

**CITY OF ONTARIO
CITY COUNCIL, REDEVELOPMENT AGENCY,
AND HOUSING AUTHORITY
AGENDA
FEBRUARY 1, 2011
REVISED**

Paul S. Leon
Mayor

Debra Dorst-Porada
Mayor pro Tem

Alan D. Wapner
Council Member

Sheila Mautz
Council Member

Jim W. Bowman
Council Member



Chris Hughes
City Manager

John E. Brown
City Attorney

Mary E. Wirtes, MMC
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 200 North Cherry Avenue, 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, Redevelopment Agency, and Housing Authority meeting begins with Closed Session and Closed Session Comment at 6:00 p.m., Public Comment at 6:30 p.m. immediately followed by the Regular Meeting and Public Hearings. No agenda item will be introduced for consideration after 10:00 p.m. except by majority vote of the City Council.

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

CALL TO ORDER (OPEN SESSION)

6:00 p.m.

ROLL CALL

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

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

CLOSED SESSION

- GC 54956.9(b), CONFERENCE WITH LEGAL COUNSEL, ANTICIPATED LITIGATION: *One Case:* Workers Compensation Claim of Greg Cook; Claim No.: 07191366 (DWC EAMS Case Nos.: ADJ1144110; ADJ3644931; ADJ2283981)

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

PLEDGE OF ALLEGIANCE

Council Member Bowman

INVOCATION

Reverend Nelson Grande, Westminster Presbyterian Church

REPORT ON CLOSED SESSION

City Attorney

PUBLIC COMMENTS

6:30 p.m.

The Public Comment portion of the Council/Redevelopment Agency/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, Redevelopment Agency and Housing Authority of December 21, 2010, and approving same as on file in the Records Management Department.

2. BILLS/PAYROLL

Bills December 5, 2010 through December 18, 2010 and **Payroll** December 5, 2010 through December 18, 2010, when audited by the Finance Committee.

3. COOPERATIVE AGREEMENT WITH CALTRANS FOR THE CITY OF ONTARIO TO COMMENCE THE ENVIRONMENTAL PHASE OF THE I-10 AND GROVE AVENUE INTERCHANGE AND CORRIDOR PROJECT

That the City Council approve a cooperative agreement (on file with the Records Management Department) with Caltrans for the City to commence the Project Approval and Environmental Documentation (PA&ED) phase of the I-10 and Grove Avenue Interchange and Grove Avenue Corridor Project; and authorize the City Manager to execute said agreement and all future amendments.

4. A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF ONTARIO, CALIFORNIA, IN OPPOSITION TO THE STATE ADMINISTRATION'S PROPOSAL TO ABOLISH REDEVELOPMENT AGENCIES IN CALIFORNIA

That the City Council adopt a resolution opposing the State Administration's proposal to permanently abolish California's more than 400 local redevelopment agencies.

RESOLUTION NO. _____

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF ONTARIO, CALIFORNIA, IN OPPOSITION TO THE ADMINISTRATION'S PROPOSAL TO ABOLISH REDEVELOPMENT AGENCIES IN CALIFORNIA.

PUBLIC HEARINGS

5. A PUBLIC HEARING TO CONSIDER THE ADOPTION OF ORDINANCES APPROVING FILE NO. PZC11-001, A ZONE CHANGE FROM C3 (COMMERCIAL SERVICE DISTRICT) AND M3 (GENERAL INDUSTRIAL DISTRICT) TO PUD (PLANNED UNIT DEVELOPMENT) AND FILE NO. PUD10-001, A PLANNED UNIT DEVELOPMENT (FILE NO. PUD10-001) ESTABLISHING DEVELOPMENT AND DESIGN REGULATIONS FOR A ONE BLOCK AREA (APPROXIMATELY 4 ACRES) FOR COMMERCIAL AND LIGHT INDUSTRIAL USES, BOUNDED BY HOLT BOULEVARD ON THE NORTH, EMPORIA STREET ON THE SOUTH, PLEASANT AVENUE ON THE WEST, AND MELROSE AVENUE ON THE EAST

That the City Council introduce and waive further reading of ordinances approving File Nos. PZC11-001 and PUD10-001 related to a Zone Change and a Planned Unit Development establishing the development and design regulations for a one block area (approximately 4 acres) for commercial and light industrial uses, bounded by Holt Boulevard on the north, Emporia Street on the south, Pleasant Avenue on the west, and Melrose Avenue on the east.

