

**CITY OF ONTARIO
CITY COUNCIL AND HOUSING AUTHORITY
AGENDA
NOVEMBER 7, 2017**

Paul S. Leon
Mayor

Alan D. Wapner
Mayor pro Tem

Jim W. Bowman
Council Member

Debra Dorst-Porada
Council Member

Ruben Valencia
Council Member



Al C. Boling
City Manager

John E. Brown
City Attorney

Sheila Mautz
City Clerk

James R. Milhiser
Treasurer

WELCOME to a meeting of the Ontario City Council.

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

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

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

CALL TO ORDER (*OPEN SESSION*)

6:30 p.m.

ROLL CALL

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

PLEDGE OF ALLEGIANCE

Mayor pro Tem Wapner

INVOCATION

Pastor Donald Rucker, First Church of the Nazarene

PUBLIC COMMENTS

6:30 p.m.

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

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

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

CONSENT CALENDAR

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

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

1. APPROVAL OF MINUTES

Minutes for the regular meeting of the City Council/Housing Authority/Successor Agency to the Ontario Redevelopment Agency of October 3, 2017, approving same as on file in the Records Management Department.

2. BILLS/PAYROLL

Bills September 10, 2017 through September 23, 2017 and **Payroll** September 10, 2017 through September 23, 2017, when audited by the Finance Committee.

3. JOINT TRAFFIC SIGNAL AND SAFETY LIGHTING MAINTENANCE AGREEMENT WITH THE CITIES OF FONTANA AND JURUPA VALLEY

That the City Council approve a Joint Traffic Signal and Safety Lighting Maintenance Agreement (on file with the Records Management Department) between the cities of Ontario, Fontana, and Jurupa Valley with an estimated annual value of \$17,000; and authorize the City Manager to execute said agreement and any future amendments within the City Council approved budgets.

4. MAINTENANCE SERVICES AGREEMENT FOR TRAFFIC SIGNALS AND STREET LIGHTING FACILITIES BETWEEN THE CITY OF ONTARIO AND THE ONTARIO INTERNATIONAL AIRPORT AUTHORITY

That the City Council approve a Maintenance Services Agreement (on file with the Records Management Department) between the City of Ontario and the Ontario International Airport Authority (OIAA) for the City of Ontario to provide maintenance services for traffic signals and street lighting facilities on designated intersections within the Ontario International Airport; and authorize the City Manager to execute said agreement and any future amendments within the City Council approved budgets.

5. PURCHASE OF FLEET VEHICLES/NATIONAL AUTO FLEET GROUP/MK SMITH

That the City Council take the following actions:

- (A) Authorize the cooperative purchase and delivery of one Ford F450 truck in the amount of \$60,216 for the Police Department, from National Auto Fleet Group of Watsonville, California, consistent with the terms and conditions of the National Joint Powers Alliance (NJPA) Cooperative Contract 120716-NAF; and

- (B) Confirm the purchase and delivery of one Chevrolet Tahoe SUV in the amount of \$56,544 from MK Smith of Chino, California, consistent with the terms and conditions of Bid No. 857.

6. ACCEPT A WRITTEN PETITION TO ANNEX TERRITORY TO THE EXISTING CITY OF ONTARIO COMMUNITY FACILITIES DISTRICT NO. 23 (PARK PLACE SERVICES), AUTHORIZE A RESOLUTION OF INTENTION TO ANNEX TERRITORY AND TO LEVY SPECIAL TAXES THEREIN

That the City Council:

- (A) Accept a written petition (on file with the Records Management Department) from SL Ontario Development Company located in Upland, California, to annex territory to City of Ontario Community Facilities District No. 23 (Park Place Services) (the “CFD”), and to waive certain procedural matters, under the Mello-Roos Community Facilities Act of 1982; and
- (B) Adopt a Resolution of Intent to annex territory to the CFD, authorize the levy of special taxes therein, and set a public hearing for the annexation to the CFD as part of the regularly scheduled City Council meeting scheduled for Tuesday, December 19, 2017.

RESOLUTION NO. _____

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF ONTARIO, CALIFORNIA, OF INTENTION TO ANNEX TERRITORY TO CITY OF ONTARIO COMMUNITY FACILITIES DISTRICT NO. 23 (PARK PLACE SERVICES) AND TO AUTHORIZE THE LEVY OF SPECIAL TAXES THEREIN.

7. AN ORDINANCE LEVYING SPECIAL TAXES WITHIN CITY OF ONTARIO COMMUNITY FACILITIES DISTRICT NO. 35 (COUNTRYSIDE PHASE 2 SOUTH - FACILITIES)

That the City Council adopt an ordinance levying special taxes within City of Ontario Community Facilities District No. 35 (Countryside Phase 2 South - Facilities).

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. 35 (COUNTRYSIDE PHASE 2 SOUTH - FACILITIES).

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.

8. A PUBLIC HEARING TO CONSIDER A DISPOSITION AND DEVELOPMENT AGREEMENT BETWEEN THE ONTARIO HOUSING AUTHORITY AND NATIONAL COMMUNITY RENAISSANCE OF CALIFORNIA FOR THE DEVELOPMENT OF A 101-UNIT HOUSING DEVELOPMENT, LOCATED ON 4.18 ACRES OF LAND BORDERED BY HOLT BOULEVARD ON THE SOUTH, NOCTA STREET ON THE NORTH, VIRGINIA AVENUE ON THE WEST, AND RESIDENTIALLY DEVELOPED PROPERTIES ON THE EAST; AND A GRANT AGREEMENT BETWEEN THE CITY OF ONTARIO AND THE ONTARIO HOUSING AUTHORITY, IN AN AMOUNT OF \$2,000,000

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

- (A) Hold a Public Hearing to adopt resolutions approving the Disposition and Development Agreement ("Agreement") (on file with the Records Management Department) between the Authority and National Community Renaissance of California ("Developer"); and
- (B) Approve the Grant Agreement ("Grant Agreement") (on file with the Records Management Department) between the City and the Authority, in an amount of \$2,000,000.

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. OHA-_____

A RESOLUTION OF THE BOARD OF THE ONTARIO HOUSING AUTHORITY OF THE CITY OF ONTARIO, CALIFORNIA, APPROVING A DISPOSITION AND DEVELOPMENT AGREEMENT WITH NATIONAL COMMUNITY RENAISSANCE OF CALIFORNIA FOR DEVELOPMENT OF A MULTIFAMILY, RENTAL HOUSING PROJECT AND MAKING CERTAIN FINDINGS IN CONNECTION THEREWITH.

RESOLUTION NO. _____

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF ONTARIO, CALIFORNIA, APPROVING A DISPOSITION AND DEVELOPMENT AGREEMENT WITH NATIONAL COMMUNITY RENAISSANCE OF CALIFORNIA FOR DEVELOPMENT OF A MULTIFAMILY, RENTAL HOUSING PROJECT AND MAKING CERTAIN FINDINGS IN CONNECTION THEREWITH.

9. A PUBLIC HEARING TO CONSIDER AN ORDINANCE APPROVING AN AMENDMENT TO THE ONTARIO MUNICIPAL CODE, REESTABLISHING TITLE 4 (PUBLIC SAFETY), CHAPTER 13, TITLED "OFF-STREET PARKING PROHIBITIONS AND RESTRICTIONS"

That the City Council introduce and waive further reading of an ordinance reestablishing Ontario Municipal Code Title 4 (Public Safety), Chapter 13, titled "Off-Street Parking Prohibitions and Restrictions."

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

Written communication.

Oral presentation.

Public hearing closed.

ORDINANCE NO. _____

AN ORDINANCE OF THE CITY COUNCIL OF THE CITY OF ONTARIO, CALIFORNIA, APPROVING AN AMENDMENT TO THE ONTARIO MUNICIPAL CODE, REESTABLISHING CHAPTER 13 OF TITLE 4 (PUBLIC SAFETY), TO BE TITLED "OFF-STREET PARKING PROHIBITIONS AND RESTRICTIONS," AND MAKING FINDINGS IN SUPPORT THEREOF.

ADMINISTRATIVE REPORTS/DISCUSSION/ACTION

10. A RESOLUTION AUTHORIZING THE ISSUANCE OF SPECIAL TAX BONDS FOR COMMUNITY FACILITIES DISTRICT NO. 30 (NEW HAVEN FACILITIES - AREA B)

That the City Council adopt a resolution authorizing the issuance of special tax bonds for Community Facilities District No. 30 (New Haven Facilities Area B). The resolution:

- (A) Authorizes the issuance of special tax bonds for public improvements required to facilitate the development of the New Haven Facilities Area B project;
- (B) Approves the forms of the Indenture of Trust, the Letter of Credit Agreement, the Bond Purchase Agreement, the Continuing Disclosure Agreement, and the Preliminary Official Statement;
- (C) Authorizes a negotiated sale of the special tax bonds to Stern Brothers & Co. (the "Underwriter") in accordance with the terms of the Bond Purchase Agreement; and

- (D) Authorizes the execution of the Indenture of Trust, the Letter of Credit, the Bond Purchase Agreement, the Continuing Disclosure Agreement, and the Preliminary Official Statement by the City Manager, or his designee.

RESOLUTION NO. _____

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF ONTARIO, CALIFORNIA, AUTHORIZING THE ISSUANCE OF CITY OF ONTARIO COMMUNITY FACILITIES DISTRICT NO. 30 (NEW HAVEN FACILITIES - AREA B) SPECIAL TAX BONDS, SERIES 2017, IN AN AGGREGATE PRINCIPAL AMOUNT OF NOT TO EXCEED \$14,000,000, AUTHORIZING THE EXECUTION AND DELIVERY OF AN INDENTURE, A LETTER OF CREDIT AGREEMENT, A BOND PURCHASE AGREEMENT AND A CONTINUING DISCLOSURE AGREEMENT, AUTHORIZING THE DISTRIBUTION OF AN OFFICIAL STATEMENT IN CONNECTION THEREWITH AND AUTHORIZING THE EXECUTION OF NECESSARY DOCUMENTS AND CERTIFICATES AND RELATED ACTIONS.

