Year. The Special Tax shall then be levied as follows:

First: If needed to satisfy the Special Tax Requirement, the Special Tax shall be levied Proportionately on each Assessor's Parcel of Developed Property up to 100% of the applicable Assigned Special Tax;

Second: If additional monies are needed to satisfy the Special Tax Requirement after the first step has been completed, then the Special Tax shall be levied Proportionately on each Assessor's Parcel of Final Mapped Property up to 100% of the Maximum Special Tax for Final Mapped Property;

Third: If additional monies are needed to satisfy the Special Tax Requirement after the first two steps have been completed, then the Special Tax shall be levied Proportionately on each Assessor's Parcel of Undeveloped Property up to 100% of the Maximum Special Tax for Undeveloped Property;

Fourth: If additional monies are needed to satisfy the Special Tax Requirement after the first three steps have been completed, then the levy of the Special Tax on each Assessor's Parcel of Developed Property whose Maximum Special Tax is determined through the application of the Backup Special Tax shall be increased Proportionately from the Assigned Special Tax up to the Maximum Special Tax for each such Assessor's Parcel;

Fifth: If additional monies are needed to satisfy the Special Tax Requirement after the first four steps have been completed, then the Special Tax shall be levied Proportionately on each Assessor's Parcel of Taxable Property Owner Association Property up to the Maximum Special Tax for Taxable Property Owner Association Property; and

Sixth: If additional monies are needed to satisfy the Special Tax Requirement after the first five steps have been completed, then the Special Tax shall be levied Proportionately on each Assessor's Parcel of Taxable Public Property up to the Maximum Special Tax for Taxable Public Property.

Notwithstanding the above, under no circumstances shall the Special Tax levied in any Fiscal Year on any Assessor's Parcel of Single Family Property or Other Residential Property for which an occupancy permit for private residential use has been issued be increased as a result of delinquency or default by the owner or owners of any other Assessor's Parcel or Assessor's Parcels within CFD No. 54 by more than ten percent

above the amount that would have been levied in that Fiscal Year had there never been any such delinquencies or defaults.

E. EXEMPTIONS

No Special Tax shall be levied on up to 4.72 Acres of Public Property and up to 3.67 Acres of Property Owner Association Property. Tax-exempt status will be assigned by the CFD Administrator in the chronological order in which property becomes Public Property or Property Owner Association Property.

Property Owner Association Property or Public Property that is not exempt from the Special Tax under this section shall be subject to the levy of the Special Tax and shall be taxed Proportionately as part of the fifth or sixth step, respectively, in Section D above, up to 100% of the applicable Maximum Special Tax for Taxable Property Owner Association Property and Taxable Public Property. No Special Tax shall be levied in any Fiscal Year on Assessor's Parcels that have fully prepaid the Special Tax obligation pursuant to the formula set forth in Section H.

No Special Tax shall be levied on Lower Income Household Welfare Exemption Property; provided, however, that if, in any Fiscal Year, applicable law does not require that Lower Income Household Welfare Exemption Property be exempt from some portion, or all, of the Special Tax, such portion, or all, of the Special Tax shall be levied on such property in accordance with this Rate and Method of Apportionment based on the Land Use Class to which the Assessor's Parcel is assigned.

F. APPEALS

Any property owner may file a written appeal of the Special Tax with CFD No. 54 claiming that the amount or application of the Special Tax is not correct. The appeal must be filed not later than one calendar year after having paid the Special Tax that is disputed, and the appellant must be current in all payments of Special Taxes. In addition, during the term of the appeal process, all Special Taxes levied must be paid on or before the payment date established when the levy was made.

The appeal must specify the reasons why the appellant claims the Special Tax is in error. The CFD Administrator shall review the appeal, meet with the appellant if the CFD Administrator deems necessary, and advise the appellant of its determination.

If the property owner disagrees with the CFD Administrator's decision relative to the appeal, the owner may then file a written appeal with the City Council whose subsequent decision shall be final and binding on all interested parties. If the decision of the CFD Administrator or subsequent decision by the City Council requires the Special Tax to be modified or changed in favor of the property owner, then the CFD Administrator shall determine if sufficient Special Tax revenue is available to make a cash refund. If a cash refund cannot be made, then an adjustment shall be made to credit future Special Tax levy(ies).

This procedure shall be exclusive and its exhaustion by any property owner shall be a condition precedent to filing any legal action by such owner.

G. MANNER OF COLLECTION

The Special Tax shall be collected in the same manner and at the same time as ordinary *ad valorem* property taxes; provided, however, that the Special Taxes may be collected in such other manner as the City Council shall determine, including direct billing of affected property owners.

H. PREPAYMENT OF SPECIAL TAX

The following definitions apply to this Section H:

“CFD Public Facilities” means \$6,397,000 for each Prepayment Period, or such lower number as determined by the City Council to be sufficient to fund the Facilities and Services to be provided by CFD No. 54.

“Expenditures Fund” means funds or accounts, regardless of their names, that are established to hold moneys that are available to acquire or construct Facilities and to fund Services.

“Future Facilities Costs” means the CFD Public Facilities minus (i) Facilities and Services costs previously paid from the Expenditures Fund during the Prepayment Period in which the prepayment is being made, (ii) moneys currently on deposit in the Expenditures Fund from deposits made during the Prepayment Period in which the prepayment is being made, and (iii) moneys currently on deposit in an escrow fund that are expected to be available to finance Facilities costs. In no event shall the amount of Future Facilities Costs be less than zero.

“Prepayment Period” means one of three periods of time during which a Special Tax prepayment may be made.

“Prepayment Period 1” means July 1, 2020, through June 30, 2054.

“Prepayment Period 2” means July 1, 2054, through June 30, 2087.

“Prepayment Period 3” means July 1, 2087, through June 30, 2121.

1. Prepayment in Full

The obligation of an Assessor's Parcel to pay the Special Tax may be prepaid as described herein, provided that a prepayment may be made only for Assessor's Parcels for which a building permit for new construction was issued after January 1, 2019, and only if there are no delinquent Special Taxes with respect to such Assessor's Parcel at the time of prepayment. An owner of an Assessor's Parcel intending to prepay the Special Tax obligation shall provide the CFD Administrator with written notice of intent to prepay. Within 30 days of receipt

of such written notice, the CFD Administrator shall notify such owner of the prepayment amount for such Assessor's Parcel. The CFD Administrator may charge a fee for providing this service. Prepayment in any six month period must be made not less than 45 days prior to the next occurring date that notice of redemption of Bonds from the proceeds of such prepayment may be given to the Trustee pursuant to the Indenture.

The Special Tax Prepayment Amount (defined below) shall be calculated as summarized below (capitalized terms as defined below):

	Bond Redemption Amount
plus	Redemption Premium
plus	Future Facilities Amount
plus	Defeasance Amount
plus	Administrative Fees and Expenses
<u>less</u>	<u>Reserve Fund Credit</u>
Total	Prepayment Amount

As of the proposed date of prepayment, the Special Tax Prepayment Amount (defined below) shall be calculated by the CFD Administrator as follows:

Paragraph No.

1. Confirm that no Special Tax delinquencies apply to such Assessor's Parcel, and determine the Prepayment Period for the proposed prepayment.
2. Compute the Assigned Special Tax and Backup Special Tax for the Assessor's Parcel to be prepaid based on the Developed Property Special Tax which is, or could be, charged in the current Fiscal Year. For Assessor's Parcels of Final Mapped Property (for which a building permit has been issued but which is not yet classified as Developed Property) to be prepaid, compute the Assigned Special Tax and Backup Special Tax for that Assessor's Parcel as though it was already designated as Developed Property, based upon the building permit which has already been issued for that Assessor's Parcel.
3. (a) Divide the Assigned Special Tax computed pursuant to Paragraph 2 by the total estimated Assigned Special Tax for CFD No. 54 based on the Developed Property Special Tax which could be charged in the current Fiscal Year on all expected development through buildout of CFD No. 54, excluding any Assessor's Parcels which have been prepaid, and

(b) Divide the Backup Special Tax computed pursuant to Paragraph 2 by the estimated total Backup Special Tax at buildout of CFD No. 54, excluding any Assessor's Parcels which have been prepaid.
4. Multiply the larger quotient computed pursuant to Paragraph 3(a) or 3(b) by the Outstanding Bonds to compute the amount of Outstanding Bonds to be retired and prepaid (the "Bond Redemption Amount").

5. Multiply the Bond Redemption Amount computed pursuant to Paragraph 4 by the applicable redemption premium (e.g., the redemption price minus 100%), if any, on the Outstanding Bonds to be redeemed (the “Redemption Premium”).
6. Compute the Future Facilities Costs for the applicable Prepayment Period.
7. Multiply the larger quotient computed pursuant to Paragraph 3(a) or 3(b) by the amount determined pursuant to Paragraph 6 to compute the amount of Future Facilities Costs to be prepaid (the “Future Facilities Amount”).
8. Compute the amount needed to pay interest on the Bond Redemption Amount from the first bond interest and/or principal payment date following the current Fiscal Year until the earliest redemption date for the Outstanding Bonds.
9. Determine the Special Tax levied on the Assessor’s Parcel in the current Fiscal Year which has not yet been paid.
10. Add the amounts computed pursuant to Paragraphs 8 and 9 to determine the “Defeasance Amount”.
11. Verify the administrative fees and expenses of CFD No. 54, including the costs to compute the prepayment, the costs to invest the prepayment proceeds, the costs to redeem Bonds, and the costs to record any notices to evidence the prepayment and the redemption (the “Administrative Fees and Expenses”).
12. If reserve funds for the Outstanding Bonds, if any, are at or above 100% of the reserve requirement (as defined in the Indenture) on the prepayment date, a reserve fund credit shall be calculated as a reduction in the applicable reserve fund for the Outstanding Bonds to be redeemed pursuant to the prepayment (the “Reserve Fund Credit”). No Reserve Fund Credit shall be granted if reserve funds are below 100% of the reserve requirement on the prepayment date or the redemption date.
13. The Special Tax prepayment is equal to the sum of the amounts computed pursuant to Paragraphs 4, 5, 7, 10, and 11, less the amount computed pursuant to Paragraph 12 (the “Prepayment Amount”).
14. From the Prepayment Amount, the amounts computed pursuant to Paragraphs 4, 5, 10, and 12 shall be deposited into the appropriate fund as established under the Indenture and be used to retire Outstanding Bonds or make debt service payments. The amount computed pursuant to Paragraph 7 shall be deposited into the Expenditures Fund. The amount computed pursuant to Paragraph 11 shall be retained by CFD No. 54.

The Special Tax Prepayment Amount may be sufficient to redeem other than a \$5,000 increment of Bonds. In such cases, the increment above \$5,000, or integral multiple

thereof, will be retained in the appropriate fund established under the Indenture to be used with the next prepayment of Bonds or to make debt service payments.

As a result of the payment of the current Fiscal Year's Special Tax levy as determined under Paragraph 9 (above), the CFD Administrator shall remove the current Fiscal Year's Special Tax levy for such Assessor's Parcel from the County tax rolls. With respect to any Assessor's Parcel that is prepaid during Prepayment Period 3, the CFD Administrator shall cause a suitable notice to be recorded in compliance with the Act to indicate that the Special Tax has been prepaid and that the obligation of such Assessor's Parcel to pay the Special Tax shall cease.

With respect to the Special Tax for any Assessor's Parcel that is prepaid during Prepayment Period 1 or Prepayment Period 2, the obligation of such Assessor's Parcel to pay the Special Tax shall be tolled, or suspended, through the end of such Prepayment Period, but shall resume in the first Fiscal Year of the subsequent Prepayment Period. The CFD Administrator shall cause a suitable notice to be recorded in compliance with the Act to indicate that the Special Tax has been satisfied for the remainder of the applicable Prepayment Period but has not been permanently satisfied and the obligation to pay the Special Tax will resume in the first Fiscal Year of the Prepayment Period following the Prepayment Period in which the prepayment was made. Once the obligation of an Assessor's Parcel to pay the Special Tax resumes, the Special Tax for the then applicable Prepayment Period may be prepaid.

Notwithstanding the foregoing, no Special Tax prepayment shall be allowed unless the amount of Maximum Special Tax that may be levied on Taxable Property within CFD No. 54 (after excluding 4.72 Acres of Public Property and 3.67 acres of Property Owner Association Property) both prior to and after the proposed prepayment is at least 1.1 times the maximum annual debt service on all Outstanding Bonds.

2. Prepayment in Part

The Special Tax on an Assessor's Parcel for which a building permit for new construction was issued after January 1, 2019, may be partially prepaid. The amount of the prepayment shall be calculated as in Section H.1, except that a partial prepayment shall be calculated by the CFD Administrator according to the following formula:

$$PP = (PF - AE) \times \% + AE.$$

The terms above have the following meaning:

PP = the partial prepayment

PF = the Prepayment Amount (full prepayment) for the Special Tax calculated according to Section H.1

AE = the Administrative Fees and Expenses determined pursuant to paragraph 11 above

% = the percentage by which the owner of the Assessor's Parcel(s) is partially prepaying the Special Tax

The Special Tax partial prepayment amount must be sufficient to redeem at least a \$5,000 increment of Bonds.

The owner of any Assessor's Parcel who desires such prepayment shall notify the CFD Administrator of such owner's intent to partially prepay the Special Tax and the percentage by which the Special Tax shall be prepaid. The CFD Administrator shall provide the owner with a statement of the amount required for the partial prepayment of the Special Tax for an Assessor's Parcel within thirty (30) days of the request and may charge a fee for providing this service. With respect to any Assessor's Parcel that is partially prepaid, the CFD Administrator shall (i) distribute the remitted prepayment funds according to Section H.1, and (ii) indicate in the records of CFD No. 54 that there has been a partial prepayment of the Special Tax and that a portion of the Special Tax with respect to such Assessor's Parcel, equal to the outstanding percentage (100% - "%", as defined above) of the Maximum Special Tax, shall continue to be levied on such Assessor's Parcel pursuant to Section D during the Prepayment Period in which the partial prepayment is made.

For partial prepayments made during Prepayment Period 1 or Prepayment Period 2, the full amount of the Special Tax shall resume in the first Fiscal Year of the Prepayment Period following the Prepayment Period in which the partial prepayment was made. Once the obligation of an Assessor's Parcel to pay the Special Tax resumes, the Special Tax for the then applicable Prepayment Period may be prepaid.

I. TERM OF SPECIAL TAX

The Fiscal Year after which no further Special Tax shall be levied or collected is Fiscal Year 2120-2121, except that the Special Tax that was lawfully levied in or before such Fiscal Year and that remains delinquent may be collected in subsequent years.

