CITY OF FONTANA AGENDA  
REGULAR CITY COUNCIL MEETING  
July 25, 2017  
Grover W. Taylor Council Chambers  
8353 Sierra Avenue  
Fontana, CA 92335  
7:00 PM

Information in shaded boxes also pertains to meetings directly following the Council Meeting.

Welcome to a meeting of the Fontana City Council. A complete agenda packet is located in the binder on the table in the lobby of the Grover W. Taylor Council Chambers 8353 Sierra Avenue Fontana, CA 92335. To address the Council, please fill out a card located at the entrance to the right indicating your desire to speak on either a specific agenda item or under Public Communications and give it to the City Clerk. Your name will be called when it is your turn to speak. In compliance with Americans with Disabilities Act, the Grover W. Taylor Council Chambers 8353 Sierra Avenue Fontana, CA 92335 is wheel chair accessible and a portable microphone is available. Any public record, relating to an open session agenda item, that is distributed within 72 hours prior to the meeting is available for public inspection in the Grover W. Taylor Council Chambers 8353 Sierra Avenue Fontana, CA 92335.

Traduccion en Espanol disponible a peticion. Favor de notificar al Departamento "City Clerk". Para mayor informacion, favor de marcar el numero 350-7602.

WORKSHOP:

A.  5:30 P.M. WORKSHOP

City Hall Executive Conference Room:
(A) Discussion regarding Outdoor Automotive Lifts (Hoists) (Deputy City Manager Debbie Brazill to present);  
(B) Agenda Review; and  
(C) City Manager Comments.

PUBLIC COMMUNICATION - CLOSED SESSION:

This is an opportunity for citizens to speak to the City Council for up to 5 minutes on the following Closed Session. The Mayor and City Council reserve the right to adjust this time limit based on the number of speakers who wish to address the Mayor and City Council.
A. Public Communications - Closed Session

CLOSED SESSION:

A. 6:00 P.M. CLOSED SESSION

CONFERENCE WITH LEGAL COUNSEL – EXISTING LITIGATION PURSUANT TO GOVERNMENT CODE SECTION 54956.9 (d) (1)
Superior Court of the State of California, San Bernardino, Court Case No: CIVDS 1609974

CONFERENCE WITH LABOR NEGOTIATORS:
Agency designated representatives: Kenneth R. Hunt, City Manager and Annette Henckel, Director of Human Resources and Risk Management
Employee organization: Teamsters City Yard Group

CALL TO ORDER/ROLL CALL:

A. 7:00 P.M. Call the Meeting to Order

INVOCATION/PLEDGE OF ALLEGIANCE:

Pastor Matt Chappell, Rock Hill Church /Pledge of Allegiance

PROCLAMATIONS:

A. National Night Out Proclamation

Mayor Warren and City Council to proclaim August 1, 2017 as National Night Out (Captain Stark to present).

PUBLIC COMMUNICATIONS:

This is an opportunity for citizens to speak to the City Council for up to 5 minutes on items not on the Agenda, but within the City Council's jurisdiction. The Mayor and City Council reserve the right to adjust this time limit based on the number of speakers who wish to address the Mayor and City Council. The Council is prohibited by law from discussing or taking immediate action on non-agendized items.

A. Public Communications

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 discussion. Does any member of the public wish to address the City Council regarding any item on the Consent
Calendar before the vote is taken?

A. Approval of Minutes

Approve the Minutes of the May 15, 2017 Adjourned Regular City Council Meeting and the July 11, 2017 Regular City Council Meeting.

B. Accept Donation from Fontana Foundation of Hope

Accept donation from the Fontana Foundation of Hope in the amount of $30,000 for use in the Community Services Department Scholarship Program. This donation will be used specifically for the qualified senior population at the Fontana Community Senior Center.

C. Adopt a Resolution to Authorize the City Manager to Execute an Amended Master Agreement with the California Department of Transportation (Caltrans)

Adopt Resolution No. 2017-___________ authorizing the City Manager to execute an amended Master Agreement with the Caltrans (Agreement No. 08-5307F15).

D. Award of Contract for Worker's Compensation Claims Administration

1. Approve and authorize the City Manager to enter into a three-year contract with JT2 Integrated Resources for administration of Worker's Compensation claims.
2. Authorize an additional appropriation in the amount of $13,500

E. Cooperative Agreement for Design and Construction of Philadelphia Avenue at the San Sevaine Flood Control Channel

Approve and authorize a Cooperative Agreement for Design and Construction of Philadelphia Avenue at the San Sevaine Flood Control Channel between the City of Fontana and the City of Jurupa Valley for $300,000 and authorize the City Manager to take all actions necessary to implement the agreement.

F. Fontana Walks Program

1. Authorize the City Manager and the Community Services Department to implement the Fontana Walks Program as part of the Healthy Fontana initiative.
2. Authorize a General Fund appropriation in the amount of $21,400.

G. Joint Use Facility Agreement with Colton Joint Unified School District for the After School Program and Use of Field Space

1. Approve Amendment 4 to Joint Use Agreement with Colton Joint Unified School District and the City of Fontana for use of facilities for the After School Program at Michael D'Arcy, Jurupa Vista, and Sycamore Hill Elementary Schools.
2. Approve Amendment 4 to Joint Use Agreement with Colton Joint Unified School District and the City of Fontana for the use of playfield at Jurupa Vista Elementary School.
3. Approve Amendment 4 to Joint Use Agreement with Colton Joint Unified School District and the City of Fontana for the use of playfield at Michael D'Arcy Elementary School.
4. Authorize the City Manager or his designee to sign the amendments to the Joint
Use Agreements with Colton Joint Unified School District and the City of Fontana.

H. **Request to Waive Fees for Facility Use for Memorial Service**

Authorize the waiving of fees for the Jessie Turner Community Center for memorial service.

I. **Levy of a Special Tax in Community Facilities Districts for Fiscal Year 2017-2018**

Adopt Resolution No. 2017-____ Authorizing the Levy of a Special Tax within Community Facilities Districts (Maintenance) for Fiscal Year 2017-2018.

J. **Levy of a Special Tax in Community Facilities District No. 1 (Southridge Village) for Fiscal Year 2017-2018**

Adopt Resolution No. 2017-____ Authorizing the Levy of a Special Tax in Community Facilities District No. 1 (Southridge) for Fiscal Year 2017-2018.

K. **Levy of a Special Tax in Community Facilities District No. 7 (Country Club Estates) for Fiscal Year 2017-2018**

Adopt Resolution No. 2017-____ of the City Council of the City of Fontana, California, authorizing the Levy of a Special Tax in Community Facilities District No. 7 (Country Club Estates) for Fiscal Year 2017-2018.

L. **Levy of a Special Tax in Community Facilities District No. 11 (Heritage West End) for Fiscal Year 2017-2018**

Adopt Resolution No. 2017-____ of the City Council of the City of Fontana, California, authorizing the Levy of a Special Tax in Community Facilities District No. 11 (Heritage West End) for Fiscal Year 2017-2018.

M. **Levy of a Special Tax in Community Facilities District No. 12 (Sierra Lakes) for Fiscal Year 2017-2018**

Adopt Resolution No. 2017-____ of the City Council of the City of Fontana, California, authorizing the Levy of a Special Tax in Community Facilities District No. 12 (Sierra Lakes) for Fiscal Year 2017-2018.

N. **Levy of a Special Tax in Community Facilities District No. 22 (Sierra Hills South) for Fiscal Year 2017-2018**

Adopt Resolution No. 2017-____ of the City Council of the City of Fontana, California, authorizing the Levy of a Special Tax in Community Facilities District No. 22 (Sierra Hills South) for Fiscal Year 2017-2018.

O. **Levy of a Special Tax in Community Facilities District No. 31 (Citrus Heights North) for Fiscal Year 2017-2018**

Adopt Resolution No. 2017-____ of the City Council of the City of Fontana, California, authorizing the Levy of a Special Tax in Community Facilities District No. 31 (Citrus Heights North) for Fiscal Year 2017-2018.

P. **Levy of a Special Tax in Community Facilities District No. 37 (Montelago) for Fiscal Year 2017-2018**

Adopt Resolution No. 2017-____ of the City Council of the City of Fontana, California, authorizing the Levy of a Special Tax in Community Facilities District No. 37 (Montelago) for Fiscal Year 2017-2018.

Q. **Levy of a Special Tax in Community Facilities District No. 70 (Avellino) for Fiscal Year 2017-2018**
Adopt Resolution No. 2017-____ of the City Council of the City of Fontana, California, authorizing the Levy of Special Tax in Community Facilities District No. 70 (Avellino) for Fiscal Year 2017-2018.

R. Levy of a Special Tax in Community Facilities District No. 71 (Sierra Crest) for Fiscal Year 2017-2018
Adopt Resolution No. 2017-____ Authorizing the Levy of Special Tax in Community Facilities District No. 71 (Sierra Crest) for Fiscal Year 2017-2018.

S. Levy of a Special Tax in Community Facilities District No. 74B for Fiscal Year 2017-2018

T. Levy of a Special Tax in Community Facilities District No. 80 (Bella Strada) for Fiscal Year 2017-2018
Adopt Resolution No. 2017-____ Authorizing the Levy of Special Tax in Community Facilities District No. 80 (Bella Strada) for Fiscal Year 2017-2018.

U. Levy of a Special Tax in Community Facilities District No. 81 (Gabriella) for Fiscal Year 2017-2018
Adopt Resolution No. 2017-____ Authorizing the Levy of Special Tax in Community Facilities District No. 81 (Gabriella) for Fiscal Year 2017-2018.

Approve Consent Calendar Items as recommended by staff.

PUBLIC HEARINGS:

To speak on Public Hearing Items, fill out a card at the microphone stand indicating favor or opposition and give it to the City Clerk. Each person will be allowed 5 minutes to address the Council. If you challenge in court any action taken concerning a Public Hearing item, 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 at, or prior to, the Public Hearing.

All Public Hearings will be conducted following this format:

(a) hearing opened  (e) oral - favor
(b) written communication (f) oral - opposition
(c) council/staff comments (g) hearing closed
(d) applicant comments (applicant not limited to 5 minutes)

A. Public Hearing to Establish Fiscal Year 2017-2018 Assessment Rates for Landscape Maintenance Districts and Local Lighting Maintenance District
1. Adopt Resolution No. 2017-____, of the City Council of the City of Fontana, California, Confirming a Diagram and Assessment, and Levying the Assessment for Landscape Maintenance District No. 1 (“LMD #1” throughout the City) for Fiscal Year 2017-2018.
2. Adopt Resolution No. 2017-____, of the City Council of the City of Fontana, California, Confirming a Diagram and Assessment, and Levying the Assessment for Landscape Maintenance District No. 2 (“LMD #2” Village of Heritage) for Fiscal Year 2017-2018.

3. Adopt Resolution No. 2017-____, of the City Council of the City of Fontana, California, Confirming a Diagram and Assessment, and Levying the Assessment for Landscape Maintenance District No. 3 (“LMD #3” Hunter’s Ridge) for Fiscal Year 2017-2018.

4. Adopt Resolution No. 2017-____, of the City Council of the City of Fontana, California, Confirming a Diagram and Assessment, and Levying the Assessment for Landscape Maintenance District No. 3-1 (“LMD #3-1” Empire Center) for Fiscal Year 2017-2018.

5. Adopt Resolution No. 2017-____, of the City Council of the City of Fontana, California, Confirming a Diagram and Assessment, and Levying the Assessment for Local Lighting Maintenance District No. 3 (“LLMD #3” Hunter’s Ridge) for Fiscal Year 2017-2018.

B. 2nd Public Hearing – Regarding the Draft City Council Election District Maps

That the Mayor and City Council;

1. Conduct a Public Hearing; and

2. Receive public input and comments regarding the proposed City-Council election district maps.

3. Discussion and possible action regarding the proposed City Council districts.

C. Hearing on a Proposed Resolution of Necessity Declaring that the Acquisition of a Fee Interest in Portions of Certain Real Property by Eminent Domain are Necessary for Street Infrastructure Improvements to Duncan Canyon Road between Citrus Avenue and Cypress Avenue

1. Conduct a public hearing to consider the adoption of a proposed resolution of necessity, including providing all interested parties of the affected property, their attorneys or their representatives an opportunity to be heard on the issues relevant to the resolution of necessity; and

2. Make the following findings as hereinafter described in this report:

(I) The public interest and necessity require the proposed project.

(II) The project is planned or located in a manner that will be most compatible with the greatest public good and the least private injury.

(III) The real property to be acquired is necessary for the project.

(IV) Offers of just compensation per section 7267.2 of the Government Code were
not made because the property owners could not be located and are most likely deceased. The only indicated ownership for the property goes back to 1890 and for over 125 years, ownership of the property has not changed; and

3. Adopt Resolution No. 2017-___, Resolution of Necessity by the City Council of the City of Fontana, declaring the acquisition of a fee interest in portions of certain real property located in the City of Fontana, San Bernardino County, California, by eminent domain, more particularly described as Assessor Parcel Numbers: 0239-081-35, 0239-081-38 and 0239-081-31, are necessary for street widening and related public infrastructure improvements to Duncan Canyon Road (between Citrus Avenue and Cypress Avenue), in the City of Fontana, San Bernardino County, California.

NEW BUSINESS:

A. Adoption of a Resolution Regarding Existing Outdoor Automotive Lifts/Hoists
   Adopt Resolution No. 2017-____ adopting a policy regarding existing outdoor automotive lifts/hoists.

ELECTED OFFICIALS COMMUNICATIONS/REPORTS:

A. Elected Officials Communications/Reports

CITY MANAGER COMMUNICATIONS:

A. City Manager Communications

ADJOURNMENT:

A. To the Regular City Council Meeting which will be held on Tuesday, August 8, 2017, with a Workshop at 5:30 p.m. in the City Hall Executive Conference Room and the Regular Meeting at 7:00 p.m. in the Grover W. Taylor Council Chambers located at 8353 Sierra Avenue, Fontana, California.
CALL TO ORDER/ROLL CALL:

A. Call the Meeting to Order at 5:00 p.m.

A Fontana Adjourned Regular City Council Meeting was held on Monday, May 15, 2017 in the Fontana City Hall Executive Conference Room, 8353 Sierra Avenue, Fontana, California. The meeting was called to order by Mayor Warren at 5:04 p.m. with Mayor Pro Tem Sandoval, Council Members Roberts, Tahan and Armendarez present.

ROLL CALL:
Present: Mayor Warren, Mayor Pro Tem Sandoval and Council Members Roberts, Tahan and Armendarez.

B. Public Communications

There were no Public Communications received.

C. Workshop

Police Chief Robert Ramsey presented an overview of the responsibilities of the Code Compliance Unit within the Fontana Police Department.

Chief Ramsey stated that all Code Compliance cases are complaint generated but the weed abatement program is proactive.

Council Member Tahan suggested the use of satellite technology to identify weed abatement cases.

Council Member Tahan suggested a link on the city website to assist seniors and veterans looking for assistance with code compliance issues.

Council Member Armendarez suggested the Code Compliance Unit send informational notices to remind residents about upcoming weed abatement seasons.

Mayor Pro Tem Sandoval stated that brown lawns still need to be maintained.
Council Member Armendarez suggested using technology to notify the Code Compliance Unit when there is a weed abatement issue.

Council Member Armendarez asked staff to look at changing the code to allow more hardscape due to the high cost of water.

Council Member Roberts stated that weed abatement is necessary to prevent the spread of fire.

City Manager Ken Hunt stated that the city needs an active weed abatement program due to the threat of fire and visibility issues.

Council Member Roberts brought up the issue of recent complaints dealing with outside auto repair bays and proposed a new policy allowing businesses operating before 2008 be grandfathered in.

City Manager Hunt stated that outside auto repair bays cause a liability issue.

Mayor Pro Tem Sandoval stated that businesses with outside auto repair bays should not receive a free pass due to safety issues.

Mayor Warren stated that the Code Compliance Unit is doing an outstanding job and that everyone needs to remember that Code Compliance exists to enforce city codes. Mayor Warren stated that there may be some codes that need to be addressed and updated.

Mayor Warren stated that using satellite technology to assist with weed abatement would not work due to the fact that the case could end up in the courts.

Mayor Warren suggested that the City reach out to the public and educate them on the Code Compliance Unit duties and responsibilities.

Mayor Warren asked Chief Ramsey to look at the following:

1. Public Service Announcement on Weed Abatement.
2. Check with service organizations on programs they have to assist seniors and veterans.
3. Look at policy in regards to auto repair businesses with outdoor lifts.

Mayor Warren asked Chief Ramsey to bring the issues back in two months.

The meeting adjourned at 6:00 p.m.

D. City Council Comments

There were no City Council comments received.
ADJOURNMENT:

The Adjourned Regular City Council Meeting adjourned at 6:00 p.m. to the International Council of Shopping Centers ("ICSC") Convention and Expo from May 21-24, 2017, in Las Vegas, Nevada; and to the next Regular City council Meeting which will be held on Tuesday, June 13, 2107, with a Workshop at 5:30 p.m. in the City Hall Executive Conference Room and the Regular meeting at 7:00 p.m. in the Grover W. Taylor Council Chambers located at 8353 Sierra Avenue, Fontana, California.

________________________________
Karen Porlas
Deputy City Clerk

THE FOREGOING MINUTES WERE APPROVED BY THE CITY COUNCIL ON THE 11TH DAY OF JULY, 2017

________________________________
Tonia Lewis
City Clerk
MINUTES OF THE CITY COUNCIL
OF THE CITY OF FONTANA
REGULAR CITY COUNCIL MEETING
July 11, 2017

WORKSHOP:

A. 5:30 P.M. WORKSHOP

A Workshop of the Fontana City Council was held on Tuesday, July 11, 2017, in the Fontana City Hall Executive Conference Room at 8353 Sierra Avenue, Fontana, California. Mayor Warren called the workshop to order at 5:03 p.m. with Mayor Pro Tem Sandoval, Council Members Roberts, Tahan and Armendarez present.

Police Chief Robert Ramsey presented an overview of the Police Departments enforcement activities of illegal fire works on the 4th of July.

Fire Chief Jeff Birchfield presented an overview of the Fontana Fire District calls for service on the 4th of July.

Discussion ensued on the citation fines involved with the use of illegal fireworks.

The City Council Regular Meeting Agenda was reviewed and City Manager Comments were heard.

CLOSED SESSION:

A. 6:00 P.M. CLOSED SESSION

A Closed Session was held at 6:00 p.m. in the City Hall Executive Conference Room with Mayor Warren, Mayor Pro Tem Sandoval, Council Members Roberts, Tahan and Armendarez present.