STAFF MATTERS

City Manager Boling

COUNCIL MATTERS

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

ADJOURNMENT

CITY OF ONTARIO

Agenda Report
November 7, 2017

SECTION:
CONSENT CALENDAR

SUBJECT: JOINT TRAFFIC SIGNAL AND SAFETY LIGHTING MAINTENANCE AGREEMENT WITH THE CITIES OF FONTANA AND JURUPA VALLEY

RECOMMENDATION: That the City Council approve a Joint Traffic Signal and Safety Lighting Maintenance Agreement (on file with the Records Management Department) between the cities of Ontario, Fontana, and Jurupa Valley with an estimated annual value of \$17,000; and authorize the City Manager to execute said agreement and any future amendments within the City Council approved budgets.

COUNCIL GOALS: Maintain the Current High Level of Public Safety
Pursue City's Goals and Objectives by Working With Other Governmental Agencies
Invest in the City's Infrastructure (Water, Streets, Sewers, Parks, Storm Drains and Public Facilities)

FISCAL IMPACT: The City's annual operating budget includes appropriations for on-going maintenance and operation of all shared traffic signals in the City. It is estimated that the City's annual proportionate share of the intersection cost will be \$17,000; and appropriations exist in the General Fund.

BACKGROUND: In the past, the County of Riverside and the cities of Ontario and Fontana shared in the costs of operating and maintaining the traffic signal and safety lighting system located at the intersection of Etiwanda Avenue and Philadelphia Street 50%, 25%, and 25% respectively. The services were provided by the County of Riverside under a joint traffic signal maintenance agreement that pre-dated the incorporation of Jurupa Valley.

On July 1, 2011, the City of Jurupa Valley incorporated and assumed its share of the intersection from the County. However, the County continued to provide the services and invoice the other parties for their proportionate share of the costs, as per the original agreement.

The County has notified the City of Jurupa Valley that it will now relinquish its role, which necessitates a new joint traffic signal maintenance agreement between the cities of Ontario, Fontana, and Jurupa

STAFF MEMBER PRESENTING: Louis Abi-Younes, P.E., City Engineer

Prepared by: Mauricio N. Diaz, P.E.
Department: Engineering

City Manager
Approval: 

Submitted to Council/O.H.A. 11/07/2017

Approved: _____

Continued to: _____

Denied: _____

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Valley. Under the new agreement, the City of Jurupa Valley will be responsible for the operation and maintenance of this traffic signal (50% share) and will invoice the other parties for their respective shares (25% each) on a quarterly basis.

The cities of Jurupa Valley and Fontana approved the new agreement on September 7, 2017, and September 26, 2017, respectively.

CITY OF ONTARIO

Agenda Report
November 7, 2017

SECTION:
CONSENT CALENDAR

SUBJECT: MAINTENANCE SERVICES AGREEMENT FOR TRAFFIC SIGNALS AND STREET LIGHTING FACILITIES BETWEEN THE CITY OF ONTARIO AND THE ONTARIO INTERNATIONAL AIRPORT AUTHORITY

RECOMMENDATION: That the City Council approve a Maintenance Services Agreement (on file with the Records Management Department) between the City of Ontario and the Ontario International Airport Authority (OIAA) for the City of Ontario to provide maintenance services for traffic signals and street lighting facilities on designated intersections within the Ontario International Airport; and authorize the City Manager to execute said agreement and any future amendments within the City Council approved budgets.

COUNCIL GOALS: Maintain the Current High Level of Public Safety
Pursue City's Goals and Objectives by Working With Other Governmental Agencies
Invest in the City's Infrastructure (Water, Streets, Sewers, Parks, Storm Drains and Public Facilities)

FISCAL IMPACT: The City's annual operating budget includes appropriations for the on-going operation and maintenance of traffic signals in the Ontario International Airport properties. The City will be reimbursed by the OIAA on a quarterly basis for the actual operation and maintenance costs incurred, but not to exceed \$29,500 per year without written approval by the OIAA.

BACKGROUND: The City of Ontario has been operating and providing traffic signal maintenance services for sixteen (16) signalized intersections along Airport Drive and Terminal Way within the Ontario International Airport property under an agreement with Los Angeles World Airports (LAWA). The City was then reimbursed for the costs by LAWA. This arrangement facilitated the efficient flow of traffic between City and airport traffic signals.

On November 1, 2016, the Ontario International Airport was transferred from LAWA to the OIAA. The OIAA and the City desire to continue the same level of service established under the agreement with LAWA as it remains mutually beneficial to both entities. This agreement has been reviewed and approved by the City Attorney, and was approved by the OIAA Board of Directors on October 24, 2017.

STAFF MEMBER PRESENTING: Louis Abi-Younes, P.E., City Engineer

Prepared by: Mauricio N. Diaz, P.E.
Department: Engineering

City Manager
Approval: 

Submitted to Council/O.H.A. 11/07/2017

Approved: _____

Continued to: _____

Denied: _____

CITY OF ONTARIO

Agenda Report
November 7, 2017

SECTION:
CONSENT CALENDAR

SUBJECT: PURCHASE OF FLEET VEHICLES

RECOMMENDATION: That the City Council take the following actions:

- (A) Authorize the cooperative purchase and delivery of one Ford F450 truck in the amount of \$60,216 for the Police Department, from National Auto Fleet Group of Watsonville, California, consistent with the terms and conditions of the National Joint Powers Alliance (NJPA) Cooperative Contract 120716-NAF; and
- (B) Confirm the purchase and delivery of one Chevrolet Tahoe SUV in the amount of \$56,544 from MK Smith of Chino, California, consistent with the terms and conditions of Bid No. 857.

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

FISCAL IMPACT: Appropriations from the Asset Seizure Fund for the purchase of a large capacity truck for towing of an armored tactical vehicle were included in the Third Quarter Fiscal Year 2016-17 Budget Report, approved by the City Council on May 16, 2017. Appropriations from the Equipment Services Fund in the amount of \$56,544 will be included in the First Quarter Budget Report to the City Council for the purchase of the Chevrolet Tahoe SUV.

BACKGROUND: The truck recommended for purchase in this action will enhance the regional response capabilities in the west end of San Bernardino County, as a mutual aid resource for surrounding and regional agencies. The Chevrolet Tahoe recommended for purchase will be assigned to City Administration.

(A) One Vehicle for the Police Department

Staff recommends the cooperative purchase and delivery of one Ford F450 truck in the amount of \$60,216 for the Police Department, from National Auto Fleet Group of Watsonville, California,

STAFF MEMBER PRESENTING: Brent D. Schultz, Housing and Municipal Services Director

Prepared by: Manuel Rebolledo
Department: Fleet Services

City Manager
Approval: 

Submitted to Council/O.H.A. 11/07/2017
Approved: _____
Continued to: _____
Denied: _____

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consistent with the terms and conditions of the National Joint Powers Alliance (NJPA) Cooperative Contract 120716-NAF. In general conformance with the provisions of Government Code Section 54201 through 54204 and the Ontario Municipal Code, Section 2-6.11(b)(3), allows for the purchase of supplies and equipment through cooperative purchasing with another governmental agency. Cooperative purchasing allows the City to pool its procurement power with other public agencies to obtain pricing lower than might otherwise be possible.

(B) One Vehicle for City Administration

In October 2017, the City solicited bids for one Chevrolet Tahoe SUV. The bid results are as follows:

One Chevrolet Tahoe		
<u>Supplier</u>	<u>Location</u>	<u>Bid Amount</u>
* Rotolo Chevrolet	Fontana, California	N/A
* Reynolds Buick Inc.	Covina, California	N/A
**Courtesy Chevrolet	San Diego, California	\$54,269
** Penske Chevrolet	Cerritos, California	\$56,389
MK Smith	Chino, California	\$56,544
* Mark Christopher	Ontario, California	N/A

*Rotolo Chevrolet, Reynolds Buick Inc., and Mark Christopher did not meet the required bid specifications.

** Courtesy Chevrolet and Penske Chevrolet no longer had the vehicle available for purchase at the time of award.

CITY OF ONTARIO

Agenda Report
November 7, 2017

SECTION:
CONSENT CALENDAR

SUBJECT: ACCEPT A WRITTEN PETITION TO ANNEX TERRITORY TO THE EXISTING CITY OF ONTARIO COMMUNITY FACILITIES DISTRICT NO. 23 (PARK PLACE SERVICES), AUTHORIZE A RESOLUTION OF INTENTION TO ANNEX TERRITORY AND TO LEVY SPECIAL TAXES THEREIN

RECOMMENDATION: That the City Council:

- (A) Accept a written petition (on file with the Records Management Department) from SL Ontario Development Company located in Upland, California, to annex territory to City of Ontario Community Facilities District No. 23 (Park Place Services) (the "CFD"), and to waive certain procedural matters, under the Mello-Roos Community Facilities Act of 1982; and
- (B) Adopt a Resolution of Intent to annex territory to the CFD, authorize the levy of special taxes therein, and set a public hearing for the annexation to the CFD as part of the regularly scheduled City Council meeting scheduled for Tuesday, December 19, 2017.

COUNCIL GOALS: Operate in a Businesslike Manner
Focus Resources in Ontario's Commercial and Residential Neighborhoods
Ensure the Development of a Well Planned, Balanced, and Self-Sustaining Community in the New Model Colony

FISCAL IMPACT: The use of Mello-Roos financing for City services is critical in achieving the City Council's goal of "Ensure the Development of a Well Planned, Balanced, and Self-Sustaining Community in the New Model Colony." The use of Mello-Roos financing for the Park Place development will not generate funds for facilities, and bonds will not be issued as part of this formation. Annexation of the territory to the CFD is in conformance with the provisions of the Park Place project's Development Agreement, and the First Amended and Restated Construction Agreement between the City and NMC Builders.

STAFF MEMBER PRESENTING: Grant D. Yee, Administrative Services/Finance Director

Prepared by: Bob Chandler
Department: Management Services

City Manager
Approval: 

Submitted to Council/O.H.A. 11/07/2017

Approved: _____

Continued to: _____

Denied: _____

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BACKGROUND: On March 18, 2014, the City Council formed City of Ontario Community Facilities District No. 23 (Park Place Services) pursuant to the Mello-Roos Community Facilities Act of 1982 (the “Act”) for the purpose of financing certain services.

The Act provides that territory may be annexed to an existing community facilities district and special taxes levied therein as provided in Article 3.5 of the Act. If the landowner of a territory requests the legislative body of a local agency that created a community facilities district to include territory within such community facilities district, the legislative body may adopt a resolution of intention to annex such territory to such community facilities district.