EXHIBIT A

**CERTIFICATE OF MODIFICATION OF SPECIAL TAX
(PAGE 1 OF 2)**

CFD No. 54 CERTIFICATE

1. Pursuant to Section C.1 of the Rate and Method of Apportionment of Special Tax (the “Rate and Method”) for City of Ontario Community Facilities District No. 54 (Esperanza Facilities) (“CFD No. 54”), the Assigned Special Tax and the Backup Special Tax for Developed Property within CFD No. 54 has been modified.
 - a. The information in Table 1 relating to the Assigned Special Tax for Developed Property within CFD No. 54, as stated in Section C.1.a.2 of the Rate and Method of Apportionment, has been modified as follows:

**TABLE 1
ASSIGNED SPECIAL TAX – DEVELOPED PROPERTY**

Land Use Class	Description	Residential Floor Area (Square Footage)	Assigned Special Tax
1	Single Family Detached Property	< 2,201	\$[] per Unit
2	Single Family Detached Property	2,201 – 2,400	\$[] per Unit
3	Single Family Detached Property	2,401 – 2,600	\$[] per Unit
4	Single Family Detached Property	2,601 – 2,800	\$[] per Unit
5	Single Family Detached Property	2,801 – 3,000	\$[] per Unit
6	Single Family Detached Property	3,001 – 3,200	\$[] per Unit
7	Single Family Detached Property	> 3,200	\$[] per Unit
8	Single Family Attached Property	< 901	\$[] per Unit
9	Single Family Attached Property	901 – 1,100	\$[] per Unit
10	Single Family Attached Property	1,101 – 1,300	\$[] per Unit
11	Single Family Attached Property	1,301 – 1,500	\$[] per Unit
12	Single Family Attached Property	1,501 – 1,700	\$[] per Unit
13	Single Family Attached Property	1,701 – 1,900	\$[] per Unit
14	Single Family Attached Property	> 1,900	
15	Other Residential Property		\$[] per Acre
16	Non-Residential Property		\$[] per Acre

- b. The Backup Special Tax for Developed Property, as stated in Section C.1.a.3, shall be modified as follows:

EXHIBIT A

**CERTIFICATE OF MODIFICATION OF SPECIAL TAX
(PAGE 2 OF 2)**

The Backup Special Tax shall be \$[_____] per Unit for Single Family Detached Property and \$[_____] per Unit for Single Family Attached Property. However, if the Expected Residential Lot Count does not equal 100 for Single Family Detached Property or 126 for Single Family Attached Property, and the City has not issued Bonds, then the Backup Special Tax for Designated Buildable Lots of Single Family Property shall be calculated separately for Single Family Detached Property and Single Family Attached Property according to the following formula:

$$\text{Backup Special Tax} = \$[\text{_____}] \div \text{Expected Residential Lot Count for Single Family Detached Property}$$

or
$$\$[\text{_____}] \div \text{Expected Residential Lot Count for Single Family Attached Property}$$

2. The Special Tax for Developed Property may only be modified prior to the first issuance of CFD No. 54 Bonds.
3. Upon execution of this certificate by CFD No. 54, CFD No. 54 shall cause an amended notice of Special Tax lien for CFD No. 54 to be recorded reflecting the modifications set forth herein.

Capitalized undefined terms used herein have the meanings ascribed thereto in the Rate and Method. The modifications set forth in this Certificate have been calculated by the CFD Administrator in accordance with the Rate and Method.

GOODWIN CONSULTING GROUP, INC.
CFD ADMINISTRATOR

By: _____ Date: _____

The undersigned acknowledges receipt of this Certificate and of the modification of the Assigned Special Tax and the Backup Special Tax for Developed Property as set forth in this Certificate.

CITY OF ONTARIO
COMMUNITY FACILITIES DISTRICT NO. 54
(ESPERANZA FACILITIES)

By: _____ Date: _____

RESOLUTION NO. _____

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF ONTARIO, CALIFORNIA, OF FORMATION OF THE CITY OF ONTARIO COMMUNITY FACILITIES DISTRICT NO. 54 (ESPERANZA FACILITIES), AUTHORIZING THE LEVY OF A SPECIAL TAX WITHIN THE COMMUNITY FACILITIES DISTRICT AND ESTABLISHING AN APPROPRIATIONS LIMIT FOR THE COMMUNITY FACILITIES DISTRICT.

WHEREAS, on April 7, 2020, the City Council (the "City Council") of the City of Ontario (the "City"), pursuant to the Mello-Roos Community Facilities Act of 1982 (the "Act"), adopted a resolution entitled "A Resolution of the City Council of the City of Ontario, California, of Intention to Establish a Community Facilities District, Proposed to be Named City of Ontario Community Facilities District No. 54 (Esperanza Facilities), and to Authorize the Levy of Special Taxes" (the "Resolution of Intention"), stating its intention to establish a community facilities district (the "Community Facilities District") proposed to be named City of Ontario Community Facilities District No. 54 (Esperanza Facilities), to authorize the levy of special taxes within the Community Facilities District to finance certain public facilities and services and setting the date for a public hearing to be held on the establishment of the Community Facilities District; and

WHEREAS, pursuant to the Resolution of Intention, notice of said public hearing was published in the *Inland Valley Daily Bulletin*, a newspaper of general circulation published in the area of the Community Facilities District, in accordance with the Act; and

WHEREAS, on this date, the City Council opened, conducted and closed said public hearing; and

WHEREAS, pursuant to the Resolution of Intention, each officer of the City who is or will be responsible for providing one or more of the proposed types of public facilities or services was directed to study, or cause to be studied, the proposed Community Facilities District and, at or before said public hearing, file a report with the City Council containing a brief description of the public facilities and services by type that will in his or her opinion be required to adequately meet the needs of the Community Facilities District, and his or her estimate of the cost of providing such public facilities and services; such officers were also directed to estimate the fair and reasonable cost of the public facilities proposed to be purchased as completed public facilities and of the incidental expenses proposed to be paid; and

WHEREAS, said report was so filed with the City Council and made a part of the record of said public hearing; and

WHEREAS, at the hearing, the City Council proposed to modify the Resolution of Intention so as to make certain clarifying changes to the rate and method of apportionment of the special tax (the "Original Rate and Method") originally proposed to be levied within the Community Facilities District; and

WHEREAS, at the hearing, the City Council adopted a resolution entitled "A Resolution of the City Council of the City of Ontario, California, Modifying Resolution of Intention and Approving Amended and Restated Rate and Method of Apportionment for the Proposed City of Ontario Community Facilities District No. 54 (Esperanza Facilities)" modifying the Resolution of Intention so as to amend and restate the Original Rate and Method in its entirety; and

WHEREAS, at the hearing, the testimony of all persons for or against the establishment of the Community Facilities District, the extent of the Community Facilities District and the furnishing of the specified types of public facilities and services was heard; and

WHEREAS, written protests against the establishment of the Community Facilities District, the furnishing of any specified type or types of facilities and services within the Community Facilities District or the levying of any specified special tax were not made or filed at or before said hearing by 50% or more of the registered voters, or six registered voters, whichever is more, residing within the territory proposed to be included in the Community Facilities District, or the owners of one-half or more of the area of land in the territory proposed to be included in the Community Facilities District and not exempt from the special tax; and

WHEREAS, there has been filed with the City Clerk of the City a letter from the Registrar of Voters of the County of San Bernardino indicating that no persons were registered to vote within the territory of the proposed Community Facilities District as of April 23, 2020, and, accordingly, that 12 or more persons have not been registered to vote within the territory of the proposed Community Facilities District for each of the 90 days preceding the close of said public hearing; and

WHEREAS, Section 53314.9 of the Act provides that, at any time either before or after the formation of a community facilities district, the legislative body may accept advances of funds from any source, including, but not limited to, private persons or private entities and may provide, by resolution, for the use of those funds for any authorized purpose, including, but not limited to, paying any cost incurred by the local agency in creating a community facilities district; and

WHEREAS, Section 53314.9 of the Act further provides that the legislative body may enter into an agreement, by resolution, with the person or entity advancing the funds, to repay all or a portion of the funds advanced, as determined by the legislative body, with or without interest, under all the following conditions: (a) the proposal to repay the funds is included in both the resolution of intention to establish a community facilities district adopted pursuant to Section 53521 of the Act and in the resolution of formation to establish a community facilities district pursuant to Section 53325.1 of the Act, (b) any proposed special tax is approved by the qualified electors of the community facilities district pursuant to the Act, and (c) any agreement shall specify that if the qualified electors of the community facilities district do not approve the proposed special tax, the local agency shall return any funds which have not been committed for any authorized purpose by the time of the election to the person or entity advancing the funds; and

WHEREAS, the City and GDC/CDG Esperanza PA 4 Venture, L.P. (“Esperanza PA 4 Venture”) entered into a Deposit and Reimbursement Agreement, dated as of April 1, 2020 (the “Deposit Agreement”), that provides for the advancement of funds by Esperanza PA 4 Venture to be used to pay costs incurred in connection with the establishment of the Community Facilities District and the issuance of special tax bonds thereby, and provides for the reimbursement to Esperanza PA 4 Venture of such funds advanced, without interest, from the proceeds of any such bonds issued by the Community Facilities District; and

WHEREAS, in accordance with Section 53314.9 of the Act, the City desires to accept such advances and to reimburse Esperanza PA 4 Venture therefor, without interest, from the proceeds of special tax bonds issued by the Community Facilities District.

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

SECTION 1. The foregoing recitals are true and correct.

SECTION 2. The Community Facilities District is hereby established pursuant to the Act.

SECTION 3. The Community Facilities District is hereby named “City of Ontario Community Facilities District No. 54 (Esperanza Facilities).”

SECTION 4. The public facilities (the “Facilities”) proposed to be financed by the Community Facilities District pursuant to the Act are described under the caption “Facilities” on Exhibit A hereto, which is by this reference incorporated herein. Those Facilities proposed to be purchased as completed public facilities are described under the caption “Facilities to be Purchased” on Exhibit A hereto. The services (the “Services”) proposed to be financed by the Community Facilities District pursuant to the Act are described under the caption “Services” on Exhibit A hereto. The incidental expenses proposed to be incurred are identified under the caption “Incidental Expenses” on Exhibit A hereto. All or any portion of the Facilities may be financed through a financing plan, including, but not limited to, a lease, lease-purchase or installment-purchase arrangement.

SECTION 5. The proposed special tax to be levied within the Community Facilities District has not been precluded by majority protest pursuant to Section 53324 of the Act.

SECTION 6. Except where funds are otherwise available, a special tax sufficient to pay for all Facilities and Services, secured by recordation of a continuing lien against all nonexempt real property in the Community Facilities District, will be annually levied within the Community Facilities District. The amended and restated rate and method of apportionment of the special tax (the “Rate and Method”), in sufficient detail to allow each landowner within the proposed Community Facilities District to estimate the maximum amount that he or she will have to pay, is described in Exhibit B

attached hereto, which is by this reference incorporated herein. The conditions under which the obligation to pay the special tax to pay for Facilities may be prepaid and permanently satisfied are specified in the Rate and Method. The special tax will be collected in the same manner as ordinary *ad valorem* property taxes or in such other manner as the City Council shall determine, including direct billing of the affected property owners.

SECTION 7. The special tax may only finance the Services to the extent that they are in addition to those provided in the territory of the Community Facilities District before the Community Facilities District is created. The Services may not supplant services already available within that territory when the Community Facilities District is created.

SECTION 8. The tax year after which no further special tax to pay for Facilities will be levied against any parcel used for private residential purposes is specified in the Rate and Method. Under no circumstances shall the special tax to pay for Facilities in any fiscal year against any parcel used for private residential purposes be increased as a consequence of delinquency or default by the owner or owners of any other parcel or parcels within the Community Facilities District by more than 10% above the amount that would have been levied in that fiscal year had there never been any such delinquencies or defaults. For purposes of this paragraph, a parcel shall be considered "used for private residential purposes" not later than the date on which an occupancy permit for private residential use is issued.

SECTION 9. Pursuant to Section 53344.1 of the Act, the City Council hereby reserves to itself the right and authority to allow any interested owner of property within the Community Facilities District, subject to the provisions of said Section 53344.1 and to those conditions as it may impose, and any applicable prepayment penalties as prescribed in the bond indenture or comparable instrument or document, to tender to the Community Facilities District treasurer in full payment or part payment of any installment of the special taxes or the interest or penalties thereon which may be due or delinquent, but for which a bill has been received, any bond or other obligation secured thereby, the bond or other obligation to be taken at par and credit to be given for the accrued interest shown thereby computed to the date of tender.

SECTION 10. The name, address and telephone number of the office that will be responsible for preparing annually a current roll of special tax levy obligations by assessor's parcel number and that will be responsible for estimating further special tax levies pursuant to Section 53340.2 of the Act are as follows: Management Analyst, Financial Services, City of Ontario, 303 East B Street, Ontario, California 91764, (909) 395-2341.

SECTION 11. Upon recordation of a notice of special tax lien pursuant to Section 3114.5 of the California Streets and Highways Code, a continuing lien to secure each levy of the special tax shall attach to all nonexempt real property in the Community Facilities District and this lien shall continue in force and effect until the special tax obligation is prepaid and permanently satisfied and the lien canceled in accordance with law or until collection of the tax by the City Council ceases.

SECTION 12. The boundary map of the Community Facilities District has been recorded in San Bernardino County in Book 89 at Page 16 of Maps of Assessments and Community Facilities Districts in the San Bernardino County Recorder's Office (Document No. 2020-0129271).

SECTION 13. The annual appropriations limit, as defined by subdivision (h) of Section 8 of Article XIII B of the California Constitution, of the Community Facilities District is hereby established at \$25,000,000.

SECTION 14. Pursuant to the provisions of the Act, the levy of the special tax and a proposition to establish the appropriations limit specified above shall be subject to the approval of the qualified electors of the Community Facilities District at a special election. The City Council hereby finds and determines that no persons were registered to vote within the territory of the proposed Community Facilities District as of April 23, 2020, and that 12 or more persons have not been registered to vote within the territory of the Community Facilities District for each of the 90 days preceding the close of the public hearing held by the City Council on the establishment of the Community Facilities District. Accordingly, pursuant to Section 53326 of the Act, the vote shall be by the landowners of the Community Facilities District and each person who is the owner of land as of the close of said public hearings, or the authorized representative thereof, shall have one vote for each acre or portion of an acre that he or she owns within the Community Facilities District not exempt from the special tax. The voting procedure shall be by mailed or hand-delivered ballot.

SECTION 15. Esperanza PA 4 Venture has heretofore advanced certain funds, and may advance additional funds, which have been or may be used to pay costs incurred in connection with the creation of the Community Facilities District and the issuance of special tax bonds thereby. The City Council has previously approved the acceptance of such funds for the purpose of paying costs incurred in connection with the creation of the Community Facilities District and the issuance of special tax bonds thereby. The City Council proposes to repay all or a portion of such funds expended for such purpose, solely from the proceeds of such bonds, pursuant to the Deposit Agreement. The Deposit Agreement is hereby incorporated herein as though set forth in full herein.

SECTION 16. The City Council hereby finds and determines that all proceedings up to and including the adoption of this Resolution were valid and in conformity with the requirements of the Act. In accordance with Section 53325.1 of the Act, such finding shall be final and conclusive.

SECTION 17. The officers, employees and agents of the City are hereby authorized and directed to take all actions and do all things which they, or any of them, may deem necessary or desirable to accomplish the purposes of this Resolution and not inconsistent with the provisions hereof.

SECTION 18. This Resolution shall take effect immediately upon its adoption.

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

PASSED, APPROVED and ADOPTED this 19th day of May 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 Resolution No. 2020- was duly passed and adopted by the City Council of the City of Ontario at their regular meeting held May 19, 2020 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. 2020- duly passed and adopted by the Ontario City Council at their regular meeting held May 19, 2020.

SHEILA MAUTZ, CITY CLERK

(SEAL)

EXHIBIT A

FACILITIES, SERVICES AND INCIDENTAL EXPENSES

Facilities

The types of facilities to be financed by the Community Facilities District are street and bridge improvements, including grading, paving, curbs and gutters, sidewalks, street signalization and signage, street lights and parkway and landscaping related thereto, domestic and recycled water distribution facilities, sewer collection facilities, solid waste facilities, storm drainage facilities, park and recreation facilities and equipment, aquatic facilities and equipment, fire facilities and equipment, police facilities and equipment, library facilities and equipment, fiber optic telecommunication system facilities, general governmental office, administrative and meeting facilities, and land, rights-of-way and easements necessary for any of such facilities.

Facilities to be Purchased

The types of facilities to be purchased as completed facilities are street and bridge improvements, including grading, paving, curbs and gutters, sidewalks, street signalization and signage, street lights and parkway and landscaping related thereto, domestic and recycled water distribution facilities, sewer collection facilities, solid waste facilities, storm drainage facilities, park and recreation facilities and equipment, aquatic facilities and equipment, fire facilities and equipment, police facilities and equipment, library facilities and equipment, fiber optic telecommunication system facilities, general governmental office, administrative and meeting facilities, and land, rights-of-way and easements necessary for any of such facilities.