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 FILE NO. PZC11-001, A ZONE CHANGE FROM C3 (COMMERCIAL SERVICE DISTRICT) AND M3 (GENERAL INDUSTRIAL DISTRICT) TO PUD (PLANNED UNIT DEVELOPMENT) FOR A ONE BLOCK AREA (APPROXIMATELY 4 ACRES) BOUNDED BY HOLT BOULEVARD ON THE NORTH, EMPORIA STREET ON THE SOUTH, PLEASANT AVENUE ON THE WEST, AND MELROSE AVENUE ON THE EAST, AND MAKING FINDINGS IN SUPPORT THEREOF – APNS: 1049-092-01, 02, 11, 12 & 13.

ORDINANCE NO. _____

REVISED

AN ORDINANCE OF THE CITY COUNCIL OF THE CITY OF ONTARIO, CALIFORNIA, APPROVING FILE NO. PUD10-001, A PLANNED UNIT DEVELOPMENT TO ESTABLISH THE DEVELOPMENT AND DESIGN REGULATIONS FOR A ONE BLOCK AREA (APPROXIMATELY 4 ACRES) BOUNDED BY HOLT BOULEVARD ON THE NORTH, EMPORIA STREET ON THE SOUTH, PLEASANT AVENUE ON THE WEST, AND MELROSE AVENUE ON THE EAST, AND MAKING FINDINGS IN SUPPORT THEREOF – APNS: 1049-092-01, 02, 11, 12 & 13

6. CONSIDERATION OF A SPENDING PLAN FOR THE SUPPLEMENTAL LAW ENFORCEMENT SERVICES FUND/CITIZEN'S OPTION FOR PUBLIC SAFETY GRANT PROGRAM

That the City Council receive public comment on the proposed spending plan for the Fiscal Year 2010-11 Supplemental Law Enforcement Services Fund (SLESF)/Citizen's Option for Public Safety (COPS) Grant; and approve the proposed spending plan.

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.

7. A JOINT PUBLIC HEARING TO CONSIDER APPROVAL OF A DISPOSITION AND DEVELOPMENT AGREEMENT BETWEEN THE ONTARIO REDEVELOPMENT AGENCY AND SEA PARTNERS, A CALIFORNIA LIMITED LIABILITY COMPANY

That the City Council of the City of Ontario and the Ontario Redevelopment Agency Board consider and adopt resolutions approving a Disposition and Development Agreement between the Ontario Redevelopment Agency and Sea Partners, a California limited liability company (on file with the Records Management Department); and authorize the City Manager and Executive Director to execute the Disposition and Development Agreement and other related documents necessary to carry out the disposition of the property.

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

Written communication.

Oral presentation.

Public hearing closed.

RESOLUTION NO. _____

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF ONTARIO, CALIFORNIA, APPROVING A DISPOSITION AND DEVELOPMENT AGREEMENT WITH SEA PARTNERS, A CALIFORNIA LIMITED LIABILITY COMPANY, FOR PROPERTY LOCATED AT 612 EAST HOLT BOULEVARD AND MAKING CERTAIN FINDINGS PURSUANT TO CALIFORNIA HEALTH AND SAFETY CODE SECTIONS 33433 AND 33445 IN CONNECTION WITH THE ONTARIO REDEVELOPMENT AGENCY'S SALE OF PROPERTY ACQUIRED WITH TAX INCREMENT FUNDS AND USE OF TAX INCREMENT FUNDS FOR THE CONSTRUCTION OF OFF SITE PUBLIC IMPROVEMENTS.