PUBLIC COMMUNICATION:

There were no public communications received on the following Closed Session item:

CONFERENCE WITH LEGAL COUNSEL – EXISTING LITIGATION PURSUANT TO GOVERNMENT CODE SECTION 54956.9 (d) (1)
Case: Estate of HALL, James et al v. City of Fontana
Superior Court of the State of California Court Case Number CIVDS 1621023
CALL TO ORDER/ROLL CALL:

A. 7:00 P.M. Call the Meeting to Order

The Regular Meeting of the Fontana City Council was held on Tuesday, July 11, 2017, in the Grover W. Taylor Council Chambers at 8353 Sierra Avenue, Fontana, California. Mayor Warren called the meeting to order at 7:09 p.m.

ROLL CALL:

Present: Mayor Warren, Mayor Pro Tem Sandoval, Council Members Roberts, Tahan and Armendarez.

Absent: None.

INVOCATION/PLEDGE OF ALLEGIANCE:

Following the Invocation by Council Member Roberts, the Pledge of Allegiance was led by Council Member Armendarez.

CLOSED SESSION ANNOUNCEMENT:

City Attorney Jeff Ballinger reported that there was no reportable action on the Closed Session Item.

PROCLAMATIONS:

A. Parks and Recreation Month

Mayor Warren and City Council proclaimed the Month of July 2017 as Parks and Recreation Month in the City of Fontana. Parks and Community Services Commission Chairperson Janie Rowland, Vice Chair Ricardo Quintana, Director of Community Services Garth Nelson and Public Works Manager Dan West were present to accept the proclamation.

SPECIAL PRESENTATIONS:

A. Police Department April 2017 Employees of the Month

Mayor Warren and the City Council recognized Sergeant Kellen Guthrie, Corporal Marc Gonzales, Officer Kevin Anderson, Officer Taylor Hymas, Officer Sam Ferguson, Officer Joshua Patty, Officer John Collopy and Officer Evan Fraser as the Police Department's April 2017 Employees of the Month. Chief Ramsey highlighted their accomplishments. Sergeant Kellen Guthrie, Officer Kevin Anderson, Officer Taylor Hymas, Officer Sam Ferguson, Officer Joshua Patty, Officer John Collopy and Officer Evan Fraser were present to accept.
PUBLIC COMMUNICATIONS:

A. Public Communications

Kathy Ponce spoke on the toll lanes scheduled for a vote at a San Bernardino Transportation Authority Meeting on Wednesday, July 12, 2017, and the impact to the local cities.

Darlene Scalf commended Public Works staff on the great job they do in the city.

Kareem Gongora spoke on concerns with district based elections. Mr. Gongora thanked the Mayor for the Op-Ed in the Fontana Herald regarding the process and for addressing the transparency concerns; and also thanked Mayor Pro Tem Sandoval for circulating the maps throughout the community.

Ruthie Estes spoke on problems associated with allowing fireworks in Fontana.

Maggie Gonzales, President of the Fontana Exchange Club, thanked the City Council for their support of the Fontana Days Event; and announced that the 2018 Fontana Days Parade will be held on May 5, 2018, and the Fontana Days Festival will be held on May 31, 2018. City Council Member Jesse Armendarez was presented with a plaque for his work with the Fontana Days Events.

CONSENT CALENDAR:

ACTION: Motion was made by Council Member Tahan, seconded by Council Member Armendarez, and passed unanimously by a vote of 5-0 to approve Consent Calendar Items "CC-A" through "CC-E". (AYES: Warren, Sandoval, Roberts, Tahan, and Armendarez: NOES: None) as follows:

A. Approval of Minutes

Approve the Minutes of the June 27, 2017 Regular City Council Meeting.

B. Adopt a Resolution Approving a Cooperative Agreement with Omnitrans for an Active Transportation Program Safe Routes to Transit Project

Adopt Resolution No. 2017-35 of the City Council of the City of Fontana, approving a Cooperative Agreement with Omnitrans for an Active Transportation Program Safe Routes to Transit Project.

C. Adopt Resolution Ratifying the Memoranda/Confirmation of Understanding between Labor Groups and Approving of City-wide Salary Tables

Adopt Resolution No. 2017-36 of the City Council of the City of Fontana, ratifying the Memoranda/Confirmation of Understanding between the Police Management Association, Police Benefit Association, Management/Confidential Group, and the Teamsters Local 1932 City Hall Unit; and approving the City-Wide Salary Tables.

D. Approve a Contract with Thirtieth Street Architects for the Auto Center Monument Sign Project

1. Approve and authorize the City Manager to execute a contract in the amount of
$75,460.00 with Thirtieth Street Architects for the final design of the Auto Center Monument Sign Project.

2. Approve and authorize the City Manager to execute any future amendments to the design contract provided that the cost is within budget.

3. Approve and authorize the City Manager to execute any and all utility agreements, utility easements, and subsequent agreements on behalf of the City of Fontana for the Auto Center Monument Sign Project.

E. Annual Placement of Weed Abatement Charges on the Property Tax Rolls

Adopt Resolution No. 2017-37 of the City Council of the City of Fontana, California, directing the placement of weed abatement charges on the property tax bills for collection.

PUBLIC HEARINGS:

A. Section 5310 of the Federal Transit Administration Grant

Mayor Warren opened Public Hearing Item PH-A.

Community Services Manager Mike Wright presented the staff report.

No one spoke in favor or opposition.

The Public Hearing was closed.

ACTION: Motion was made by Mayor Pro Tem Sandoval, and seconded by Council Member Tahan, and passed by a vote of 5-0 to adopt Public Hearing Item "PH-A" (AYES: Warren, Sandoval, Roberts, Tahan and Armendarez; NOES: None) as follows:

1. Adopt Resolution No. 2017-038 of the City of Fontana, certifying that there are not any non-profit organizations readily available to carry out the service described in the application submitted by the City of Fontana for fiscal year 2016-2017 relating to services under Section 5310 of the Federal Transit Administration Grant Program.

2. Authorize the City Manager to sign the necessary grant application and any related documentation to implement the grant.

ELECTED OFFICIALS COMMUNICATIONS/REPORTS:

A. Elected Officials Communications/Reports

City Treasurer Koehler-Brooks thanked everyone for the birthday wishes.

City Treasurer Koehler-Brooks welcomed Boy Scout Kaden Winn to the City Council Meeting
City Clerk Lewis thanked everyone who did not set off fireworks on July 4th.

Council Member Tahan thanked everyone for participating at the 4th of July event.

Council Member Tahan thanked the Police and Fire Departments for being out on the 4th of July to keep everyone safe.

Council Member Tahan spoke on the re-districting issue needing more transparency; and requested budget information on previous public outreach for various projects within the community.

Mayor Warren asked the City Manager for a plan for more community outreach on the re-districting issue.

Council Member Armendarez thanked staff for making the 4th of July event an awesome one.

Mayor Pro Tem Sandoval asked the City Manager for an update on re-districting outreach.

City Manager Hunt indicated that information was posted at community centers and he will bring back a plan for additional outreach at the July 25, 2017, City Council Meeting.

Mayor Pro Tem Sandoval asked if the City Council will take a stand if they are for or against the upcoming vote on toll lanes or if the Mayor, as the representative, will make the vote; he stated he does not want to be represented as being in favor of the toll lanes as he is against them.

Mayor Pro Tem Sandoval wished his daughter, Teresa, a happy birthday.

Council Member Roberts thanked Garth Nelson and his team for putting on a great 4th of July event; and the Police Department for enforcing the use of illegal fireworks.

Mayor Warren spoke on the exceptional 4th of July Fireworks Show and thanked staff for their hard work; the Police Department for their enforcement, and the Fire Department for responding to all calls for service.

Mayor Warren commended everyone involved in keeping the community safe during the 4th of July.

CITY MANAGER COMMUNICATIONS:

A. City Manager Communications

There were no City Manager comments received.

ADJOURNMENT:

The City Council meeting adjourned at 7:57 p.m. to the regular City Council Meeting on
Tuesday, July 25, 2017, with a Workshop at 5:30 p.m. in the City Hall Executive Conference Room and the Regular Meeting at 7:00 p.m. in the Grover W. Taylor Council Chambers located at 8353 Sierra Avenue, Fontana, California

____________________________________
Ysela Aguirre
Recording Secretary


____________________________________
Tonia Lewis
City Clerk
RECOMMENDATION:
Accept donation from the Fontana Foundation of Hope in the amount of $30,000 for use in the Community Services Department Scholarship Program. This donation will be used specifically for the qualified senior population at the Fontana Community Senior Center.

COUNCIL GOALS:
* To operate in a businesslike manner by becoming more service oriented.
* To invest in the city's infrastructure (streets, sewers, parks, etc.) by creating and promoting community through people, parks, and programs.
* To increase citizen involvement by promoting healthy lifestyle opportunities to Fontana residents of all ages.

DISCUSSION:
The Community Services Department receives donations and sponsorships from individuals and various local companies, organizations, and agencies to help support and enhance various programs, activities, and events. The Fontana Foundation of Hope previously donated $30,000 for senior scholarships through the Community Services Scholarship Program in November of 2015 for all eligible senior residents. These funds also developed collaborations with the senior housing complexes adjacent to the Fontana Community Senior Center by assisting homebound seniors explore recreational and social programming, as well as other services provided by the City. As of June 2017, the initial funding donated by Fontana Foundation of Hope for the senior scholarship program was nearly exhausted.

Due to the success and positive impact of this collaboration, the Fontana Foundation of Hope would again like to donate $30,000 towards the Community Services Department Scholarship Program for use with the qualified senior population at the Fontana Community Senior Center.

FISCAL IMPACT:
A check for $30,000 has been received by the City of Fontana and deposited into account 101.3525 for use in the Community Services Department Scholarship Program.

MOTION:
Approve staff recommendation.

SUBMITTED BY:

[Signature]
Garth W. Nelson
Community Services Director

REVIEWED BY:

[Signature]
David R. Edgar
Deputy City Manager

APPROVED BY:

[Signature]
Kenneth R. Hunt
City Manager

ATTACHMENTS:

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ITEM: CC-B
ACTION REPORT
July 25, 2017

FROM: Department of Engineering

SUBJECT: Adopt a Resolution to Authorize the City Manager to Execute an Amended Master Agreement with the California Department of Transportation (Caltrans)

RECOMMENDATION:
Adopt Resolution No. 2017-____________ authorizing the City Manager to execute an amended Master Agreement with the Caltrans (Agreement No. 08-5307F15).

COUNCIL GOALS:
* To invest in the city's infrastructure (streets, sewers, parks, etc.) by providing for the development of new infrastructure.
* To invest in the city's infrastructure (streets, sewers, parks, etc.) by improving the aesthetics of the community.
* To invest in the city's infrastructure (streets, sewers, parks, etc.) by focusing on relief of traffic congestion.

DISCUSSION:
Before federal funds can be made available for City projects, the City of Fontana and Caltrans are required to enter into a revised Master Agreement to establish terms and conditions applicable to the City of Fontana when receiving federal funds.

The attached revised Master Agreement (Exhibit "A") is a State wide agreement each City in the State of California is required to enter into in order to receive federal funding.

Caltrans Local Assistance Division is requiring a new City Council Resolution to accompany the new revised Master Agreement prior to processing any approved federal funds.

FISCAL IMPACT:
Loss of project specific federal funds would have an impact on the City's general funds and/or other City funding sources.

MOTION:
Approve staff recommendation.

SUBMITTED BY: REVIEWED BY:
ATTACHMENTS:

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ITEM: CC-C
MASTER AGREEMENT
ADMINISTERING AGENCY-STATE AGREEMENT FOR
FEDERAL-AID PROJECTS

08 City of Fontana

District Administering Agency

Agreement No. 08-5307F15

This AGREEMENT, is entered into effective this ______ day of __________, 20____, by and between City of Fontana, hereinafter referred to as "ADMINISTERING AGENCY," and the State of California, acting by and through its Department of Transportation (Caltrans), hereinafter referred to as "STATE", and together referred to as "PARTIES" or individually as a "PARTY."

RECITALS:

1. WHEREAS, the Congress of the United States has enacted the Intermodal Surface Transportation Efficiency Act (ISTEA) of 1991 and subsequent Transportation Authorization Bills to fund transportation programs; and

2. WHEREAS, the Legislature of the State of California has enacted legislation by which certain federal-aid funds may be made available for use on local transportation related projects of public entities qualified to act as recipients of these federal-aid funds in accordance with the intent of federal law; and

3. WHEREAS, before federal funds will be made available for a specific program project, ADMINISTERING AGENCY and STATE are required to enter into an agreement to establish terms and conditions applicable to the ADMINISTERING AGENCY when receiving federal funds for a designated PROJECT facility and to the subsequent operation and maintenance of that completed facility.

NOW, THEREFORE, the PARTIES agree as follows:
ARTICLE I - PROJECT ADMINISTRATION

1. This AGREEMENT shall have no force or effect with respect to any program project unless and until a project-specific "Authorization/Agreement Summary", herein referred to as "E-76" document, is approved by STATE and the Federal Highway Administration (FHWA).

2. The term "PROJECT", as used herein, means that authorized transportation related project and related activities financed in part with federal-aid funds as more fully-described in an "Authorization/Agreement Summary" or "Amendment/Modification Summary", herein referred to as "E-76" or "E-76 (AMOD)" document authorized by STATE and the Federal Highway Administration (FHWA).

3. The E-76/E-76 (AMOD) shall designate the party responsible for implementing PROJECT, type of work and location of PROJECT.

4. The PROGRAM SUPPLEMENT sets out special covenants as a condition for the ADMINISTERING AGENCY to receive federal-aid funds from/through STATE for designated PROJECT. The PROGRAM SUPPLEMENT shall also show these federal funds that have been initially encumbered for PROJECT along with the matching funds to be provided by ADMINISTERING AGENCY and/or others. Execution of PROGRAM SUPPLEMENT by the PARTIES shall cause ADMINISTERING AGENCY to adopt all of the terms of this AGREEMENT as though fully set forth therein in the PROGRAM SUPPLEMENT. Unless otherwise expressly delegated in a resolution by the governing body of ADMINISTERING AGENCY, and with written concurrence by STATE, the PROGRAM SUPPLEMENT shall be approved and managed by the governing body of ADMINISTERING AGENCY.

5. ADMINISTERING AGENCY agrees to execute and return each project-specific PROGRAM SUPPLEMENT within ninety (90) days of receipt. The PARTIES agree that STATE may suspend future authorizations/obligations and invoice payments for any on-going or future federal-aid project performed by ADMINISTERING AGENCY if any project-specific PROGRAM SUPPLEMENT is not returned within that ninety (90) day period unless otherwise agreed by STATE in writing.

6. ADMINISTERING AGENCY further agrees, as a condition to the release and payment of federal funds encumbered for the PROJECT described in each PROGRAM SUPPLEMENT, to comply with the terms and conditions of this AGREEMENT and all of the agreed-upon Special Covenants or Remarks incorporated within the PROGRAM SUPPLEMENT, and Cooperative/Contribution Agreement where appropriate, defining and identifying the nature of the specific PROJECT.

7. Federal, state and matching funds will not participate in PROJECT work performed in advance of the approval of the E-76 or E-76 (AMOD), unless otherwise stated in the executed project-specific PROGRAM SUPPLEMENT. ADMINISTERING AGENCY agrees that it will only proceed with the work authorized for that specific phase(s) on the project-specific E-76 or E-76 (AMOD). ADMINISTERING AGENCY further agrees to not proceed with future phases of PROJECT prior to receiving an E-76 (AMOD) from STATE for that phase(s) unless no further federal funds are needed or for those future phase(s).
8. That PROJECT or portions thereof, must be included in a federally approved Federal Statewide Transportation Improvement Program (FSTIP) prior to ADMINISTERING AGENCY submitting the "Request for Authorization".

9. ADMINISTERING AGENCY shall conform to all state statutes, regulations and procedures (including those set forth in the Local Assistance Procedures Manual and the Local Assistance Program Guidelines, hereafter collectively referred to as "LOCAL ASSISTANCE PROCEDURES") relating to the federal-aid program, all Title 23 Code of Federal Regulation (CFR) and 2 CFR part 200 federal requirements, and all applicable federal laws, regulations, and policy and procedural or instructional memoranda, unless otherwise specifically waived as designated in the executed project-specific PROGRAM SUPPLEMENT.

10. If PROJECT is not on STATE-owned right of way, PROJECT shall be constructed in accordance with LOCAL ASSISTANCE PROCEDURES that describes minimum statewide design standards for local agency streets and roads. LOCAL ASSISTANCE PROCEDURES for projects off the National Highway System (NHS) allow STATE to accept either the STATE's minimum statewide design standards or the approved geometric design standards of ADMINISTERING AGENCY. Additionally, for projects off the NHS, STATE will accept ADMINISTERING AGENCY-approved standard specifications, standard plans, materials sampling and testing quality assurance programs that meet the conditions described in the then current LOCAL ASSISTANCE PROCEDURES.

11. If PROJECT involves work within or partially within STATE-owned right-of-way, that PROJECT shall also be subject to compliance with the policies, procedures and standards of the STATE Project Development Procedures Manual and Highway Design Manual and, where appropriate, an executed Cooperative Agreement between STATE and ADMINISTERING AGENCY that outlines the PROJECT responsibilities and respective obligations of the PARTIES. ADMINISTERING AGENCY and its contractors shall each obtain an encroachment permit through STATE prior to commencing any work within STATE rights of way or work which affects STATE facilities.

12. When PROJECT is not on the State Highway System but includes work to be performed by a railroad, the contract for such work shall be prepared by ADMINISTERING AGENCY or by STATE, as the PARTIES may hereafter agree. In either event, ADMINISTERING AGENCY shall enter into an agreement with the railroad providing for future maintenance of protective devices or other facilities installed under the contract.

13. If PROJECT is using STATE funds, the Department of General Services, Division of the State Architect, or its designee, shall review the contract PS&E for the construction of buildings, structures, sidewalks, curbs and related facilities for accessibility and usability. ADMINISTERING AGENCY shall not award a PROJECT construction contract for these types of improvements until the State Architect has issued written approval stating that the PROJECT plans and specifications comply with the provisions of sections 4450 and 4454 of the California Government Code, if applicable. Further requirements and guidance are provided in Title 24 of the California Code of Regulations.

14. ADMINISTERING AGENCY will advertise, award and administer PROJECT in accordance with the current LOCAL ASSISTANCE PROCEDURES unless otherwise stated in the executed project-specific PROGRAM SUPPLEMENT.
15. ADMINISTERING AGENCY shall provide or arrange for adequate supervision and inspection of each PROJECT. While consultants may perform supervision and inspection work for PROJECT with a fully qualified and licensed engineer, ADMINISTERING AGENCY shall provide a full-time employee to be in responsible charge of each PROJECT who is not a consultant.