Services

The types of services to be financed by the Community Facilities District are police protection services, fire protection and suppression services, ambulance and paramedic services, maintenance and lighting of parks, parkways, streets, roads and open space, flood and storm protection services and maintenance and operation of any real property or other tangible property with an estimated useful life of five or more years that is owned by the City.

Incidental Expenses

The incidental expenses proposed to be incurred include the following:

- (a) the cost of planning and designing public facilities to be financed, including the cost of environmental evaluations of those facilities;
- (b) the costs associated with the creation of the Community Facilities District, issuance of bonds, determination of the amount of taxes, collection of taxes, payment of taxes, or costs otherwise incurred in order to carry out the authorized purposes of the Community Facilities District; and
- (c) any other expenses incidental to the construction, completion, and inspection of the authorized work.

EXHIBIT B

PROPOSED AMENDED AND RESTATED RATE AND METHOD OF
APPORTIONMENT OF SPECIAL TAX

EXHIBIT B

CITY OF ONTARIO COMMUNITY FACILITIES DISTRICT NO. 54 (ESPERANZA FACILITIES)

AMENDED AND RESTATED RATE AND METHOD OF APPORTIONMENT OF SPECIAL TAX

A Special Tax shall be levied on all Assessor's Parcels in the City of Ontario Community Facilities District No. 54 (Esperanza Facilities) ("CFD No. 54") and collected each Fiscal Year, commencing in Fiscal Year 2020-21, in an amount determined by the City Council of the City of Ontario through the application of the Rate and Method of Apportionment, as described below. All of the real property in CFD No. 54, unless exempted by law or by the provisions hereof, shall be taxed for the purposes, to the extent, and in the manner herein provided.

A. DEFINITIONS

The terms hereinafter set forth have the following meanings:

"Acre" or "Acreage" means the land area of an Assessor's Parcel as shown on an Assessor's Parcel Map, or if the land area is not shown on an Assessor's Parcel Map, the land area shown on the applicable Final Subdivision Map, parcel map, condominium plan, or other recorded County map.

"Act" means the Mello-Roos Community Facilities Act of 1982, as amended, being Chapter 2.5 of Part 1 of Division 2 of Title 5 of the California Government Code.

"Administrative Expenses" means the following actual or reasonably estimated costs directly related to the administration of CFD No. 54: the costs of computing the Special Taxes and preparing the annual Special Tax collection schedules (whether by the City or CFD No. 54 or both); the costs of collecting the Special Taxes (whether by the County or otherwise); the costs of remitting the Special Taxes to the Trustee; the costs of the Trustee (including its legal counsel) in the discharge of the duties required of it under the Indenture; the costs to the City or CFD No. 54 of complying with arbitrage rebate requirements; the costs to the City or CFD No. 54 of complying with City, CFD No. 54, or obligated persons disclosure requirements associated with applicable federal and state securities laws and of the Act; the costs associated with preparing Special Tax disclosure statements and responding to public inquiries regarding the Special Taxes; the costs of the City or CFD No. 54 related to the analysis and reduction, if any, of the Special Tax on Single Family Property in accordance with Section C.1 herein; the costs of the City or CFD No. 54 related to an appeal of the Special Tax; the costs associated with the release of funds from any escrow account; the City's administration fees and third party expenses; the costs of City staff time and reasonable overhead relating to CFD No. 54; and amounts estimated or advanced by the City or CFD No. 54 for any other

administrative purposes of CFD No. 54, including attorney's fees and other costs related to commencing and pursuing to completion any foreclosure of delinquent Special Taxes.

"Assessor's Parcel" means a lot or parcel shown in an Assessor's Parcel Map with an assigned Assessor's Parcel Number.

"Assessor's Parcel Map" means an official map of the Assessor of the County designating parcels by Assessor's Parcel Number.

"Assessor's Parcel Number" means, with respect to an Assessor's Parcel, that number assigned to such Assessor's Parcel by the County for purposes of identification.

"Assigned Special Tax" means the Special Tax for each Land Use Class of Developed Property, as determined in accordance with Section C.1.a.2 below.

"Backup Special Tax" means the Special Tax for each Land Use Class of Developed Property, as determined in accordance with Section C.1.a.3 below.

"Bonds" means any bonds or other debt (as defined in Section 53317(d) of the Act) issued by CFD No. 54 under the Act and payable from Special Taxes.

"Buildable Lot" means an individual lot, within a Final Subdivision Map or an area expected by CFD No. 54 to become Final Mapped Property, such as the area within a Tentative Tract Map, for which a building permit may be issued without further subdivision of such lot.

"CFD Administrator" means an official of the City responsible for determining the Special Tax Requirement, providing for the levy and collection of the Special Taxes, and performing the other duties provided for herein.

"CFD No. 54" means City of Ontario Community Facilities District No. 54 (Esperanza Facilities).

"City" means the City of Ontario, California.

"City Council" means the City Council of the City, acting as the legislative body of CFD No. 54.

"Contractual Impositions" means (a) a voluntary contractual assessment established and levied on an Assessor's Parcel pursuant to Chapter 29 of Part 3 of Division 7 of the California Streets and Highways Code (commencing with Section 5898.10 *et seq.*), as amended from time to time, (b) a special tax established and levied on an Assessor's Parcel pursuant to Section 53328.1 of the California Government Code and related provisions of the Act, as amended from time to time, and (c) any other fee, charge, tax, or assessment established and levied on an individual Assessor's Parcel pursuant to a contractual agreement or other voluntary consent by the owner thereof (e.g., property owner association assessments).

“County” means the County of San Bernardino.

“Designated Buildable Lot” means a Buildable Lot for which a building permit has not been issued by the City as of the date of calculation of the Backup Special Tax.

“Developed Property” means for each Fiscal Year, all Taxable Property, exclusive of Final Mapped Property, Taxable Property Owner Association Property, and Taxable Public Property, for which a building permit or other applicable permit for new construction was issued after January 1, 2019, and before May 1 of the prior Fiscal Year.

“Expected Residential Lot Count” means 226 Buildable Lots of Single Family Property or, as determined by the CFD Administrator, the number of Buildable Lots of Single Family Property based on the most recent Tentative Tract Map(s) or most recently recorded Final Subdivision Map(s) or modified Final Subdivision Map(s).

“Facilities” means the public facilities authorized to be financed, in whole or in part, by CFD No. 54.

“Final Mapped Property” means, for each Fiscal Year, all Taxable Property, exclusive of Developed Property, Taxable Property Owner Association Property, and Taxable Public Property, which as of January 1 of the previous Fiscal Year was located within a Final Subdivision Map. The term Final Mapped Property shall include any parcel map or Final Subdivision Map, or portion thereof, that creates individual lots for which a building permit may be issued, including Parcels that are designated as a remainder Parcel (i.e., one where the size, location, etc., precludes any further subdivision or taxable use).

“Final Subdivision Map” means a final tract map, parcel map, or lot line adjustment approved by the City pursuant to the Subdivision Map Act (California Government Code Section 66410 et seq.) or a condominium plan recorded pursuant to California Civil Code 1352 that, in either case, creates individual lots for which building permits may be issued without further subdivision.

“Fiscal Year” means the period starting July 1 and ending on the following June 30.

“Indenture” means the indenture, fiscal agent agreement, resolution, or other instrument pursuant to which Bonds are issued, as modified, amended, and/or supplemented from time to time.

“Land Use Class” means any of the classes listed in Table 1 below.

“Lower Income Household Welfare Exemption Property” means, for each Fiscal Year, an Assessor’s Parcel within the boundaries of CFD No. 54 that is subject to a welfare exemption under subdivision (g) of Section 214 of the California Revenue and Taxation Code (or any successor statute), as indicated in the most recent County assessor’s roll finalized prior to such Fiscal Year.

“Maximum Special Tax” means, with respect to an Assessor’s Parcel of Taxable Property, the Maximum Special Tax determined in accordance with Section C.1 below that can be levied in any Fiscal Year on such Assessor’s Parcel of Taxable Property.

“Minimum Sale Price” means the minimum price at which Units of a given Land Use Class have sold or are expected to be sold in a normal marketing environment and shall not include prices for such Units that are sold at a discount to expected sales prices for the purpose of stimulating the initial sales activity with respect to such Land Use Class.

“Non-Residential Property” means all Assessor’s Parcels of Developed Property for which a building permit was issued by the City permitting the construction of one or more non-residential structures or facilities.

“Other Residential Property” means all Assessor’s Parcels of Developed Property for which a building permit was issued by the City for purposes of constructing Units, excluding Single Family Attached Property and Single Family Detached Property.

“Outstanding Bonds” means all Bonds which are outstanding under and in accordance with the provisions of the Indenture.

“Price Point Consultant” means any consultant or firm of such consultants selected by CFD No. 54 that (a) has substantial experience in performing price point studies for residential units within community facilities districts established under the Act or otherwise estimating or confirming pricing for residential units in such community facilities districts, (b) has recognized expertise in analyzing economic and real estate data that relates to the pricing of residential units in such community facilities districts, (c) is in fact independent and not under the control of CFD No. 54 or the City, (d) does not have any substantial interest, direct or indirect, with or in (i) CFD No. 54, (ii) the City, (iii) any owner of real property in CFD No. 54, or (iv) any real property in CFD No. 54, and (e) is not connected with CFD No. 54 or the City as an officer or employee thereof, but who may be regularly retained to make reports to CFD No. 54 or the City.

“Price Point Study” means a price point study or a letter updating a previous price point study prepared by the Price Point Consultant pursuant to Section C herein.

“Property Owner Association Property” means, for each Fiscal Year, any property within the boundaries of CFD No. 54 that was owned by a property owner association, including any master or sub-association, as of January 1 of the prior Fiscal Year.

“Proportionately” means (a) for Developed Property in the first step of Section D below, that the ratio of the actual Special Tax levy to the Maximum Special Tax is equal for all Assessor’s Parcels of Developed Property; however, for Developed Property in the fourth step of Section D below, Proportionately means that the amount of the increase above the Assigned Special Tax, if necessary, is equal for all Assessor’s Parcels of Developed Property, except that if the Backup Special Tax limits the increase on any Assessor’s Parcel(s), then the amount of the increase shall be equal for the remaining Assessor’s Parcels; (b) for Final Mapped Property, that the ratio of the actual Special Tax levy to the Maximum Special Tax is equal for all Assessor’s Parcels of Final Mapped

Property; (c) for Undeveloped Property, that the ratio of the actual Special Tax levy to the Maximum Special Tax is equal for all Assessor's Parcels of Undeveloped Property; (d) for Taxable Property Owner Association Property, that the ratio of the actual Special Tax levy to the Maximum Special Tax is equal for all Assessor's Parcels of Taxable Property Owner Association Property; and (e) for Taxable Public Property, that the ratio of the actual Special Tax levy to the Maximum Special Tax is equal for all Assessor's Parcels of Taxable Public Property.

“Public Property” means, for each Fiscal Year, property within the boundaries of CFD No. 54 that is (a) owned by, irrevocably offered to, or dedicated to the federal government, the State, the County, the City, or any local government or other public agency or (b) encumbered by an easement for purposes of public or utility right-of-way that makes impractical its use for any purpose other than that set forth in such easement, provided that any property leased by a public agency to a private entity and subject to taxation under Section 53340.1 of the Act shall be taxed and classified according to its use.

“Rate and Method of Apportionment” means this Amended and Restated Rate and Method of Apportionment of Special Tax.

“Residential Floor Area” means all of the Square Footage of living area within the perimeter of a Unit, not including any carport, walkway, garage, overhang, patio, enclosed patio, or similar area. The determination of Residential Floor Area shall be as set forth in the building permit(s) issued for such Assessor's Parcel, or as set forth in other official records maintained by the City's Building Department or other appropriate means selected by CFD No. 54. The actual Square Footage shall be rounded up to the next whole square foot. Once such determination has been made for an Assessor's Parcel, it shall remain fixed in all future Fiscal Years unless an appeal pursuant to Section F below is approved that results in a change in the actual Square Footage.

“Services” means the services authorized to be financed, in whole or in part, by CFD No. 54.

“Single Family Attached Property” means all Assessor's Parcels of Developed Property for which a building permit or use permit was issued for construction of a residential structure consisting of two or more Units that share common walls, have separate Assessor's Parcel Numbers assigned to them (except for a duplex unit, which may share an Assessor's Parcel with another duplex unit), and may be purchased by individual homebuyers (which shall still be the case even if the Units are purchased and subsequently offered for rent by the owner of the Unit), including such residential structures that meet the statutory definition of a condominium contained in Civil Code Section 1351.

“Single Family Detached Property” means all Assessor's Parcels of Developed Property for which a building permit was issued for construction of a Unit, on one legal lot, that does not share a common wall with another Unit.

“Single Family Property” means all Assessor’s Parcels of Single Family Attached Property and Single Family Detached Property.

“Special Tax” means the special tax authorized by the qualified electors of CFD No. 54 to be levied within the boundaries of CFD No. 54.

“Special Tax Requirement” means for any Fiscal Year that amount required, after taking into account available amounts held in the funds and accounts established under the Indenture, for CFD No. 54 to: (i) pay debt service on all Outstanding Bonds which is due in the calendar year that commences in such Fiscal Year; (ii) pay periodic costs on the Bonds, including, but not limited to, credit enhancement and rebate payments on the Bonds; (iii) pay Administrative Expenses; (iv) provide any amounts required to establish or replenish any reserve fund for the Bonds; (v) pay directly for acquisition or construction of Facilities, or the cost of Services, to the extent that the inclusion of such amounts does not increase the Special Tax levy on Final Mapped Property or Undeveloped Property; (vi) without duplicating any amounts described in clause (iv), above, provide an amount equal to reasonably anticipated Special Tax delinquencies based on the delinquency rate for the Special Tax in the previous Fiscal Year as determined by the CFD Administrator, as limited by the Act.

“Square Footage” or **“Sq. Ft.”** means the floor area square footage reflected on the original construction building permit, or as set forth in other official records maintained by the City’s Building Department or other appropriate means selected by CFD No. 54, issued for construction of Single Family Property, Other Residential Property, or Non-Residential Property, plus any square footage subsequently added to a building of Non-Residential Property after issuance of a building permit for expansion or renovation of such building.

“State” means the State of California.

“Taxable Property” means, for each Fiscal Year, all of the Assessor’s Parcels within the boundaries of CFD No. 54 that are not exempt from the Special Tax pursuant to law or Section E below.

“Taxable Property Owner Association Property” means, for each Fiscal Year, all Assessor’s Parcels of Property Owner Association Property that are not exempt from the Special Tax pursuant to Section E below.

“Taxable Public Property” means, for each Fiscal Year, all Assessor’s Parcels of Public Property that are not exempt from the Special Tax pursuant to law or Section E below.

“Tentative Tract Map” means a map: (i) showing a proposed subdivision of an Assessor’s Parcel(s) and the conditions pertaining thereto; (ii) that may or may not be based on a detailed survey; and (iii) that is not recorded by the County to create legal lots.

“Total Tax Burden” means, for a Unit within a Land Use Class, for the Fiscal Year in which Total Tax Burden is being calculated, the sum of (a) the Assigned Special Tax for such Land Use Class for such Fiscal Year, plus (b) the *ad valorem* property taxes, special

assessments, special taxes for any overlapping community facilities districts, and any other governmental fees, charges (other than fees or charges for services such as sewer and trash), taxes, and assessments (which do not include Contractual Impositions) collected by the County on *ad valorem* tax bills and that the CFD Administrator estimates would be levied or imposed on such Unit in such Fiscal Year if the residential dwelling unit thereon or therein had been completed and sold, and was subject to such fees, charges, taxes, and assessments in such Fiscal Year.

“**Trustee**” means the trustee or fiscal agent under the Indenture.