RESOLUTION NO. ORA-____

A RESOLUTION OF THE ONTARIO REDEVELOPMENT AGENCY OF THE CITY OF ONTARIO, CALIFORNIA, APPROVING A DISPOSITION AND DEVELOPMENT AGREEMENT WITH SEA PARTNERS, A CALIFORNIA LIMITED LIABILITY COMPANY, FOR PROPERTY LOCATED AT 612 EAST HOLT BOULEVARD AND MAKING CERTAIN FINDINGS PURSUANT TO CALIFORNIA HEALTH AND SAFETY CODE SECTIONS 33433 AND 33445 IN CONNECTION WITH THE ONTARIO REDEVELOPMENT AGENCY'S SALE OF PROPERTY ACQUIRED WITH TAX INCREMENT FUNDS AND USE OF TAX INCREMENT FUNDS FOR THE CONSTRUCTION OF OFF SITE PUBLIC IMPROVEMENTS.

COUNCIL MATTERS

APPOINTMENT TO MUSEUM OF HISTORY AND ART BOARD OF TRUSTEES

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

STAFF MATTERS

City Manager Hughes

ADJOURNMENT

**CITY OF ONTARIO
CLOSED SESSION REPORT**

City Council / / Housing Authority / / Redevelopment Agency / /
Redevelopment Financing Agency // Other // (GC 54957.1)

February 1, 2011

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

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

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

- GC 54956.9(b), CONFERENCE WITH LEGAL COUNSEL, ANTICIPATED LITIGATION: *One Case:* Workers Compensation Claim of Greg Cook; Claim No.: 07191366 (DWC EAMS Case Nos.: ADJ1144110; ADJ3644931; ADJ2283981)

No Reportable Action Continue Approved

/ / / / / /

Disposition: _____

Reported by: _____
City Attorney / City Manager / Executive Director

CITY OF ONTARIO

Agenda Report
February 1, 2011

SECTION:
CONSENT CALENDAR

SUBJECT: COOPERATIVE AGREEMENT WITH CALTRANS FOR THE CITY OF ONTARIO TO COMMENCE THE ENVIRONMENTAL PHASE OF THE I-10 AND GROVE AVENUE INTERCHANGE AND CORRIDOR PROJECT

RECOMMENDATION: That the City Council approve a cooperative agreement (on file with the Records Management Department) with Caltrans for the City to commence the Project Approval and Environmental Documentation (PA&ED) phase of the I-10 and Grove Avenue Interchange and Grove Avenue Corridor Project; and authorize the City Manager to execute said agreement and all future amendments.

COUNCIL GOALS: Develop Strategies and Take Actions to Minimize the Negative Impacts of the Global Financial Downturn on Ontario's Economy and the City's Fiscal Health
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 FY 2010-11 Budget includes \$3 million in appropriations for the PA&ED phase with \$1,835,000 comprised of Federal SAFETEA-LU and IMD funds, \$503,450 of Development Impact Fees, and \$661,550 of Measure I funds.

BACKGROUND: In December 2007, the City entered into a professional services agreement with Boyle Engineering (now AECOM) to complete a Project Study Report (PSR) to investigate the feasibility of re-configuring the existing I-10 and Fourth Street interchange, and the widening of Grove Avenue between Fourth Street and Holt Boulevard. The PSR document is now complete and has been approved by Caltrans. One of the requirements of the PSR is that the City enter into a cooperative agreement with Caltrans whereby the City commits to move forward with the next phase of the project, the PA&ED phase.

By the second quarter of 2011, the City will issue a Request for Proposals (RFP) to qualified firms for the PA&ED phase. The PA&ED document will identify a preferred project alternative, complete the environmental document and allow the City to move into the final design phase of the project pending available funding. The PA&ED phase is estimated to take approximately 36 months to complete.

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

Prepared by: Mauricio Diaz
Department: Engineering

City Manager Approval: 

Submitted to Council/O.R.A./O.H.A. 02/01/2011

Approved: _____

Continued to: _____

Denied: _____

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CITY OF ONTARIO

Agenda Report
February 1, 2011

SECTION:
CONSENT CALENDAR

SUBJECT: A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF ONTARIO, CALIFORNIA, IN OPPOSITION TO THE STATE ADMINISTRATION'S PROPOSAL TO ABOLISH REDEVELOPMENT AGENCIES IN CALIFORNIA

RECOMMENDATION: That the City Council adopt a resolution opposing the State Administration's proposal to permanently abolish California's more than 400 local redevelopment agencies.