16. ADMINISTERING AGENCY shall submit PROJECT-specific contract award documents to STATE's District Local Assistance Engineer within sixty (60) days after contract award. A copy of the award documents shall also be included with the submittal of the first invoice for a construction contract by ADMINISTERING AGENCY.

17. ADMINISTERING AGENCY shall submit the final report documents that collectively constitute a "Report of Expenditures" within one hundred eighty (180) days of PROJECT completion. Failure by ADMINISTERING AGENCY to submit a "Report of Expenditures" within one hundred eighty (180) days of project completion will result in STATE imposing sanctions upon ADMINISTERING AGENCY in accordance with the current LOCAL ASSISTANCE PROCEDURES.

18. ADMINISTERING AGENCY shall comply with: (i) section 504 of the Rehabilitation Act of 1973 which prohibits discrimination on the basis of disability in federally assisted programs; (ii) the Americans with Disabilities Act (ADA) of 1990 which prohibits discrimination on the basis of disability irrespective of funding; and (iii) all applicable regulations and guidelines issued pursuant to both the Rehabilitation Act and the ADA.

19. The Congress of the United States, the Legislature of the State of California and the Governor of the State of California, each within their respective jurisdictions, have prescribed certain nondiscrimination requirements with respect to contract and other work financed with public funds. ADMINISTERING AGENCY agrees to comply with the requirements of the FAIR EMPLOYMENT PRACTICES ADDENDUM (Exhibit A attached hereto) and the NONDISCRIMINATION ASSURANCES (Exhibit B attached hereto). ADMINISTERING AGENCY further agrees that any agreement entered into by ADMINISTERING AGENCY with a third party for performance of PROJECT-related work shall incorporate Exhibits A and B (with third party's name replacing ADMINISTERING AGENCY) as essential parts of such agreement to be enforced by that third party as verified by ADMINISTERING AGENCY.
ARTICLE II - RIGHTS OF WAY

1. No contract for the construction of a federal-aid PROJECT shall be awarded until all necessary rights of way have been secured. Prior to the advertising for construction of PROJECT, ADMINISTERING AGENCY shall certify and, upon request, shall furnish STATE with evidence that all necessary rights of way are available for construction purposes or will be available by the time of award of the construction contract.

2. ADMINISTERING AGENCY agrees to indemnify and hold STATE harmless from any liability that may result in the event the right of way for a PROJECT, including, but not limited to, being clear as certified or if said right of way is found to contain hazardous materials requiring treatment or removal to remediate in accordance with Federal and State laws. The furnishing of right of way as provided for herein includes, in addition to all real property required for the PROJECT, title free and clear of obstructions and encumbrances affecting PROJECT and the payment, as required by applicable law, of relocation costs and damages to remainder real property not actually taken but injuriously affected by PROJECT. ADMINISTERING AGENCY shall pay, from its own non-matching funds, any costs which arise out of delays to the construction of PROJECT because utility facilities have not been timely removed or relocated, or because rights of way were not available to ADMINISTERING AGENCY for the orderly prosecution of PROJECT work.

3. Subject to STATE approval and such supervision as is required by LOCAL ASSISTANCE PROCEDURES over ADMINISTERING AGENCY's right of way acquisition procedures, ADMINISTERING AGENCY may claim reimbursement from federal funds for expenditures incurred in purchasing only the necessary rights of way needed for the PROJECT after crediting PROJECT with the fair market value of any excess property retained and not disposed of by ADMINISTERING AGENCY.

4. When real property rights are to be acquired by ADMINISTERING AGENCY for a PROJECT, said ADMINISTERING AGENCY must carry out that acquisition in compliance with all applicable State and Federal laws and regulations, in accordance with State procedures as published in State's current LOCAL ASSISTANCE PROCEDURES and STATE's Right-of-Way Manual, subject to STATE oversight to ensure that the completed work is acceptable under the Federal Uniform Relocation Assistance and Real Property Acquisition Policies Act of 1970, as amended.

5. Whether or not federal-aid is to be requested for right of way, should ADMINISTERING AGENCY, in acquiring right of way for PROJECT, displace an individual, family, business, farm operation, or non-profit organization, relocation payments and services will be provided as set forth in 49 CFR, Part 24. The public will be adequately informed of the relocation payments and services which will be available, and, to the greatest extent practicable, no person lawfully occupying real property shall be required to move from his/her dwelling or to move his/her business or farm operation without at least ninety (90) days written notice from ADMINISTERING AGENCY. ADMINISTERING AGENCY will provide STATE with specific assurances, on each portion of the PROJECT, that no person will be displaced until comparable decent, safe and sanitary replacement housing is available within a reasonable period of time prior to displacement, and that ADMINISTERING AGENCY’s relocation program is realistic and adequate to provide orderly, timely and efficient relocation of PROJECT-displaced persons as provided in 49 CFR, Part 24.
6. ADMINISTERING AGENCY shall, along with recording the deed or instrument evidencing title in the name of the ADMINISTERING AGENCY or their assignee, also record an Agreement Declaring Restrictive Covenants (ADRC) as a separate document incorporating the assurances included within Exhibits A and B and Appendices A, B, C and D of this AGREEMENT, as appropriate.
ARTICLE III - MAINTENANCE AND MANAGEMENT

1. ADMINISTERING AGENCY will maintain and operate the property acquired, developed, constructed, rehabilitated, or restored by PROJECT for its intended public use until such time as the parties might amend this AGREEMENT to otherwise provide. With the approval of STATE, ADMINISTERING AGENCY or its successors in interest in the PROJECT property may transfer this obligation and responsibility to maintain and operate PROJECT property for that intended public purpose to another public entity.

2. Upon ADMINISTERING AGENCY's acceptance of the completed federal-aid construction contract or upon contractor being relieved of the responsibility for maintaining and protecting PROJECT, ADMINISTERING AGENCY will be responsible for the maintenance, ownership, liability, and the expense thereof, for PROJECT in a manner satisfactory to the authorized representatives of STATE and FHWA and if PROJECT falls within the jurisdictional limits of another Agency or Agencies, it is the duty of ADMINISTERING AGENCY to facilitate a separate maintenance agreement(s) between itself and the other jurisdictional Agency or Agencies providing for the operation, maintenance, ownership and liability of PROJECT. Until those agreements are executed, ADMINISTERING AGENCY will be responsible for all PROJECT operations, maintenance, ownership and liability in a manner satisfactory to the authorized representatives of STATE and FHWA. If, within ninety (90) days after receipt of notice from STATE that a PROJECT, or any portion thereof, is not being properly operated and maintained and ADMINISTERING AGENCY has not satisfactorily remedied the conditions complained of, the approval of future federal-aid projects of ADMINISTERING AGENCY will be withheld until the PROJECT shall have been put in a condition of operation and maintenance satisfactory to STATE and FHWA. The provisions of this section shall not apply to a PROJECT that has been vacated through due process of law with STATE's concurrence.

3. PROJECT and its facilities shall be maintained by an adequate and well-trained staff of engineers and/or such other professionals and technicians as PROJECT reasonably requires. Said operations and maintenance staff may be employees of ADMINISTERING AGENCY, another unit of government, or a contractor under agreement with ADMINISTERING AGENCY. All maintenance will be performed at regular intervals or as required for efficient operation of the complete PROJECT improvements.
1. All contractual obligations of STATE are subject to the appropriation of resources by the Legislature and the allocation of resources by the California Transportation Commission (CTC).

2. STATE's financial commitment of federal funds will occur only upon the execution of this AGREEMENT, the authorization of the project-specific E-76 or E-76 (AMOD), the execution of each project-specific PROGRAM SUPPLEMENT, and STATE's approved finance letter.

3. ADMINISTERING AGENCY may submit signed invoices in arrears for reimbursement of participating PROJECT costs on a regular basis once the project-specific PROGRAM SUPPLEMENT has been executed by STATE.

4. ADMINISTERING AGENCY agrees, at a minimum, to submit invoices at least once every six (6) months commencing after the funds are encumbered on either the project-specific PROGRAM SUPPLEMENT or through a project-specific finance letter approved by STATE. STATE reserves the right to suspend future authorizations/obligations, and invoice payments for any on-going or future federal-aid project by ADMINISTERING AGENCY if PROJECT costs have not been invoiced by ADMINISTERING AGENCY for a six (6) month period.

5. Invoices shall be submitted on ADMINISTERING AGENCY letterhead that includes the address of ADMINISTERING AGENCY and shall be formatted in accordance with LOCAL ASSISTANCE PROCEDURES.

6. ADMINISTERING AGENCY must have at least one copy of supporting backup documentation for costs incurred and claimed for reimbursement by ADMINISTERING AGENCY. ADMINISTERING AGENCY agrees to submit supporting backup documentation with invoices if requested by State. Acceptable backup documentation includes, but is not limited to, agency's progress payment to the contractors, copies of cancelled checks showing amounts made payable to vendors and contractors, and/or a computerized summary of PROJECT costs.

7. Payments to ADMINISTERING AGENCY can only be released by STATE as reimbursement of actual allowable PROJECT costs already incurred and paid for by ADMINISTERING AGENCY.

8. Indirect Cost Allocation Plans/Indirect Cost Rate Proposals (ICAP/ICRP), Central Service Cost Allocation Plans and related documentation are to be prepared and provided to STATE (Caltrans Audits & Investigations) for review and approval prior to ADMINISTERING AGENCY seeking reimbursement of indirect costs incurred within each fiscal year being claimed for State and federal reimbursement. ICAPs/ICRPs must be prepared in accordance with the requirements set forth in 2 CFR, Part 200, Chapter 5 of the Local Assistance Procedural Manual, and the ICAP/ICRP approval procedures established by STATE.

9. Once PROJECT has been awarded, STATE reserves the right to de-obligate any excess federal funds from the construction phase of PROJECT if the contract award amount is less than the obligated amount, as shown on the PROJECT E-76 or E-76 (AMOD).

10. STATE will withhold the greater of either two (2) percent of the total of all federal funds encumbered for each PROGRAM SUPPLEMENT or $40,000 until ADMINISTERING AGENCY submits the Final Report of Expenditures for each completed PROGRAM SUPPLEMENT PROJECT.
11. The estimated total cost of PROJECT, the amount of federal funds obligated, and the required matching funds may be adjusted by mutual consent of the PARTIES hereto with a finance letter, a detailed estimate, if required, and approved E-76 (AMOD). Federal-aid funding may be increased to cover PROJECT cost increases only if such funds are available and FHWA concurs with that increase.

12. When additional federal-aid funds are not available, ADMINISTERING AGENCY agrees that the payment of federal funds will be limited to the amounts authorized on the PROJECT specific E-76 / E-76 (AMOD) and agrees that any increases in PROJECT costs must be defrayed with ADMINISTERING AGENCY’s own funds.

13. ADMINISTERING AGENCY shall use its own non-federal funds to finance the local share of eligible costs and all expenditures or contract items ruled ineligible for financing with federal funds. STATE shall make the determination of ADMINISTERING AGENCY’s cost eligibility for federal fund financing of PROJECT costs.

14. ADMINISTERING AGENCY will reimburse STATE for STATE’s share of costs for work performed by STATE at the request of ADMINISTERING AGENCY. STATE’s costs shall include overhead assessments in accordance with section 8755.1 of the State Administrative Manual.

15. Federal and state funds allocated from the State Transportation Improvement Program (STIP) are subject to the timely use of funds provisions enacted by Senate Bill 45, approved in 1997, and subsequent STIP Guidelines and State procedures approved by the CTC and STATE.

16. Federal funds encumbered for PROJECT are available for liquidation for a period of six (6) years from the beginning of the State fiscal year the funds were appropriated in the State Budget. State funds encumbered for PROJECT are available for liquidation only for six (6) years from the beginning of the State fiscal year the funds were appropriated in the State Budget. Federal or state funds not liquidated within these periods will be reverted unless a Cooperative Work Agreement (CWA) is submitted by ADMINISTERING AGENCY and approved by the California Department of Finance (per Government Code section 16304). The exact date of fund reversion will be reflected in the STATE signed finance letter for PROJECT.

17. Payments to ADMINISTERING AGENCY for PROJECT-related travel and subsistence (per diem) expenses of ADMINISTERING AGENCY forces and its contractors and subcontractors claimed for reimbursement or as local match credit shall not exceed rates authorized to be paid rank and file STATE employees under current State Department of Personnel Administration (DPA) rules. If the rates invoiced by ADMINISTERING AGENCY are in excess of DPA rates, ADMINISTERING AGENCY is responsible for the cost difference, and any overpayments inadvertently paid by STATE shall be reimbursed to STATE by ADMINISTERING AGENCY on demand within thirty (30) days of such invoice.

18. ADMINISTERING AGENCY agrees to comply with 2 CFR, Part 200, Uniform Administrative Requirements, Cost Principles and Audit Requirement for Federal Awards.

19. ADMINISTERING AGENCY agrees, and will ensure that its contractors and subcontractors will be obligated to agree, that Contract Cost Principles and Procedures, 48 CFR, Federal Acquisition Regulations System, Chapter 1, Part 31, et seq., shall be used to determine the allowability of individual PROJECT cost items.
20. Every sub-recipient receiving PROJECT funds under this AGREEMENT shall comply with 2 CFR, Part 200, 23 CFR, 48 CFR Chapter 1, Part 31, Local Assistance Procedures, Public Contract Code (PCC) 10300-10334 (procurement of goods), PCC 10335-10381 (non-A&E services), and other applicable STATE and FEDERAL regulations.

21. Any PROJECT costs for which ADMINISTERING AGENCY has received payment or credit that are determined by subsequent audit to be unallowable under 2 CFR, Part 200, 23 CFR, 48 CFR, Chapter 1, Part 31, and other applicable STATE and FEDERAL regulations, are subject to repayment by ADMINISTERING AGENCY to STATE.

22. Should ADMINISTERING AGENCY fail to refund any moneys due upon written demand by STATE as provided hereunder or should ADMINISTERING AGENCY breach this AGREEMENT by failing to complete PROJECT without adequate justification and approval by STATE, then, within thirty 30 days of demand, or within such other period as may be agreed to in writing between the PARTIES, STATE, acting through the State Controller, the State Treasurer, or any other public entity or agency, may withhold or demand a transfer of an amount equal to the amount paid by or owed to STATE from future apportionments, or any other funds due ADMINISTERING AGENCY from the Highway Users Tax Fund or any other sources of funds, and/or may withhold approval of future ADMINISTERING AGENCY federal-aid projects.

23. Should ADMINISTERING AGENCY be declared to be in breach of this AGREEMENT or otherwise in default thereof by STATE, and if ADMINISTERING AGENCY is constituted as a joint powers authority, special district, or any other public entity not directly receiving funds through the State Controller, STATE is authorized to obtain reimbursement from whatever sources of funding are available, including the withholding or transfer of funds, pursuant to Article IV - 22, from those constituent entities comprising a joint powers authority or by bringing of an action against ADMINISTERING AGENCY or its constituent member entities, to recover all funds provided by STATE hereunder.

24. ADMINISTERING AGENCY acknowledges that the signatory party represents the ADMINISTERING AGENCY and further warrants that there is nothing within a Joint Powers Agreement, by which ADMINISTERING AGENCY was created, if any exists, that would restrict or otherwise limit STATE's ability to recover State funds improperly spent by ADMINISTERING AGENCY in contravention of the terms of this AGREEMENT.
ARTICLE V
AUDITS, THIRD PARTY CONTRACTING, RECORDS RETENTION AND REPORTS

1. STATE reserves the right to conduct technical and financial audits of PROJECT work and records and ADMINISTERING AGENCY agrees, and shall require its contractors and subcontractors to agree, to cooperate with STATE by making all appropriate and relevant PROJECT records available for audit and copying as required by paragraph three (3) of ARTICLE V.

2. ADMINISTERING AGENCY, its contractors and subcontractors shall establish and maintain a financial management system and records that properly accumulate and segregate reasonable, allowable, and allocable incurred PROJECT costs and matching funds by line item for the PROJECT. The financial management system of ADMINISTERING AGENCY, its contractors and all subcontractors shall conform to Generally Accepted Accounting Principles, enable the determination of incurred costs at interim points of completion, and provide support for reimbursement payment vouchers or invoices sent to or paid by STATE.

3. ADMINISTERING AGENCY, ADMINISTERING AGENCY's contractors and subcontractors, and STATE shall each maintain and make available for inspection and audit by STATE, the California State Auditor, or any duly authorized representative of STATE or the United States all books, documents, papers, accounting records, and other evidence pertaining to the performance of such contracts, including, but not limited to, the costs of administering those various contracts and ADMINISTERING AGENCY shall furnish copies thereof if requested. All of the above referenced parties shall make such AGREEMENT, PROGRAM SUPPLEMENT and contract materials available at their respective offices at all reasonable times during the entire PROJECT period and for three (3) years from the date of submission of the final expenditure report by the STATE to the FHWA.

4. ADMINISTERING AGENCY is required to have an audit in accordance with the Single Audit Act of 2 CFR 200 if it expends $750,000 or more in Federal Funds in a single fiscal year. The Federal Funds received under a PROGRAM SUPPLEMENT are a part of the Catalogue of Federal Domestic Assistance (CFDA) 20.205.

5. ADMINISTERING AGENCY agrees to include all PROGRAM SUPPLEMENTS adopting the terms of this AGREEMENT in the schedule of projects to be examined in ADMINISTERING AGENCY's annual audit and in the schedule of projects to be examined under its single audit prepared in accordance with 2 CFR, Part 200.

6. ADMINISTERING AGENCY shall not award a non-A&E contract over $5,000, construction contract over $10,000, or other contracts over $25,000 (excluding professional service contracts of the type which are required to be procured in accordance with Government Code sections 4525 (d), (e) and (f) on the basis of a noncompetitive negotiation for work to be performed under this AGREEMENT without the prior written approval of STATE. Contracts awarded by ADMINISTERING AGENCY, if intended as local match credit, must meet the requirements set forth in this AGREEMENT regarding local match funds.
7. Any subcontract entered into by ADMINISTERING AGENCY as a result of this AGREEMENT shall contain provisions 5, 6, 17, 19 and 20 of ARTICLE IV, FISCAL PROVISIONS, and provisions 1, 2, and 3 of this ARTICLE V, AUDITS, THIRD-PARTY CONTRACTING RECORDS RETENTION AND REPORTS.

8. To be eligible for local match credit, ADMINISTERING AGENCY must ensure that local match funds used for a PROJECT meet the fiscal provisions requirements outlined in ARTICLE IV in the same manner as required of all other PROJECT expenditures.