“**TTM 17931**” means Tentative Tract Map No. 17931, the area of which is located within CFD No. 54.

“**TTM 20285**” means Tentative Tract Map No. 20285, the area of which is located within CFD No. 54.

“**Undeveloped Property**” means, for each Fiscal Year, all Taxable Property not classified as Developed Property, Final Mapped Property, Taxable Public Property, or Taxable Property Owner Association Property.

“**Unit**” means an individual single-family detached or attached home, townhome, condominium, apartment, or other residential dwelling unit, including each separate living area within a half-plex, duplex, triplex, fourplex, or other residential structure.

B. ASSIGNMENT TO LAND USE CATEGORIES

Each Fiscal Year, beginning with Fiscal Year 2020-21, all Taxable Property within CFD No. 54 shall be classified as Developed Property, Final Mapped Property, Taxable Public Property, Taxable Property Owner Association Property, or Undeveloped Property and shall be subject to Special Taxes in accordance with the Rate and Method of Apportionment as determined pursuant to Sections C and D below. Assessor’s Parcels of Single Family Detached Property shall be assigned to Land Use Classes 1 through 7, and Assessor’s Parcels of Single Family Attached Property shall be assigned to Land Use Classes 8 through 14, as listed in Table 1 below based on the Residential Floor Area of the Units on such Assessor’s Parcels. Other Residential Property shall be assigned to Land Use Class 15, and Non-Residential Property shall be assigned to Land Use Class 16.

C. MAXIMUM SPECIAL TAX

1. Special Tax

At least 30 days prior to the issuance of Bonds, the Assigned Special Tax on Developed Property (set forth in Table 1 below) shall be analyzed in accordance with and subject to the conditions set forth in this Section C. At such time, CFD No. 54 shall select and engage a Price Point Consultant and the CFD Administrator shall request the Price Point Consultant to prepare a Price Point Study setting forth the Minimum Sale Price of Units within each Land Use Class.

If based upon such Price Point Study the CFD Administrator calculates that the Total Tax Burden applicable to Units within one or more Land Use Classes of Single Family Property to be constructed within CFD No. 54 exceeds 1.95% of the Minimum Sale Price of such Units, the Assigned Special Tax shall be reduced to the extent necessary to cause the Total Tax Burden that shall apply to Units within such Land Use Class(es) not to exceed 1.95% of the Minimum Sale Price of such Units.

Each Assigned Special Tax reduction for a Land Use Class shall be calculated by the CFD Administrator separately, and it shall not be required that such reduction be proportionate among Land Use Classes. In connection with any reduction in the Assigned Special Tax, the Backup Special Tax shall also be reduced by the CFD Administrator based on the percentage reduction in Maximum Special Tax revenues within the Tentative Tract Map area(s) where the Assigned Special Tax reductions occurred. Upon determining the reductions, if any, in the Assigned Special Tax and Backup Special Tax required pursuant to this Section C, the CFD Administrator shall complete the Certificate of Modification of Special Tax substantially in the form attached hereto as Exhibit A (the "Certificate of Modification"), shall execute such completed Certificate of Modification, and shall deliver such executed Certificate of Modification to CFD No. 54. Upon receipt thereof, if in satisfactory form, CFD No. 54 shall execute such Certificate of Modification. The reduced Assigned Special Tax and Backup Special Tax specified in such Certificate of Modification shall become effective upon the execution of such Certificate of Modification by CFD No. 54.

The Special Tax reductions required pursuant to this section shall be reflected in an amended notice of Special Tax lien, which CFD No. 54 shall cause to be recorded with the County Recorder as soon as practicable after execution of the Certificate of Modification by CFD No. 54. The reductions in this section apply to Single Family Property, but not to Other Residential Property or Non-Residential Property.

a. Developed Property

1) *Maximum Special Tax*

The Maximum Special Tax that may be levied in any Fiscal Year for each Assessor's Parcel classified as Developed Property shall be the greater of (i) the amount derived by application of the Assigned Special Tax or (ii) the amount derived by application of the Backup Special Tax. The Maximum Special Tax shall not increase in future years, other than as calculated pursuant to Section C.1.a.3 below.

2) *Assigned Special Tax*

The Assigned Special Tax that may be levied in any Fiscal Year for each Land Use Class is shown below in Table 1.

TABLE 1
ASSIGNED SPECIAL TAX – DEVELOPED PROPERTY

Land Use Class	Description	Residential Floor Area (Square Footage)	Assigned Special Tax
1	Single Family Detached Property	< 2,201	\$2,574 per Unit
2	Single Family Detached Property	2,201 – 2,400	\$2,848 per Unit
3	Single Family Detached Property	2,401 – 2,600	\$3,016 per Unit
4	Single Family Detached Property	2,601 – 2,800	\$3,216 per Unit
5	Single Family Detached Property	2,801 – 3,000	\$3,441 per Unit
6	Single Family Detached Property	3,001 – 3,200	\$3,579 per Unit
7	Single Family Detached Property	> 3,200	\$3,761 per Unit
8	Single Family Attached Property	< 901	\$1,090 per Unit
9	Single Family Attached Property	901 – 1,100	\$1,166 per Unit
10	Single Family Attached Property	1,101 – 1,300	\$1,312 per Unit
11	Single Family Attached Property	1,301 – 1,500	\$1,484 per Unit
12	Single Family Attached Property	1,501 – 1,700	\$1,623 per Unit
13	Single Family Attached Property	1,701 – 1,900	\$1,766 per Unit
14	Single Family Attached Property	> 1,900	\$1,840 per Unit
15	Other Residential Property		\$32,813 per Acre
16	Non-Residential Property		\$32,813 per Acre

3) *Backup Special Tax*

The Backup Special Tax shall be \$3,235 per Unit for Single Family Detached Property and \$1,473 per Unit for Single Family Attached Property. However, if the Expected Residential Lot Count does not equal 100 for Single Family Detached Property or 126 for Single Family Attached Property, and the City has not issued Bonds, then the Backup Special Tax for Designated Buildable Lots of Single Family Property shall be calculated separately for Single Family Detached Property and Single Family Attached Property according to the following formula:

$$\text{Backup Special Tax} = \$323,525 \div \text{Expected Residential Lot Count for Single Family Detached Property}$$

or $\$185,598 \div \text{Expected Residential Lot Count for Single Family Attached Property}$

If any portion of a Final Subdivision Map, or any area expected by CFD No. 54 to become Final Mapped Property, such as the area within TTM 17931, TTM 20285, or any other Tentative Tract Map, changes any time after the City has issued Bonds, causing an adjustment to the number of Designated Buildable Lots, then the Backup Special Tax for all Designated Buildable Lots of Single Family Detached Property and Single Family Attached Property subject to the change shall be calculated according to the following steps:

Step 1: Determine the total Backup Special Taxes that could have been collected from Designated Buildable Lots, separately for Single Family Detached Property and Single Family Attached Property, prior to the Final Subdivision Map or expected Final Mapped Property change.

Step 2: Divide the amount(s) determined in Step 1 by the number of Designated Buildable Lots, separately for Single Family Detached Property and Single Family Attached Property, that exists after the Final Subdivision Map or expected Final Mapped Property change.

Step 3: Apply the amount(s) determined in Step 2 as the Backup Special Tax per Unit for Single Family Detached Property and Single Family Attached Property.

The Backup Special Tax for an Assessor's Parcel shall not change once an Assessor's Parcel is classified as Developed Property.

b. Final Mapped Property, Taxable Public Property, Taxable Property Owner Association Property, and Undeveloped Property

The Maximum Special Tax for Final Mapped Property, Taxable Public Property, Taxable Property Owner Association Property, and Undeveloped Property shall be \$32,813 per Acre, and shall not be subject to increase or reduction and, therefore, shall remain the same in every Fiscal Year.

2. Multiple Land Use Classes on an Assessor's Parcel

In some instances an Assessor's Parcel of Developed Property may contain more than one Land Use Class. The Maximum Special Tax levied on such Assessor's Parcel shall be the sum of the Maximum Special Tax for all Units of Single

Family Property and Acres of Other Residential Property and Non-Residential Property (based on the pro rata share of Square Footage between Other Residential Property and Non-Residential Property, according to the applicable building permits, Final Subdivision Map, parcel map, condominium plan, or other recorded County map) located on that Assessor's Parcel.

D. METHOD OF APPORTIONMENT OF THE SPECIAL TAX

Each Fiscal Year, beginning with Fiscal Year 2020-21, the CFD Administrator shall determine the Special Tax Requirement for such Fiscal Year. The Special Tax shall then be levied as follows:

First: If needed to satisfy the Special Tax Requirement, the Special Tax shall be levied Proportionately on each Assessor's Parcel of Developed Property up to 100% of the applicable Assigned Special Tax;

Second: If additional monies are needed to satisfy the Special Tax Requirement after the first step has been completed, then the Special Tax shall be levied Proportionately on each Assessor's Parcel of Final Mapped Property up to 100% of the Maximum Special Tax for Final Mapped Property;

Third: If additional monies are needed to satisfy the Special Tax Requirement after the first two steps have been completed, then the Special Tax shall be levied Proportionately on each Assessor's Parcel of Undeveloped Property up to 100% of the Maximum Special Tax for Undeveloped Property;

Fourth: If additional monies are needed to satisfy the Special Tax Requirement after the first three steps have been completed, then the levy of the Special Tax on each Assessor's Parcel of Developed Property whose Maximum Special Tax is determined through the application of the Backup Special Tax shall be increased Proportionately from the Assigned Special Tax up to the Maximum Special Tax for each such Assessor's Parcel;

Fifth: If additional monies are needed to satisfy the Special Tax Requirement after the first four steps have been completed, then the Special Tax shall be levied Proportionately on each Assessor's Parcel of Taxable Property Owner Association Property up to the Maximum Special Tax for Taxable Property Owner Association Property; and

Sixth: If additional monies are needed to satisfy the Special Tax Requirement after the first five steps have been completed, then the Special Tax shall be levied Proportionately on each Assessor's Parcel of Taxable Public Property up to the Maximum Special Tax for Taxable Public Property.

Notwithstanding the above, under no circumstances shall the Special Tax levied in any Fiscal Year on any Assessor's Parcel of Single Family Property or Other Residential Property for which an occupancy permit for private residential use has been issued be increased as a result of delinquency or default by the owner or owners of any other Assessor's Parcel or Assessor's Parcels within CFD No. 54 by more than ten percent

above the amount that would have been levied in that Fiscal Year had there never been any such delinquencies or defaults.

E. EXEMPTIONS

No Special Tax shall be levied on up to 4.72 Acres of Public Property and up to 3.67 Acres of Property Owner Association Property. Tax-exempt status will be assigned by the CFD Administrator in the chronological order in which property becomes Public Property or Property Owner Association Property.

Property Owner Association Property or Public Property that is not exempt from the Special Tax under this section shall be subject to the levy of the Special Tax and shall be taxed Proportionately as part of the fifth or sixth step, respectively, in Section D above, up to 100% of the applicable Maximum Special Tax for Taxable Property Owner Association Property and Taxable Public Property. No Special Tax shall be levied in any Fiscal Year on Assessor's Parcels that have fully prepaid the Special Tax obligation pursuant to the formula set forth in Section H.

No Special Tax shall be levied on Lower Income Household Welfare Exemption Property; provided, however, that if, in any Fiscal Year, applicable law does not require that Lower Income Household Welfare Exemption Property be exempt from some portion, or all, of the Special Tax, such portion, or all, of the Special Tax shall be levied on such property in accordance with this Rate and Method of Apportionment based on the Land Use Class to which the Assessor's Parcel is assigned.

F. APPEALS

Any property owner may file a written appeal of the Special Tax with CFD No. 54 claiming that the amount or application of the Special Tax is not correct. The appeal must be filed not later than one calendar year after having paid the Special Tax that is disputed, and the appellant must be current in all payments of Special Taxes. In addition, during the term of the appeal process, all Special Taxes levied must be paid on or before the payment date established when the levy was made.

The appeal must specify the reasons why the appellant claims the Special Tax is in error. The CFD Administrator shall review the appeal, meet with the appellant if the CFD Administrator deems necessary, and advise the appellant of its determination.

If the property owner disagrees with the CFD Administrator's decision relative to the appeal, the owner may then file a written appeal with the City Council whose subsequent decision shall be final and binding on all interested parties. If the decision of the CFD Administrator or subsequent decision by the City Council requires the Special Tax to be modified or changed in favor of the property owner, then the CFD Administrator shall determine if sufficient Special Tax revenue is available to make a cash refund. If a cash refund cannot be made, then an adjustment shall be made to credit future Special Tax levy(ies).

This procedure shall be exclusive and its exhaustion by any property owner shall be a condition precedent to filing any legal action by such owner.

G. MANNER OF COLLECTION

The Special Tax shall be collected in the same manner and at the same time as ordinary *ad valorem* property taxes; provided, however, that the Special Taxes may be collected in such other manner as the City Council shall determine, including direct billing of affected property owners.

H. PREPAYMENT OF SPECIAL TAX

The following definitions apply to this Section H:

“CFD Public Facilities” means \$6,397,000 for each Prepayment Period, or such lower number as determined by the City Council to be sufficient to fund the Facilities and Services to be provided by CFD No. 54.

“Expenditures Fund” means funds or accounts, regardless of their names, that are established to hold moneys that are available to acquire or construct Facilities and to fund Services.

“Future Facilities Costs” means the CFD Public Facilities minus (i) Facilities and Services costs previously paid from the Expenditures Fund during the Prepayment Period in which the prepayment is being made, (ii) moneys currently on deposit in the Expenditures Fund from deposits made during the Prepayment Period in which the prepayment is being made, and (iii) moneys currently on deposit in an escrow fund that are expected to be available to finance Facilities costs. In no event shall the amount of Future Facilities Costs be less than zero.

“Prepayment Period” means one of three periods of time during which a Special Tax prepayment may be made.

“Prepayment Period 1” means July 1, 2020, through June 30, 2054.

“Prepayment Period 2” means July 1, 2054, through June 30, 2087.

“Prepayment Period 3” means July 1, 2087, through June 30, 2121.

1. Prepayment in Full

The obligation of an Assessor's Parcel to pay the Special Tax may be prepaid as described herein, provided that a prepayment may be made only for Assessor's Parcels for which a building permit for new construction was issued after January 1, 2019, and only if there are no delinquent Special Taxes with respect to such Assessor's Parcel at the time of prepayment. An owner of an Assessor's Parcel intending to prepay the Special Tax obligation shall provide the CFD Administrator with written notice of intent to prepay. Within 30 days of receipt

of such written notice, the CFD Administrator shall notify such owner of the prepayment amount for such Assessor's Parcel. The CFD Administrator may charge a fee for providing this service. Prepayment in any six month period must be made not less than 45 days prior to the next occurring date that notice of redemption of Bonds from the proceeds of such prepayment may be given to the Trustee pursuant to the Indenture.

The Special Tax Prepayment Amount (defined below) shall be calculated as summarized below (capitalized terms as defined below):

	Bond Redemption Amount
plus	Redemption Premium
plus	Future Facilities Amount
plus	Defeasance Amount
plus	Administrative Fees and Expenses
<u>less</u>	<u>Reserve Fund Credit</u>
Total	Prepayment Amount

As of the proposed date of prepayment, the Special Tax Prepayment Amount (defined below) shall be calculated by the CFD Administrator as follows:

Paragraph No.