SL Ontario Development Company, LLC, a Delaware limited liability company (the “Developer”), has submitted a petition to the City Council requesting that the City Council institute proceedings pursuant to the Act to annex certain territory (the “Additional Territory”) to the CFD and to levy special taxes in the Additional Territory. The Developer has represented that it is the landowner of such Additional Territory. The boundaries of the Additional Territory proposed to be annexed are described in the map on file with the City Clerk.

The Resolution of Intention, identifies the City Council’s intent to annex the Additional Territory to the CFD and to levy special taxes therein to pay for public services, all as further provided and detailed therein. As proposed, annexation of the Additional Territory will not alter the special tax rate to be levied within the CFD. The Resolution of Intention fixes Tuesday, December 19, 2017, as the date for a public hearing on the proposed annexation of the Additional Territory to the CFD.

RESOLUTION NO. _____

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF ONTARIO, CALIFORNIA, OF INTENTION TO ANNEX TERRITORY TO CITY OF ONTARIO COMMUNITY FACILITIES DISTRICT NO. 23 (PARK PLACE SERVICES) AND TO AUTHORIZE THE LEVY OF SPECIAL TAXES THEREIN.

WHEREAS, pursuant to the Mello-Roos Community Facilities Act of 1982 (the "Act"), the City Council (the "City Council") of the City of Ontario (the "City") previously established City of Ontario Community Facilities District No. 23 (Park Place Services) (the "Community Facilities District") for the purpose of financing certain services; and

WHEREAS, the City Council has received a written petition (the "Petition") from SL Ontario Development Company, LLC, a Delaware limited liability company (the "Landowner") requesting that proceedings be instituted to annex certain property owned by the Landowner to the Community Facilities District; and

WHEREAS, the Landowner has represented and warranted to the City Council that the Landowner is the owner of all of the territory proposed to be annexed to the Community Facilities District (the "Additional Territory"); and

WHEREAS, Section 53339.2 of the Act provides that if the landowners request the legislative body to include territory within a district, the legislative body may adopt a resolution of intention to annex the territory; and

WHEREAS, pursuant to the Act, 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 foregoing recitals are true and correct, and the City Council so finds and determines.

SECTION 2. The name of the existing community facilities district is City of Ontario Community Facilities District No. 23 (Park Place Services).

SECTION 3. The City Council proposes to annex the Additional Territory to the Community Facilities District pursuant to the Act. The existing boundaries of the territory of the Community Facilities District are described in the boundary map of the Community Facilities District recorded in the office of the San Bernardino County Recorder in Book 86 at Page 10 of Maps of Assessment and Community Facilities District as Instrument No. 2014-0058330. The boundaries of the territory proposed to be annexed to the Community Facilities District are described in the map showing the proposed Additional Territory ("Annexation Map No. 1") on file with the City Clerk of the City (the "City Clerk"), which boundaries are hereby preliminarily approved and to which map reference is hereby made for further particulars. The City Clerk is hereby directed

to sign Annexation Map No. 1 and record, or cause to be recorded, Annexation Map No. 1 with all proper endorsements thereon in the office of the San Bernardino County Recorder within 15 days of the date of adoption of this Resolution, all as required by Section 3111 of the California Streets and Highways Code.

SECTION 4. The services (the "Services") provided in the Community Facilities District pursuant to the Act and proposed to be provided in the Additional Territory are described under the caption "Services" on Exhibit A to Resolution No. 2014-019, entitled "A Resolution of the City Council of the City of Ontario, California, of Formation of the City of Ontario Community Facilities District No. 23 (Park Place Services), Authorizing the Levy of a Special Tax Within the Community Facilities District and Establishing an Appropriations Limit for the Community Facilities District," adopted by the City Council on March 18, 2014 (the "Resolution of Formation"), which is by this reference incorporated herein. The Services will be available to and will benefit landowners within the Community Facilities District and the proposed Additional Territory without preference or priority and, as such is the case, no specific plan for providing services as contemplated by Section 53339.3(c) of the Act is necessary.

SECTION 5. Except where funds are otherwise available, a special tax sufficient to pay for all Services, secured by recordation of a continuing lien against all nonexempt real property in the Additional Territory, will be annually levied within the Additional Territory. The rate and method of apportionment of the special tax, in sufficient detail to allow each landowner within the proposed Additional Territory to estimate the maximum amount that he or she will have to pay, is described in Exhibit B to the Resolution of Formation, which is by this reference incorporated herein.

SECTION 6. There will be no alteration in the special tax rate to be levied within the Community Facilities District as a result of the proposed annexation of the Additional Territory to the Community Facilities District.

SECTION 7. The City Council hereby fixes Tuesday, December 19, 2017, at 6:30 p.m., or as soon thereafter as the City Council may reach the matter, at 303 East B Street, Ontario, California, as the time and place when and where the City Council will conduct a public hearing on the proposed annexation of the Additional Territory to the Community Facilities District.

SECTION 8. The City Clerk is hereby directed to publish, or cause to be published, a notice of said public hearing one time in a newspaper of general circulation published in the area of the Community Facilities District and the Additional Territory. The publication of said notice shall be completed at least seven days prior to the date herein fixed for said hearing. Said notice shall contain the information prescribed by Section 53339.4 of the Act.

SECTION 9. 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 10. 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 7th day of November 2017.

PAUL S. LEON, MAYOR

ATTEST:

SHEILA MAUTZ, CITY CLERK

APPROVED AS TO FORM:

BEST BEST & KRIEGER LLP
CITY ATTORNEY

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

I, SHEILA MAUTZ, City Clerk of the City of Ontario, DO HEREBY CERTIFY that foregoing Resolution No. 2017- was duly passed and adopted by the City Council of the City of Ontario at their regular meeting held November 7, 2017 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. 2017- duly passed and adopted by the Ontario City Council at their regular meeting held November 7, 2017.

SHEILA MAUTZ, CITY CLERK

(SEAL)

CITY OF ONTARIO

Agenda Report
November 7, 2017

SECTION:
CONSENT CALENDAR

SUBJECT: AN ORDINANCE LEVYING SPECIAL TAXES WITHIN CITY OF ONTARIO COMMUNITY FACILITIES DISTRICT NO. 35 (COUNTRYSIDE PHASE 2 SOUTH - FACILITIES)

RECOMMENDATION: That the City Council adopt an ordinance levying special taxes within City of Ontario Community Facilities District No. 35 (Countryside Phase 2 South - Facilities).

COUNCIL GOALS: Focus Resources in Ontario's Commercial and Residential Neighborhoods
Invest in the City's Infrastructure (Water, Streets, Sewers, Parks, Storm Drains and Public Facilities)
Ensure the Development of a Well Planned, Balanced, and Self-Sustaining Community in the New Model Colony

FISCAL IMPACT: The use of Mello-Roos financing for facilities in the residential development of the Countryside Phase 2 South - Facilities project is estimated to generate approximately \$7 million which will be used to help fund a portion of the public infrastructure improvements that will serve the project. Since 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, there is no General Fund impact from the issuance of Mello-Roos bonds.

BACKGROUND: At the public hearing conducted by the City Council on October 17, 2017, the City Council adopted the resolutions of formation for Community Facilities District No. 35 (Countryside Phase 2 South - Facilities) and introduced and waived further reading of an ordinance levying special taxes within City of Ontario Community Facilities District No. 35 (Countryside Phase 2 South - Facilities). Adoption of the ordinance will conclude the formation process for City of Ontario Community Facilities District No. 35 (Countryside Phase 2 South - Facilities).

The Mello-Roos Community Facilities Act of 1982 provides local government, with the 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. Under the Mello-Roos Act, the initial steps in the formation of a community

STAFF MEMBER PRESENTING: Grant D. Yee, Administrative Services/Finance Director

Prepared by: Bob Chandler
Department: Management Services

City Manager
Approval: 

Submitted to Council/O.H.A. 11/07/2017

Approved: _____

Continued to: _____

Denied: _____

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facilities district to finance public improvements are adopting resolutions declaring the City's intention to establish a community facilities district and levy special taxes, and to issue bonds. On September 5, 2017, the City Council approved Resolution No. 2017-108, a Resolution of Intention to establish City of Ontario Community Facilities District No. 35 (Countryside Phase 2 South - Facilities) and authorize the levy of special taxes; and Adopted Resolution No. 2017-109, declaring its intention to issue bonds for the district. The Resolution of Intention set the public hearing date for the regularly scheduled City Council meeting of October 17, 2017 to consider formation matters. On October 17, 2017, the City Council adopted the Resolution of Formation and associated resolutions, establishing Community Facilities District No. 35 (Countryside Phase 2 South - Facilities).

The Countryside Phase 2 South - Facilities project addresses the development of approximately 34 gross acres located east of the Cucamonga Creek Channel, west of Archibald Avenue, south of Chino Avenue and generally north of Schaefer Avenue. At build out, the development is projected to include 235 single-family units. The Community Facilities District is being formed pursuant to the provisions of the Forestar Countryside, L.L.C. Development Agreement, and the First Amended and Restated Construction Agreement between the City and NMC Builders.

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. 35 (COUNTRYSIDE PHASE 2 SOUTH - FACILITIES).

WHEREAS, on September 5, 2017, 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. 35 (Countryside Phase 2 South - Facilities), and to Authorize the Levy of Special Taxes" stating its intention to establish City of Ontario Community Facilities District No. 35 (Countryside Phase 2 South - Facilities) (the "Community Facilities District") and to finance certain public facilities (the "Facilities") and services (the "Services"); and

WHEREAS, on October 17, 2017, the City Council held said 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. 35 (Countryside Phase 2 South - 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. 35 (Countryside Phase 2 South - 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. 35 (Countryside Phase 2 South - 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 October 17, 2017, 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 2018-19 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 7th day of November 2017.

PAUL S. LEON, MAYOR

ATTEST:

SHEILA MAUTZ, CITY CLERK

APPROVED AS TO FORM:

BEST BEST & KRIEGER LLP
CITY ATTORNEY

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

I, SHEILA MAUTZ, City Clerk of the City of Ontario, DO HEREBY CERTIFY that foregoing Ordinance No. 3082 was duly introduced at a regular meeting of the City Council of the City of Ontario held October 17, 2017 and adopted at the regular meeting held November 7, 2017 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. 3082 duly passed and adopted by the Ontario City Council at their regular meeting held November 7, 2017 and that Summaries of the Ordinance were published on October 24, 2017 and November 14, 2017, in the Inland Valley Daily Bulletin newspaper.