9. In addition to the above, the pre-award requirements of third-party contractor/consultants with ADMINISTERING AGENCY should be consistent with the LOCAL ASSISTANCE PROCEDURES.
ARTICLE VII - FEDERAL LOBBYING ACTIVITIES CERTIFICATION

1. By execution of this AGREEMENT, ADMINISTERING AGENCY certifies, to the best of the signatory officer's knowledge and belief, that:

A. No federal or state appropriated funds have been paid or will be paid, by or on behalf of ADMINISTERING AGENCY, to any person for influencing or attempting to influence an officer or employee of any STATE or federal agency, a member of the State Legislature or United States Congress, an officer or employee of the Legislature or Congress, or any employee of a Member of the Legislature or Congress in connection with the awarding of any STATE or federal contract, including this AGREEMENT, the making of any STATE or federal loan, the entering into of any cooperative contract, and the extension, continuation, renewal, amendment, or modification of any STATE or federal contract, grant, loan, or cooperative contract.

B. If any funds other than federal appropriated funds have been paid, or will be paid, to any person for influencing or attempting to influence an officer or employee of any federal agency, a member of Congress, an officer or employee of Congress or an employee of a member of Congress in connection with this AGREEMENT, grant, local, or cooperative contract, ADMINISTERING AGENCY shall complete and submit Standard Form-LLL, "Disclosure Form to Rep Lobbying," in accordance with the form instructions.

C. This certification is a material representation of fact upon which reliance was placed when this AGREEMENT and each PROGRAM SUPPLEMENT was or will be made or entered into. Submission of this certification is a prerequisite for making or entering into this AGREEMENT imposed by Section 1352, Title 31, United States Code. Any party who fails to file the required certification shall be subject to a civil penalty of not less than $10,000 and not more than $100,000 for each such failure.

2. ADMINISTERING AGENCY also agrees by signing this AGREEMENT that the language of this certification will be included in all lower tier sub-agreements which exceed $100,000 and that all such sub-recipients shall certify and disclose accordingly.
1. ADMINISTERING AGENCY agrees to use all state funds reimbursed hereunder only for transportation purposes that are in conformance with Article XIX of the California State Constitution and the relevant Federal Regulations.

2. This AGREEMENT is subject to any additional restrictions, limitations, conditions, or any statute enacted by the State Legislature or adopted by the CTC that may affect the provisions, terms, or funding of this AGREEMENT in any manner.

3. ADMINISTERING AGENCY and the officers and employees of ADMINISTERING AGENCY, when engaged in the performance of this AGREEMENT, shall act in an independent capacity and not as officers, employees or agents of STATE or the federal government.

4. Each project-specific E-76 or E-76 (AMOD), PROGRAM SUPPLEMENT and Finance Letter shall separately establish the terms and funding limits for each described PROJECT funded under the AGREEMENT. No federal or state funds are obligated against this AGREEMENT.

5. ADMINISTERING AGENCY certifies that neither ADMINISTERING AGENCY nor its principals are suspended or debarred at the time of the execution of this AGREEMENT. ADMINISTERING AGENCY agrees that it will notify STATE immediately in the event a suspension or a debarment occurs after the execution of this AGREEMENT.

6. ADMINISTERING AGENCY warrants, by execution of this AGREEMENT, that no person or selling agency has been employed or retained to solicit or secure this AGREEMENT upon an agreement or understanding for a commission, percentage, brokerage, or contingent fee, excepting bona fide employees or bona fide established commercial or selling agencies maintained by ADMINISTERING AGENCY for the purpose of securing business. For breach or violation of this warranty, STATE has the right to annul this AGREEMENT without liability, pay only for the value of the work actually performed, or in STATE'S discretion, to deduct from the price of consideration, or otherwise recover, the full amount of such commission, percentage, brokerage, or contingent fee.

7. In accordance with Public Contract Code section 10296, ADMINISTERING AGENCY hereby certifies under penalty of perjury that no more than one final unappealable finding of contempt of court by a federal court has been issued against ADMINISTERING AGENCY within the immediate preceding two (2) year period because of ADMINISTERING AGENCY'S failure to comply with an order of a federal court that orders ADMINISTERING AGENCY to comply with an order of the National Labor Relations Board.

8. ADMINISTERING AGENCY shall disclose any financial, business, or other relationship with STATE, FHWA or Federal Transit Administration (FTA) that may have an impact upon the outcome of this AGREEMENT. ADMINISTERING AGENCY shall also list current contractors who may have a financial interest in the outcome of this AGREEMENT.

9. ADMINISTERING AGENCY hereby certifies that it does not have nor shall it acquire any financial or business interest that would conflict with the performance of PROJECT under this AGREEMENT.
10. ADMINISTERING AGENCY warrants that this AGREEMENT was not obtained or secured through rebates, kickbacks or other unlawful consideration either promised or paid to any STATE employee. For breach or violation of this warranty, STATE shall have the right, in its discretion, to terminate this AGREEMENT without liability, to pay only for the work actually performed, or to deduct from the PROGRAM SUPPLEMENT price or otherwise recover the full amount of such rebate, kickback, or other unlawful consideration.

11. Any dispute concerning a question of fact arising under this AGREEMENT that is not disposed of by agreement shall be decided by the STATE’s Contract Officer who may consider any written or verbal evidence submitted by ADMINISTERING AGENCY. The decision of the Contract Officer, issued in writing, shall be conclusive and binding on the PARTIES on all questions of fact considered and determined by the Contract Officer.

12. Neither the pending of a dispute nor its consideration by the Contract Officer will excuse ADMINISTERING AGENCY from full and timely performance in accordance with the terms of this AGREEMENT.

13. Neither ADMINISTERING AGENCY nor any officer or employee thereof is responsible for any injury, damage or liability occurring by reason of anything done or omitted to be done by STATE, under or in connection with any work, authority or jurisdiction arising under this AGREEMENT. It is understood and agreed that STATE shall fully defend, indemnify and save harmless the ADMINISTERING AGENCY and all of its officers and employees from all claims, suits or actions of every name, kind and description brought forth under, including, but not limited to, tortious, contractual, inverse condemnation and other theories or assertions of liability occurring by reason of anything done or omitted to be done by STATE under this AGREEMENT.

14. Neither STATE nor any officer or employee thereof shall be responsible for any injury, damage or liability occurring by reason of anything done or omitted to be done by ADMINISTERING AGENCY under, or in connection with, any work, authority or jurisdiction arising under this AGREEMENT. It is understood and agreed that ADMINISTERING AGENCY shall fully defend, indemnify and save harmless STATE and all of its officers and employees from all claims, suits or actions of every name, kind and description brought forth under, including, but not limited to, tortious, contractual, inverse condemnation or other theories or assertions of liability occurring by reason of anything done or omitted to be done by ADMINISTERING AGENCY under this AGREEMENT.

15. STATE reserves the right to terminate funding for any PROJECT upon written notice to ADMINISTERING AGENCY in the event that ADMINISTERING AGENCY fails to proceed with PROJECT work in accordance with the project-specific PROGRAM SUPPLEMENT, the bonding requirements if applicable, or otherwise violates the conditions of this AGREEMENT and/or PROGRAM SUPPLEMENT, or the funding allocation such that substantial performance is significantly endangered.
16. No termination shall become effective if, within thirty (30) days after receipt of a Notice of Termination, ADMINISTERING AGENCY either cures the default involved or, if not reasonably susceptible of cure within said thirty (30) day period, ADMINISTERING AGENCY proceeds thereafter to complete the cure in a manner and time line acceptable to STATE. Any such termination shall be accomplished by delivery to ADMINISTERING AGENCY of a Notice of Termination, which notice shall become effective not less than thirty (30) days after receipt, specifying the reason for the termination, the extent to which funding of work under this AGREEMENT is terminated and the date upon which such termination becomes effective, if beyond thirty (30) days after receipt. During the period before the effective termination date, ADMINISTERING AGENCY and STATE shall meet to attempt to resolve any dispute. In the event of such termination, STATE may proceed with the PROJECT work in a manner deemed proper by STATE. If STATE terminates funding for PROJECT with ADMINISTERING AGENCY, STATE shall pay ADMINISTERING AGENCY the sum due ADMINISTERING AGENCY under the PROGRAM SUPPLEMENT and/or STATE approved finance letter prior to termination, provided, however, ADMINISTERING AGENCY is not in default of the terms and conditions of this AGREEMENT or the project-specific PROGRAM SUPPLEMENT and that the cost of PROJECT completion to STATE shall first be deducted from any sum due ADMINISTERING AGENCY.

17. In case of inconsistency or conflicts with the terms of this AGREEMENT and that of a project-specific PROGRAM SUPPLEMENT, the terms stated in that PROGRAM SUPPLEMENT shall prevail over those in this AGREEMENT.

18. Without the written consent of STATE, this AGREEMENT is not assignable by ADMINISTERING AGENCY either in whole or in part.

19. No alteration or variation of the terms of this AGREEMENT shall be valid unless made in writing and signed by the PARTIES, and no oral understanding or agreement not incorporated herein shall be binding on any of the PARTIES.

IN WITNESS WHEREOF, the PARTIES have executed this AGREEMENT by their duly authorized officers.

STATE OF CALIFORNIA
DEPARTMENT OF TRANSPORTATION

City of Fontana

By____________________________________________________

____________________________________________________

Chief, Office of Project Implementation
Division of Local Assistance

City of Fontana
Representative Name & Title
(Authorized Governing Body Representative)

Date________________________________________

Date________________________________________
1. In the performance of this Agreement, ADMINISTERING AGENCY will not discriminate against any employee for employment because of race, color, sex, sexual orientation, religion, ancestry or national origin, physical disability, medical condition, marital status, political affiliation, family and medical care leave, pregnancy leave, or disability leave. ADMINISTERING AGENCY will take affirmative action to ensure that employees are treated during employment without regard to their race, sex, sexual orientation, color, religion, ancestry, or national origin, physical disability, medical condition, marital status, political affiliation, family and medical care leave, pregnancy leave, or disability leave. Such action shall include, but not be limited to, the following: employment; upgrading; demotion or transfer; recruitment or recruitment advertising; layoff or termination; rates of pay or other forms of compensation; and selection for training, including apprenticeship. ADMINISTERING AGENCY shall post in conspicuous places, available to employees for employment, notices to be provided by STATE setting forth the provisions of this Fair Employment section.

2. ADMINISTERING AGENCY, its contractor(s) and all subcontractors shall comply with the provisions of the Fair Employment and Housing Act (Government Code Section 1290-0 et seq.), and the applicable regulations promulgated thereunder (California Code of Regulations, Title 2, Section 7285.0 et seq.). The applicable regulations of the Fair Employment and Housing Commission implementing Government Code, Section 12900(a-f), set forth in Chapter 5 of Division 4 of Title 2 of the California Code of Regulations are incorporated into this AGREEMENT by reference and made a part hereof as if set forth in full. Each of the ADMINISTERING AGENCY’S contractors and all subcontractors shall give written notice of their obligations under this clause to labor organizations with which they have a collective bargaining or other agreements, as appropriate.

3. ADMINISTERING AGENCY shall include the nondiscrimination and compliance provisions of this clause in all contracts and subcontracts to perform work under this AGREEMENT.

4. ADMINISTERING AGENCY will permit access to the records of employment, employment advertisements, application forms, and other pertinent data and records by STATE, the State Fair Employment and Housing Commission, or any other agency of the State of California designated by STATE, for the purposes of investigation to ascertain compliance with the Fair Employment section of this Agreement.

5. Remedies for Willful Violation:

(a) STATE may determine a willful violation of the Fair Employment provision to have occurred upon receipt of a final judgment to that effect from a court in an action to which ADMINISTERING AGENCY was a party, or upon receipt of a written notice from the Fair Employment and Housing Commission that it has investigated and determined that ADMINISTERING AGENCY has violated the Fair Employment Practices Act and had issued an order under Labor Code Section 1426 which has become final or has obtained an injunction under Labor Code Section 1429.
(b) For willful violation of this Fair Employment Provision, STATE shall have the right to terminate this Agreement either in whole or in part, and any loss or damage sustained by STATE in securing the goods or services thereunder shall be borne and paid for by ADMINISTERING AGENCY and by the surety under the performance bond, if any, and STATE may deduct from any moneys due or thereafter may become due to ADMINISTERING AGENCY, the difference between the price named in the Agreement and the actual cost thereof to STATE to cure ADMINISTERING AGENCY's breach of this Agreement.
EXHIBIT B

NONDISCRIMINATION ASSURANCES

ADMINISTERING AGENCY HEREBY AGREES THAT, as a condition to receiving any federal financial assistance from the STATE, acting for the U.S. Department of Transportation, it will comply with Title VI of the Civil Rights Act of 1964, 78 Stat. 252, 42 U.S.C. 2000d-42 U.S.C. 2000d-4 (hereinafter referred to as the ACT), and all requirements imposed by or pursuant to Title 49, Code of Federal Regulations, Department of Transportation, Subtitle A, Office of the Secretary, Part 21, "Nondiscrimination in Federally-Assisted Programs of the Department of Transportation - Effectuation of Title VI of the Civil Rights Act of 1964" (hereinafter referred to as the REGULATIONS), the Federal-aid Highway Act of 1973, and other pertinent directives, to the end that in accordance with the ACT, REGULATIONS, and other pertinent directives, no person in the United States shall, on the grounds of race, color, sex, national origin, religion, age or disability, be excluded from participation in, be denied the benefits of, or be otherwise subjected to discrimination under any program or activity for which ADMINISTERING AGENCY receives federal financial assistance from the Federal Department of Transportation. ADMINISTERING AGENCY HEREBY GIVES ASSURANCE THAT ADMINISTERING AGENCY will promptly take any measures necessary to effectuate this agreement. This assurance is required by subsection 21.7(a) (1) of the REGULATIONS.

More specifically, and without limiting the above general assurance, ADMINISTERING AGENCY hereby gives the following specific assurances with respect to its federal-aid Program:

1. That ADMINISTERING AGENCY agrees that each "program" and each "facility" as defined in subsections 21.23 (e) and 21.23 (b) of the REGULATIONS, will be (with regard to a "program") conducted, or will be (with regard to a "facility") operated in compliance with all requirements imposed by, or pursuant to, the REGULATIONS.

2. That ADMINISTERING AGENCY shall insert the following notification in all solicitations for bids for work or material subject to the REGULATIONS made in connection with the federal-aid Program and, in adapted form, in all proposals for negotiated agreements:

ADMINISTERING AGENCY hereby notifies all bidders that it will affirmatively ensure that in any agreement entered into pursuant to this advertisement, disadvantaged business enterprises will be afforded full opportunity to submit bids in response to this invitation and will not be discriminated against on the grounds of race, color, sex, national origin, religion, age, or disability in consideration for an award.

3. That ADMINISTERING AGENCY shall insert the clauses of Appendix A of this assurance in every agreement subject to the ACT and the REGULATIONS.

4. That the clauses of Appendix B of this Assurance shall be included as a covenant running with the land, in any deed effecting a transfer of real property, structures, or improvements thereon, or interest therein.
5. That where ADMINISTERING AGENCY receives federal financial assistance to construct a facility, or part of a facility, the Assurance shall extend to the entire facility and facilities operated in connection therewith.

6. That where ADMINISTERING AGENCY receives federal financial assistance in the form, or for the acquisition, of real property or an interest in real property, the Assurance shall extend to rights to space on, over, or under such property.

7. That ADMINISTERING AGENCY shall include the appropriate clauses set forth in Appendix C and D of this Assurance, as a covenant running with the land, in any future deeds, leases, permits, licenses, and similar agreements entered into by the ADMINISTERING AGENCY with other parties:

Appendix C;

(a) for the subsequent transfer of real property acquired or improved under the federal-aid Program; and

Appendix D;

(b) for the construction or use of or access to space on, over, or under real property acquired, or improved under the federal-aid Program.

8. That this assurance obligates ADMINISTERING AGENCY for the period during which federal financial assistance is extended to the program, except where the federal financial assistance is to provide, or is in the form of, personal property or real property or interest therein, or structures, or improvements thereon, in which case the assurance obligates ADMINISTERING AGENCY or any transferee for the longer of the following periods:

(a) the period during which the property is used for a purpose for which the federal financial assistance is extended, or for another purpose involving the provision of similar services or benefits; or

(b) the period during which ADMINISTERING AGENCY retains ownership or possession of the property.

9. That ADMINISTERING AGENCY shall provide for such methods of administration for the program as are found by the U.S. Secretary of Transportation, or the official to whom he delegates specific authority, to give reasonable guarantee that ADMINISTERING AGENCY, other recipients, sub-grantees, applicants, sub-applicants, transferees, successors in interest, and other participants of federal financial assistance under such program will comply with all requirements imposed by, or pursuant to, the ACT, the REGULATIONS, this Assurance and the Agreement.

10. That ADMINISTERING AGENCY agrees that the United States and the State of California have a right to seek judicial enforcement with regard to any matter arising under the ACT, the REGULATIONS, and this Assurance.
11. ADMINISTERING AGENCY shall not discriminate on the basis of race, religion, age, disability, color, national origin or sex in the award and performance of any STATE assisted contract or in the administration on its DBE Program or the requirements of 49 CFR Part 26. ADMINISTERING AGENCY shall take all necessary and reasonable steps under 49 CFR Part 26 to ensure non-discrimination in the award and administration of STATE assisted contracts. ADMINISTERING AGENCY'S DBE Implementation Agreement is incorporated by reference in this AGREEMENT. Implementation of this program is a legal obligation and failure to carry out its terms shall be treated as a violation of this agreement. Upon notification to the recipient of its failure to carry out its approved DBE Implementation Agreement, STATE may impose sanctions as provided for under 49 CFR Part 26 and may, in appropriate cases, refer the matter for enforcement under 18 USC 1001 and/or the Program Fraud Civil Remedies Act of 1985 (31USC 3801 et seq.)

THESE ASSURANCES are given in consideration of and for the purpose of obtaining any and all federal grants, loans, agreements, property, discounts or other federal financial assistance extended after the date hereof to ADMINISTERING AGENCY by STATE, acting for the U.S. Department of Transportation, and is binding on ADMINISTERING AGENCY, other recipients, subgrantees, applicants, sub-applicants, transferees, successors in interest and other participants in the federal-aid Highway Program.
APPENDIX A TO EXHIBIT B

During the performance of this Agreement, ADMINISTERING AGENCY, for itself, its assignees and successors in interest (hereinafter collectively referred to as ADMINISTERING AGENCY) agrees as follows:

(1) Compliance with Regulations: ADMINISTERING AGENCY shall comply with the regulations relative to nondiscrimination in federally assisted programs of the Department of Transportation, Title 49, Code of Federal Regulations, Part 21, as they may be amended from time to time, (hereinafter referred to as the REGULATIONS), which are herein incorporated by reference and made a part of this agreement.

(2) Nondiscrimination: ADMINISTERING AGENCY, with regard to the work performed by it during the AGREEMENT, shall not discriminate on the grounds of race, color, sex, national origin, religion, age, or disability in the selection and retention of sub-applicants, including procurements of materials and leases of equipment. ADMINISTERING AGENCY shall not participate either directly or indirectly in the discrimination prohibited by Section 21.5 of the REGULATIONS, including employment practices when the agreement covers a program set forth in Appendix B of the REGULATIONS.