COUNCIL GOALS: Develop Strategies and Take Actions to Minimize the Negative Impacts of the Global Financial Downturn on Ontario's Economy and the City's Fiscal Health
Invest in the Growth and Evolution of the City's Economy
Operate in a Businesslike Manner
Pursue City's Goals and Objectives by Working with Other Governmental Agencies
Focus Resources in Ontario's Commercial and Residential Neighborhoods

FISCAL IMPACT: The adoption of a resolution of opposition does not require any financial commitment or future action by the City. However, inaction on the part of cities and local redevelopment agencies may result in the State's elimination of vital economic development programs and projects which create jobs, eliminate blight, and bolster local economic activity throughout California.

BACKGROUND: As part of Governor's 2011-12 State budget proposal, the Governor has proposed permanently abolishing more than 400 California local redevelopment agencies. This proposal continues the State's attempts to address its structural budget deficit by raiding local government funds that voters have repeatedly sought to prohibit. Most recently in November 2010, an overwhelming 61% of California voters elected to stop State raids of local government funds, including redevelopment funds.

This proposal will stop billions of dollars in local economic activity throughout California and eliminate hundreds of thousands of jobs—including an estimated 33,596 jobs in San Bernardino County.

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

Prepared by: John P. Andrews
Department: Economic Development

City Manager
Approval: 

Submitted to Council/O.R.A./O.H.A. 02/01/2011
Approved: _____
Continued to: _____
Denied: _____

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Redevelopment activities support an average of 304,000 full and part-time jobs in a typical year, including 170,600 construction jobs. Redevelopment contributes over \$40 billion annually to California's economy in the generation of goods and services. Locally, the City of Ontario has a long history of redevelopment program activity focused on affordable housing, public improvements and infrastructure. Recently completed affordable housing projects include the Ontario Town Square and City Center Senior Apartments. Redevelopment funding has been utilized for a variety of public improvement and infrastructure projects including the renovation of the Ovitt Family Community Library and numerous public utility, storm drain and street and curb improvement projects.

Redevelopment is considered to be an essential tool necessary for the implementation of priority projects and programs included in the adopted Ontario Plan. Abolishing redevelopment will take away one of the few tools local governments have to comply with State requirements to plan for more compact urban development supported by transit-oriented development, housing, jobs and infrastructure. It will also destroy the development of affordable housing in California. Redevelopment agencies are the second largest funder of affordable housing, behind only the federal government, responsible for over 98,000 units of affordable housing since 1993.

It is for these reasons that the City of Ontario formally opposes the State Administration's proposal to abolish redevelopment in California.

CITY OF ONTARIO

Agenda Report
February 1, 2011

SECTION:
PUBLIC HEARINGS

SUBJECT: A PUBLIC HEARING TO CONSIDER THE ADOPTION OF ORDINANCES APPROVING FILE NO. PZC11-001, A ZONE CHANGE FROM C3 (COMMERCIAL SERVICE DISTRICT) AND M3 (GENERAL INDUSTRIAL DISTRICT) TO PUD (PLANNED UNIT DEVELOPMENT) AND FILE NO. PUD10-001, A PLANNED UNIT DEVELOPMENT (FILE NO. PUD10-001) ESTABLISHING DEVELOPMENT AND DESIGN REGULATIONS FOR A ONE BLOCK AREA (APPROXIMATELY 4 ACRES) FOR COMMERCIAL AND LIGHT INDUSTRIAL USES, BOUNDED BY HOLT BOULEVARD ON THE NORTH, EMPORIA STREET ON THE SOUTH, PLEASANT AVENUE ON THE WEST, AND MELROSE AVENUE ON THE EAST

RECOMMENDATION: That the City Council introduce and waive further reading of ordinances approving File Nos. PZC11-001 and PUD10-001 related to a Zone Change and a Planned Unit Development establishing the development and design regulations for a one block area (approximately 4 acres) for commercial and light industrial uses, bounded by Holt Boulevard on the north, Emporia Street on the south, Pleasant Avenue on the west, and Melrose Avenue on the east.