1. Confirm that no Special Tax delinquencies apply to such Assessor's Parcel, and determine the Prepayment Period for the proposed prepayment.
2. Compute the Assigned Special Tax and Backup Special Tax for the Assessor's Parcel to be prepaid based on the Developed Property Special Tax which is, or could be, charged in the current Fiscal Year. For Assessor's Parcels of Final Mapped Property (for which a building permit has been issued but which is not yet classified as Developed Property) to be prepaid, compute the Assigned Special Tax and Backup Special Tax for that Assessor's Parcel as though it was already designated as Developed Property, based upon the building permit which has already been issued for that Assessor's Parcel.
3. (a) Divide the Assigned Special Tax computed pursuant to Paragraph 2 by the total estimated Assigned Special Tax for CFD No. 54 based on the Developed Property Special Tax which could be charged in the current Fiscal Year on all expected development through buildout of CFD No. 54, excluding any Assessor's Parcels which have been prepaid, and

(b) Divide the Backup Special Tax computed pursuant to Paragraph 2 by the estimated total Backup Special Tax at buildout of CFD No. 54, excluding any Assessor's Parcels which have been prepaid.
4. Multiply the larger quotient computed pursuant to Paragraph 3(a) or 3(b) by the Outstanding Bonds to compute the amount of Outstanding Bonds to be retired and prepaid (the "Bond Redemption Amount").

5. Multiply the Bond Redemption Amount computed pursuant to Paragraph 4 by the applicable redemption premium (e.g., the redemption price minus 100%), if any, on the Outstanding Bonds to be redeemed (the “Redemption Premium”).
6. Compute the Future Facilities Costs for the applicable Prepayment Period.
7. Multiply the larger quotient computed pursuant to Paragraph 3(a) or 3(b) by the amount determined pursuant to Paragraph 6 to compute the amount of Future Facilities Costs to be prepaid (the “Future Facilities Amount”).
8. Compute the amount needed to pay interest on the Bond Redemption Amount from the first bond interest and/or principal payment date following the current Fiscal Year until the earliest redemption date for the Outstanding Bonds.
9. Determine the Special Tax levied on the Assessor’s Parcel in the current Fiscal Year which has not yet been paid.
10. Add the amounts computed pursuant to Paragraphs 8 and 9 to determine the “Defeasance Amount”.
11. Verify the administrative fees and expenses of CFD No. 54, including the costs to compute the prepayment, the costs to invest the prepayment proceeds, the costs to redeem Bonds, and the costs to record any notices to evidence the prepayment and the redemption (the “Administrative Fees and Expenses”).
12. If reserve funds for the Outstanding Bonds, if any, are at or above 100% of the reserve requirement (as defined in the Indenture) on the prepayment date, a reserve fund credit shall be calculated as a reduction in the applicable reserve fund for the Outstanding Bonds to be redeemed pursuant to the prepayment (the “Reserve Fund Credit”). No Reserve Fund Credit shall be granted if reserve funds are below 100% of the reserve requirement on the prepayment date or the redemption date.
13. The Special Tax prepayment is equal to the sum of the amounts computed pursuant to Paragraphs 4, 5, 7, 10, and 11, less the amount computed pursuant to Paragraph 12 (the “Prepayment Amount”).
14. From the Prepayment Amount, the amounts computed pursuant to Paragraphs 4, 5, 10, and 12 shall be deposited into the appropriate fund as established under the Indenture and be used to retire Outstanding Bonds or make debt service payments. The amount computed pursuant to Paragraph 7 shall be deposited into the Expenditures Fund. The amount computed pursuant to Paragraph 11 shall be retained by CFD No. 54.

The Special Tax Prepayment Amount may be sufficient to redeem other than a \$5,000 increment of Bonds. In such cases, the increment above \$5,000, or integral multiple

thereof, will be retained in the appropriate fund established under the Indenture to be used with the next prepayment of Bonds or to make debt service payments.

As a result of the payment of the current Fiscal Year's Special Tax levy as determined under Paragraph 9 (above), the CFD Administrator shall remove the current Fiscal Year's Special Tax levy for such Assessor's Parcel from the County tax rolls. With respect to any Assessor's Parcel that is prepaid during Prepayment Period 3, the CFD Administrator shall cause a suitable notice to be recorded in compliance with the Act to indicate that the Special Tax has been prepaid and that the obligation of such Assessor's Parcel to pay the Special Tax shall cease.

With respect to the Special Tax for any Assessor's Parcel that is prepaid during Prepayment Period 1 or Prepayment Period 2, the obligation of such Assessor's Parcel to pay the Special Tax shall be tolled, or suspended, through the end of such Prepayment Period, but shall resume in the first Fiscal Year of the subsequent Prepayment Period. The CFD Administrator shall cause a suitable notice to be recorded in compliance with the Act to indicate that the Special Tax has been satisfied for the remainder of the applicable Prepayment Period but has not been permanently satisfied and the obligation to pay the Special Tax will resume in the first Fiscal Year of the Prepayment Period following the Prepayment Period in which the prepayment was made. Once the obligation of an Assessor's Parcel to pay the Special Tax resumes, the Special Tax for the then applicable Prepayment Period may be prepaid.

Notwithstanding the foregoing, no Special Tax prepayment shall be allowed unless the amount of Maximum Special Tax that may be levied on Taxable Property within CFD No. 54 (after excluding 4.72 Acres of Public Property and 3.67 acres of Property Owner Association Property) both prior to and after the proposed prepayment is at least 1.1 times the maximum annual debt service on all Outstanding Bonds.

2. Prepayment in Part

The Special Tax on an Assessor's Parcel for which a building permit for new construction was issued after January 1, 2019, may be partially prepaid. The amount of the prepayment shall be calculated as in Section H.1, except that a partial prepayment shall be calculated by the CFD Administrator according to the following formula:

$$PP = (PF - AE) \times \% + AE.$$

The terms above have the following meaning:

PP = the partial prepayment

PF = the Prepayment Amount (full prepayment) for the Special Tax calculated according to Section H.1

AE = the Administrative Fees and Expenses determined pursuant to paragraph 11 above

% = the percentage by which the owner of the Assessor's Parcel(s) is partially prepaying the Special Tax

The Special Tax partial prepayment amount must be sufficient to redeem at least a \$5,000 increment of Bonds.

The owner of any Assessor's Parcel who desires such prepayment shall notify the CFD Administrator of such owner's intent to partially prepay the Special Tax and the percentage by which the Special Tax shall be prepaid. The CFD Administrator shall provide the owner with a statement of the amount required for the partial prepayment of the Special Tax for an Assessor's Parcel within thirty (30) days of the request and may charge a fee for providing this service. With respect to any Assessor's Parcel that is partially prepaid, the CFD Administrator shall (i) distribute the remitted prepayment funds according to Section H.1, and (ii) indicate in the records of CFD No. 54 that there has been a partial prepayment of the Special Tax and that a portion of the Special Tax with respect to such Assessor's Parcel, equal to the outstanding percentage (100% - "%", as defined above) of the Maximum Special Tax, shall continue to be levied on such Assessor's Parcel pursuant to Section D during the Prepayment Period in which the partial prepayment is made.

For partial prepayments made during Prepayment Period 1 or Prepayment Period 2, the full amount of the Special Tax shall resume in the first Fiscal Year of the Prepayment Period following the Prepayment Period in which the partial prepayment was made. Once the obligation of an Assessor's Parcel to pay the Special Tax resumes, the Special Tax for the then applicable Prepayment Period may be prepaid.

I. TERM OF SPECIAL TAX

The Fiscal Year after which no further Special Tax shall be levied or collected is Fiscal Year 2120-2121, except that the Special Tax that was lawfully levied in or before such Fiscal Year and that remains delinquent may be collected in subsequent years.

EXHIBIT A

**CERTIFICATE OF MODIFICATION OF SPECIAL TAX
(PAGE 1 OF 2)**

CFD No. 54 CERTIFICATE

1. Pursuant to Section C.1 of the Rate and Method of Apportionment of Special Tax (the “Rate and Method”) for City of Ontario Community Facilities District No. 54 (Esperanza Facilities) (“CFD No. 54”), the Assigned Special Tax and the Backup Special Tax for Developed Property within CFD No. 54 has been modified.

a. The information in Table 1 relating to the Assigned Special Tax for Developed Property within CFD No. 54, as stated in Section C.1.a.2 of the Rate and Method of Apportionment, has been modified as follows:

**TABLE 1
ASSIGNED SPECIAL TAX – DEVELOPED PROPERTY**

Land Use Class	Description	Residential Floor Area (Square Footage)	Assigned Special Tax
1	Single Family Detached Property	< 2,201	\$[] per Unit
2	Single Family Detached Property	2,201 – 2,400	\$[] per Unit
3	Single Family Detached Property	2,401 – 2,600	\$[] per Unit
4	Single Family Detached Property	2,601 – 2,800	\$[] per Unit
5	Single Family Detached Property	2,801 – 3,000	\$[] per Unit
6	Single Family Detached Property	3,001 – 3,200	\$[] per Unit
7	Single Family Detached Property	> 3,200	\$[] per Unit
8	Single Family Attached Property	< 901	\$[] per Unit
9	Single Family Attached Property	901 – 1,100	\$[] per Unit
10	Single Family Attached Property	1,101 – 1,300	\$[] per Unit
11	Single Family Attached Property	1,301 – 1,500	\$[] per Unit
12	Single Family Attached Property	1,501 – 1,700	\$[] per Unit
13	Single Family Attached Property	1,701 – 1,900	\$[] per Unit
14	Single Family Attached Property	> 1,900	
15	Other Residential Property		\$[] per Acre
16	Non-Residential Property		\$[] per Acre

b. The Backup Special Tax for Developed Property, as stated in Section C.1.a.3, shall be modified as follows:

EXHIBIT A

**CERTIFICATE OF MODIFICATION OF SPECIAL TAX
(PAGE 2 OF 2)**

The Backup Special Tax shall be \$[_____] per Unit for Single Family Detached Property and \$[_____] per Unit for Single Family Attached Property. However, if the Expected Residential Lot Count does not equal 100 for Single Family Detached Property or 126 for Single Family Attached Property, and the City has not issued Bonds, then the Backup Special Tax for Designated Buildable Lots of Single Family Property shall be calculated separately for Single Family Detached Property and Single Family Attached Property according to the following formula:

$$\text{Backup Special Tax} = \$[\text{_____}] \div \text{Expected Residential Lot Count for Single Family Detached Property}$$

$$\text{or } \$[\text{_____}] \div \text{Expected Residential Lot Count for Single Family Attached Property}$$

2. The Special Tax for Developed Property may only be modified prior to the first issuance of CFD No. 54 Bonds.
3. Upon execution of this certificate by CFD No. 54, CFD No. 54 shall cause an amended notice of Special Tax lien for CFD No. 54 to be recorded reflecting the modifications set forth herein.

Capitalized undefined terms used herein have the meanings ascribed thereto in the Rate and Method. The modifications set forth in this Certificate have been calculated by the CFD Administrator in accordance with the Rate and Method.

GOODWIN CONSULTING GROUP, INC.
CFD ADMINISTRATOR

By: _____ Date: _____

The undersigned acknowledges receipt of this Certificate and of the modification of the Assigned Special Tax and the Backup Special Tax for Developed Property as set forth in this Certificate.

CITY OF ONTARIO
COMMUNITY FACILITIES DISTRICT NO. 54
(ESPERANZA FACILITIES)

By: _____ Date: _____

RESOLUTION NO. _____

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF ONTARIO, CALIFORNIA, DEEMING IT NECESSARY TO INCUR BONDED INDEBTEDNESS WITHIN THE CITY OF ONTARIO COMMUNITY FACILITIES DISTRICT NO. 54 (ESPERANZA FACILITIES).

WHEREAS, on April 7, 2020, the City Council (the "City Council") of the City of Ontario (the "City"), pursuant to the Mello-Roos Community Facilities Act of 1982 (the "Act"), adopted a resolution entitled "A Resolution of the City Council of the City of Ontario, California, of Intention to Establish a Community Facilities District, Proposed to be Named City of Ontario Community Facilities District No. 54 (Esperanza Facilities), and to Authorize the Levy of Special Taxes" stating its intention to establish City of Ontario Community Facilities District No. 54 (Esperanza Facilities) (the "Community Facilities District") and to authorize the levy of special taxes within the Community Facilities District to finance certain public facilities and services; and

WHEREAS, on April 7, 2020, the City Council also adopted a resolution entitled "A Resolution of the City Council of the City of Ontario, California, to Incur Bonded Indebtedness of the Proposed City of Ontario Community Facilities District No. 54 (Esperanza Facilities)" (the "Resolution to Incur Bonded Indebtedness") declaring the necessity for incurring bonded indebtedness and setting the date for a public hearing to be held on the proposed debt issue; and

WHEREAS, pursuant to the Resolution to Incur Bonded Indebtedness, notice of said public hearing was published in the *Inland Valley Daily Bulletin*, a newspaper of general circulation published in the area of the Community Facilities District, in accordance with the Act; and

WHEREAS, on this date, the City Council opened, conducted and closed said public hearing; and

WHEREAS, at said public hearing, any person interested, including persons owning property within the area and desiring to appear and present any matters material to the questions set forth in the Resolution to Incur Bonded Indebtedness appeared and presented such matters; and

WHEREAS, oral or written protests against the proposed debt issue were not made or filed at or before said public hearing by 50% or more of the registered voters, or six registered voters, whichever is more, residing within the territory proposed to be included in the Community Facilities District, or the owners of one-half or more of the area of land in the territory proposed to be included in the Community Facilities District and not exempt from the special tax; and

WHEREAS, on this date, the City Council adopted a resolution entitled "A Resolution of the City Council of the City of Ontario, California, of Formation of the City of Ontario Community Facilities District No. 54 (Esperanza Facilities), Authorizing

the Levy of a Special Tax within the Community Facilities District and Establishing an Appropriations Limit for the Community Facilities District” (the “Resolution of Formation”); and

WHEREAS, the City Clerk of the City (the “City Clerk”) is the election official that will conduct the special election on the proposition to incur bonded indebtedness for the Community Facilities District; and

WHEREAS, there has been filed with the City Clerk a letter from the Registrar of Voters of the County of San Bernardino indicating that no persons were registered to vote within the territory of the proposed Community Facilities District as of April 23, 2020, and, accordingly, that 12 or more persons have not been registered to vote within the territory of the Community Facilities District for each of the 90 days preceding the close of said public hearing; and

WHEREAS, there has been filed with the City Clerk consents and waivers of all of the landowners of record in the Community Facilities District waiving any time limit specified by Section 53326 of the Act and any requirement pertaining to the conduct of said special election, including any time limit or requirement applicable to an election pursuant to Article 5 of the Act (commencing with Section 53345 of the Act), consenting to the holding of said special election on May 19, 2020, and waiving any impartial analysis, arguments or rebuttals, as set forth in Sections 53326 and 53327 of the Act; and

WHEREAS, the City Clerk has concurred in said waivers and has concurred in holding said special election on May 19, 2020.

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

SECTION 1. The foregoing recitals are true and correct.

SECTION 2. The City Council deems it necessary to incur the bonded indebtedness.

SECTION 3. The bonded indebtedness will be incurred for the purpose of financing the costs of the Facilities (as defined in the Resolution of Formation), including all costs and estimated costs incidental to, or connected with, the accomplishment of such purpose.

SECTION 4. In accordance with the previous determination of the City Council, the whole of the Community Facilities District will pay for the bonded indebtedness.

SECTION 5. The maximum aggregate amount of debt to be incurred is \$25,000,000.

SECTION 6. The maximum term the bonds to be issued shall run before maturity is 40 years.

SECTION 7. The maximum annual rate of interest to be paid shall not exceed the maximum interest rate permitted by applicable law at the time of sale of the bonds, payable semiannually or at such times as the City Council or its designee shall determine, the actual rate or rates and times of payment of such interest to be determined by the City Council or its designee at the time or times of sale of the bonds.

SECTION 8. The proposition to incur the bonded indebtedness will be submitted to the voters.