(3) Solicitations for Sub-agreements, Including Procurements of Materials and Equipment: In all solicitations either by competitive bidding or negotiation made by ADMINISTERING AGENCY for work to be performed under a Sub-agreement, including procurements of materials or leases of equipment, each potential sub-applicant or supplier shall be notified by ADMINISTERING AGENCY of the ADMINISTERING AGENCY’s obligations under this Agreement and the REGULATIONS relative to nondiscrimination on the grounds of race, color, or national origin.

(4) Information and Reports: ADMINISTERING AGENCY shall provide all information and reports required by the REGULATIONS, or directives issued pursuant thereto, and shall permit access to ADMINISTERING AGENCY’s books, records, accounts, other sources of information, and its facilities as may be determined by STATE or FHWA to be pertinent to ascertain compliance with such REGULATIONS or directives. Where any information required of ADMINISTERING AGENCY is in the exclusive possession of another who fails or refuses to furnish this information, ADMINISTERING AGENCY shall so certify to STATE or the FHWA as appropriate, and shall set forth what efforts ADMINISTERING AGENCY has made to obtain the information.

(5) Sanctions for Noncompliance: In the event of ADMINISTERING AGENCY’s noncompliance with the nondiscrimination provisions of this agreement, STATE shall impose such agreement sanctions as it or the FHWA may determine to be appropriate, including, but not limited to:

(a) withholding of payments to ADMINISTERING AGENCY under the Agreement within a reasonable period of time, not to exceed 90 days; and/or

(b) cancellation, termination or suspension of the Agreement, in whole or in part.
(6) Incorporation of Provisions: ADMINISTERING AGENCY shall include the provisions of paragraphs (1) through (6) in every sub-agreement, including procurements of materials and leases of equipment, unless exempt by the REGULATIONS, or directives issued pursuant thereto. ADMINISTERING AGENCY shall take such action with respect to any sub-agreement or procurement as STATE or FHWA may direct as a means of enforcing such provisions including sanctions for noncompliance, provided, however, that, in the event ADMINISTERING AGENCY becomes involved in, or is threatened with, litigation with a sub-applicant or supplier as a result of such direction, ADMINISTERING AGENCY may request STATE enter into such litigation to protect the interests of STATE, and, in addition, ADMINISTERING AGENCY may request the United States to enter into such litigation to protect the interests of the United States.
The following clauses shall be included in any and all deeds effecting or recording the transfer of PROJECT real property, structures or improvements thereon, or interest therein from the United States.

(Granting Clause)

NOW, THEREFORE, the U.S. Department of Transportation, as authorized by law, and upon the condition that ADMINISTERING AGENCY will accept title to the lands and maintain the project constructed thereon, in accordance with Title 23, United States Code, the Regulations for the Administration of federal-aid for Highways and the policies and procedures prescribed by the Federal Highway Administration of the Department of Transportation and, also in accordance with and in compliance with the Regulations pertaining to and effectuating the provisions of Title VI of the Civil Rights Act of 1964 (78 Stat. 252; 42 U.S.C. 2000d to 2000d-4), does hereby remise, release, quitclaim and convey unto the ADMINISTERING AGENCY all the right, title, and interest of the U.S. Department of Transportation in, and to, said lands described in Exhibit "A" attached hereto and made a part hereof.

(Habendum Clause)

TO HAVE AND TO HOLD said lands and interests therein unto ADMINISTERING AGENCY and its successors forever, subject, however, to the covenant, conditions, restrictions and reservations herein contained as follows, which will remain in effect for the period during which the real property or structures are used for a purpose for which federal financial assistance is extended or for another purpose involving the provision of similar services or benefits and shall be binding on ADMINISTERING AGENCY, its successors and assigns.

ADMINISTERING AGENCY, in consideration of the conveyance of said lands and interests in lands, does hereby covenant and agree as a covenant running with the land for itself, its successors and assigns,

(1) that no person shall on the grounds of race, color, sex, national origin, religion, age or disability, be excluded from participation in, be denied the benefits of, or be otherwise subjected to discrimination with regard to any facility located wholly or in part on, over, or under such lands hereby conveyed (:) (and) *

(2) that ADMINISTERING AGENCY shall use the lands and interests in lands so conveyed, in compliance with all requirements imposed by or pursuant to Title 49, Code of Federal Regulations, Department of Transportation, Subtitle A, Office of the Secretary, Part 21, Non-discrimination in federally-assisted programs of the Department of Transportation - Effectuation of Title VI of the Civil Rights Act of 1964, and as said Regulations may be amended (:) and

(3) that in the event of breach of any of the above-mentioned nondiscrimination conditions, the U.S. Department of Transportation shall have a right to re-enter said lands and facilities on said land, and the above-described land and facilities shall thereon revert to and vest in and become the absolute property of the U.S. Department of Transportation and its assigns as such interest existed prior to this deed.*

* Reverter clause and related language to be used only when it is determined that such a clause is necessary in order to effectuate the purposes of Title VI of the Civil Rights Act of 1964.
The following clauses shall be included in any and all deeds, licenses, leases, permits, or similar instruments entered into by ADMINISTERING AGENCY, pursuant to the provisions of Assurance 7(a) of Exhibit B.

The grantee (licensee, lessee, permittee, etc., as appropriate) for himself, his heirs, personal representatives, successors in interest, and assigns, as a part of the consideration hereof, does hereby covenant and agree (in the case of deeds and leases add "as covenant running with the land") that in the event facilities are constructed, maintained, or otherwise operated on the said property described in this (deed, license, lease, permit, etc.) for a purpose for which a U.S. Department of Transportation program or activity is extended or for another purpose involving the provision of similar services or benefits, the (grantee, licensee, lessee, permittee, etc.), shall maintain and operate such facilities and services in compliance with all other requirements imposed pursuant to Title 49, Code of Federal Regulations, U.S. Department of Transportation, Subtitle A, Office of Secretary, Part 21, Nondiscrimination in federally-assisted programs of the Department of Transportation - Effectuation of Title VI of the Civil Rights Act of 1964, and as said Regulations may be amended.

(Include in licenses, leases, permits, etc.)*

That in the event of breach of any of the above nondiscrimination covenants, ADMINISTERING AGENCY shall have the right to terminate the (license, lease, permit etc.) and to re-enter and repossess said land and the facilities thereon, and hold the same as if said (license, lease, permit, etc.) had never been made or issued.

(Include in deeds)*

That in the event of breach of any of the above nondiscrimination covenants, ADMINISTERING AGENCY shall have the right to re-enter said land and facilities thereon, and the above-described lands and facilities shall thereupon revert to and vest in and become the absolute property of ADMINISTERING AGENCY and its assigns.

* Reverter clause and related language to be used only when it is determined that such a clause is necessary in order to effectuate the purposes of Title VI of the Civil Rights Act of 1964.
The following shall be included in all deeds, licenses, leases, permits, or similar agreements entered into by the ADMINISTERING AGENCY, pursuant to the provisions of Assurance 7 (b) of Exhibit B.

The grantee (licensee, lessee, permittee, etc., as appropriate) for himself, his personal representatives, successors in interest and assigns, as a part of the consideration hereof, does hereby covenant and agree (in the case of deeds, and leases add "as a covenant running with the land") that:

(1) no person on the ground of race, color, sex, national origin, religion, age or disability, shall be excluded from participation in, denied the benefits of, or otherwise subjected to discrimination in the use of said facilities;

(2) that in the construction of any improvements on, over, or under such land and the furnishing of services thereon, no person on the ground of race, color, sex, national origin, religion, age or disability shall be excluded from participation in, denied the benefits of, or otherwise be subjected to discrimination; and

(3) that the (grantee, licensee, lessee, permittee, etc.,) shall use the premises in compliance with the Regulations.

(Include in licenses, leases, permits, etc.)*

That in the event of breach of any of the above nondiscrimination covenants, ADMINISTERING AGENCY shall have the right to terminate the (license, lease, permit, etc.) and to re-enter and repossess said land and the facilities thereon, and hold the same as if said (license, lease, permit, etc.) had never been made or issued.

(Include in deeds)*

That in the event of breach of any of the above nondiscrimination covenants, ADMINISTERING AGENCY shall have the right to re-enter said land and facilities thereon, and the above-described lands and facilities shall thereupon revert to and vest in and become the absolute property of ADMINISTERING AGENCY, and its assigns.

* Reverter clause and related language to be used only when it is determined that such a clause is necessary in order to effectuate the purposes of Title VI of the Civil Rights Act of 1964.
RESOLUTION NO. 2017-___

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF FONTANA AUTHORIZING THE CITY MANAGER TO EXECUTE AN AMENDED MASTER AGREEMENT WITH THE CALIFORNIA DEPARTMENT OF TRANSPORTATION (CALTRANS).

WHEREAS, the City of Fontana is eligible to receive Federal and/or State funding for certain transportation projects through Caltrans; and

WHEREAS, Master Agreements, Program Supplemental Agreements, Fund Exchange Agreements and/or Fund Transfer Agreements need to be executed with Caltrans before such funds could be claimed; and

WHEREAS, the City of Fontana wishes to delegate authorization to execute these agreements and any amendments to the City Manager or assignee; and

NOW, THEREFORE, BE IT RESOLVED that the City Council of the City of Fontana hereby adopts the revised Master Agreement No. 5307F15.

APPROVED AND ADOPTED this 25th day of July, 2017.

READ AND APPROVED AS TO LEGAL FORM:

____________________________________
City Attorney

I, Tonia Lewis, City Clerk and Ex-Officio Clerk of the City of Fontana, California, do hereby certify that the foregoing Resolution is the actual Resolution duly and regularly adopted by the City Council at a regular meeting of said City Council on the 25th day of July, 2017, by the following to-wit:

AYES:
NOES:
ABSENT:

____________________________________
City Clerk of the City of Fontana

____________________________________
Mayor of the City of Fontana

ATTEST:
City Clerk
RECOMMENDATION:
1. Approve and authorize the City Manager to enter into a three-year contract with JT2 Integrated Resources for administration of Worker's Compensation claims.
2. Authorize an additional appropriation in the amount of $13,500

COUNCIL GOALS:
* To practice sound fiscal management by living within our means while investing in the future.

DISCUSSION:
The City of Fontana is self-insured for its workers' compensation claims. The State of California Department of Industrial Relations requires that all self-insured employers have their claims administered by a licensed claims administrator.

The Human Resources Department solicited Request for Proposals for workers' compensation claims administration. The City received proposals from seven firms. These proposals were evaluated based on cost and experience administering claims for California municipalities. The proposals were reviewed by a panel consisting of a staff member, a member of the Police Department and an outside claims professional.

As a result of this process and a check of references, staff is recommending that the contract for these services be awarded to JT2 Integrated Resources. JT2 is located in Pleasanton, CA and has extensive experience handling municipal claims, including the City of Fontana. The cost for these services (administrative fee plus bill review) based on a claim count of 110 claims per year is:

<table>
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<tr>
<th>Period</th>
<th>Total Fee</th>
<th>Plus Bill Review</th>
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<tbody>
<tr>
<td>July 1, 2017 to June 30, 2018</td>
<td>$105,300</td>
<td>$40,200</td>
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<tr>
<td>July 1, 2018 to June 30, 2019</td>
<td>$107,400</td>
<td>$41,004</td>
</tr>
<tr>
<td>July 1, 2019 to June 30, 2020</td>
<td>$109,550</td>
<td>$41,824</td>
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FISCAL IMPACT:
Contract costs for these services in the amount of $132,000 are budgeted in 15101106-8130. Actual costs for FY17-18 including bill review total $145,500. An additional appropriation in the amount $13,500 is requested and will be included in the First Quarter Budget Status Report to City Council.
MOTION:
Approve staff recommendation.

SUBMITTED BY:  REVIEWED BY:

Annette Henskel  
Human Resources/Risk Management Director

David R. Edgar  
Deputy City Manager

APPROVED BY:

Kenneth R. Hunt  
City Manager

ATTACHMENTS:

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ITEM: CC-D
ACTION REPORT
July 25, 2017

FROM: Department of Engineering

SUBJECT: Cooperative Agreement for Design and Construction of Philadelphia Avenue at the San Sevaine Flood Control Channel

RECOMMENDATION:

Approve and authorize a Cooperative Agreement for Design and Construction of Philadelphia Avenue at the San Sevaine Flood Control Channel between the City of Fontana and the City of Jurupa Valley for $300,000 and authorize the City Manager to take all actions necessary to implement the agreement.

COUNCIL GOALS:

* To invest in the city's infrastructure (streets, sewers, parks, etc.) by maintaining and improving the city's existing infrastructure.
* To concentrate on inter-governmental relations by establishing partnerships and positive working relationships with other public agencies providing services to residents.

DISCUSSION:

Philadelphia Avenue is constructed from Etiwanda Avenue to Mulberry Avenue, with exception of the portion of the road crossing over the San Sevaine Flood Control Channel, therefore, the roadway is closed to through traffic. Over the last 10 years, the City had been in discussions with the County of Riverside regarding this extension, not only in an effort to improve public safety and emergency vehicle response time, but completion of the extension would prevent illegal dumping and constant clean-up in that area. However, the City was unsuccessful as the County was concerned with truck traffic coming into the area.

Since the most recent incorporation of Jurupa Valley, the City decided to approach the staff regarding completion of the extension across the flood control channel. Although Jurupa Valley indicated they were not in a position to contribute financially to the construction of the extension, they agreed that it was a good idea for general circulation.

The City of Fontana will serve as lead agency for the final design and construction of the missing road segment. The key terms of the proposed agreement include the following:

- Fontana will be the lead agency for completing the project, including inspection
- Fontana will fund the cost of construction
- Fontana will maintain the northerly ½ of roadway once work has been accepted
• Jurupa Valley will review and approve the final plan, and provide inspection
• Jurupa Valley will maintain the southerly ½ of roadway once work has been accepted
• Jurupa Valley will install and maintain weight limit signs prohibiting commercial trucks in excess of 7 tons from traveling in the south direction along Country Village Road at Philadelphia Avenue. Further, truck route signs with an arrow sign will direct truck traffic traveling southbound on Mulberry Avenue westerly through Philadelphia Avenue for connectivity to the established truck routes at Etiwanda Avenue.

The project is identified in the Fontana Capital Improvement Program (CIP) and its construction is consistent with the Circulation Element of Fontana’s General Plan. The agreement was approved in counterpart by the City of Jurupa Valley on July 6, 2017.

FISCAL IMPACT:

The City of Fontana will fund the design and construction of the project. Appropriate $300,000 to Local Measure I Fund 246 for Project #3186 Philadelphia/San Sevaine. Budget adjustments will be included with First Quarter Budget Report for Fiscal Year 2017/2018. Each City will fund the operation and maintenance of the roadway within their respective jurisdiction and have responsibility for traffic enforcement once the work has been accepted. There are Public Works department funds in the annual operating budget to conduct maintenance activities of the completed project.

MOTION:

Approve staff recommendation.

SUBMITTED BY: 

[Signature]

Ricardo Sandoval
Director of Engineering

REVIEWED BY: 

[Signature]

Debbie M. Brazill
Deputy City Manager

APPROVED BY: 

[Signature]

Kenneth R. Hunt
City Manager

ATTACHMENTS:

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<th>Description</th>
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<tr>
<td>Vicinity Map</td>
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### ITEM: CC-E

<table>
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<th>Cooperative Agreement</th>
<th>Backup Material</th>
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<tbody>
<tr>
<td>Signed Jurupa Valley Cooperative Agreement</td>
<td>Backup Material</td>
</tr>
</tbody>
</table>
COOPERATIVE AGREEMENT FOR DESIGN AND CONSTRUCTION OF PHILADELPHIA STREET AT THE ETIWANDE SAN SEVAINF FLOOD CONTROL CHANNEL

THIS COOPERATIVE AGREEMENT ("Agreement") is made as of this ___ day of July, 2017, by and between the City of Fontana (FONTANA) and the City of Jurupa Valley (JURUPA VALLEY)

RECITALS

A. FONTANA and JURUPA VALLEY have certain interests conceptually described on the attached Exhibit "A" ("Property").
B. It is necessary for the missing road segment of Philadelphia Street (the "Project") to receive traffic safety road improvements in and around the channel crossing.
C. The roadway segment is located within the boundaries of FONTANA and JURUPA VALLEY.
D. Plans, specifications, and a cost estimate have been prepared by FONTANA.
E. The cost of the contractor to construct the Project will be borne by FONTANA.
F. FONTANA and JURUPA VALLEY have met and agree in the scope of work as preliminary until other information is presented and mutually agreed concerning a Construction Plan.

NOW, THEREFORE, in consideration of the premises and the respective and mutual promises and agreements hereinafter set forth, said parties hereby promise and agree as follows:

1. FONTANA SHALL:
   a. Finalize the plan, specifications, and estimate for the Project.
   b. Have jurisdiction of the area during the design and during the construction for the purposes of authority over all aspects of the Project.
   c. Be the agent for the parties to do and perform all acts necessary or required in order to design and construct the Project in accordance with plans and specifications, including material control, inspection of the work, and execution and delivery of documents or required in completion of Project.
d. Serve as lead agency as designated pursuant to the implementation of CEQA.

e. Bear the cost for maintenance for the north ½ of the Project once the work is accepted.

f. Review and accept a sign plan and placement with respect to a weight limit prohibiting commercial trucks in excess of 7 tons from travelling in the south direction along Country Village Road at Philadelphia Street. Further, truck route signs with an arrow sign will direct truck traffic west on Philadelphia Street and north on Mulberry Avenue.

2. JURUPA VALLEY SHALL:

   a. Review and approve plan and specifications to constructability, operation, and maintenance of the Project.

   b. Provide inspection and an encroachment permit at no cost to FONTANA.

   c. Bear the cost for maintenance for the south ½ of the Project once the work is accepted.

   d. Operate and maintain signs on Country Village Road after completion of Project.