SHEILA MAUTZ, CITY CLERK

(SEAL)

CITY OF ONTARIO

Agenda Report
November 7, 2017

SECTION:
PUBLIC HEARINGS

SUBJECT: A PUBLIC HEARING TO CONSIDER A DISPOSITION AND DEVELOPMENT AGREEMENT BETWEEN THE ONTARIO HOUSING AUTHORITY AND NATIONAL COMMUNITY RENAISSANCE OF CALIFORNIA FOR THE DEVELOPMENT OF A 101-UNIT HOUSING DEVELOPMENT, LOCATED ON 4.18 ACRES OF LAND BORDERED BY HOLT BOULEVARD ON THE SOUTH, NOCTA STREET ON THE NORTH, VIRGINIA AVENUE ON THE WEST, AND RESIDENTIALLY DEVELOPED PROPERTIES ON THE EAST; AND A GRANT AGREEMENT BETWEEN THE CITY OF ONTARIO AND THE ONTARIO HOUSING AUTHORITY, IN AN AMOUNT OF \$2,000,000

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

- (A) Hold a Public Hearing to adopt resolutions approving the Disposition and Development Agreement ("Agreement") (on file with the Records Management Department) between the Authority and National Community Renaissance of California ("Developer"); and
- (B) Approve the Grant Agreement ("Grant Agreement") (on file with the Records Management Department) between the City and the Authority, in an amount of \$2,000,000.

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

FISCAL IMPACT: The Developer will purchase the property from the Authority for \$2,420,000. The sales price is supported by an independent appraisal completed by a certified general appraiser.

The Authority will provide a gap loan of \$4,420,000. The Authority gap loan is a residual receipt note that will be paid back over a 55-year term. The loan will provide \$2,420,000 for the acquisition of the land by the Developer. The land purchase principal of \$2,420,000 will have an interest rate at the

STAFF MEMBER PRESENTING: Brent D. Schultz, Housing and Municipal Service Director

Prepared by: Julie Bjork
Department: Housing and Municipal Services

City Manager
Approval: 

Submitted to Council/O.H.A. 11/07/2017

Approved: _____

Continued to: _____

Denied: _____

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applicable federal rate that will be set at escrow closing. It is estimated that this interest rate will be approximately 3%. The remaining portion of the loan (\$2,000,000) will have a simple interest rate of 1%.

At the time that the project converts to permanent financing, the Developer shall make an initial lump-sum payment for the land purchase in the amount of \$855,685. An annual fixed payment of \$7,822 will be made thereafter towards the land purchase price and 35% of the net cash flow.

The Authority's gap loan will be disbursed in the following manner:

At the close of escrow, the funds for the land purchase price (\$2,420,000) will be charged to the Authority's gap loan in the form of a loan carry back. No cash outlay for the land purchase will be required from the Authority. In addition, a lump sum payment of \$2,000,000 will be disbursed for payment of project costs.

The City's Grant Agreement to the Authority, in the amount of \$2,000,000, will be funded entirely from New Model Colony In-Lieu Fees.

BACKGROUND: The Virginia/Holt Multifamily Development ("Development") is located on approximately 4.18 acres of land, bordered by Holt Boulevard on the south, Nocta Street on the north, Virginia Avenue on the west, and residentially developed properties to the east. The area is shown on Exhibit A.

The Development will result in the construction of 101 affordable rental housing units for extremely low-, very low-, and low-income families. All of the units in the proposed development will remain affordable for a 55-year period. A breakdown of the current fiscal year rents and unit mix is attached as Exhibit B. Rent increases are allowed to be adjusted annually by the percentage increase in incomes established by the U.S. Department of Housing and Urban Development ("HUD") for the San Bernardino Metropolitan Statistical Area.

The developer is National Community Renaissance of California, located in Rancho Cucamonga, California. National Community Renaissance of California ("Developer") is one of the nation's largest non-profit affordable housing developers with a 20-year history of building affordable housing units combined with comprehensive social services to promote self-sufficiency of residents. The company has developed over 6,000 housing units within California with a history of long-term ownership. The President and CEO of National Community Renaissance of California is Steve PonTell.

This project is a key component of Ontario's \$35 million application for 2017 Transformative Climate Communities (TCC) Program funding for the implementation of a variety of community development activities within and around downtown Ontario. The TCC Program is a competitive statewide grant program funded through the State's Cap-and-Trade Program, also known as the California Climate Investments (CCI). The California Strategic Growth Council, which administers the TCC Program, has released a request for TCC applications for approximately \$140 million for TCC Implementation Grant funding. This program will fund three locations within the State, including the City of Fresno, City of Los Angeles, and a third location that will be selected through this TCC competition. The third location will receive approximately \$35 million for a robust neighborhood level strategy that implements TCC eligible activities designed to reduce greenhouse gases while promoting local economic, environmental and health benefits. Applications are due by November 30, 2017.

This development has been specifically designed to provide Ontario with a competitive advantage to be selected as the third location for TCC funding. This development meets density requirements, affordability levels, and is strategically located on the future West Valley Connector Bus Rapid Transit route. This site is currently located adjacent to OmniTrans Route 61 bus line, which has the highest ridership of any OmniTrans route. As part of this proposal, all households will receive monthly transit passes at no cost to the household for the first three years and real-time bus route arrival information will be displayed in the on-site community center. Omnitrans will also provide a training program for the residents to encourage public transit ridership. In addition, the residents will be provided with an enhanced level of social services including after school programs for children and financial literacy programs for adults on-site.

The estimated total development construction cost is \$31,882,140. The following is a breakdown of the permanent funding sources for the Project: TCC loan (\$14,729,325), Tax Credit Equity – Low Income Housing Tax Credits (LIHTC) (\$10,652,575), Authority gap loan (\$4,420,000), Permanent Loan (\$1,755,000), and Deferred Developer Fee (\$325,500). The TCC loan will be repaid via annual payments in the fixed amount of .42% of principal plus 50% of net cash flow. Ontario will receive a payment of \$855,685 as an initial land payment at the conversion of the financing to permanent financing, which will reduce the Authority's gap loan to \$3,564,315 at the time of conversion to permanent financing. The remaining balance of the loan will be paid through a fixed annual land payment of \$7,822, and 35% of net cash flow. The Developer will receive the remaining 15% of the net cash flow.

The Developer will be required to provide an independent audit at the conclusion of the construction. Any costs savings will result in a payment towards an Operating Reserve Account for the project.

The Development has been designed with the highest level of architectural features to provide exceptional benefits to the city. The Developer has carefully designed the Development with a contemporary architectural style and provides a swimming pool, recreation room with kitchen and conference room/computer lab, tot lot, and community garden. The Developer will also conduct an initial marketing preference program for Ontario residents to have the first opportunity to lease an apartment if they income qualify. Copies of the proposed site plan and architectural elevations are attached as Exhibit C.

If Ontario is successful in securing TCC funding, the Developer will submit an application for the non-competitive 4% LIHTC Program, which is administered by the California Tax Credit Allocation Committee ("CTCAC") with tax credits (sold to fund project equity). It is anticipated if TCC funding is secured, construction will begin in the summer of 2018, and would be completed within approximately 18 months from the start of construction. However, if Ontario is unsuccessful in receiving an allocation of TCC funding, the Developer will submit an application for funding through the California Strategic Growth Council's Affordable Housing and Sustainable Communities (AHSC) Program, which is due in January 2018.

Environmental Review

The proposed project is categorically exempt from the requirements of the California Environmental Quality Act of 1970 (CEQA), as amended, and the Guidelines promulgated thereunder, pursuant to

Section 15332 (Class 32, Infill Development Projects) of the CEQA Guidelines. Class 32 consists of projects characterized as infill development, meeting the following conditions:

1. The Project is consistent with the applicable general plan designation and all applicable general plan policies, as well as the applicable zoning designation and regulations;
2. The proposed development occurs within city limits, on a project site of no more than five acres, and is substantially surrounded by urban uses;
3. The project site has no value as habitat for endangered, rare, or threatened species;
4. Approval of the Project will not result in any significant effects relating to traffic, noise, air quality, or water quality; and
5. The Project site can be adequately served by all required utilities and public services.

No further CEQA environmental review is required.

**EXHIBIT A
PROJECT SITE**



Not to Scale



**EXHIBIT B
UNIT DISTRIBUTION**

Virginia/Holt Multifamily Affordability Restrictions and Net Rents			
	2BR	3BR	Total Number of Units
30% of AMI Units			
# of Units	15	6	21
Est. Net Rent	\$400	\$459	
50% of AMI Units			
# of Units	22	15	37
Est. Net Rent	\$691	\$794	
60% of AMI			
# of Units	32	10	42
Est. Net Rent	\$836	\$962	
Property Manager Unit		1	1
TOTAL UNITS	69	32	101



CORNER OF VIRGINIA - WEST - looking West



WEST BLVD - VIRGINIA - looking East



ELEVATION Bldg A - West Blvd South - looking North 1
DATE: 11/14/14
SCALE: 1/8" = 1'-0"



ELEVATION Bldg A - East Interior - looking West 3
DATE: 11/14/14
SCALE: 1/8" = 1'-0"



ELEVATION Bldg A - Virginia Ave West - looking East 2
DATE: 11/14/14
SCALE: 1/8" = 1'-0"

RESOLUTION NO. OHA-_____

A RESOLUTION OF THE BOARD OF THE ONTARIO HOUSING AUTHORITY OF THE CITY OF ONTARIO, CALIFORNIA, APPROVING A DISPOSITION AND DEVELOPMENT AGREEMENT WITH NATIONAL COMMUNITY RENAISSANCE OF CALIFORNIA FOR DEVELOPMENT OF A MULTIFAMILY, RENTAL HOUSING PROJECT AND MAKING CERTAIN FINDINGS IN CONNECTION THEREWITH.