SECTION 9. The City Council hereby finds and determines that no persons were registered to vote within the territory of the proposed Community Facilities District as of April 23, 2020, and that 12 or more persons have not been registered to vote within the territory of the Community Facilities District for each of the 90 days preceding the close of the public hearings held by the City Council on the proposed debt issue for the Community Facilities District. Accordingly, pursuant to Section 53326 of the Act, the vote shall be by the landowners of the Community Facilities District and each person who is the owner of land as of the close of said public hearings, or the authorized representative thereof, shall have one vote for each acre or portion of an acre that he or she owns within the Community Facilities District not exempt from the special tax.

SECTION 10. The City Council hereby finds and determines that the qualified electors of the Community Facilities District have unanimously consented (a) to the waiver of any time limit specified by Section 53326 of the Act and any requirement pertaining to the conduct of said election, including any time limit or requirement applicable to an election pursuant to Article 5 of the Act (commencing with Section 53345 of the Act), and (b) to the holding of said election on May 19, 2020. The City Council hereby finds and determines that the City Clerk has concurred in said waivers and has concurred in holding said election on May 19, 2020.

SECTION 11. The date of the special community facilities district election (which shall be consolidated with the special district election to levy a special tax within the Community Facilities District) at which time the proposition shall be submitted to the voters is May 19, 2020.

SECTION 12. The election is to be conducted by mail ballot. The mailed ballots are required to be received in the office of the City Clerk no later than 7:30 p.m. on May 19, 2020; provided, however, that if all of the qualified electors have voted prior to such time, the election may be closed with the concurrence of the City Clerk.

SECTION 13. The officers, employees and agents of the City are hereby authorized and directed to take all actions and do all things which they, or any of them, may deem necessary or desirable to accomplish the purposes of this Resolution and not inconsistent with the provisions hereof.

SECTION 14. This Resolution shall take effect immediately upon its adoption.

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

PASSED, APPROVED and ADOPTED this 19th day of May 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 Resolution No. 2020- was duly passed and adopted by the City Council of the City of Ontario at their regular meeting held May 19, 2020 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. 2020- duly passed and adopted by the Ontario City Council at their regular meeting held May 19, 2020.

SHEILA MAUTZ, CITY CLERK

(SEAL)

RESOLUTION NO. _____

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF ONTARIO, CALIFORNIA, CALLING SPECIAL ELECTION FOR CITY OF ONTARIO COMMUNITY FACILITIES DISTRICT NO. 54 (ESPERANZA FACILITIES).

WHEREAS, on this date, the City Council (the "City Council") of the City of Ontario (the "City"), pursuant to the Mello-Roos Community Facilities Act of 1982 (the "Act"), adopted a resolution entitled "A Resolution of the City Council of the City of Ontario, California, of Formation of the City of Ontario Community Facilities District No. 54 (Esperanza Facilities), Authorizing the Levy of a Special Tax within the Community Facilities District and Establishing an Appropriations Limit for the Community Facilities District" (the "Resolution of Formation"), establishing City of Ontario Community Facilities District No. 54 (Esperanza Facilities) (the "Community Facilities District"), authorizing the levy of a special tax within the Community Facilities District and establishing an appropriations limit for the Community Facilities District; and

WHEREAS, on this date, the City Council also adopted a resolution entitled "A Resolution of the City Council of the City of Ontario, California, Deeming it Necessary to Incur Bonded Indebtedness within the City of Ontario Community Facilities District No. 54 (Esperanza Facilities)" (the "Resolution Deeming it Necessary to Incur"), deeming it necessary to incur bonded indebtedness in the maximum amount of \$25,000,000; and

WHEREAS, pursuant to the provisions of said resolutions, the propositions to incur bonded indebtedness, to levy a special tax within the Community Facilities District and to establish an appropriations limit for the Community Facilities District are to be submitted to the qualified electors of the Community Facilities District as required by the Act; and

WHEREAS, the City Council desires to designate the City Clerk of the City (the "City Clerk") as the election official for the special election provided for herein; and

WHEREAS, there has been filed with the City Clerk a letter from the Registrar of Voters of the County of San Bernardino indicating that no persons were registered to vote within the territory of the proposed Community Facilities District as of April 23, 2020, and, accordingly, that 12 or more persons have not been registered to vote within the territory of the Community Facilities District for each of the 90 days preceding the close of the public hearings on the establishment of the Community Facilities District and the proposed debt issue for the Community Facilities District; and

WHEREAS, there has been filed with the City Clerk consents and waivers of all of the landowners of record in the Community Facilities District waiving any time limit specified by Section 53326 of the Act and any requirement pertaining to the conduct of said special election, including any time limit or requirement applicable to an election pursuant to Article 5 of the Act (commencing with Section 53345 of the Act), consenting to the holding of said special election on May 19, 2020 and waiving any impartial analysis, arguments or rebuttals, as set forth in Sections 53326 and 53327 of the Act; and

WHEREAS, the City Clerk has concurred in said waivers and has concurred in holding said special election on May 19, 2020.

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

SECTION 1. Pursuant to Sections 53351, 53326 and 53325.7 of the Act, the propositions to incur bonded indebtedness, to levy a special tax within the Community Facilities District and to establish an appropriations limit for the Community Facilities District shall be submitted to the qualified electors of the Community Facilities District at an election called therefor as provided below.

SECTION 2. The City Clerk is hereby designated as the official to conduct said election.

SECTION 3. As authorized by Section 53353.5 of the Act, the propositions to incur bonded indebtedness, to levy a special tax within the Community Facilities District and to establish an appropriations limit for the Community Facilities District shall be combined into one ballot proposition.

SECTION 4. The City Council hereby finds and determines that no persons were registered to vote within the territory of the proposed Community Facilities District as of April 23, 2020, and that 12 or more persons have not been registered to vote within the territory of the Community Facilities District for each of the 90 days preceding the close of the public hearings heretofore held by the City Council on the establishment of the Community Facilities District and the proposed debt issue for the Community Facilities District. Accordingly, pursuant to Section 53326 of the Act, the vote shall be by the landowners of the Community Facilities District and each person who is the owner of land as of the close of said public hearings, or the authorized representative thereof, shall have one vote for each acre or portion of an acre that he or she owns within the Community Facilities District not exempt from the special tax.

SECTION 5. The City Council hereby finds and determines that the qualified electors of the Community Facilities District have unanimously consented (a) to the waiver of any time limit specified by Section 53326 of the Act and any requirement pertaining to the conduct of said election, including any time limit or requirement applicable to an election pursuant to Article 5 of the Act (commencing with Section 53345 of the Act), (b) to the holding of said election on May 19, 2020, and (c) to the waiver of any impartial analysis, arguments or rebuttals, as set forth in Sections 53326 and 53327 of the Act. The City Council hereby finds and determines that the City Clerk has concurred in said waivers and has concurred in holding said election on May 19, 2020.

SECTION 6. The City Council hereby calls a special election to submit to the qualified electors of the Community Facilities District the combined proposition to incur bonded indebtedness, to levy a special tax within the Community Facilities District and to establish an appropriations limit for the Community Facilities District, which election shall be held at 303 East B Street, Ontario, California, on May 19, 2020. The City Council has caused to be provided to the City Clerk, as the official to conduct said election, the Resolution of Formation, the Resolution of Deeming it Necessary to Incur, a certified map

of sufficient scale and clarity to show the boundaries of the Community Facilities District, and a sufficient description to allow the City Clerk to determine the boundaries of the Community Facilities District.

The voted ballots shall be returned to the City Clerk not later than 7:30 p.m. on May 19, 2020; provided, however, that if all of the qualified electors have voted prior to such time, the election may be closed with the concurrence of the City Clerk.

SECTION 7. Pursuant to Section 53326 of the Act, the election shall be conducted by mail or hand-delivered ballot pursuant to Section 4000 *et. seq.* of the California Elections Code. Except as otherwise provided in the Act, the provisions of law regulating elections of the City, insofar as they may be applicable, will govern the election.

SECTION 8. The form of the ballot for said election is attached hereto as Exhibit A and by this reference incorporated herein, and such form of ballot is hereby approved. The City Clerk shall cause to be delivered to each of the qualified electors of the Community Facilities District a ballot in said form. Each ballot shall indicate the number of votes to be voted by the respective landowner to which it pertains.

Each ballot shall be accompanied by all supplies and written instructions necessary for the use and return of the ballot. The identification envelope for return of the ballot shall be enclosed with the ballot, shall have the return postage prepaid, and shall contain: (a) the name and address of the landowner, (b) a declaration, under penalty of perjury, stating that the voter is the owner of record or the authorized representative of the landowner entitled to vote and is the person whose name appears on the identification envelope, (c) the printed name, signature and address of the voter, (d) the date of signing and place of execution of the declaration described in clause (b) above, and (e) a notice that the envelope contains an official ballot and is to be opened only by the canvassing board.

Analysis and arguments with respect to the ballot proposition are hereby waived, as provided in Section 53327 of the Act.

SECTION 9. The City Clerk shall accept the ballots of the qualified electors in the office of the City Clerk at 303 East B Street, Ontario, California, to and including 7:30 p.m. on May 19, 2020, whether said ballots be personally delivered or received by mail. The City Clerk shall have available ballots which may be marked at said location on the election day by said qualified electors.

SECTION 10. The City Council hereby determines that the facilities and services financed by the Community Facilities District are necessary to meet increased demands placed upon local agencies as a result of development occurring in the Community Facilities District.

SECTION 11. The specific purposes of the bonded indebtedness proposed to be incurred is the financing of the Facilities (as defined in the Resolution of Formation), including all costs and estimated costs incidental to, or connected with, the accomplishment of such purpose, and the proceeds of such bonded indebtedness shall be applied only to such specific purposes.

Upon approval of the proposition to incur bonded indebtedness, and the sale of any bonds evidencing such indebtedness, the City Council shall take such action as may be necessary to cause to be established an account for deposit of the proceeds of sale of the bonds. For so long as any proceeds of the bonds remain unexpended, the Management Analyst, Financial Services of the City shall cause to be filed with the City Council, no later than January 1 of each year, a report stating (a) the amount of bond proceeds received and expended during the preceding year, and (b) the status of any project funded or to be funded from bond proceeds. Said report may relate to the calendar year, fiscal year, or other appropriate annual period, as the Management Analyst, Financial Services of the City shall determine, and may be incorporated into the annual budget, audit, or other appropriate routine report to the City Council.

SECTION 12. The officers, employees and agents of the City are hereby authorized and directed to take all actions and do all things which they, or any of them, may deem necessary or desirable to accomplish the purposes of this Resolution and not inconsistent with the provisions hereof.

SECTION 13. This Resolution shall take effect immediately upon its adoption.

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

PASSED, APPROVED and ADOPTED this 19th day of May 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 Resolution No. 2020- was duly passed and adopted by the City Council of the City of Ontario at their regular meeting held May 19, 2020 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. 2020- duly passed and adopted by the Ontario City Council at their regular meeting held May 19, 2020.

SHEILA MAUTZ, CITY CLERK

(SEAL)

EXHIBIT A

OFFICIAL BALLOT

CITY OF ONTARIO
May 19, 2020

SPECIAL ELECTION

This ballot is for a special, landowner election. The number of votes to be voted pursuant to this ballot is ____.

INSTRUCTIONS TO VOTERS:

To vote on the measure, mark a cross (+ or X) in the voting square after the word "YES" or after the word "NO". All distinguishing marks or erasures are forbidden and make the ballot void. If you wrongly mark, tear, or deface this ballot, return it to the City Clerk of the City of Ontario and obtain another.

CITY OF ONTARIO
COMMUNITY FACILITIES DISTRICT NO. 54
(ESPERANZA FACILITIES)

MEASURE SUBMITTED TO VOTE OF VOTERS: Shall the City of Ontario Community Facilities District No. 54 (Esperanza Facilities) (the "Community Facilities District") be authorized to incur bonded indebtedness in a maximum aggregate amount of not to exceed \$25,000,000 and levy a special tax in order to finance certain facilities and services and shall the annual appropriations limit of the Community Facilities District be established in the amount of \$25,000,000, all as specified in the Resolution entitled "A Resolution of the City Council of the City of Ontario, California, of Formation of the City of Ontario Community Facilities District No. 54 (Esperanza Facilities), Authorizing the Levy of a Special Tax within the Community Facilities District and Establishing an Appropriations Limit for the Community Facilities District" and the Resolution entitled "A Resolution of the City Council of the City of Ontario, California, Deeming it Necessary to Incur Bonded Indebtedness within the City of Ontario Community Facilities District No. 54 (Esperanza Facilities)," each adopted by the City Council of the City of Ontario on May 19, 2020?

Yes:

No:

RESOLUTION NO. _____

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF ONTARIO,
CALIFORNIA, DECLARING RESULTS OF SPECIAL ELECTION AND
DIRECTING RECORDING OF NOTICE OF SPECIAL TAX LIEN.

WHEREAS, on May 19, 2020, the City Council (the "City Council") of the City of Ontario (the "City"), pursuant to the Mello-Roos Community Facilities Act of 1982 (the "Act"), adopted a resolution entitled "A Resolution of the City Council of the City of Ontario, California, Calling Special Election for City of Ontario Community Facilities District No. 54 (Esperanza Facilities)" (the "Resolution Calling Election"), calling for a special election of the qualified electors within City of Ontario Community Facilities District No. 54 (Esperanza Facilities) (the "Community Facilities District"); and

WHEREAS, pursuant to the terms of the Resolution Calling Election and the provisions of the Act, the special election was held on May 19, 2020; and

WHEREAS, the City Clerk of the City (the "City Clerk") has certified the canvass of the returns of the election and has filed a Canvass and Statement of Results of Election (the "Canvass"), a copy of which is attached hereto as Exhibit A.

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

SECTION 1. The City Council has received, reviewed and hereby accepts the Canvass.

SECTION 2. The City Council hereby finds and declares that the ballot proposition submitted to the qualified electors of the Community Facilities District pursuant to the Resolution Calling Election has been passed and approved by such electors in accordance with Section 53328, Section 53355 and Section 53325.7 of the Act.

SECTION 3. The City Clerk is hereby directed to execute and cause to be recorded in the office of the County Recorder of the County of San Bernardino a notice of special tax lien in the form required by the Act, said recording to occur no later than fifteen days following adoption by the City Council of this Resolution.

SECTION 4. The officers, employees and agents of the City are hereby authorized and directed to take all actions and do all things which they, or any of them, may deem necessary or desirable to accomplish the purposes of this Resolution and not inconsistent with the provisions hereof.

SECTION 5. This Resolution shall take effect immediately upon its adoption.

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

PASSED, APPROVED and ADOPTED this 19th day of May 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 Resolution No. 2020- was duly passed and adopted by the City Council of the City of Ontario at their regular meeting held May 19, 2020 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. 2020- duly passed and adopted by the Ontario City Council at their regular meeting held May 19, 2020.

SHEILA MAUTZ, CITY CLERK

(SEAL)

EXHIBIT A

CITY OF ONTARIO
COMMUNITY FACILITIES DISTRICT NO. 54
(ESPERANZA FACILITIES)

CANVASS AND STATEMENT OF RESULTS OF ELECTION

I hereby certify that on May 19, 2020, I canvassed the returns of the special election held on May 19, 2020, for the City of Ontario Community Facilities District No. 54 (Esperanza Facilities), that the total number of ballots cast in said Community Facilities District and the total number of votes cast for and against the proposition are as follows and that the totals as shown for and against the proposition are true and correct:

	Qualified Landowner <u>Votes</u>	Votes <u>Cast</u>	<u>YES</u>	<u>NO</u>
City of Ontario Community Facilities District No. 54 (Esperanza Facilities) Special Election, May 19, 2020	21	—	—	—

MEASURE SUBMITTED TO VOTE OF VOTERS: Shall the City of Ontario Community Facilities District No. 54 (Esperanza Facilities) (the "Community Facilities District") be authorized to incur bonded indebtedness in a maximum aggregate amount of not to exceed \$25,000,000 and levy a special tax in order to finance certain facilities and services and shall the annual appropriations limit of the Community Facilities District be established in the amount of \$25,000,000, all as specified in the Resolution entitled "A Resolution of the City Council of the City of Ontario, California, of Formation of the City of Ontario Community Facilities District No. 54 (Esperanza Facilities), Authorizing the Levy of a Special Tax within the Community Facilities District and Establishing an Appropriations Limit for the Community Facilities District" and the Resolution entitled "A Resolution of the City Council of the City of Ontario, California, Deeming it Necessary to Incur Bonded Indebtedness within the City of Ontario Community Facilities District No. 54 (Esperanza Facilities)," each adopted by the City Council of the City of Ontario on May 19, 2020?