COUNCIL GOALS: Develop Strategies and Take Actions to Minimize the Negative Impacts of the Global Financial Downturn on Ontario's Economy and the City's Fiscal Health
Invest in the Growth and Evolution of the City's Economy

FISCAL IMPACT: If approved, the Zone Change would allow for development of the project site consistent with The Ontario Plan and will result in a net positive fiscal impact through increased property tax and potential sales tax.

BACKGROUND: The project site is comprised of one city block that is bordered by Holt Boulevard on the north, Emporia Street on the south, Pleasant Avenue on the west, and Melrose Avenue on the east, and lies within the Center City Redevelopment Project Area. The Center City Redevelopment Plan encourages the development of high intensity, multi-use central business district and surrounding neighborhoods that maximize the economic productivity of the commercial areas and maximize the

STAFF MEMBER PRESENTING: Jerry L. Blum, Planning Director

Prepared by: Clarice Ramey
Department: Planning

City Manager Approval: 

Submitted to Council/O.R.A./O.H.A. 02/01/2011

Approved: _____

Continued to: _____

Denied: _____

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housing opportunities of the residential areas. The Ontario Plan specifies that the project site is in the East Holt District and is to be implemented through the approval of a Planned Unit Development (PUD) prior to the development of properties within the District.

Ontario Redevelopment Agency (Applicant) has submitted a Zone Change request, which would change the zoning designation on the project site from C3 and M3 to PUD, and a PUD document that is consistent with this vision, and the goals and policies of The Ontario Plan.

The PUD development regulations and design guidelines establish standards for commercial and industrial development within two land use districts. The standards include such items as development intensity, building height, setbacks, access points, landscaping, building orientation, streetscapes and architectural character.

Street dedication is required along Holt Boulevard, Emporia Street, and Pleasant and Melrose Avenue in order to accommodate street widening to the ultimate width of the four streets. A bus stop will be provided along the Holt Boulevard frontage.

Although the project site is vacant and does not contain any historic buildings, it is adjacent to four historic properties and must be sensitive to these surrounding properties through scale, building orientation and lighting design.

ENVIRONMENTAL REVIEW: The project is categorically exempt from the requirements of the California Environmental Quality Act (CEQA) pursuant to Section 15332 (In-Fill Development) of the CEQA Guidelines.

CITY OF ONTARIO

Agenda Report
February 1, 2011

SECTION:
PUBLIC HEARINGS

SUBJECT: CONSIDERATION OF A SPENDING PLAN FOR THE SUPPLEMENTAL LAW ENFORCEMENT SERVICES FUND/CITIZEN'S OPTION FOR PUBLIC SAFETY GRANT PROGRAM

RECOMMENDATION: That the City Council receive public comment on the proposed spending plan for the Fiscal Year 2010-11 Supplemental Law Enforcement Services Fund (SLESF)/Citizen's Option for Public Safety (COPS) Grant; and approve the proposed spending plan.

COUNCIL GOALS: Develop Strategies and Take Actions to Minimize the Negative Impacts of the Global Financial Downturn on Ontario's Economy and the City's Fiscal Health
Maintain the Current High Level of Public Safety
Pursue City's Goals and Objectives by Working with Other Governmental Agencies

FISCAL IMPACT: On October 28, 2010, the County of San Bernardino announced the estimated funding allocation amounts to be awarded to each participating agency under the grant program. The City of Ontario is eligible to receive a maximum grant award of \$209,886. Since this amount is based on an estimation of the FY2010-11 State of California's Vehicle License Fee (VLF) revenues, the allocation may be re-calculated and adjusted by the Auditor/Controller's Office. The grant funds will be distributed to the City in four installments: March, June, September and December 2011. The City is not required to provide matching funds for this grant. If approved, the associated grant revenue and expenditure adjustments will be presented in the next quarterly budget report to the City Council.

BACKGROUND: Beginning in FY 2002-03, the State of California allocated grant monies (SLESF/COPS) to counties, who in turn, granted those monies to cities for the purpose of supporting front-line law enforcement needs. A public hearing is required for public input before the grant funds can be utilized.