WHEREAS, the Ontario Housing Authority (the "Authority") was created to, among other things, support and promote the development of affordable housing in the community; and

WHEREAS, the Authority is the owner of a certain, approximately 4.18-acre site bounded by East Holt Boulevard on the south, residentially-developed properties on the east, East Nocta Street on the north and North Virginia Avenue on the west (the "Property") as more particularly described in Exhibit "A" to this Resolution; and

WHEREAS, the Authority ("Authority"), pursuant to Health and Safety Code Section 34176, has been designated as the successor to the Agency in carrying out the housing functions and responsibilities of the Agency, and as a result the Property was transferred to the Authority to be developed in a manner that would provide affordable housing; and

WHEREAS, in order to implement its purpose, the Authority proposes to enter into a certain Disposition and Development Agreement (the "DDA"), dated as of November 7, 2017, with National Community Renaissance of California (the "Developer"), pursuant to which (a) the Authority would sell the Property to Developer, and (b) the Developer will develop thereon an approximately 101-unit, multifamily, affordable, rental housing project (the "Project"); and

WHEREAS, the Project is a key component of the City of Ontario's application for funding from the State of California 2017 Transformative Climate Communities Program (itself a part of the State's California Climate Investment Program designed to reduce greenhouse gasses) for the implementation of a variety of community development activities within and around downtown Ontario; and

WHEREAS, the Project is consistent with the Housing Element of the General Plan of the City of Ontario; and

WHEREAS, in connection with the DDA, Authority has prepared, reviewed and considered a summary report setting forth:

- (1) The cost of the DDA to the Authority;
- (2) The estimated value of the interests to be sold to Developer, determined at the highest and best uses permitted by law;

- (3) The estimated value of the interests to be sold, determined at the uses and with the conditions, covenants and development costs required by the sale; and
- (4) The consideration payable for the Property.

WHEREAS, the DDA contains all of the terms, covenants, conditions, restrictions, obligations and provisions required by state and local law; and

WHEREAS, the Project, as a small, urban, infill housing project, is, pursuant to Section 15332 of the CEQA Guidelines, categorically exempt from full environmental review; and

WHEREAS, the Authority, at and after a duly noticed public hearing, has duly reviewed and considered all of the terms and conditions of the DDA and believes that the Project is in the best interests of the City and the health, safety, morals and welfare of its residents; and is in accord with the public purposes and provisions of applicable state and local law and requirements.

NOW, THEREFORE, BE IT RESOLVED by the Ontario Housing Authority as follows:

1. The Authority hereby finds that the Project is categorically exempt under CEQA.
2. The Authority hereby finds and determines that the sale and development of the Property pursuant to the DDA will provide housing for very low and low-income persons and is consistent with Authority's obligations under the CRL and the California Housing Authority Law.
3. The Authority hereby finds and determines that, based on substantial evidence in the record before it, the consideration for the Authority's disposition of the Property pursuant to the DDA is not less than either the fair market or fair reuse value in accordance with conditions, covenants, and development costs required under the DDA.
4. The DDA, a copy of which is on file with the Secretary of the Authority, is hereby approved with such minor changes, additions or deletions as may be approved by the Authority's Executive Director and General or Special Counsel, and the Executive Director is hereby authorized and directed to execute said DDA on behalf of the Authority.
5. The Executive Director is hereby (a) directed to file a Notice of Exemption for the Project under CEQA, and (b) also authorized to take such actions and execute such documents and instruments as he deems necessary or desirable for implementation of the DDA.

The Secretary of the Ontario Housing Authority shall certify as to the adoption of this Resolution.

PASSED, APPROVED, AND ADOPTED this 7th day of November 2017.

PAUL S. LEON, CHAIRMAN

ATTEST:

SHEILA MAUTZ, AUTHORITY SECRETARY

APPROVED AS TO FORM:

AUTHORITY COUNSEL

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

I, SHEILA MAUTZ, Secretary of the Ontario Housing Authority, DO HEREBY CERTIFY that the foregoing Resolution No. OHA- was duly passed and adopted by the Board Members of the Ontario Housing Authority at their regular meeting held November 7, 2017, by the following roll call vote, to wit:

AYES: BOARD MEMBERS:

NOES: BOARD MEMBERS:

ABSENT: BOARD MEMBERS:

SHEILA MAUTZ, AUTHORITY SECRETARY

(SEAL)

The foregoing is the original of Resolution No. OHA- duly passed and adopted by the Ontario Housing Authority at their regular meeting held November 7, 2017.

SHEILA MAUTZ, AUTHORITY SECRETARY

(SEAL)

EXHIBIT "A"

LEGAL DESCRIPTION OF THE PROPERTY

The Real Property situated in the City of Ontario, County of San Bernardino, State of California, and described as follows:

Parcel A: Tract 1756 Lot 1 (APN: 1048-472-01).

Parcel B: Tract 1756 Lot 2 (APN: 1048-472-02).

Parcel C: Tract 1756 Lot 3 (APN: 1048-472-03).

Parcel D: Tract 1756 Lot 4 (APN: 1048-472-03).

Parcel E: The west 3½ acres of Lot 9 of the revised Map of Hanson's Company Addition to Ontario, County of San Bernardino, State of California, as shown by map on file in Book 12 Page 51, of Maps, Records of San Bernardino County, California; excepting therefrom that portion conveyed to the City of Ontario by deed recorded May 25, 1962 in Book 5706, Page 277 of Official Records (APN: 1048-472-11).

RESOLUTION NO. _____

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF ONTARIO, CALIFORNIA, APPROVING A DISPOSITION AND DEVELOPMENT AGREEMENT WITH NATIONAL COMMUNITY RENAISSANCE OF CALIFORNIA FOR DEVELOPMENT OF A MULTIFAMILY, RENTAL HOUSING PROJECT AND MAKING CERTAIN FINDINGS IN CONNECTION THEREWITH.

WHEREAS, the Ontario Housing Authority (the "Authority") was created to, among other things, support and promote the development of affordable housing in the community; and

WHEREAS, in order to implement its purpose, the Authority proposes to enter into a certain Disposition and Development Agreement (the "DDA"), dated as of June 20, 2017, with Ontario Emporia Housing Partners, L.P. (the "Developer"), pursuant to which (a) the Authority would sell to Developer a certain, approximately 4.18-acre site bounded by East Holt Boulevard on the south, residentially-developed properties on the east, East Nocta Street on the north and North Virginia Avenue on the west (the "Property"), and (b) the Developer will develop thereon an approximately 101-unit, multifamily, affordable, rental housing project (the "Project"); and

WHEREAS, the Project is consistent with the Housing Element of the General Plan of the City of Ontario; and

WHEREAS, in connection with the DDA, the Authority has prepared and the City Council has reviewed and considered a summary report setting forth:

- (1) The cost of the DDA to the Authority;
- (2) The estimated value of the interests to be sold to Developer, determined at the highest and best uses permitted by law;
- (3) The estimated value of the interests to be sold, determined at the uses and with the conditions, covenants and development costs required by the sale; and
- (4) The consideration payable for the Property;

WHEREAS, the DDA contains all of the terms, covenants, conditions, restrictions, obligations and provisions required by state and local law; and

WHEREAS, pursuant to the California Environmental Quality Act ("CEQA"), Authority determined that the Project, as a small, urban infill housing project, is categorically exempt from full environmental review; and

WHEREAS, the City Council, at and after a duly noticed public hearing, has duly reviewed and considered all of the terms and conditions of the DDA and believes that the Project is in the best interest of the City and the health, safety, morals and welfare of its residents; and is in accord with the public purposes and provisions of applicable state and local law and requirements.

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

1. The City Council hereby finds and determines that the sale and development of the Property will provide housing for very low and low-income persons and is consistent with Authority's obligations under California law.
2. The City Council hereby finds and determines that, based on substantial evidence in the record before it, the consideration for the Authority's disposition of the Property pursuant to the DDA is not less than either the fair market or fair reuse value in accordance with conditions, covenants, and development costs required under the DDA.
3. The DDA, a copy of which is on file with the Secretary of the Authority, is hereby approved with such minor changes, additions or deletions as may be approved by the Authority's Executive Director and General or Special Counsel.

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

PASSED, APPROVED, AND ADOPTED this 7th day of November 2017.

PAUL S. LEON, MAYOR

ATTEST:

SHEILA MAUTZ, CITY CLERK

APPROVED AS TO FORM:

BEST BEST & KRIEGER LLP
CITY ATTORNEY

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

I, SHEILA MAUTZ, City Clerk of the City of Ontario, DO HEREBY CERTIFY that foregoing Resolution No. 2017- was duly passed and adopted by the City Council of the City of Ontario at their regular meeting held November 7, 2017 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. 2017- duly passed and adopted by the Ontario City Council at their regular meeting held November 7, 2017.

SHEILA MAUTZ, CITY CLERK

(SEAL)

EXHIBIT "A"

LEGAL DESCRIPTION OF THE PROPERTY

The Real Property situated in the City of Ontario, County of San Bernardino, State of California, and described as follows:

Parcel A: Tract 1756 Lot 1 (APN: 1048-472-01).

Parcel B: Tract 1756 Lot 2 (APN: 1048-472-02).

Parcel C: Tract 1756 Lot 3 (APN: 1048-472-03).

Parcel D: Tract 1756 Lot 4 (APN: 1048-472-03).

Parcel E: The west 3½ acres of Lot 9 of the revised Map of Hanson's Company Addition to Ontario, County of San Bernardino, State of California, as shown by map on file in Book 12 Page 51, of Maps, Records of San Bernardino County, California; excepting therefrom that portion conveyed to the City of Ontario by deed recorded May 25, 1962 in Book 5706, Page 277 of Official Records (APN: 1048-472-11).

CITY OF ONTARIO

Agenda Report
November 7, 2017

SECTION:
PUBLIC HEARINGS

SUBJECT: A PUBLIC HEARING TO CONSIDER AN ORDINANCE APPROVING AN AMENDMENT TO THE ONTARIO MUNICIPAL CODE, REESTABLISHING TITLE 4 (PUBLIC SAFETY), CHAPTER 13, TITLED "OFF-STREET PARKING PROHIBITIONS AND RESTRICTIONS"

RECOMMENDATION: That the City Council introduce and waive further reading of an ordinance reestablishing Ontario Municipal Code Title 4 (Public Safety), Chapter 13, titled "Off-Street Parking Prohibitions and Restrictions."

COUNCIL GOALS: Maintain the Current High Level of Public Safety
Focus Resources in Ontario's Commercial and Residential Neighborhoods

FISCAL IMPACT: None.

BACKGROUND: In December 2015, the City Council approved a comprehensive update to the City's Development Code, which became effective in January 2016. The update, in part, repealed several provisions of the Ontario Municipal Code, moving them to the Ontario Development Code, as they comprised various land use and development criteria. Included with the repealed and relocated Ontario Municipal Code provisions was Title 4 (Public Safety), Chapter 13 (Parking on Unpaved Surfaces), in which Planning Department staff worked with Code Enforcement Department staff to combine all off-street parking provisions into a single location contained within City of Ontario Development Code Division 6.03 (Off-Street Parking and Loading).