IT IS MUTUALLY AGREED by the parties hereto that:

   a. FONTANA and JURUPA VALLEY shall be named as additional insured on the contractor insurance policy for the purpose of preparing plans and encroachment work to procure plans, and to construct the Project.

   b. Neither FONTANA, nor any officer or employee thereof, shall be responsible for any damage or liability occurring by reason of anything done or omitted to be done by JURUPA VALLEY under in or in connection with any work delegated to JURUPA VALLEY under this agreement. It is also understood and agreed, that, pursuant to Government Code Section 895.4, JURUPA VALLEY shall defend, indemnify, and hold FONTANA harmless from any liability imposed for injury (as defined by Government Code Section 810.08) occurring by reason anything done or omitted to be done by JURUPA VALLEY under or in connection with any work delegated to JURUPA VALLEY under this agreement.

   c. Neither JURUPA VALLEY, nor any officer or employee thereof, shall be responsible for any damage or liability occurring by reason of anything done or omitted to be done by FONTANA under in or in connection with any work delegated to FONTANA under this agreement. It is also understood and agreed, that, pursuant to Government Code Section 895.4, FONTANA shall defend, indemnify, and hold JURUPA VALLEY harmless from any liability imposed for injury (as defined by Government Code Section 810.08) occurring by reason
anything done or omitted to be done by FONTANA under or in connection with any work delegated to FONTANA under this agreement.

d. Language shall be added to Contract Agreement that Contractor shall indemnify, hold harmless, and defend FONTANA and JURUPA VALLEY and its officials, employees, officers, and agents from any and all actions, suits, claims, and damages, liabilities, including costs and attorney's fees, whether or not suit is actually filed, and any judgment rendered against FONTANA and JURUPA VALLEY or City personnel, that may be asserted or claimed by any entity arising out of or in connection with the performance of work, operations, or activities of Contractor pertaining to this Agreement to the extent caused by Contractor.

e. Changes in the Project shall be in written order from FONTANA with approval of JURUPA VALLEY.

f. Truck restriction signs shall be installed prior to the opening of the Project southbound Country Village Road (Mulberry Avenue) at Philadelphia Street prohibiting commercial trucks in excess of 7 tons from traveling in the south direction of Philadelphia Street.

IN WITNESS WHEREOF, the parties have executed this Agreement as of the date and year first written above.

CITY OF JURUPA VALLEY

______________________________
City Manager

ATTEST:

______________________________
City Clerk

CITY OF FONTANA

______________________________
City Manager

______________________________
City Clerk

APPROVED AS TO FORM:

______________________________
City Attorney

______________________________
City Attorney
Exhibit A

Philadelphia Street at the San Sevaine Flood Control Channel is incomplete as a roadway. The project proposes to complete the roadway with curb and gutter, and an engineered street section across the existing flood control structure. Weight restriction signs and truck route signs will be in place and maintained prior to the opening of the roadway alerting commercial traffic of a weight restriction of 7 tons southbound on Country Village Road, south of Philadelphia Street, in accordance with an approved plan.
COOPERATIVE AGREEMENT FOR DESIGN AND CONSTRUCTION OF PHILADELPHIA STREET AT THE ETIWANDA SAN SEVAINE FLOOD CONTROL CHANNEL

THIS COOPERATIVE AGREEMENT ("Agreement") is made as of this 6th day of July, 2017, by and between the City of Fontana (FONTANA) and the City of Jurupa Valley (JURUPA VALLEY)

RECITALS

A. FONTANA and JURUPA VALLEY have certain interests conceptually described on the attached Exhibit "A" ("Property").
B. It is necessary for the missing road segment of Philadelphia Street (the "Project") to receive traffic safety road improvements in and around the channel crossing.
C. The roadway segment is located within the boundaries of FONTANA and JURUPA VALLEY.
D. Plans, specifications, and a cost estimate have been prepared by FONTANA.
E. The cost of the contractor to construct the Project will be borne by FONTANA.
F. FONTANA and JURUPA VALLEY have met and agree in the scope of work as preliminary until other information is presented and mutually agreed concerning a Construction Plan.

NOW, THEREFORE, in consideration of the premises and the respective and mutual promises and agreements hereinafter set forth, said parties hereby promise and agree as follows:

1. FONTANA SHALL:
   a. Finalize the plan, specifications, and estimate for the Project.
   b. Have jurisdiction of the area during the design and during the construction for the purposes of authority over all aspects of the Project.
   c. Be the agent for the parties to do and perform all acts necessary or required in order to design and construct the Project in accordance with plans and specifications, including material control, inspection of the work, and execution and delivery of documents or required in completion of Project.
d. Serve as lead agency as designated pursuant to the implementation of CEQA.
e. Bear the cost for maintenance for the north ½ of the Project once the work is accepted.
f. Review and accept a sign plan and placement with respect to a weight limit prohibiting commercial trucks in excess of 7 tons from travelling in the south direction along Country Village Road at Philadelphia Street. Further, truck route signs with an arrow sign will direct truck traffic west on Philadelphia Street and north on Mulberry Avenue.

2. JURUPA VALLEY SHALL:
   a. Review and approve plan and specifications to constructability, operation, and maintenance of the Project.
   b. Provide inspection and an encroachment permit at no cost to FONTANA.
   c. Bear the cost for maintenance for the south ½ of the Project once the work is accepted.
   d. Operate and maintain signs on Country Village Road after completion of Project.

IT IS MUTUALLY AGREED by the parties hereto that:

a. FONTANA and JURUPA VALLEY shall be named as additional insured on the contractor insurance policy for the purpose of preparing plans and encroachment work to procure plans, and to construct the Project.

b. Neither FONTANA, nor any officer or employee thereof, shall be responsible for any damage or liability occurring by reason of anything done or omitted to be done by JURUPA VALLEY under in or in connection with any work delegated to JURUPA VALLEY under this agreement. It is also understood and agreed, that, pursuant to Government Code Section 895.4, JURUPA VALLEY shall defend, indemnify, and hold FONTANA harmless from any liability imposed for injury (as defined by Government Code Section 810.08) occurring by reason anything done or omitted to be done by JURUPA VALLEY under or in connection with any work delegated to JURUPA VALLEY under this agreement.

c. Neither JURUPA VALLEY, nor any officer or employee thereof, shall be responsible for any damage or liability occurring by reason of anything done or omitted to be done by FONTANA under in or in connection with any work delegated to FONTANA under this agreement. It is also understood and agreed, that, pursuant to Government Code Section 895.4, FONTANA shall defend, indemnify, and hold JURUPA VALLEY harmless from any liability imposed for injury (as defined by Government Code Section 810.08) occurring by reason
anything done or omitted to be done by FONTANA under or in connection with any work delegated to FONTANA under this agreement.
d. Language shall be added to Contract Agreement that Contractor shall indemnify, hold harmless, and defend FONTANA and JURUPA VALLEY and its officials, employees, officers, and agents from any and all actions, suits, claims, and damages, liabilities, including costs and attorney's fees, whether or not suit is actually filed, and any judgment rendered against FONTANA and JURUPA VALLEY or City personnel, that may be asserted or claimed by any entity arising out of or in connection with the performance of work, operations, or activities of Contractor pertaining to this Agreement to the extent caused by Contractor.
e. Changes in the Project shall be in written order from FONTANA with approval of JURUPA VALLEY.
f. Truck restriction signs shall be installed prior to the opening of the Project southbound Country Village Road (Mulberry Avenue) at Philadelphia Street prohibiting commercial trucks in excess of 7 tons from traveling south of Philadelphia Street.

IN WITNESS WHEREOF, the parties have executed this Agreement as of the date and year first written above.

CITY OF JURUPA VALLEY

City Manager

CITY OF FONTANA

City Manager

ATTEST:

City Clerk

City Clerk

APPROVED AS TO FORM:

City Attorney

City Attorney
Exhibit A

Philadelphia Street at the Etiwanda San Sevaine Flood Control Channel is incomplete as a roadway. The project proposes to complete the roadway with curb and gutter, and an engineered street section across the existing flood control structure. Weight restriction signs and truck route signs will be in place and maintained prior to the opening of the roadway alerting commercial traffic of a weight restriction of 7 tons southbound on Country Village Road, south of Philadelphia Street, in accordance with an approved plan.
ACTION REPORT
July 25, 2017

FROM: Department of Community Services
SUBJECT: Fontana Walks Program

RECOMMENDATION:
1. Authorize the City Manager and the Community Services Department to implement the Fontana Walks Program as part of the Healthy Fontana initiative.

2. Authorize a General Fund appropriation in the amount of $21,400.

COUNCIL GOALS:
* To invest in the city's infrastructure (streets, sewers, parks, etc.) by creating and promoting community through people, parks, and programs.
* To preserve the local environment for generations to come and to create a healthy economic and environmental future by promoting an environment that encourages healthy eating, regular physical activity and responsible individual choices.

DISCUSSION:
The Community Services Department is proposing to enhance Healthy Fontana by adding the Fontana Walks program. This activity is to promote physical activity, walkability in the community and educate the community on ways they can live a healthy lifestyle.

The program will consist of promoting walking and encouraging residents to walk at least 5,000 steps per day, in the attempt to hit 2 billion steps within a year’s time (equivalent to approximately 1 million miles). The program covers the development of a webpage for people to log in step counts and receive information on walking events, education on healthy living and promoting city health initiatives; staffing for events and data collection; promotional items; marketing; and outreach to the community. The program would operate from August 2017 to August 2018, and cost $21,400.

FISCAL IMPACT:
Fontana Walks is a new component of the Healthy Fontana initiative and funding for this enhancement is not included in the adopted FY 2017-2018 Operating Budget. An additional General Fund appropriation in the amount of $21,400 is requested and will be included in the First Quarter Budget Status Report to City Council.

MOTION:
Approve staff recommendation.

SUBMITTED BY: REVIEWED BY:
ACTION REPORT
July 25, 2017

FROM: Department of Community Services
SUBJECT: Joint Use Facility Agreement with Colton Joint Unified School District for the After School Program and Use of Field Space

RECOMMENDATION:
1. Approve Amendment 4 to Joint Use Agreement with Colton Joint Unified School District and the City of Fontana for use of facilities for the After School Program at Michael D’Arcy, Jurupa Vista, and Sycamore Hill Elementary Schools.

2. Approve Amendment 4 to Joint Use Agreement with Colton Joint Unified School District and the City of Fontana for the use of playfield at Jurupa Vista Elementary School.

3. Approve Amendment 4 to Joint Use Agreement with Colton Joint Unified School District and the City of Fontana for the use of playfield at Michael D’Arcy Elementary School.

4. Authorize the City Manager or his designee to sign the amendments to the Joint Use Agreements with Colton Joint Unified School District and the City of Fontana.

COUNCIL GOALS:
* To operate in a businesslike manner by ensuring that the public debate is based on accurate information.
* To concentrate on inter-governmental relations by establishing partnerships and positive working relationships with other public agencies providing services to residents.

DISCUSSION:
The City of Fontana has annually reviewed and approved facility joint use agreements with the Colton Joint Unified School District. This agreement is for reciprocal use and/or joint use of park and school district facilities for Village Park/Michael D’Arcy Elementary, Catawba Park/Jurupa Vista Elementary, and Sycamore Hills Elementary Schools. These agreements have been reviewed by the City Attorney’s Office and were reviewed and approved by the Colton Joint Unified School District School Board on June 15, 2017. The terms of these agreements are proposed for two (2) years versus single years.

Attached are the updated agreements (Attachment A – Amendment to Joint Use Agreement for After School Programs; Attachment B – Amendment to Joint Use Agreement for Jurupa Vista Elementary Playfield/Catawba Park; Attachment C – Amendment to Joint use Agreement for Michael D’Arcy
Elementary/Village Park) for Council’s review for the school use and location of each elementary school site.

**After School Program Facility Use: - (Attachment A)**

The agreement states that the City of Fontana may use the school facilities for after school educational, recreational enrichment programs, Monday – Friday from directly after school until 6 p.m. at Michael D’Arcy, Jurupa Vista and Sycamore Hills Elementary Schools. The agreement is for a two year term beginning on July 18, 2017 through July 18, 2019. The District and City shall be responsible for the maintenance of their respective facilities; however, should either party cause maintenance costs out of the ordinary or damage with respect to the use of the other’s facility, such party shall be responsible for additional costs and repairs. The expected use of these facilities within this agreement is 60 hours per week, 44 weeks per year, equating to approximately 2,600 hours annually.

**Park/Field Space Uses – (Attachment B & C)**

The agreements provide for the City use of District playfields and District use of City Parks for recreational programs and activities, Monday – Friday after school until dusk and weekends at Jurupa Vista Elementary Playfield and Catawba Park and Michael D’Arcy Elementary Playfield and Village Park. The District and City shall be responsible for the maintenance of their respective facilities; however, should either party cause maintenance costs out of the ordinary or damage with respect to the use of the other’s facility, such party shall be responsible for additional costs and repairs. The agreements are for two years beginning on July 18, 2017 through July 18, 2019.

The potential use of these fields are 50 hours per week, 52 weeks per year, equating to approximately 2,600 hours per field annually.

**FISCAL IMPACT:**

None.

**MOTION:**

Approve staff recommendation.

SUBMITTED BY: 

REVIEWED BY:

APPROVED BY:
ATTACHMENTS:

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<th>Description</th>
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<tr>
<td>Attachment B - Jurupa Vista</td>
<td>Backup Material</td>
</tr>
<tr>
<td>Attachment C - Michael D'Arcy</td>
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ITEM: CC-G
AMENDMENT 4 TO JOINT USE AGREEMENT

This Amendment ("Amendment") to the Joint Use Agreement by and between COLTON JOINT UNIFIED SCHOOL DISTRICT, a public school district duly organized and existing under Chapter 1 of Division 3 of Title 2 of the Education Code of the State of California ("District") and CITY OF FONTANA, a municipality ("City"), dated July 18, 2013 ("Agreement") (a true and correct copy of which is attached hereto as Exhibit "A"), is hereby made and entered into as of June 15, 2017 ("Effective Date") as follows:

WHEREAS, District and City have entered into the Agreement whereby City uses portions of District's Michael D'Arcy Elementary School located at 11645 Elm Avenue, Fontana, CA 92337, Jurupa Vista Elementary School located at 15920 Village Drive East, Fontana, CA 92337, and Sycamore Hills Elementary School located at 11036 Mahogany Drive, Fontana, CA 92337, to operate City's After School Enrichment Program, as set forth in the Agreement until July 18, 2014; and

WHEREAS, District approved Amendment on May 1, 2014 to extend the Agreement from July 18, 2014 to July 18, 2015; and

WHEREAS, District approved Amendment 2 on June 18, 2015 to extend the Agreement from July 18, 2015 to July 18, 2016; and

WHEREAS, District approved Amendment 3 on June 16, 2016 to extend the Agreement from July 18, 2016 to July 18, 2017; and

WHEREAS, the Parties desire to extend the term of the Agreement; and

WHEREAS, Section 9 of the Agreement requires that any amendment or modification to the Agreement must be in writing and executed by both Parties.

NOW, THEREFORE, DISTRICT AND CITY HEREBY AGREE AS FOLLOWS:

1.  **Agreement.** The Parties hereto represent and warrant that the Agreement, as amended by the above-referenced Amendments, is the true, correct and complete agreement between the Parties, and that there have been no other written or oral amendment(s) to the Agreement. All capitalized terms not otherwise defined herein shall have the meanings given in the Agreement.

2.  **Term.** The Parties agree to extend the term of the Agreement for Two (2) additional year. The Agreement will expire on July 18, 2019.

3.  **Binding Effect: Partial Invalidity.** This Amendment shall be binding upon and inure to the benefit of the Parties hereto and their respective successors and assigns. If any provision of this Amendment shall be held invalid or unenforceable by a court of competent jurisdiction, such holding shall not invalidate or render unenforceable any other provision of this Amendment or the Agreement.

4.  **Full Force and Effect; No Other Amendments.** The Agreement is hereby modified with respect to the terms set forth herein, and any other portion thereof as necessary to
implement the foregoing. Except as specifically set forth in this Amendment and as previously amended, the Agreement shall remain unmodified and in full force and effect as executed by the Parties.

5. **Facsimile Signatures.** In order to expedite the execution of this Amendment, telecopied signatures may be used in place of original signatures on this document. Each Party intends to be bound by the signature on the telecopied document, is aware that the other Party will rely on the telecopied signature, and hereby waives any defenses to the enforcement of the terms of this Amendment based on the form of signature.

6. **Counterparts.** This Amendment may be executed and delivered in any number of counterparts, each of which so executed and delivered shall be deemed to be an original and all of which shall constitute one and the same instrument.

7. **Inconsistencies.** In the event of any inconsistency between the terms of this Amendment and those of the Agreement, the terms of this Amendment shall control.

**IN WITNESS WHEREOF,** the Parties have, by their duly authorized representatives, executed this Amendment, as of the Effective Date set forth above, and agree that this Amendment shall constitute binding modifications to the Agreement.

**District:**

![Signatures]

By: Dr. Frank Miranda
Its: Assistant Superintendent, Business Services Division

**City:**

![Signatures]

By: Kenneth R. Hunt
Its: City Manager
ATTACHMENT B

AMENDMENT 4 TO JOINT USE AGREEMENT

This Amendment ("Amendment") to the Joint Use Agreement by and between COLTON JOINT UNIFIED SCHOOL DISTRICT, a public school district duly organized and existing under Chapter 1 of Division 3 of Title 2 of the Education Code of the State of California ("District") and CITY OF FONTANA, a municipality ("City"), dated July 18, 2013 ("Agreement") (a true and correct copy of which is attached hereto as Exhibit "A"), is hereby made and entered into as of June 15, 2017 ("Effective Date") as follows:

WHEREAS, District and City have entered into the Agreement whereby City uses playfields at the District’s Jurupa Vista Elementary School located at 15920 Village Drive East, Fontana, CA 92337 for recreational purposes, as set forth in the Agreement until July 18, 2014; and

WHEREAS, Section 5.2 of the Agreement permits the parties to extend the Agreement for an additional term of up to one year; and

WHEREAS, District approved Amendment on May 1, 2014 to extend the Agreement from July 18, 2014 to July 18, 2015; and

WHEREAS, District approved Amendment 2 on June 18, 2015 to extend the Agreement from July 18, 2015 to July 18, 2016; and

WHEREAS, District approved Amendment 3 on June 16, 2016 to extend the Agreement from July 18, 2016 to July 18, 2017; and

WHEREAS, the Parties desire to extend the term of the Agreement; and

WHEREAS, Section 9.11 of the Agreement requires that any amendment or modification to the Agreement must be in writing and executed by both City and District.

NOW, THEREFORE, DISTRICT AND CITY HEREBY AGREE AS FOLLOWS:

1. **Agreement.** The Parties hereto represent and warrant that the Agreement is the true, correct and complete agreement between the Parties, and that there have been no other written or oral amendment(s) to the Agreement. All capitalized terms not otherwise defined herein shall have the meanings given in the Agreement.

2. **Term,** The Parties agree to extend the term of the Agreement for two (2) additional years. The Agreement will expire on July 18, 2019.

3. **Binding Effect; Partial Invalidity.** This Amendment shall be binding upon and inure to the benefit of the Parties hereto and their respective successors and assigns. If any provision of this Amendment shall be held invalid or unenforceable by a court of competent jurisdiction, such holding shall not invalidate or render unenforceable any other provision of this Amendment or the Agreement.
4. **Full Force and Effect; No Other Amendments.** The Agreement is hereby modified with respect to the terms set forth herein, and any other portion thereof as necessary to implement the foregoing. Except as specifically set forth in this Amendment, the Agreement shall remain unmodified and in full force and effect as executed by the Parties.