IN WITNESS WHEREOF, I HAVE HEREUNTO SET MY HAND this 19th day of May 2020.

BY: _____
SHEILA MAUTZ, CITY CLERK

ORDINANCE NO. _____

AN ORDINANCE OF THE CITY COUNCIL OF THE CITY OF ONTARIO, CALIFORNIA, LEVYING SPECIAL TAXES WITHIN THE CITY OF ONTARIO COMMUNITY FACILITIES DISTRICT NO. 54 (ESPERANZA FACILITIES).

WHEREAS, on April 7, 2020, the City Council (the "City Council") of the City of Ontario (the "City"), pursuant to the Mello-Roos Community Facilities Act of 1982 (the "Act"), adopted a resolution entitled "A Resolution of the City Council of the City of Ontario, California, of Intention to Establish a Community Facilities District, Proposed to be Named City of Ontario Community Facilities District No. 54 (Esperanza Facilities), and to Authorize the Levy of Special Taxes" stating its intention to establish City of Ontario Community Facilities District No. 54 (Esperanza Facilities) (the "Community Facilities District") and to finance certain public facilities (the "Facilities") and services (the "Services"); and

WHEREAS, on May 19, 2020, the City Council held a noticed public hearing on the establishment of the Community Facilities District, as required by the Act; and

WHEREAS, subsequent to the close of said hearing, the City Council adopted resolutions entitled "A Resolution of the City Council of the City of Ontario, California, of Formation of the City of Ontario Community Facilities District No. 54 (Esperanza Facilities), Authorizing the Levy of a Special Tax within the Community Facilities District and Establishing an Appropriations Limit for the Community Facilities District" (the "Resolution of Formation"), "A Resolution of the City Council of the City of Ontario, California, Deeming it Necessary to Incur Bonded Indebtedness within the City of Ontario Community Facilities District No. 54 (Esperanza Facilities)" and "A Resolution of the City Council of the City of Ontario, California, Calling Special Election for City of Ontario Community Facilities District No. 54 (Esperanza Facilities)", which resolutions established the Community Facilities District, authorized the levy of a special tax within the Community Facilities District and called an election within the Community Facilities District on the proposition of incurring indebtedness, levying a special tax within the Community Facilities District and establishing an appropriations limit for the Community Facilities District, respectively; and

WHEREAS, on May 19, 2020, an election was held in which the qualified electors of the Community Facilities District approved said proposition by more than the two-thirds vote required by the Act.

THE CITY COUNCIL OF THE CITY OF ONTARIO DOES ORDAIN AS FOLLOWS:

SECTION 1. The City Council hereby authorizes and levies special taxes within the Community Facilities District pursuant to Sections 53328 and 53340 of the Act, at the rate and in accordance with the method of apportionment set forth in Exhibit B to the Resolution of Formation (the "Rate and Method of Apportionment"). The

special taxes are hereby levied commencing in fiscal year 2020-21 and in each fiscal year thereafter until the last fiscal year in which such special taxes are authorized to be levied pursuant to the Rate and Method of Apportionment.

SECTION 2. The City Council may, in accordance with subdivision (b) of Section 53340 of the Act, provide, by resolution, for the levy of the special tax in future tax years at the same rate or at a lower rate than the rate provided by this Ordinance. In no event shall the special tax be levied on any parcel within the Community Facilities District in excess of the maximum tax specified therefor in the Rate and Method of Apportionment.

SECTION 3. The special tax shall be levied on all of the parcels in the Community Facilities District, unless exempted by law or by the Rate and Method of Apportionment.

SECTION 4. The proceeds of the special tax shall only be used to pay, in whole or in part, the cost of providing the Facilities and Services and incidental expenses pursuant to the Act.

SECTION 5. The special tax shall be collected in the same manner as ordinary *ad valorem* property taxes are collected and shall be subject to the same penalties and the same procedure, sale and lien priority in the case of delinquency as is provided for *ad valorem* taxes, unless another procedure is adopted by the City Council.

SECTION 6. If for any reason any portion of this Ordinance is found to be invalid, or if the special tax is found inapplicable to any particular parcel within the Community Facilities District, by a court of competent jurisdiction, the balance of this Ordinance and the application of the special tax to the remaining parcels within the Community Facilities District shall not be affected.

SECTION 7. 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.

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

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 May 19, 2020 and adopted at the regular meeting held June 2, 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)

RESOLUTION NO. _____

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF ONTARIO, CALIFORNIA, AUTHORIZING THE EXECUTION AND DELIVERY OF AN ACQUISITION AND FUNDING AGREEMENT WITH GDC/CDG ESPERANZA PA 4 VENTURE, L.P.

WHEREAS, certain real property within the boundaries of the City located generally south of State Route 60 is commonly known as the New Model Colony; and

WHEREAS, the City has approved a General Plan Amendment for the New Model Colony, which has been supplemented by certain water, recycled water and sewer master plans (as so supplemented, the "General Plan Amendment") and has certified an Environmental Impact Report and adopted a Mitigated Negative Declaration in connection with the General Plan Amendment (together, the "Environmental Impact Report"); and

WHEREAS, the City has specified in the General Plan Amendment and the Environmental Impact Report the major backbone transportation, water, sewer, storm drainage, parks, public safety infrastructure and fiber optic systems required to serve the New Model Colony; and

WHEREAS, the New Model Colony is now commonly referred to as the Ontario Ranch; and

WHEREAS, GDC/CDG Esperanza PA 4 Venture, L.P., a Delaware limited partnership ("Esperanza PA 4 Venture"), is developing certain of the property within the Ontario Ranch (the "Property"); and

WHEREAS, certain of such major backbone infrastructure is required to serve the Property; and

WHEREAS, the City and Esperanza PA 4 Venture desire to provide a mechanism to fund, in a timely manner, the costs of certain of such major backbone infrastructure required to serve the Ontario Ranch (the "Facilities") so that such development may occur; and

WHEREAS, in order to provide such a mechanism, the City has, pursuant to the provisions of the Mello-Roos Community Facilities Act of 1982 (the "Act"), established City of Ontario Community Facilities District No. 54 (Esperanza Facilities) (the "Community Facilities District"), the boundaries of which include a portion of the Property; and

WHEREAS, the Community Facilities District is authorized to levy special taxes within the Community Facilities District (the "Special Taxes") and issue special tax bonds (the "Bonds") secured by the Special Taxes in order to finance certain of the Facilities; and

WHEREAS, it is anticipated that Special Taxes will be levied by the Community Facilities District and that, from time to time, Bonds will be issued by the Community Facilities District; and

WHEREAS, Esperanza PA 4 Venture proposes to construct, or cause to be constructed, certain of the Facilities proposed to be financed by the Community Facilities Districts pursuant to the Act, and the City proposes to purchase such Facilities from Esperanza PA 4 Venture pursuant to an Acquisition and Funding Agreement by and between the City and Esperanza PA 4 Venture (such Acquisition and Funding Agreement, in the form presented to this meeting, with such changes, insertions and omissions as are made pursuant to this Resolution, being referred to herein as the "Acquisition Agreement"); and

WHEREAS, the City Council is the legislative body of the Community Facilities District;

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

SECTION 1. The Acquisition Agreement, in substantially the form submitted to this meeting and made a part hereof as though set forth herein, be and the same is hereby approved. Each of the Mayor of the City, and such other member of the City Council as the Mayor may designate, the City Manager of the City and the Executive Director of Finance of the City, and such other officer or employee of the City as the City Manager may designate (the "Authorized Officers") is hereby authorized, and any one of the Authorized Officers is hereby directed, for and in the name of the City, to execute and deliver the Acquisition Agreement in the form submitted to this meeting, with such changes, insertions and omissions as the Authorized Officer executing the same may require or approve, such requirement or approval to be conclusively evidenced by the execution of the Acquisition Agreement by such Authorized Officer.

SECTION 2. The officers, employees and agents of the City are hereby authorized and directed to take all actions and do all things which they, or any of them, may deem necessary or desirable to accomplish the purposes of this Resolution and not inconsistent with the provisions hereof.

SECTION 3. This Resolution shall take effect immediately upon its adoption.

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

PASSED, APPROVED and ADOPTED this 19th day of May, 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 Resolution No. 2020- was duly passed and adopted by the City Council of the City of Ontario at their regular meeting held May 19, 2020 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. 2020- duly passed and adopted by the Ontario City Council at their regular meeting held May 19, 2020.

SHEILA MAUTZ, CITY CLERK

(SEAL)

CITY OF ONTARIO

Agenda Report
May 19, 2020

SECTION:
PUBLIC HEARINGS

SUBJECT: A PUBLIC HEARING TO CONSIDER AN URGENCY ORDINANCE REPEALING URGENCY ORDINANCE NO. 3159, ADOPTING TEMPORARY REGULATIONS RELATING TO THE EVICTION OF RESIDENTIAL TENANTS, COMMERCIAL TENANTS, AND STORAGE UNIT PATRONS, AND ENACTING A MORATORIUM ON RESIDENTIAL FORECLOSURES DUE TO LOSS OF INCOME DURING THE STATE OF LOCAL EMERGENCY CAUSED BY THE COVID-19 PANDEMIC


RECOMMENDATION: That the City Council read by title only, waive further reading, and adopt an urgency ordinance repealing City of Ontario Ordinance No. 3159 and enacting amendments to the City's existing regulations on the eviction of residential tenants, commercial tenants, and storage unit patrons experiencing a loss of income due to the COVID-19 pandemic, to make technical corrections and to include regulations on foreclosures.

COUNCIL GOALS: Maintain the Current High Level of Public Safety
Operate in a Businesslike Manner
Focus Resources in Ontario's Commercial and Residential Neighborhoods

FISCAL IMPACT: None.

BACKGROUND: On April 7, 2020, the City Council adopted Ordinance No. 3159, which prohibits the eviction of residential and commercial tenants, as well as storage unit patrons, experiencing a loss of income due to the COVID-19 pandemic. In conjunction with adoption of the ordinance, the City Council requested that staff bring back a report on relevant federal and state regulations that might affect how the ordinance is enforced. The City Council received that report on April 21, 2020, upon which the City Council reaffirmed its support for Ordinance No. 3159, but asked that the staff look at several issues, including commercial tenancies and foreclosures, and prepare amendments for the City Council's consideration at a future meeting. Later, during the May 5, 2020 City Council meeting, the

STAFF MEMBER PRESENTING: David Sheasby, Deputy City Manager

Prepared by: David Sheasby
Department: Management Services
City Manager Approval: 

Submitted to Council/O.H.A. 05/19/2020
Approved: _____
Continued to: _____
Denied: _____

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City Council, requested that staff specifically prepare amendments expanding the scope of the ordinance to include protections against residential foreclosures.

In the time since the April 7 adoption of the ordinance, the City Council and staff have received feedback from homeowners and residential landlords requesting that the ordinance be amended to include additional protections and consideration. For example, several commercial landlords and tenants have requested that the sections of the ordinance regarding “an inability to pay rent” be clarified to better describe how the provisions apply to commercial tenants.

The proposed amendments address both of these requests. First, the proposed urgency ordinance would add sections to the existing ordinance to clarify what information that a commercial tenant would need to present in order to qualify for the protections of the ordinance. In that vein, the proposed amendment clarifies that an inability to pay is demonstrated by a substantial decrease in business income resulting from the COVID-19 pandemic. This loss of income may be evidenced by business balance sheets, profit and loss statements, income statements, or cash flow statements. Additionally, the proposed urgency ordinance would add a moratorium on residential foreclosures for the remainder of the local emergency concerning the spread of COVID-19.

While adding these new provisions, the proposed urgency ordinance would still retain the existing provisions of Ordinance No. 3159, which prohibit the eviction of residential and commercial tenants, as well as storage unit patrons who can demonstrate a loss of income due to COVID-19. Under the existing protections, loss of income may come from being infected/quarantined due to a suspected or confirmed case of COVID-19; providing care to a family member with a suspected or confirmed case; experiencing a layoff or loss of hours; or needing to miss time to care for a child whose school was closed in response to COVID-19. Loss of income may be demonstrated by a termination slip, payroll check, bank statement, or medical bill which supports the tenant/patron’s assertion of an inability to pay. Qualifying tenants and patrons remain responsible for the payment of all rents/fees within six months of the expiration of the local emergency. Violation of the ordinance carries a misdemeanor penalty.

Under California Government Code 36937, the City Council may issue an urgency ordinance only by a fourth-fifths vote of the Council with a finding that there is a current and immediate threat to the public health, safety, or welfare. During this local emergency, unnecessary displacement of homeowners, tenants, businesses, and stored items would pose a threat to the public health and welfare as the moving of items is not feasible due to the Governor’s stay at home order, thereby potentially leaving tenants/patrons without an ability to move their items. As such, housed individuals could be exposed to homelessness, and items could be discarded into the public right of way.

Upon adoption, the proposed urgency ordinance is effective immediately.

ORDINANCE NO. _____

AN URGENCY ORDINANCE OF THE CITY COUNCIL OF THE CITY OF ONTARIO, CALIFORNIA, REPEALING URGENCY ORDINANCE NO. 3159, ADOPTING TEMPORARY REGULATIONS PROHIBITING THE EVICTION OF RESIDENTIAL TENANTS, COMMERCIAL TENANTS, AND STORAGE UNIT PATRONS, AND ENACTING A MORATORIUM ON RESIDENTIAL FORECLOSURES DUE TO LOSS OF INCOME DURING THE STATE OF LOCAL EMERGENCY CAUSED BY THE COVID-19 PANDEMIC.

WHEREAS, the City of Ontario, California (“City”) is a municipal corporation, duly organized under the California Constitution and laws of the State of California; and

WHEREAS, Article XI, Section 7 of the California Constitution grants the City broad discretionary power to “make and enforce within its limits all local police, sanitary, and other ordinances and regulations not in conflict with general laws”; and

WHEREAS, Executive Order N-28-20, issued by Governor Gavin Newsom on March 16, 2020, suspends any provision of state law that would preempt or otherwise restrict the City’s exercise of its police powers to impose limitations on evictions based on nonpayment of rent arising out of a substantial decrease in household or business income caused by the Coronavirus Disease 2019 (COVID-19) pandemic; and

WHEREAS, Executive Order N-37-20, issued by Governor Gavin Newsom on March 27, 2020 amends, supplements and extends the protections afforded by Executive Order N-28-20 related to evictions and foreclosures due to COVID-19 caused nonpayment of rent and/or mortgage payments; and

WHEREAS, City of Ontario Ordinance 2990 empowers the City Manager, acting as the Director of Emergency Services, to proclaim the existence or threatened existence of a local emergency when the City is affected or likely affected by a public calamity and the City Council is not in session; and

WHEREAS, the City Manager exercised his right as Director of Emergency Services to proclaim a local emergency on March 14, 2020; and

WHEREAS, the Ontario City Council ratified the proclamation by a unanimous vote of the four Council Members in attendance at the March 17, 2020 meeting of the Ontario City Council; and

WHEREAS, the declaration of a statewide “stay at home” order by Governor Gavin Newsom via Executive Order N-33-20 on March 19, 2020, has required the closure of businesses within “non-essential” industries, and has led to severe economic impacts across the state, including the lay off or a reduction in income for many California residents; and

WHEREAS, further economic impacts are anticipated, leaving residential tenants, commercial tenants and storage unit patrons vulnerable to eviction; and

WHEREAS, the economic impacts may extend to certain residential property owners leaving them vulnerable to foreclosure by lenders; and

WHEREAS, there is existing evidence that COVID-19 is active in the State of California, and the City of Ontario; and

WHEREAS, during this local emergency, and in the interest of protecting the public health and preventing transmission of COVID-19, it is essential to avoid unnecessary housing, business and storage displacement to protect the City's affordable housing stock, to prevent housed individuals from falling into homelessness, to prevent the displacement and closure of local and small businesses, and to prevent the displacement of stored items during the statewide "stay at home" order issued by the Governor; and

WHEREAS, in the interest of public peace, health, and safety, as affected by the emergency caused by the spread of COVID-19, it is necessary for the City Council to exercise its authority to issue these regulations related to the protection of the public peace, health, and safety; and

WHEREAS, the City Council finds and determines eviction of residential tenants, commercial tenants and storage unit patrons must be regulated in order to protect the public health, safety, and welfare.