It is now recommended that Ontario Municipal Code Title 4 (Public Safety), Chapter 13 (to be titled "Off-Street Parking Prohibitions and Restrictions"), be reestablished to include clarified provisions addressing the following:

[1] Generally prohibits parking any vehicle on undeveloped or unpaved areas of lots designated for residential and/or nonresidential purposes;

STAFF MEMBER PRESENTING: Scott Murphy, Assistant Development Director

Prepared by: Charles Mercier
Department: Planning Department

City Manager
Approval: 

Submitted to Council/O.H.A. 11/07/2017

Approved: _____

Continued to: _____

Denied: _____

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[2] Prohibits parking on landscaped areas and unpaved surfaces within any front or street side yard area of any property zoned or used for residential purposes;

[3] Prohibits vehicular access across landscaped areas and unpaved surfaces within any front or street side yard area of any property zoned or used for residential purposes, to an area used for the parking or storage of any vehicle; however, an exception may be granted by the Planning Director in those cases where access is so infrequent as to cause no discernible effect on the landscaping.

Furthermore, the parking of vehicles is allowed on lawns or other unpaved surfaces for the purposes of washing or making emergency repairs to a vehicle, or for on-site construction. Parking may not exceed a total of 3 hours duration within any consecutive 24-hour period; and

[4] Restricts commercial vehicles (having a gross vehicle weight rating (GVWR) in excess of 10,000 pounds) from parking in residential zones and outside of designated loading areas on commercially zoned property. Moreover, clarified restrictions have been added, which address the parking of commercial vehicles (having a GVWR in excess of 10,000 pounds) in residential districts and within parking lots in commercial districts, outside of approved loading areas.

Relocating the above-described off-street parking provisions to be included with the other existing public safety provisions of the Ontario Municipal Code will strengthen the city's ability to abate illegal off-street parking throughout the City.

COMPLIANCE WITH THE ONTARIO PLAN: The proposed Ontario Municipal Code Amendment is consistent with the principles, goals and policies contained within the Vision, Governance, and Policy Plan (General Plan) components of The Ontario Plan.

AIRPORT LAND USE COMPATIBILITY PLAN COMPLIANCE: The proposed Ontario Municipal Code Amendment may affect the use of properties located within the Airport Influence Area of Ontario International Airport. The Amendment has, therefore, been reviewed for compliance with the Ontario International Airport Land Use Compatibility Plan (ALUCP), and has been found to be consistent with the policies and criteria set forth within the ALUCP.

ENVIRONMENTAL REVIEW: The proposed Development Code Amendment is exempt from the requirements of the California Environmental Quality Act (CEQA) and the guidelines promulgated thereunder, pursuant to Section 15061(b)(3) of the CEQA Guidelines, in that the activity is covered by the general rule that CEQA applies only to projects that have the potential for causing a significant effect on the environment. Where it can be seen with certainty that there is no possibility that the activity in question may have a significant effect on the environment, the activity is not subject to CEQA.

ORDINANCE NO. _____

AN ORDINANCE OF THE CITY COUNCIL OF THE CITY OF ONTARIO, CALIFORNIA, APPROVING AN AMENDMENT TO THE ONTARIO MUNICIPAL CODE, REESTABLISHING CHAPTER 13 OF TITLE 4 (PUBLIC SAFETY), TO BE TITLED "OFF-STREET PARKING PROHIBITIONS AND RESTRICTIONS," AND MAKING FINDINGS IN SUPPORT THEREOF.

WHEREAS, the City of Ontario ("Applicant") has initiated an amendment to the Ontario Municipal Code, as described in the title of this Ordinance (hereinafter referred to as "Application" or "Project"); and

WHEREAS, in December 2015, the City Council approved a comprehensive update to the City's Development Code, which became effective in January 2016. The update repealed several provisions of the Ontario Municipal Code, moving them to the Ontario Development Code, as they comprised various land use and development criteria. Included with the repealed and relocated Ontario Municipal Code provisions was Title 4 (Public Safety), Chapter 13 (Parking on Unpaved Surfaces), in which Planning Department staff worked with Code Enforcement Department staff to combine all off-street parking provisions into a single location, contained in City of Ontario Development Code Division 6.03 (Off-Street Parking and Loading); and

WHEREAS, it is now requested that Ontario Municipal Code Title 4 (Public Safety), Chapter 13 (to be titled "Off-Street Parking Prohibitions and Restrictions"), be reestablished to include clarified provisions addressing: [1] certain prohibitions on parking on undeveloped or unpaved areas of lots designated for residential and/or nonresidential purposes; [2] certain prohibitions on parking on landscaped areas and unpaved surfaces within any front or street side yard area of any property zoned or used for residential purposes; [3] restrictions on vehicular access across landscaped areas and unpaved surfaces within any front or street side yard area of any property zoned or used for residential purposes, to an area used for the parking or storage of any vehicle; and [4] restrictions concerning commercial vehicle (having a gross vehicle weight rating (GVWR) in excess of 10,000 pounds) parking in residential zones and outside of designated loading areas on commercially zoned property. Moreover, clarified restrictions have been added, which address the parking of commercial vehicles (having a GVWR in excess of 10,000 pounds) in residential districts and within parking lots in commercial districts, outside of approved loading areas; and

WHEREAS, it is believed that relocating the above-described off-street parking provisions with the other existing public safety provisions of the Ontario Municipal Code will further aid the Code Enforcement Department in their efforts to abate illegal off-street parking throughout the City; and

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

WHEREAS, the proposed amendment to the Ontario Municipal Code is exempt from the requirements of the California Environmental Quality Act (CEQA) and the guidelines promulgated thereunder, pursuant to Section 15061(b)(3) of the CEQA Guidelines, which is the general rule that CEQA applies only to projects that have the potential for causing a significant effect on the environment. Where it can be seen with certainty that there is no possibility that the activity in question may have a significant effect on the environment, the activity is not subject to CEQA; and

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

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

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

WHEREAS, at their regular meeting of November 7, 2017, the City Council of the City of Ontario conducted a public hearing to consider the Application, and concluded the hearing on that date. Upon conclusion of the public hearing, the City Council approved the introduction of the proposed amendment to the Ontario Municipal Code, and waived further reading of the Ordinance; and

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

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

SECTION 1: *Municipal Code Amendment.* Chapter 13 of Ontario municipal Code Title 4 (Public Safety) is hereby titled "Off-Street Parking Prohibitions and Restrictions," shall be instated to read as follows:

Sec. 4-13.01. Definitions.

For the purpose of this Chapter, unless otherwise apparent from the context, certain words and phrases used herein are defined as follows:

(a) "Driveway" shall mean the necessary hard-surfaced area, improved by means of asphalt, concrete, laid brick or block pavers, or other similar material providing all-weather access, excluding loose materials, such as gravel, stone or slag, which is needed for vehicular ingress and egress to a garage, carport or other off-street parking designed pursuant to City of Ontario Development Code Division 6.03 (Off-street Parking and Loading).

(b) "Landscaped Area" shall mean the unpaved portion of a site containing planted areas and plant materials, including trees, shrubs, lawns, and ground covers, together with such decorative elements as walkways, benches, patios, terraces, water features, and the like, suitable for ornamenting a site or structure, or use on the site. Landscaping may also include non-plant decorative material as an intended complementary aspect of a landscape design, such as:

(1) Public art installed pursuant to City of Ontario Development Code Division 6.07 (Public Art);

(2) Decorative fountains, reflecting pools, and ponds;

(3) Decorative rock, stone, bark, mulch, and other similar decorative materials installed for the purpose of reducing the need for the watering of plant material; and

(4) Trellises, porticos, arbors, and other similar garden structures.

(c) "Pavement" shall mean an area improved by the laying or covering with a material, such as asphalt, concrete, laid brick or block pavers, or other similar material so as to form a substantially flat, hard and level all-weather surface. The terms "pavement" and "paving" may be used interchangeably.

(d) "Owner" shall mean any person in possession of a property, or any person(s) shown as owner(s) on the last equalized property tax assessment rolls, or in the case of a vehicle, any person(s) shown as the last registered owner(s) and/or legal owner(s), in accordance with the records of the Department of Motor Vehicles of the registering state.

Sec. 4-13.02. Parking on Undeveloped or Unpaved Areas of Nonresidential Lots.

It is unlawful to park or store any vehicle or equipment on any undeveloped lot, or unpaved area of lot, within any nonresidential zoning district, or any nonresidential land use district of a specific plan or planned unit development, or any other property zoned or used for nonresidential purposes.

Sec. 4-13.03. Parking on Undeveloped or Unpaved Areas of Residential Lots.

(a) It is unlawful for any person to park any vehicle, including but not limited to automobiles, trucks, motor homes, campers, or store any trailer, camper shell, boat or other similar equipment upon any lawn or landscaped area, or other unpaved surface located within any front or street side yard area of a lot lying within any residential zoning district, or any residential land use district of a specific plan or planned unit development, or any other property zoned or used for residential purposes.

(b) It is unlawful for any property owner to permit the parking of any vehicle, including, but not limited to, automobiles, trucks, motor homes, or campers, or permit the storage of any trailer, camper shell, boat, or other similar equipment upon any lawn or landscaped area, or other unpaved surface located within any front or street side yard area

of a lot lying within any residential zoning district, or any residential land use district of a specific plan or planned unit development, or any other property zoned or used for residential purposes.

(c) It is unlawful for any person to use, or permit the use of, any lawn or landscaped area, or other unpaved area of a lot for the purpose of vehicular access to an area used for the parking or storage of any automobile, truck, motor home, camper, trailer, camper shell, boat, or other similar vehicle or equipment, when the access falls within any front or street side yard area of a lot lying within any residential zoning district, or any residential land use district of a specific plan or planned unit development, or any other property zoned or used for residential purposes. An exception to this Subsection may be granted by the Planning Director in those cases where the access is so infrequent as to cause no discernible effect on the landscaping within any front or street side yard area.

(d) This Section shall not be so construed as to permit the paving or hard surfacing of front or street side yard areas without first complying with all applicable City codes and regulations. All additional paving or hard surfacing must have Planning Department approval with regard to location and amount of paved area.

(e) This Section shall not be so construed as to prohibit the parking of vehicles on lawns or other unpaved surfaces for the purposes of washing, making emergency repairs, or on-site construction when the parking does not exceed a total of 3 hours duration within any consecutive 24-hour period.