5. **Facsimile Signatures.** In order to expedite the execution of this Amendment, telecopied signatures may be used in place of original signatures on this document. The Parties intend to be bound by the signatures on the telecopied document, are aware that the other Party will rely on the telecopied signatures, and hereby waive any defenses to the enforcement of the terms of this Amendment based on the form of signature.

6. **Counterparts.** This Amendment may be executed and delivered in any number of counterparts, each of which so executed and delivered shall be deemed to be an original and all of which shall constitute one and the same instrument.

7. **Inconsistencies.** In the event of any inconsistency between the terms of this Amendment and those of the Agreement, the terms of this Amendment shall control.

**IN WITNESS WHEREOF,** the Parties have, by their duly authorized representatives, executed this Amendment, as of the Effective Date set forth above, and agree that this Amendment shall constitute binding modifications to the Agreement.

**District:**

[Signature]

By: Dr. Frank Miranda
Its: Acting Assistant Superintendent, Business Services Division

**City:**

[Signature]

By: Kenneth R. Hunt
Its: City Manager
ATTACHMENT C

AMENDMENT 4 TO JOINT USE AGREEMENT

This Amendment ("Amendment") to the Joint Use Agreement by and between COLTON JOINT UNIFIED SCHOOL DISTRICT, a public school district duly organized and existing under Chapter 1 of Division 3 of Title 2 of the Education Code of the State of California ("District") and CITY OF FONTANA, a municipality ("City"), dated July 18, 2013 ("Agreement") (a true and correct copy of which is attached hereto as Exhibit "A"), is hereby made and entered into as of June 15, 2017 ("Effective Date") as follows:

WHEREAS, District and City have entered into the Agreement whereby City uses playfields at the District’s Michael D’Arcy Elementary School located at 11645 Elm Avenue, Fontana, CA 92337 for recreational purposes, as set forth in the Agreement until July 18, 2014; and

WHEREAS, Section 5.2 of the Agreement permits the parties to extend the Agreement for an additional term of up to one year; and

WHEREAS, District approved Amendment on May 1, 2014 to extend the Agreement from July 18, 2014 to July 18, 2015; and

WHEREAS, District approved Amendment 2 on June 18, 2015 to extend the Agreement from July 18, 2015 to July 18, 2016; and

WHEREAS, District approved Amendment 3 on June 18, 2015 to extend the Agreement from July 18, 2016 to July 18, 2017; and

WHEREAS, the Parties desire to extend the term of the Agreement; and

WHEREAS, Section 9.11 of the Agreement requires that any amendment or modification to the Agreement must be in writing and executed by both City and District.

NOW, THEREFORE, DISTRICT AND CITY HEREBY AGREE AS FOLLOWS:

1. Agreement. The Parties hereto represent and warrant that the Agreement is the true, correct and complete agreement between the Parties, and that there have been no other written or oral amendment(s) to the Agreement. All capitalized terms not otherwise defined herein shall have the meanings given in the Agreement.

2. Term. The Parties agree to extend the term of the Agreement for two (2) additional year. The Agreement will expire on July 18, 2019.

3. Binding Effect; Partial Invalidity. This Amendment shall be binding upon and inure to the benefit of the Parties hereto and their respective successors and assigns. If any provision of this Amendment shall be held invalid or unenforceable by a court of competent jurisdiction, such holding shall not invalidate or render unenforceable any other provision of this Amendment or the Agreement.
4. **Full Force and Effect; No Other Amendments.** The Agreement is hereby modified with respect to the terms set forth herein, and any other portion thereof as necessary to implement the foregoing. Except as specifically set forth in this Amendment, the Agreement shall remain unmodified and in full force and effect as executed by the Parties.

5. **Facsimile Signatures.** In order to expedite the execution of this Amendment, telecopied signatures may be used in place of original signatures on this document. The Parties intend to be bound by the signatures on the telecopied document, are aware that the other Party will rely on the telecopied signatures, and hereby waive any defenses to the enforcement of the terms of this Amendment 2 based on the form of signature.

6. **Counterparts.** This Amendment may be executed and delivered in any number of counterparts, each of which so executed and delivered shall be deemed to be an original and all of which shall constitute one and the same instrument.

7. **Inconsistencies.** In the event of any inconsistency between the terms of this Amendment 2 and those of the Agreement, the terms of this Amendment shall control.

**IN WITNESS WHEREOF,** the Parties have, by their duly authorized representatives, executed this Amendment, as of the Effective Date set forth above, and agree that this Amendment shall constitute binding modifications to the Agreement.

**District:** COLTON JOINT UNIFIED SCHOOL DISTRICT

By: Dr. Frank Miranda
Its: Acting Assistant Superintendent, Business Services Division

**City:** CITY OF FONTANA

By: Kenneth R. Hunt
Its: City Manager
ACTION REPORT
July 25, 2017

FROM: Department of Assistant to the City Manager
SUBJECT: Request to Waive Fees for Facility Use for Memorial Service

RECOMMENDATION:
Authorize the waiving of fees for the Jessie Turner Community Center for memorial service.

COUNCIL GOALS:
* To create a team by supporting the decisions of the majority once made.

DISCUSSION:
A request for a fee waiver for the memorial service of Mr. Jesus Bohorquez was submitted for consideration by the Bohorquez family. In 1997 in the City of Fontana, Mr. Bohorquez founded the Universal Soccer League, with only four teams. In the years that followed, the league expanded to approximately 120 teams ranging from the ages of 6 to 18. Mr. Bohorquez touched the lives and families of hundreds of Fontana residents. The family requested the use of Jessie Turner Community center for a community memorial service to celebrate the life of this exceptional man. The estimated cost of the facility rental is $1,099.35.

FISCAL IMPACT:
The amount will be absorbed in the Community Services Department budget.

MOTION:
Approve staff recommendation.

SUBMITTED BY:

Amy Colbrunn
Assistant to the City Manager

APPROVED BY:

Kenneth R. Hunt
City Manager
ATTACHMENTS:

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<tbody>
<tr>
<td>Facility Rental Agreement</td>
<td>Backup Material</td>
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ITEM: CC-H
Facility Rental Agreement

Rental bookings are not confirmed until we receive a copy of this Facility Rental Agreement signed by the Licensee and accompanied by the initial rental fee payment and damage deposit, if any.

**Contract**
- **Contract #:** FA-2386
- **Date:** 16 May 2017
- **Status:** Tentative
- **Prepared by:** Guadalupe Johanssen

**Client Information**
- **Name:** Blanca Rodarte
- **Account:** Universal Soccer League
- **Phone Number:** 909-641-8061
- **Email:** universalssoccer@yahoo.com
- **Address:** 16655 Foothill Bvd. Ste. 106 - Fontana, California, 92335, United States

**Facility**
- **Field:** JT - Full Banquet Room
- **Date:** 29 Jun 2017
- **Day:** Thursday
- **Time:** 06:00 PM - 11:00 PM
- **Fee(s):** $195.00 (Non-Profit Weekday Hourly Fee)
- **Subtotal:** $195.00

**Facility Fees**

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**Extra Fees**

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<tr>
<td>Security Deposit - JT</td>
<td>1</td>
<td>$500.00 / item</td>
<td>1 item</td>
<td>$500.00</td>
<td>$0.00</td>
<td>$500.00</td>
</tr>
</tbody>
</table>

**Extra Fees Details**

**Passover - Blanca Rodarte (Jun 29, 2017 to Jun 29, 2017)**

<table>
<thead>
<tr>
<th>Name</th>
<th>#</th>
<th>Unit Price</th>
<th>Subtotal</th>
<th>Tax</th>
<th>Total Price</th>
</tr>
</thead>
<tbody>
<tr>
<td>Security Deposit - JT</td>
<td>1</td>
<td>$500.00 / item</td>
<td>$500.00</td>
<td>$0.00</td>
<td>$500.00</td>
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</table>

**Extras per Booking**

<table>
<thead>
<tr>
<th>Date &amp; Time</th>
<th>Field</th>
<th>Name</th>
<th>#</th>
<th>Unit Price</th>
<th>Total Usage</th>
<th>Subtotal</th>
<th>Tax</th>
<th>Total Price</th>
</tr>
</thead>
<tbody>
<tr>
<td>Jun 29, 2017 (06:00pm - 10:00pm)</td>
<td>JT - Full Banquet Room</td>
<td>JT - Security Guard 2</td>
<td>1</td>
<td>$19.15 / item</td>
<td>4 hrs</td>
<td>$76.60</td>
<td>$0.00</td>
<td>$76.60</td>
</tr>
<tr>
<td>Jun 29, 2017 (06:00pm - 11:00pm)</td>
<td>JT - Full Banquet Room</td>
<td>JT - Insurance 100-500 ppl</td>
<td>1</td>
<td>$116.15 / item</td>
<td>1 session</td>
<td>$116.15</td>
<td>$0.00</td>
<td>$116.15</td>
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<td>Jun 29, 2017 (06:00pm - 10:00pm)</td>
<td>JT - Full Banquet Room</td>
<td>JT - Security Guard 1</td>
<td>1</td>
<td>$19.15 / item</td>
<td>4 hrs</td>
<td>$76.60</td>
<td>$0.00</td>
<td>$76.60</td>
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### Facility & Extra Summary

<table>
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<tr>
<th>Field</th>
<th>Date</th>
<th>Day</th>
<th>Time</th>
<th>Fees</th>
<th>Extra Fees</th>
<th>Discount</th>
<th>Tax</th>
<th>Total</th>
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<tbody>
<tr>
<td>JT - Full Banquet Room</td>
<td>29 Jun 2017</td>
<td>Thursday</td>
<td>06:00 PM - 11:00 PM</td>
<td>$195.00</td>
<td>$404.35</td>
<td>$0.00</td>
<td>$0.00</td>
<td>$599.35</td>
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### Contract Total

<table>
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</thead>
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<td>Rental Fee</td>
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</tr>
<tr>
<td>Rental Tax</td>
<td>$0.00</td>
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<tr>
<td>Extra Fee</td>
<td>$904.35</td>
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<tr>
<td>Extra Tax</td>
<td>$0.00</td>
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<tr>
<td>Total with Tax</td>
<td>$1,099.35</td>
</tr>
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</table>

### Release and Waiver of Liability

Date: 17.5.2017

__________________________
Client Signature
ACTION REPORT
July 25, 2017

FROM: Department of Management Services
SUBJECT: Levy of a Special Tax in Community Facilities Districts for Fiscal Year 2017-2018

RECOMMENDATION:
Adopt Resolution No. 2017- ____ Authorizing the Levy of a Special Tax within Community Facilities Districts (Maintenance) for Fiscal Year 2017-2018.

COUNCIL GOALS:
* To invest in the city's infrastructure (streets, sewers, parks, etc.) by improving the aesthetics of the community.

DISCUSSION:
Community Facilities Districts (maintenance) in various locations around the City were established for the purpose of funding annual landscape, lighting, and park maintenance within each District.

Pursuant to Government Code Section 53340, Ordinances have been adopted to levy a special tax at the rate and in the manner specified in each district Rate and Method of Apportionment. Each district Rate and Method of Apportionment has been approved and adopted by the City Council.

The proposed Fiscal Year 2017-2018 special tax rates are shown for each district in the Exhibit attached to the resolution. The proposed rates are the same rates assessed in the prior fiscal year except for the following districts:

<table>
<thead>
<tr>
<th>District</th>
<th>2016-2017 Current Rate</th>
<th>2017-2018 Proposed Rate</th>
<th>$ Increase</th>
<th>% Increase</th>
</tr>
</thead>
<tbody>
<tr>
<td>CFD # 2</td>
<td>$12.68</td>
<td>$12.93</td>
<td>$0.25</td>
<td>2%</td>
</tr>
<tr>
<td>CFD # 6-2</td>
<td>$470.00</td>
<td>$498.00</td>
<td>$28.00</td>
<td>6%</td>
</tr>
<tr>
<td>CFD # 6-3a</td>
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<td>$480.00</td>
<td>$86.00</td>
<td>22%</td>
</tr>
<tr>
<td>CFD # 12</td>
<td>$392.00</td>
<td>$450.00</td>
<td>$58.00</td>
<td>15%</td>
</tr>
<tr>
<td>CFD # 15</td>
<td>$336.00</td>
<td>$378.00</td>
<td>$42.00</td>
<td>13%</td>
</tr>
<tr>
<td>CFD # 27</td>
<td>$550.00</td>
<td>$595.00</td>
<td>$45.00</td>
<td>8%</td>
</tr>
</tbody>
</table>

The special tax levied on each assessable parcel with each District is necessary to pay the costs and expenses of each District. A list off each parcel and the related specific tax for each parcel is available for viewing in the City Clerk's Office.

The Districts were established after the adoption of Proposition 218, and comply
with its requirements because the Districts and the special taxes were approved by the consent of the property owners at the time each District was formed.

The City Treasurer has reviewed and supports this action.

FISCAL IMPACT:
The proposed Fiscal Year 2017-2018 special tax rates will generate $5.0 million to fund annual landscape and lighting maintenance costs within each District.

MOTION:
Approve staff recommendation.

SUBMITTED BY:  REVIEWED BY:

Lisa Strong
Management Services Director

David R. Edgar
Deputy City Manager

APPROVED BY:

Kenneth R. Hunt
City Manager

ATTACHMENTS:

<table>
<thead>
<tr>
<th>Description</th>
<th>Type</th>
</tr>
</thead>
<tbody>
<tr>
<td>Proposed Resolution to Levy Maintenance District</td>
<td>Resolution</td>
</tr>
<tr>
<td>Maintenance District Listing and Levy</td>
<td>Backup Material</td>
</tr>
</tbody>
</table>

ITEM: CC-I
RESOLUTION NO. 2017-


WHEREAS, the City Council of the City of Fontana, (the “City Council”) has initiated proceedings, held a public hearing, conducted an election and received a favorable vote from the qualified electors relating to the levy of special taxes in the community facilities districts identified on Exhibit “A”, all as authorized pursuant to the terms and provisions of the “Mello-Roos Community Facilities Act of 1982”, Chapter 2.5, Part 1, Division 2, Title 5 of the Government Code of the State of California (the “Act”); and

WHEREAS, the City Council, by ordinance, as authorized by Section 53340 of the Government Code of the State of California, has authorized the levy of special taxes to pay for the maintenance of authorized improvements and facilities and other costs and expenses related to said community facilities districts, and the City Council desires to establish the specific rate of the special taxes to be levied and collected with the community facilities districts identified on Exhibit “A” for Fiscal Year 2017-2018.

NOW, THEREFORE, BE IT RESOLVED, determined, and ordered by the City Council of the City of Fontana, California, as follows:

SECTION 1. That the above recitals are all true and correct and that all legal prerequisites to the adoption of this Resolution have been duly and regularly taken.

SECTION 2. The specific rate and amount of the special tax to be collected for Fiscal Year 2017-2018 for the community facilities districts identified in Exhibit “A” is hereby determined and established as set forth in Exhibit “A” attached hereto and incorporated herein by reference. Said special taxes shall be and are hereby levied for Fiscal Year 2017-2018 on all parcels of real property that are subject to taxation within each community facilities district identified on Exhibit “A” and in the amount set forth for each such parcel on file with the City Clerk.

SECTION 3. The rate as set forth above does not exceed the amount previously authorized by Ordinance of the City Council, and is not in excess of that as previously approved by the qualified electors of the District.

SECTION 4. The proceeds of the Special Tax shall be used to pay the costs of maintenance of authorized facilities and improvements for each community facilities district and for payment of administrative expenses incurred in connection with the levy and collection of said Special Taxes.
SECTION 5. The above authorized Special Tax shall be collected in the same manner as ordinary ad valorem property taxes are collected and shall have the same lien and priority in the case of delinquency as is provided for ad valorem taxes.

SECTION 6. All monies above collected shall be paid into the designated fund for each community facilities district.

SECTION 7. The City Clerk is hereby directed to transmit or cause to be transmitted to the Auditor of the County of San Bernardino for entry in the next County assessment roll on which taxes will become due, opposite each lot or parcel of land affected, the installment of the Special Tax as set forth in the documents on file with the City Clerk.

SECTION 8. The County Auditor shall then, at the close of the tax collection period, promptly render to this Agency a detailed report showing the amount and/or amounts of such Special Tax installments, interest, penalties and percentages so collected and from what property collected, and also provide a statement of any percentages retained for the expense of making any such collection.

APPROVED AND ADOPTED this 25th day of July, 2017.

READ AND APPROVED AS TO LEGAL FORM:

City Attorney

I, Tonia Lewis, City Clerk of the City of Fontana, and Ex-Officio Clerk of the City Council, do hereby certify that the foregoing resolution is the actual resolution duly and regularly adopted by the City Council at a regular meeting on the 25th day of July, 2017, by the following vote to wit:

AYES:
NOES:
ABSENT:

City Clerk of the City of Fontana

Mayor of the City of Fontana

ATTEST:

City Clerk
### Exhibit A

**CITY OF FONTANA**  
Special Assessments Maintenance Districts  
Fiscal Year 2017-2018

<table>
<thead>
<tr>
<th>Type &amp; Number #</th>
<th>parcels</th>
<th>Rates</th>
<th>Total</th>
<th>Type &amp; Number #</th>
<th>parcels</th>
<th>Rates</th>
<th>Total</th>
</tr>
</thead>
<tbody>
<tr>
<td>CFD # 2*</td>
<td>3716</td>
<td>$12.92</td>
<td>72,731.96</td>
<td>CFD # 45M</td>
<td>168</td>
<td>595.00</td>
<td>99,960.00</td>
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<tr>
<td>CFD # 6</td>
<td>769</td>
<td>429.00</td>
<td>329,901.00</td>
<td>CFD # 46M</td>
<td>70</td>
<td>692.00</td>
<td>48,440.00</td>
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<td>401</td>
<td>459.10</td>
<td>184,099.10</td>
<td>CFD # 47M</td>
<td>17</td>
<td>674.00</td>
<td>11,458.00</td>
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<tr>
<td>CFD # 6-2*</td>
<td>183</td>
<td>498.00</td>
<td>91,134.00</td>
<td>CFD # 48M</td>
<td>91</td>
<td>820.00</td>
<td>74,620.00</td>
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<tr>
<td>CFD # 6-3a*</td>
<td>477</td>
<td>480.00</td>
<td>228,960.00</td>
<td>CFD # 49M</td>
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<td>262.14</td>
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<td>10,830.00</td>
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<td>144,485.00</td>
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<td>19,800.00</td>
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<td>22,250.00</td>
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<tr>
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<td>CFD # 44M</td>
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<td>30</td>
<td>650.00</td>
<td>19,500.00</td>
</tr>
</tbody>
</table>

**Totals**  
13,694  
5,038,036.25

*2017-2018 rate for this district has been increased as allowed in the Rate and Method of Apportionment.*
ACTION REPORT  
July 25, 2017

FROM: Department of Management Services

SUBJECT: Levy of a Special Tax in Community Facilities District No. 1 (Southridge Village) for Fiscal Year 2017-2018

RECOMMENDATION:
Adopt Resolution No. 2017-______ Authorizing the Levy of a Special Tax in Community Facilities District No. 1 (Southridge) for Fiscal Year 2017-2018.