WHEREAS, the City Council passed Urgency Ordinance No. 3159 on April 7, 2020 which adopted temporary regulations prohibiting the eviction of residential tenants, commercial tenants, and storage unit patrons experiencing loss of income related to the COVID-19 pandemic.

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

SECTION 1. Urgency Ordinance No. 3159 adopted by the Ontario City Council on April 7, 2020 is hereby repealed in its entirety.

SECTION 2. The recitals set forth above are true and correct and are hereby adopted as findings in support of this Urgency Ordinance as if fully set forth herein.

In accordance with California Government Code, Section 36937 and in order to protect the public health, safety and welfare, the City Council also makes the following findings in support of the urgent nature of this Ordinance:

A. The City Council finds that this Urgency Ordinance is enacted in order to protect the public health, safety and welfare by adopting regulations that mitigate existing and ongoing impacts and threats to the public peace, health, and safety that would be caused by residential tenants, commercial tenants and storage unit patrons being displaced in this time of public health emergency; and

B. The City Council further finds that the regulations contained in this Urgency Ordinance are reasonable and beneficial and assure that a lawful regulatory program is in place immediately to address the immediate threats to the public peace, health and safety.

SECTION 3. Temporary Moratorium on Evictions. A temporary moratorium on eviction for non-payment of rent by residential tenants, commercial tenants and storage unit patrons impacted by the COVID-19 crisis is imposed as follows:

A. Until the period of local emergency proclaimed in response to COVID-19 concludes, no landlord shall endeavor to evict a residential tenant, commercial tenant or storage unit patron, in accordance with this Urgency Ordinance, if the tenant or patron demonstrates that the inability to pay rent or fees is due to the COVID-19, the state of emergency regarding COVID-19, or following government recommended COVID-19 precautions. To take advantage of the protections afforded under this subsection A, a tenant or patron must satisfy all of the following requirements:

1. Prior to the date of this Order, the tenant/patron paid rent due to the landlord or storage unit operator pursuant to an agreement.

2. The tenant/patron notifies the landlord or storage unit operator in writing before the rent is due, or within a reasonable period of time afterwards not to exceed 7 days, that the tenant/patron needs to delay all or some payment of rent because of an inability to pay the full amount due to reasons related to COVID-19, including but not limited to the following:

(a) The tenant/patron was unavailable to work because the tenant/patron was sick with a suspected or confirmed case of COVID-19 or caring for a household or family member who was sick with a suspected or confirmed case of COVID-19;

(b) The tenant/patron experienced a lay-off, loss of hours, or other income reduction resulting from COVID-19, the state of emergency, or related government response; or

(c) The tenant/patron needed to miss work to care for a child whose school was closed in response to COVID-19.

(d) substantial decrease in business income resulting from the COVID-19 pandemic;

3. The tenant/patron retains verifiable documentation, such as termination notices, payroll checks, pay stubs, bank statements, medical bills, signed letters or statements from an employer or supervisor explaining the tenant/patron's changed financial circumstances, business balance sheets, profit and loss statements, income statements, or cash flow statements to support the tenant/patron's assertion of an inability to pay. This documentation may be provided to the landlord or storage unit operator no later than the time of payment of back-due rent.

B. If a residential or commercial tenant complies with the requirements of subsection A, a landlord shall not do any of the following:

1. Initiate a cause of action for judicial foreclosure pursuant to Code of Civil Procedure Section 725a et seq.;

2. Initiate a cause of action for unlawful detainer pursuant to Code of Civil Procedure Section 1161 et seq.;

3. Initiate any other statutory cause of action that could be used to evict or otherwise eject a residential tenant or occupant of residential real property;

4. Serve a notice to terminate tenancy pursuant to Code of Civil Procedure Section 1161 et seq, to evict for nonpayment of rent; or

5. Otherwise seek to evict for nonpayment of rent.

C. If a storage unit patron complies with the requirements of subsection A, a storage unit operator shall not do any of the following:

1. Prevent a storage unit patron from accessing their stored items during the normal hours of operation of the storage unit facility; or

2. Send to the storage unit patron a Notice of Lien Sale pursuant to Business and Professions Code, Division 8, Chapter 10, or any other applicable statute regulating storage unit operators.

3. Conduct a Lien Sale pursuant to Business and Professions Code, Division 8, Chapter 10, or any other applicable statute regulating storage unit operators.

D. For purposes of this Urgency Ordinance, "in writing" includes email or text communications to a landlord or the landlord's representative with whom the tenant has previously corresponded by email or text. Any medical or financial information provided to the landlord shall be held in confidence, and only used for evaluating the tenant's claim.

E. Nothing in this Urgency Ordinance shall relieve a commercial tenant from timely paying for electricity, water, sewer, garbage, HVAC, property tax, or other common area maintenance fees and/or charges that are required pursuant to a valid lease. Any modification of these as to the payment of the fees and charges is at the discretion of the parties to the valid lease.

F. Nothing in this Urgency Ordinance shall relieve the tenant/patron of liability for the unpaid rent or storage fees, which the landlord/operator may seek after expiration of the local emergency and the tenant/patron must pay within six months of the expiration of the local emergency. Six months after the end of the emergency if the rent or storage fees are unpaid, a landlord/operator may charge or collect a late fee for rent/fees that are delayed for the reasons stated in this Urgency Ordinance; or a landlord/operator may seek rent or storage fees that are delayed for the reasons stated in this Urgency Ordinance through the eviction or other appropriate legal process.

G. This Urgency Ordinance applies to evictions and unlawful detainer actions served or filed on or after the date of adoption of this Urgency Ordinance.

SECTION 4. Temporary Moratorium on Foreclosures. A temporary moratorium on foreclosures related to the COVID-19 pandemic resulting from nonpayment of mortgages on residential properties of four (4) units or less located in the City of Ontario is imposed as follows:

A. Notwithstanding the provisions authorizing nonjudicial foreclosure in Division 3, Part 4 of the Civil Code (commencing with section 2920, et seq.), the provisions authorizing judicial foreclosure in Chapter 1 of Title 10 of the Code of Civil Procedure, or any other general or special law authorizing nonjudicial or judicial foreclosure, no person or entity shall take any action to foreclose on residential real property consisting of four (4) units or less, including, but not limited to, the following actions:

(1) Causing or conducting the sale of real property pursuant to a power of sale.

(2) Causing recordation of notice of default pursuant to Civil Code section 2924.

(3) Causing recordation, posting, or publication of a notice of sale pursuant to Civil Code section 2924f.

(4) Recording a trustee's deed upon sale pursuant to Civil Code section 2924h.

(5) Initiating or prosecuting an action to foreclose, including, but not limited to, actions pursuant to Section 725a of the Code of Civil Procedure.

(6) Enforcing a judgment by sale of real property pursuant to Civil Code section 680.010.

B. This temporary moratorium on foreclosures shall terminate immediately upon rescission of this Urgency Ordinance or upon termination of the state of local emergency, whichever is earlier.

SECTION 5. Violations.

A. Violation of this Urgency Ordinance shall be punishable as a misdemeanor as set forth in Chapter 1-2.01(c) of the Ontario Municipal Code. Nothing in this Urgency Ordinance shall be construed to diminish or supersede the provisions of Penal Code Section 396.

B. This Urgency Ordinance grants a defense to a tenant/patron in the event that an unlawful detainer or other legal action is commenced in violation of this Urgency Ordinance.

SECTION 6. Term. This Urgency Ordinance shall remain in effect for the period of local emergency declared in response to COVID-19 within the City.

SECTION 7. Effective Date. This Urgency Ordinance was adopted by the necessary four-fifths vote of the members of the City Council pursuant to California Government Code Sections 36934 and 36937(b), and shall take effect immediately upon passage.

SECTION 8. Uncodified. This Urgency Ordinance shall not be codified.

SECTION 9. Severability. If any section, sentence, clause or phrase of this Urgency 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 Urgency Ordinance which can be given effect without the invalid provision or application, and to this end the provisions of this Urgency Ordinance are severable. The City Council of the City of Ontario hereby declares that it would have adopted this Urgency Ordinance and each section, sentence, clause or phrase thereof, irrespective of the fact that any one or more section, subsections, sentences, clauses or phrases be declared invalid or unconstitutional.

SECTION 10. This Urgency Ordinance is exempt from the requirements of the California Environmental Quality Act ("CEQA") pursuant to State CEQA Guidelines, as it is not a "project" and has no potential to result in a direct or reasonably foreseeable indirect physical change to the environment. 14 Cal. Code Regs. § 15378(a). Further, this Ordinance is exempt from CEQA as there is no possibility that this Ordinance or its implementation would have a significant negative effect on the environment. 14 Cal. Code Regs. § 15061(b)(3).

SECTION 11. 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 pose 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 19th day of May 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 Urgency Ordinance No. _____ was duly introduced at a regular meeting of the City Council of the City of Ontario held on the 19th day of May 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 Urgency Ordinance No. ____ duly passed and adopted by the Ontario City Council at their regular meeting held May 19, 2020 and the entire Ordinance was published on May 26, 2020 in the Inland Valley Daily Bulletin newspaper.

SHEILA MAUTZ, CITY CLERK

(SEAL)

CITY OF ONTARIO

Agenda Report
May 19, 2020

SECTION:
ADMINISTRATIVE REPORTS
DISCUSSION/ACTION

SUBJECT: RECEIPT AND FILING OF INFORMATION RELATED TO THE CITY'S INTENTION TO PROVIDE TWO-YEARS ADDITIONAL SERVICE CREDIT IN ACCORDANCE WITH CALIFORNIA GOVERNMENT CODE SECTION 20903

RECOMMENDATION: That the City Council, by motion, receive and file information related to the City's intention to provide two-years additional service credit in accordance with California Government Code section 20903 for designated classifications, departments or organizational units.

COUNCIL GOALS: Operate in a Businesslike Manner

FISCAL IMPACT: The present value of the program cost is estimated at \$27,777,000, or if amortized over five (5) years, \$6,256,000 per year; and if City Council adopts the resolution for all classifications, 321 regular full-time employees would be eligible to participate and retire during the designated "window" period. The corresponding savings for the same eligible employees is approximately \$51,600,000 through future and ongoing personnel cost reductions to be attained through attrition and realignment of the workforce. However, based on the experience of CalPERS and consultants who work with public agencies on early retirement incentives, it is highly unlikely that 100% of eligible employees will choose to retire. It would be more likely that somewhere between 25% and 40% of eligible employees would opt for this program. The related action, if approved, will result in freezing many of the vacated positions authorized in the FY2020-21, and carry forward to the budgets for FY 2021-22 and future years.

BACKGROUND: This item is the first reading required prior to the presentation before the City Council of a proposed resolution to open a window period for the two-year additional service credit for City employees based on designated classifications, departments or organizational units as identified in Exhibit A. The proposed window period is June 3, 2020 through September 30, 2020.

Due to the unprecedented impact of the COVID-19 pandemic, the City's budget has been severely impacted by a reduction in sales tax, transient occupancy tax (TOT), parking tax, and business license

STAFF MEMBER PRESENTING: Angela Lopez, Executive Director Human Resources

Prepared by: Angela Lopez
Department: Human Resources

City Manager Approval: 

Submitted to Council/O.H.A. 05/19/2020
Approved: _____
Continued to: _____
Denied: _____

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revenues coupled with increased and ongoing operational costs specifically related to COVID-19 which were unanticipated and unbudgeted.

Consistent with the Council Goals and Objectives, the City is committed to taking budget actions necessary to address the declining revenues and increasing costs. This is part of a wide range of solutions to balancing the City's budget. Allowing and encouraging attrition that is likely pending with retirement-ready employees by providing an additional two years of service credit can provide immediate cost savings and create voluntary vacancies, thus mitigating the impact of potential forced vacancies. This is also an attempt to hold costs down which mitigates a revenue/expenditure imbalance in future fiscal years.

In accordance with the California Public Employees Retirement Law, two years of additional service credit may be offered to employees who have at least five years of CalPERS service and meet the minimum age requirement for a service retirement. Additionally, an agency must be facing impending mandatory transfers, demotions or layoffs that constitute at least one percent (1%) of the job classification, department or organizational unit, as designated by the City. Further, the City must certify that it intends to keep all vacancies created by retirements under this program or least one vacancy in any position in any department or organizational unit permanently unfilled, resulting in an overall reduction in the work force. To provide this early retirement incentive, the City must designate a window period of at least 90 days up to a maximum of 180 days during which eligible employees must retire to receive the early retirement incentive.

To offer this early retirement incentive, CalPERS requires the City to follow certain procedures. Publicly acknowledging cost considerations is the first step in the process. This agenda report has been prepared in compliance with Government Code Sections 7507(c)(1)(A) and 20903(i), which require the City to publicly disclose "...the additional employer contributions, and the funding therefor..." at least two weeks prior to City Council adopting a resolution implementing the early retirement benefit. Accordingly, staff will forward the resolution for City Council's consideration to adopt the two years additional service credit on June 2, 2020.

“Exhibit A”

All classifications in the following Departments (Agencies):

DEPARTMENT (AGENCY)

Community Life & Culture

Development

Economic Development

Fire Department

Housing & Neighborhood Preservation

Human Resources

Information Technology

Police Department

All classifications in the following Organizational Unit (Division):

DEPARTMENT (AGENCY)

UNIT (DIVISION)

Management Services:

Office of the City Manager

Management Services

Ontario Municipal Utilities Agency:

Utilities Operations*

**(Classifications within Utilities Operations Unit: Utilities Operation Division Manager, Utilities Operation Assistant Division Manager, Utilities Supervisor, Utilities Services Representative, Senior Utilities Technician, Utilities Technician, Utilities Maintenance Worker, Cross Connection Control Specialist)*

Public Works:

Public Works Administration

Parks & Street Maintenance

Fleet Services

Classifications in the following Department (Agency) & Organizational Unit (Division):

<u>DEPARTMENT</u> <u>(AGENCY)</u>	<u>ORGANIZATIONAL</u> <u>UNIT(DIVISION)</u>	<u>CLASSIFICATION</u>
Financial Services:	Fiscal Services	Accounting Technician Senior Financial Analyst
	Investment & Revenue Services	Central Services Specialist Management Analyst Business License Supervisor Customer Service Representative
	Utilities Customer Service	Customer Service Representative Utilities Customer Services Supervisor
Ontario Municipal Utilities Agency:	All	Office Specialist
	Integrated Waste	Integrated Waste Division Manager Integrated Waste Assistant Division Manager Integrated Waste Supervisor Integrated Waste Lead Collector Senior Integrated Waste Lead Collector Integrated Waste Collector Integrated Waste Welder Integrated Waste Maintenance Worker
Public Works:	Various	Custodian Design & Construction Director Facilities Maintenance Technician Municipal Services Manager Public Facilities Maintenance Manager Senior Facilities Maintenance Technician