Sec. 4-13.04 Commercial Vehicle Parking Restrictions.

(a) **Commercial Vehicle Parking in Residential Zoning Districts.** It is unlawful for the driver, owner, or operator of any commercial vehicle that exceeds a gross vehicle weight rating (GVWR) of more than 10,000 pounds (11,500-pound GVWR for pickup trucks), or any motor truck, truck tractor or trailer, or any other commercial equipment regardless of weight, to park or cause to be parked, or store or cause to be stored, any such vehicle or equipment upon any lot located within any residential zoning district, or any residential land use district of a specific plan or planned unit development, or any other property zoned or used for residential purposes.

(b) **Commercial Vehicle Parking Outside of Designated Loading Areas in Commercial Zoning Districts.** It is unlawful for the driver, owner, or operator of any commercial vehicle to park or cause to be parked, or store or cause to be stored, upon any publicly or privately owned automobile parking lot located within any commercial zoning district, or any commercial land use district of a specific plan or planned unit development, or any other property zoned or used for commercial purposes, any motor truck having a GVWR of more than 10,000 pounds, truck tractor or trailer of having a GVWR of more than 10,000 pounds, or any combination thereof, or any motor truck, truck tractor or trailer, or any combination thereof, of a size larger than 8 feet in height and/or 24 feet in length, excepting the following:

(1) The parking of said vehicles within designated loading spaces and areas approved by the City, which are screened from public view pursuant to City of Ontario Development Code Division 6.02 (Walls, Fences, and Obstructions); and

(2) The loading and unloading of goods, or to provide immediate emergency services or make emergency repairs, or for on-site construction, for a period not to exceed 3 hours duration within any consecutive 24-hour period.

Sec. 4-13.05. Right of Entry.

A peace officer or code enforcement personnel authorized to enforce parking laws and regulations shall have the right to enter onto private property to enforce the provisions of this Chapter and to issue a parking citation in accordance with CVC Section 40202.

Sec. 4-13.06. Violations.

Any person or entity violating any provision, or failing to comply with any regulation, of this Chapter, shall be subject to fines and civil penalties set forth and amended by resolution of the City Council.

SECTION 2: *Environmental Determination and Findings.* As the decision-making body for the Application, the City Council has reviewed and considered the information contained in the administrative record for the Application. Based on 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:

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

(b) The proposed Development Code Amendment is exempt from the requirements of the California Environmental Quality Act (CEQA) and the guidelines promulgated thereunder, pursuant to Section 15061(b)(3) of the CEQA Guidelines, in that the activity is covered by the general rule that CEQA applies only to projects that have the potential for causing a significant effect on the environment. Where it can be seen with certainty that there is no possibility that the activity in question may have a significant effect on the environment, the activity is not subject to CEQA; and

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

SECTION 3: *Ontario International Airport Land Use Compatibility Plan (“ALUCP”) Compliance.* The California State Aeronautics Act (Public Utilities Code Section 21670 et seq.) requires that an Airport Land Use Compatibility Plan be prepared for all public use airports in the State; and requires that local land use plans and individual development proposals must be consistent with the policies set forth in the adopted Airport Land Use Compatibility Plan. On April 19, 2011, the City Council of the City of Ontario approved and adopted the Ontario International Airport Land use Compatibility Plan (“ALUCP”), establishing the Airport Influence Area for Ontario International Airport (“ONT”), which encompasses lands within parts of San Bernardino, Riverside, and Los Angeles Counties, and limits future land uses and development within the Airport Influence Area, as they relate to noise, safety, airspace protection, and overflight impacts of current and future

airport activity. As the decision-making body for the Application, the City Council has reviewed and considered the facts and information contained in the Application and supporting documentation against the ALUCP compatibility factors, including [1] Safety Criteria (ALUCP Table 2-2) and Safety Zones (ALUCP Map 2-2), [2] Noise Criteria (ALUCP Table 2-3) and Noise Impact Zones (ALUCP Map 2-3), [3] Airspace protection Zones (ALUCP Map 2-4), and [4] Overflight Notification Zones (ALUCP Map 2-5). As a result, the City Council, therefore, finds and determines that the Application is consistent with the policies and criteria set forth within the ALUCP.

SECTION 4: *Concluding Facts and Reasons.* Based on the substantial evidence presented to the City Council during the above-referenced hearing, and the specific findings set forth in Sections 1 through 3, above, the City Council hereby concludes as follows:

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

(b) ***The proposed Amendment to the City of Ontario Municipal Code would not be detrimental to the public interest, health, safety, convenience, or general welfare of the City.*** The proposed Municipal Code Amendment incorporates safeguards to ensure that: [i] the purposes of the City of Ontario Municipal Code are maintained; [ii] the project will not endanger the public health, safety or general welfare; [iii] the project will not result in any significant environmental impacts; and [iv] the project will be in full conformity with the Vision, City Council Priorities and Policy Plan components of The Ontario Plan.

SECTION 5: *City Council Action.* Based upon the findings and conclusions set forth in Sections 1 through 4, above, the City Council hereby APPROVES the herein described amendment to the City of Ontario Municipal Code.

SECTION 6: *Custodian of Records.* The documents and materials that constitute the record of proceedings on which these findings have been based are located at the City of Ontario City Hall, 303 East "B" Street, Ontario, California 91764. The custodian for these records is the City Clerk of the City of Ontario.

SECTION 7: *Severability.* If any section, sentence, clause or phrase of this Ordinance or the application thereof to any entity, person or circumstance is held for any reason to be invalid or unconstitutional, such invalidity or unconstitutionality shall not affect other provisions or applications of this Ordinance which can be given effect without the invalid provision or application, and to this end the provisions of this Ordinance are severable. The People of the City of Ontario hereby declare that they would have adopted this Ordinance and each section, sentence, clause or phrase thereof, irrespective of the fact that any one or more section, subsections, sentences, clauses or phrases be declared invalid or unconstitutional.

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

SECTION 9: **Publication and Posting.** The Mayor shall sign this Ordinance and the City Clerk shall certify as to the adoption and shall cause a summary thereof to be published at least once, in a newspaper of general circulation in the City of Ontario, California within 15 days following the adoption. The City Clerk shall post a certified copy of this ordinance, including the vote for and against the same, in the Office of the City Clerk, in accordance with Government Code Section 36933.

PASSED, APPROVED, AND ADOPTED this ____ day of _____ 2017.

PAUL S. LEON, MAYOR

ATTEST:

SHEILA MAUTZ, CITY CLERK

APPROVED AS TO FORM:

BEST BEST & KRIEGER LLP
CITY ATTORNEY

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

I, SHEILA MAUTZ, City Clerk of the City of Ontario, DO HEREBY CERTIFY that foregoing Ordinance No. _____ was duly introduced at a regular meeting of the City Council of the City of Ontario held November 7, 2017, and adopted at the regular meeting held _____, 2017 by the following roll call vote, to wit:

AYES: COUNCIL MEMBERS:

NOES: COUNCIL MEMBERS:

ABSENT: COUNCIL MEMBERS:

SHEILA MAUTZ, CITY CLERK

(SEAL)

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

SHEILA MAUTZ, CITY CLERK

(SEAL)

CITY OF ONTARIO

Agenda Report
November 7, 2017

SECTION:
ADMINISTRATIVE REPORTS/
DISCUSSION/ACTION

SUBJECT: A RESOLUTION AUTHORIZING THE ISSUANCE OF SPECIAL TAX BONDS FOR COMMUNITY FACILITIES DISTRICT NO. 30 (NEW HAVEN FACILITIES - AREA B)

RECOMMENDATION: That the City Council adopt a resolution authorizing the issuance of special tax bonds for Community Facilities District No. 30 (New Haven Facilities Area B). The resolution:

- (A) Authorizes the issuance of special tax bonds for public improvements required to facilitate the development of the New Haven Facilities Area B project;
- (B) Approves the forms of the Indenture of Trust, the Letter of Credit Agreement, the Bond Purchase Agreement, the Continuing Disclosure Agreement, and the Preliminary Official Statement;
- (C) Authorizes a negotiated sale of the special tax bonds to Stern Brothers & Co. (the "Underwriter") in accordance with the terms of the Bond Purchase Agreement; and
- (D) Authorizes the execution of the Indenture of Trust, the Letter of Credit, the Bond Purchase Agreement, the Continuing Disclosure Agreement, and the Preliminary Official Statement by the City Manager, or his designee.

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, Storm Drains and Public Facilities)

Ensure the Development of a Well Planned, Balanced and Self-Sustaining Community in the New Model Colony

FISCAL IMPACT: The use of Mello-Roos financing for public facilities in the residential development of the New Haven Facilities Area B project is estimated to generate approximately \$12 million, based on current market interest rates, which will be used to help fund a portion of the public infrastructure improvements that will serve the project. The resolution authorizing the issuance

STAFF MEMBER PRESENTING: Grant D. Yee, Administrative Services/Finance Director

Prepared by: Bob Chandler
Department: Management Services

City Manager
Approval: 

Submitted to Council/O.H.A. 11/07/2017

Approved: _____

Continued to: _____

Denied: _____

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of special tax bonds for Community Facilities District No. 30 (“District”) limits the principal amount of the bonds to \$39 million. The City expects the bonds to be sold no later than December 2017. Since 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, there is no General Fund impact from the issuance of Mello-Roos bonds.

BACKGROUND: The Mello-Roos Community Facilities Act of 1982 provides local government, with the 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. Under the Mello-Roos Act, the initial steps in the formation of a community facilities district to finance public improvements are adopting a resolution declaring the City’s intention to establish a community facilities district and levy special taxes, and a resolution to issue bonds.

On May 17, 2016, the City Council, in accordance with the Mello-Roos Act, took the initial steps in the formation of the District with the adoption of Resolution No. 2016-034, declaring the City’s intention to establish the District and to authorize the levy of special taxes. On August 16, 2016, the City Council adopted Resolution No. 2016-084 establishing the formation of the District and Resolution No. 2016-085 deeming it necessary to incur bonded indebtedness. Upon a successful property owner election, the City Council adopted Ordinance No. 3057 on September 6, 2016, authorizing the levy of special taxes for the District to finance public improvements related to the New Haven Facilities Area B project. Due to the findings of the market absorption consultant, and pursuant to City Policy, a letter of credit will be provided by the developer to provide additional security for the bonds.