The Police Department continues to identify grants and outside funding sources for a Firearms Training Project, which is included in the FY2010-11 Capital Improvement Program. To date, \$835,186 of various grant funds have been identified for this project. If approved by Council, the FY2010-11 SLESF/COPS award in the amount of \$209,886 will be applied to the project for a total of \$1,045,072 in

STAFF MEMBER PRESENTING: Eric Hopley, Chief of Police

Prepared by: Donna Bailey
Department: Police

City Manager
Approval: 

Submitted to Council/O.R.A./O.H.A. 02/01/2011

Approved: _____

Continued to: _____

Denied: _____

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accumulated grant funds available. Once vendor selection is complete, staff will return to Council for the final project approval.

CITY OF ONTARIO

Agenda Report
February 1, 2011

SECTION:
PUBLIC HEARINGS

SUBJECT: A JOINT PUBLIC HEARING TO CONSIDER APPROVAL OF A DISPOSITION AND DEVELOPMENT AGREEMENT BETWEEN THE ONTARIO REDEVELOPMENT AGENCY AND SEA PARTNERS, A CALIFORNIA LIMITED LIABILITY COMPANY

RECOMMENDATION: That the City Council of the City of Ontario and the Ontario Redevelopment Agency Board consider and adopt resolutions approving a Disposition and Development Agreement between the Ontario Redevelopment Agency and Sea Partners, a California limited liability company (on file with the Records Management Department); and authorize the City Manager and Executive Director to execute the Disposition and Development Agreement and other related documents necessary to carry out the disposition of the property.

COUNCIL GOALS: Develop Strategies and Take Actions to Minimize the Negative Impacts of the Global Financial Downturn on Ontario's Economy and the City's Fiscal Health
Invest in the Growth and Evolution of the City's Economy

FISCAL IMPACT: It is estimated that the proceeds from the sale of the property would generate approximately \$272,500 in revenue to the Agency.

BACKGROUND: As majority property owner of the block bound by Holt Boulevard, Emporia Street, Melrose and Pleasant Avenue in the Center City Redevelopment Project Area, the Agency has made numerous attempts to redevelop the property (refer to attached map, Exhibit 1). AutoZone Development controls the remainder of the block and is currently proposing to develop a retail auto parts store on the southeast corner of Holt Boulevard and Pleasant Avenue. Agency staff felt this was an opportune time to work in conjunction with AutoZone to redevelop the Agency-owned property. As a result, the proposed Disposition and Development Agreement with Sea Partners, a California limited liability company, provides for the development of approximately 24,225 square feet of vacant land located at the southwest corner of Holt Boulevard and Melrose Avenue.

In accordance with the terms of the Agreement, the developer will develop the property into a drive-thru restaurant or commercial retail structure approximately three to seven thousand (3,000 to 7,000) square

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

Prepared by: Charity Hernandez
Department: Economic Development

City Manager
Approval: 

Submitted to Council/O.R.A./O.H.A. 02/01/2011

Approved: _____

Continued to: _____

Denied: _____

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feet in size. The proposed developer will also be responsible for constructing all parking and landscaping improvements pursuant to planned unit development standards created in connection with the proposed development of the block. The proposed Agreement will also require reciprocal access and shared parking with the adjacent property owners including AutoZone and any future development on the remainder of the block.

The proposed sale is for approximately \$272,500 or \$11.25 per square foot. Staff believes that this amount reflects the fair market value for the site as determined by an independent appraisal prepared for the Agency. This amount is also above the fair re-use value of approximately \$10.40 per square foot, calculated by using two valuation methods as explained in the Re-use and Market Value Analysis report dated January 18, 2011. The Agreement is consistent with California Redevelopment Law Section 33430, which authorizes the Agency to sell the site for redevelopment purposes. The appropriate notices have been published pursuant to California Redevelopment Law Section 33431, and the summary report, as required under Section 33433, has been prepared and made available for public review. The proposed Agreement and Summary Report are on file with the Records Management Department and the Ontario Redevelopment Agency.