The New Haven Facilities Area B project addresses the residential development of approximately 58 acres located generally east of Archibald Avenue, west of Haven Avenue, south of Schaefer Avenue and north of Ontario Ranch Road (formerly Edison Avenue). At build out, the development is projected to include 444 units - 346 detached units and 98 attached units.

The proposed resolution references several bond documents and other matters related to the proposed issuance of bonds for the District. These documents are listed below and are on file with the Records Management Department.

- Indenture of Trust
- Letter of Credit Agreement
- Bond Purchase Agreement
- Continuing Disclosure Agreement for the Bonds
- Preliminary Official Statement for the Bonds

RESOLUTION NO. _____

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF ONTARIO, CALIFORNIA, AUTHORIZING THE ISSUANCE OF CITY OF ONTARIO COMMUNITY FACILITIES DISTRICT NO. 30 (NEW HAVEN FACILITIES - AREA B) SPECIAL TAX BONDS, SERIES 2017, IN AN AGGREGATE PRINCIPAL AMOUNT OF NOT TO EXCEED \$14,000,000, AUTHORIZING THE EXECUTION AND DELIVERY OF AN INDENTURE, A LETTER OF CREDIT AGREEMENT, A BOND PURCHASE AGREEMENT AND A CONTINUING DISCLOSURE AGREEMENT, AUTHORIZING THE DISTRIBUTION OF AN OFFICIAL STATEMENT IN CONNECTION THEREWITH AND AUTHORIZING THE EXECUTION OF NECESSARY DOCUMENTS AND CERTIFICATES AND RELATED ACTIONS.

WHEREAS, the City Council (the "City Council") of the City of Ontario (the "City") has formed the City of Ontario Community Facilities District No. 30 (New Haven Facilities - Area B) (the "Community Facilities District") under the provisions of the Mello-Roos Community Facilities Act of 1982 (the "Act"); and

WHEREAS, the Community Facilities District is authorized under the Act to levy special taxes (the "Special Taxes") to pay for the costs of certain public facilities (the "Facilities") and to issue bonds payable from the Special Taxes; and

WHEREAS, in order to provide funds to finance certain of the Facilities, the Community Facilities District proposes to issue its City of Ontario Community Facilities District No. 30 (New Haven Facilities - Area B) Special Tax Bonds, Series 2017 (the "Series 2017 Bonds"), in the aggregate principal amount of not to exceed \$14,000,000; and

WHEREAS, in order to provide for the authentication and delivery of the Series 2017 Bonds, to establish and declare the terms and conditions upon which the Series 2017 Bonds are to be issued and secured and to secure the payment of the principal thereof, premium, if any, and interest thereon, the Community Facilities District proposes to enter into an Indenture with Zions Bank, a Division of ZB, National Association, as trustee (the "Trustee") (such Indenture, 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 "Indenture"); and

WHEREAS, BrookCal Ontario LLC, a limited liability company organized and existing under the laws of the State of California (the "Developer"), has been and is developing residential units on certain property within the Community Facilities District to market and sell such residential units; and

WHEREAS, it is contemplated that certain of such property may be substantially undeveloped at the time the Series 2017 Bonds are issued and that, as a result, a significant portion of the Special Taxes securing the Series 2017 Bonds would be levied on undeveloped property; and

WHEREAS, in order to increase the credit quality of the Series 2017 Bond issue, the Community Facilities District may require, as a condition to the issuance of the Series 2017 Bonds, that the Developer provide a letter of credit securing the payment of Special Taxes levied on such undeveloped property within the Community Facilities District; and

WHEREAS, in order to provide for such matters, there has been prepared and presented to this meeting a form of Letter of Credit Agreement, by and between the Community Facilities District and the Developer (such Letter of Credit 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 "Letter of Credit Agreement"); and

WHEREAS, Stern Brothers & Co. (the "Underwriter"), has presented the Community Facilities District with a proposal, in the form of a Bond Purchase Agreement, to purchase the Series 2017 Bonds from the Community Facilities District (such Bond Purchase 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 "Purchase Agreement"); and

WHEREAS, Rule 15c2-12 promulgated under the Securities Exchange Act of 1934 ("Rule 15c2-12") requires that, in order to be able to purchase or sell the Series 2017 Bonds, the underwriter thereof must have reasonably determined that the Community Facilities District has, or one or more appropriate obligated persons have, undertaken in a written agreement or contract for the benefit of the holders of the Series 2017 Bonds to provide disclosure of certain financial information and certain listed events on an ongoing basis; and

WHEREAS, in order to cause such requirement to be satisfied, the Community Facilities District desires to enter into a Continuing Disclosure Agreement with the Trustee (such Continuing Disclosure 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 "Continuing Disclosure Agreement"); and

WHEREAS, a form of the Preliminary Official Statement to be distributed in connection with the public offering of the Series 2017 Bonds has been prepared (such Preliminary Official Statement, 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 "Preliminary Official Statement"); and

WHEREAS, there have been prepared and submitted to this meeting forms of:

- (a) the Indenture;
- (b) the Letter of Credit Agreement;
- (c) the Purchase Agreement;
- (d) the Continuing Disclosure Agreement; and
- (e) the Preliminary Official Statement;

WHEREAS, Harris Realty Appraisal has prepared and provided to the Community Facilities District an appraisal report, dated September 22, 2017 (the "Appraisal"), providing an opinion of value of the property in the Community Facilities District, which has been submitted to this meeting; and

WHEREAS, the Community Facilities District desires to proceed to issue and sell the Series 2017 Bonds and to authorize the execution of such documents and the performance of such acts as may be necessary or desirable to effect the offering, sale and issuance of the Series 2017 Bonds; and

WHEREAS, the City Council is the legislative body of the Community Facilities District; and

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. Subject to the provisions of Section 4 hereof, the issuance of the Series 2017 Bonds, in an aggregate principal amount of not to exceed \$14,000,000, on the terms and conditions set forth in, and subject to the limitations specified in, the Indenture, be and the same is hereby authorized and approved. The Series 2017 Bonds shall be dated, shall bear interest at the rates, shall mature on the dates, shall be subject to call and redemption, shall be issued in the form and shall be as otherwise provided in the Indenture, as the same shall be completed as provided in this Resolution.

SECTION 3. The Indenture, 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 Administrative Services/Finance Director 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 Community Facilities District, to execute and deliver the Indenture 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 Indenture by such Authorized Officer; provided, however, that such changes, insertions and omissions shall not authorize an aggregate principal amount of Series 2017 Bonds in excess of \$14,000,000, shall not result in a final maturity date of the Series 2017 Bonds later than September 1, 2048 and shall not result in a true interest cost for the Series 2017 Bonds in excess of 6.50%.

SECTION 4. The Letter of Credit 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 Authorized Officers is hereby authorized, and any one of the Authorized Officers is hereby directed, for and in the name of the

Community Facilities District, to execute and deliver the Letter of Credit 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 Letter of Credit Agreement by such Authorized Officer.

SECTION 5. The Purchase Agreement, in substantially the form submitted to this meeting and made a part hereof as though set forth in full herein, be and the same is hereby approved. Each of the Authorized Officers is hereby authorized, and any one of the Authorized Officers is hereby directed, for and in the name of the Community Facilities District, to execute and deliver the Purchase Agreement in the form presented 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 Purchase Agreement by such Authorized Officer; provided, however, that such changes, insertions and omissions shall not result in an aggregate underwriter's discount (not including any original issue discount) from the principal amount of the Series 2017 Bonds in excess of 1.50% of the aggregate principal amount of the Series 2017 Bonds. The City Council hereby finds and determines that the sale of the Series 2017 Bonds at negotiated sale as contemplated by the Purchase Agreement will result in a lower overall cost.

SECTION 6. The Continuing Disclosure Agreement, in substantially the form submitted to this meeting and made a part hereof as though set forth in full herein, be and the same is hereby approved. Each of the Authorized Officers is hereby authorized, and any one of the Authorized Officers is hereby directed, for and in the name of the Community Facilities District, to execute and deliver the Continuing Disclosure Agreement in the form presented 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 Continuing Disclosure Agreement by such Authorized Officer.

SECTION 7. The Preliminary Official Statement, in substantially the form presented to this meeting and made a part hereof as though set forth in full herein, with such changes, insertions and omissions therein as may be approved by an Authorized Officer, be and the same is hereby approved, and the use of the Preliminary Official Statement in connection with the offering and sale of the Series 2017 Bonds is hereby authorized and approved. The Authorized Officers are each hereby authorized to certify on behalf of the Community Facilities District that the Preliminary Official Statement is deemed final as of its date, within the meaning of Rule 15c2-12 (except for the omission of certain final pricing, rating and related information as permitted by Rule 15c2-12).

SECTION 8. The preparation and delivery of a final Official Statement (the "Official Statement"), and its use in connection with the offering and sale of the Series 2017 Bonds, be and the same is hereby authorized and approved. The Official Statement shall be in substantially the form of the Preliminary Official Statement, with such changes, insertions and omissions as may be approved by an Authorized Officer, such approval to be conclusively evidenced by the execution and delivery thereof. Each

of the Authorized Officers is hereby authorized, and any one of the Authorized Officers is hereby directed, for and in the name of the Community Facilities District, to execute the final Official Statement and any amendment or supplement thereto.

SECTION 9. Based upon the property values within the Community Facilities District reported in the Appraisal and the value-to-lien information set forth in the Preliminary Official Statement, the City Council, for purposes of Section 53345.8 of the Act, hereby finds and determines that the value of the real property that would be subject to the Special Tax to pay debt service on the Series 2017 Bonds will be at least three times the principal amount of the Series 2017 Bonds to be sold and the principal amount of all other bonds outstanding that are secured by a special tax levied pursuant to the Act on property within the Community Facilities District or a special assessment levied on property within the Community Facilities District.

SECTION 10. 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 11. 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 7th day of November 2017.

PAUL S. LEON, MAYOR

ATTEST:

SHEILA MAUTZ, CITY CLERK

APPROVED AS TO FORM:

BEST BEST & KRIEGER LLP
CITY ATTORNEY

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

I, SHEILA MAUTZ, City Clerk of the City of Ontario, DO HEREBY CERTIFY that foregoing Resolution No. 2017- was duly passed and adopted by the City Council of the City of Ontario at their regular meeting held November 7, 2017 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. 2017- duly passed and adopted by the Ontario City Council at their regular meeting held November 7, 2017.

SHEILA MAUTZ, CITY CLERK

(SEAL)