COUNCIL GOALS:
* To practice sound fiscal management by developing long-term funding and debt management plans.

DISCUSSION:
To mitigate the fiscal impact of Southridge Village, the City Council adopted Resolution 84-13 establishing Community Facilities District No. 1 (Southridge). The District was established to fund and provide the following services:

- Police Services
- Fire protection, suppression, ambulance and paramedic services
- Operation and maintenance of parks and parkways

Pursuant to the Special Tax Rate and Method of Apportionment, adopted by the City Council on November 15, 1983, the special tax rate in the District may annually increase by an amount which is the lesser of (1) the annual increase in the consumer price index (CPI) as determined by the U.S. Department of Labor Statistics or (2) five percent (5%) of the maximum special tax rate.

The proposed Fiscal Year 2017-2018 maximum special tax rate for the District is $922.12 per equivalent dwelling unit. This is an increase of the maximum tax of $8.29 or 0.907% over the prior fiscal year. The actual tax will remain the same as the previous fiscal year at $752.00.

It is projected that the revenues generated by the actual tax of $752.00 per equivalent dwelling unit will be sufficient to cover the cost of providing the services authorized by the District and detailed in Exhibit A.

The City’s special taxes for this District have been reviewed in light of the passage of Proposition 218. The recommended actions comply with the provisions of this proposition.

A listing of the parcels and the related specific tax for each parcel is available for
The City Treasurer has reviewed and supports this action.

**FISCAL IMPACT:**
The proposed actual tax of $752.00 per dwelling unit will generate approximately $5.6 million to fund police services, fire protection, and landscape maintenance for the District. It is projected that the proposed actual rate will generate sufficient revenues to cover the costs of providing these services to the District.

**MOTION:**
Approve staff recommendation.

**ATTACHMENTS:**

<table>
<thead>
<tr>
<th>Description</th>
<th>Type</th>
</tr>
</thead>
<tbody>
<tr>
<td>Proposed Resolution Authorizing Levy for CFD No. 1</td>
<td>Resolution</td>
</tr>
<tr>
<td>CFD No. 1 Exhibit A</td>
<td>Backup Material</td>
</tr>
<tr>
<td>CFD No. 1 Location Map</td>
<td>Backup Material</td>
</tr>
</tbody>
</table>

ITEM: CC-J
RESOLUTION NO. 2017-


WHEREAS, the City Council of the City of Fontana, (the “City Council”) has initiated proceedings, held a public hearing, conducted an election and received a favorable vote from the qualified electors relating to the levy of a special tax in a community facilities district, all as authorized pursuant to the terms and provisions of the “Mello-Roos Community Facilities Act of 1982”, Chapter 2.5, Part 1, Division 2, Title 5 of the Government Code of the State of California (the “Act”). This Community Facilities District shall hereinafter be referred to as COMMUNITY FACILITIES DISTRICT NO. 1; and

WHEREAS, the City Council, by Ordinance, as authorized by Section 53340 of the Government Code of the State of California, has authorized the levy of a special tax to pay for costs and expenses related to said Community Facilities District, and the City Council is desirous to establish the maximum special tax and the actual rate of the special tax to be collected for Fiscal Year 2017-2018; and

WHEREAS, funds of the City are not available to pay for the police protection, fire protection, and the operation and maintenance of parks and parkways in the District during Fiscal Year 2017-2018.

NOW, THEREFORE, BE IT RESOLVED, determined, and ordered by the City Council of the City of Fontana, California, as follows:

SECTION 1. That the above recitals are all true and correct.

SECTION 2. In a manner of apportionment as authorized by Resolution No. 84-13, as amended in Resolution No. 84-57, and as approved by the qualified electors, the specific rate and amount of the special tax to be collected to pay for the costs and expenses for Fiscal Year 2017-2018 for the referenced District are hereby determined and established as follows:

a. For each single or multi-family residential dwelling unit within the District, whether attached, detached or a condominium, as defined by Civil Code Section 783, located within each County Assessor’s parcel for which a building permit has been issued, the maximum rate of said special tax shall be nine hundred twenty two dollars and twelve ($922.12) for Fiscal Year 2017-2018. The actual tax amount will remain the same as the prior fiscal year at $752.00.
b. For property within each County Assessor’s parcel in the District developed for any non-residential use of a commercial or other business nature for which a building permit or use permit has been issued, same rate as provided in subparagraph (a), with the limitations and qualifications as contained therein, and shall be determined on the basis of five (5) residential dwelling units per acre or portion thereof for such commercial development upon any such parcel, as herein above set forth; provided that the applicable maximum rate of the special tax for a particular fiscal year for any commercially zoned and developed parcel or condominium ownership unit developed for a commercial use and which comprises a separate County Assessor’s parcel shall not be less than the maximum rate of the special tax which otherwise could have been levied in full on a single or multi-family residential dwelling unit or condominium unit with a County Assessor’s parcel in accordance with Paragraph 2(a) hereof.

SECTION 3. The rate as set forth above does not exceed the amount previously authorized by Ordinance of the City Council, and is not in excess of that as previously approved by the qualified electors of the District.

SECTION 4. The proceeds of the Special Tax shall be used to pay, in whole or in part, the costs of the following:

a. Police protection
b. Fire protection
c. Operation and maintenance of parks and parkways
d. Repayment of City advances and loans, if appropriate.

SECTION 5. The above authorized Special Tax shall be collected in the same manner as ordinary ad valorem property taxes are collected and shall have the same lien and priority in the case of delinquency as is provided for ad valorem taxes.

SECTION 6. All monies above collected shall be paid into the Community Facilities District’s fund.

SECTION 7. The City Manager is hereby directed to transmit or cause to be transmitted to the Auditor of the County of San Bernardino for entry in the next County assessment roll on which taxes will become due, opposite each lot or parcel of land affected in a space marked “Public Improvement, Special Tax” or by any other suitable designation.

SECTION 8. The County Auditor shall then, at the close of the tax collection period, promptly render to this Agency a detailed report showing the amount and/or amounts of such Special Tax installments, interest, penalties and percentages so collected and from what property collected, and also provide a statement of any percentages retained for the expense of making any such collection.
APPROVED AND ADOPTED this 25th day of July, 2017.

READ AND APPROVED AS TO LEGAL FORM:

________________________________________
City Attorney

I, Tonia Lewis, City Clerk of the City of Fontana, and Ex-Officio Clerk of the City Council, do hereby certify that the foregoing resolution is the actual resolution duly and regularly adopted by the City Council at a regular meeting on the 25th day of July, 2017, by the following vote to wit:

AYES:
NOES:
ABSENT:

________________________________________
City Clerk of the City of Fontana

________________________________________
Mayor of the City of Fontana

ATTEST:

________________________________________
City Clerk
### Exhibit A

City of Fontana  
Community Facilities District No. 1  
Southridge Village

Special Tax Allocation - Costs to be Allocated  
Fiscal Year 2017-2018

<table>
<thead>
<tr>
<th>Services Authorized</th>
<th>Total</th>
<th>Per Unit</th>
<th>%</th>
</tr>
</thead>
<tbody>
<tr>
<td>Police Services</td>
<td>$1,641,600</td>
<td>$221.49</td>
<td>29%</td>
</tr>
<tr>
<td>Fire Protection</td>
<td>1,006,100</td>
<td>135.74</td>
<td>18%</td>
</tr>
<tr>
<td>Landscaping</td>
<td>2,730,859</td>
<td>368.45</td>
<td>49%</td>
</tr>
<tr>
<td>Delinquency Allowance</td>
<td>167,210</td>
<td>26.32</td>
<td>3%</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td><strong>$5,545,769</strong></td>
<td><strong>$752.00</strong></td>
<td><strong>100%</strong></td>
</tr>
</tbody>
</table>

*Exhibit A - Special Tax Allocation - Costs to be Allocated for Fiscal Year 2017-2018 for the City of Fontana, Community Facilities District No. 1, Southridge Village.*
ACTION REPORT  
July 25, 2017

FROM:  Department of Management Services  
SUBJECT: Levy of a Special Tax in Community Facilities District No. 7 (Country Club Estates) for Fiscal Year 2017-2018

RECOMMENDATION:
Adopt Resolution No. 2017-____ of the City Council of the City of Fontana, California, authorizing the Levy of a Special Tax in Community Facilities District No. 7 (Country Club Estates) for Fiscal Year 2017-2018.

COUNCIL GOALS:
* To practice sound fiscal management by fully funding liabilities and reserves.
* To practice sound fiscal management by developing long-term funding and debt management plans.

DISCUSSION:
Community Facilities District No. 7 (Country Club Estates) was established by Resolution No. 98-08 on January 20, 1998, to finance public facilities and to pay annual landscape and lighting maintenance costs within the District. On February 25, 1998, the District issued $4 million in Special Tax Bonds to finance certain public improvements within the District. The bonds were refunded in 2005 to take advantage of interest rate savings.

Pursuant to Government Code Section 53340, a resolution must be adopted by the City Council annually to levy a special tax to pay for the maturing principal and interest on the bonds. The rate and method of apportionment of the special tax was originally set forth in Ordinance No. 1235 approved and adopted by the City Council on February 3, 1998.

The special tax levied on each assessable parcel within the District is necessary to pay principal and interest on the outstanding bonded indebtedness and authorized administrative expenses (Special Tax A); and the annual landscape and lighting maintenance costs of the District (Special Tax B).

The portion of the special tax rate necessary to pay the principal and interest on the outstanding bonded indebtedness and authorized incidental expenses is comprised of available cash balance, debt service payments, and administration costs (Exhibit A, Schedule 1).

The proposed Fiscal Year 2017-2018 special tax rates (Special Tax A and Special Tax B) are outlined in Exhibit A, Schedule 2.
A comparison of the total special tax levy and rates (A and B) for Fiscal Year 2016-2017 and Fiscal Year 2017-2018 is outlined in Exhibit A, Schedule 3.

The proposed special tax rates for Fiscal Year 2017-2018 were developed according to the Rate and Method of Apportionment. Special tax rate A (bond) and special tax rate B (maintenance) are the same as the prior year.

The District was established after the adoption of Proposition 218 and complies with its requirements because the District and the special taxes were approved by the consent of the property owner at the time the District was formed.

The City Treasurer has reviewed and supports this action.

**FISCAL IMPACT:**

The proposed Fiscal Year 2017-2018 special tax rates are the same as the prior year and will generate approximately $397,801; $285,805 for debt service expenses and $111,996 for landscape and lighting maintenance costs.

**MOTION:**

Approve staff recommendation.

**ATTACHMENTS:**

<table>
<thead>
<tr>
<th>Description</th>
<th>Type</th>
</tr>
</thead>
<tbody>
<tr>
<td>Proposed Resolution to Levy Communities Facilities District No. 7</td>
<td>Resolution</td>
</tr>
<tr>
<td>Exhibit A to Community Facilities District No. 7</td>
<td>Backup Material</td>
</tr>
<tr>
<td>Exhibit B to Community Facilities District No. 7</td>
<td>Backup Material</td>
</tr>
<tr>
<td>Location Map CFD No. 7</td>
<td>Backup Material</td>
</tr>
</tbody>
</table>

**ITEM:** CC-K
RESOLUTION NO. 2017-


WHEREAS, the City Council of the City of Fontana, (the "City Council") has initiated proceedings, held a public hearing, conducted an election and received a favorable vote from the qualified electors relating to the levy of a special tax in a community facilities district, all as authorized pursuant to the terms and provisions of the “Mello-Roos Community Facilities Act of 1982”, being Chapter 2.5, Part 1, Division 2, Title 5 of the Government Code of the State of California (the “Act”). This Community Facilities District shall hereinafter be referred to as COMMUNITY FACILITIES DISTRICT NO. 7; and

WHEREAS, on February 25, 1998, Community Facilities District No. 7 (Country Club Estates) Special Tax Bonds were issued to finance certain public improvements within the district; and

WHEREAS, the City Council, by Ordinance, as authorized by Section 53340 of the Government Code of the State of California, has authorized the levy of a special tax to pay for costs and expenses related to said Community Facilities District, and the City Council is desirous to establish the specific rate of the special tax to be collected for Fiscal Year 2017-2018.

NOW, THEREFORE, BE IT RESOLVED, determined, and ordered by the City Council of the City of Fontana, California, as follows:

SECTION 1. That the above recitals are all true and correct.

SECTION 2. The specific rate and amount of the special tax to be collected to pay for the costs and expenses for Fiscal Year 2017-2018 for the referenced District is hereby determined and established as set forth in Exhibit “B” attached hereto and incorporated herein by reference provided, however, the City Manager is hereby authorized to reduce the specific rate and method of the special tax as shown in Exhibit “B” upon receipt of the Assessor’s roll from the County of San Bernardino if, as determined by the City Manager in his discretion, following review of the Assessor’s roll, a lower rate and amount of the special tax will be sufficient to pay for the costs and expenses for such fiscal year.

SECTION 3. The rate as set forth above does not exceed the amount previously authorized by Ordinance of the City Council, and is not in excess of that as previously approved by the qualified electors of the District.
**SECTION 4.** The proceeds of Special Tax A shall be used to pay, in whole or in part, the costs of the following, in the following order of priority:

(a) Payment of principal and interest on any outstanding authorized bonded indebtedness;

(b) Necessary replenishment of bond reserve funds or other reserve funds;

(c) Payment of costs and expenses of authorized public facilities and incidental expenses pursuant to the Act; and

(d) Repayment of advances and loans, as appropriate.

The basis for the determination of Special Tax A needed for the 2017-2018 fiscal year is set forth in Exhibit “B”, attached hereto and incorporated herein by reference.

**SECTION 5.** The proceeds of Special Tax B shall be used to pay the costs of park, parkways and open space maintenance of the District and for the payment of administrative expenses incurred in connection with the levy and collection of said Special Tax B.

**SECTION 6.** The above authorized Special Tax shall be collected in the same manner as ordinary ad valorem property taxes are collected and shall have the same lien and priority in the case of delinquency as is provided for ad valorem taxes.

**SECTION 7.** All monies above collected shall be paid into the Community Facilities District’s funds, including any bond and reserve funds.

**SECTION 8.** The City Manager is hereby directed to transmit or cause to be transmitted to the Auditor of the County of San Bernardino for entry in the next County assessment roll on which taxes will become due, opposite each lot or parcel of land affected in a space marked “Public Improvement, Special Tax” or by any other suitable designation, the installment of the Special Tax as set forth in Exhibit “B” or as adjusted pursuant to the provisions of Section 2 above.

**SECTION 9.** The County Auditor shall then, at the close of the tax collection period, promptly render to this Agency a detailed report showing the amount and/or amounts of such Special Tax installments, interest, penalties and percentages so collected and from what property collected, and also provide a statement of any percentages retained for the expense of making any such collection.
APPROVED AND ADOPTED this 25th day of July, 2017.

READ AND APPROVED AS TO LEGAL FORM:

______________________________________________
City Attorney

I, Tonia Lewis, City Clerk of the City of Fontana, and Ex-Officio Clerk of the City Council, do hereby certify that the foregoing resolution is the actual resolution duly and regularly adopted by the City Council at a regular meeting on the 25th day of July, 2017, by the following vote to wit:

AYES:
NOES:
ABSENT:

______________________________________________
City Clerk of the City of Fontana

______________________________________________
Mayor of the City of Fontana

ATTEST:

______________________________________________
City Clerk
**Schedule 1**
Special Tax Allocation - Costs to be Allocated
Fiscal Year 2017-2018

<table>
<thead>
<tr>
<th>Description</th>
<th>Amount</th>
</tr>
</thead>
<tbody>
<tr>
<td>Bond Payment 09/2017</td>
<td>$218,752</td>
</tr>
<tr>
<td>Bond Payment 03/2018</td>
<td>55,556</td>
</tr>
<tr>
<td>Bond Payment 09/2018</td>
<td>220,556</td>
</tr>
<tr>
<td>Administration Costs</td>
<td>21,855</td>
</tr>
<tr>
<td><strong>Total Costs</strong></td>
<td><strong>$516,719</strong></td>
</tr>
<tr>
<td>Bond Service Funds Available</td>
<td>$239,514</td>
</tr>
<tr>
<td>Proposed Special Tax Levy</td>
<td>285,805</td>
</tr>
<tr>
<td>Allowance for Delinquencies</td>
<td>(8,600)</td>
</tr>
<tr>
<td><strong>Available Funds</strong></td>
<td><strong>$516,719</strong></td>
</tr>
</tbody>
</table>

**Schedule 2**
Proposed Special Tax Rates for Fiscal Year 2017-2018
(Special Tax A and Special Tax B)

<table>
<thead>
<tr>
<th>Residential Lot Size</th>
<th>Special Tax A</th>
<th>Special Tax B</th>
<th>Total Special Tax Rate</th>
</tr>
</thead>
<tbody>
<tr>
<td>Small (less than 7,200 sq ft)</td>
<td>$711.00</td>
<td>$306.00</td>
<td>$1,017.00</td>
</tr>
<tr>
<td>Medium (7,200 to 9,999 sq ft)</td>
<td>816.00</td>
<td>306.00</td>
<td>1,122.00</td>
</tr>
<tr>
<td>Large (10,000 sq ft or larger)</td>
<td>922.00</td>
<td>306.00</td>
<td>1,228.00</td>
</tr>
<tr>
<td><strong>Total Proposed Levy</strong></td>
<td><strong>$285,805.00</strong></td>
<td><strong>$111,996.00</strong></td>
<td><strong>$397,801.00</strong></td>
</tr>
</tbody>
</table>

**Schedule 3**
Comparison of Special Tax Levy and Rates by Fiscal Years

<table>
<thead>
<tr>
<th>Tax Classification (Land Use)</th>
<th>FY 2016 - 2017</th>
<th>FY 2017 - 2018</th>
<th>Percent Change</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>Special Tax</td>
<td>Rate</td>
<td>Special Tax</td>
</tr>
<tr>
<td>Small (less than 7,200 sq ft)</td>
<td>$190,179</td>
<td>$1,017.00</td>
<td>$190,179</td>
</tr>
<tr>
<td>Medium (7,200 to 9,999 sq ft)</td>
<td>129,030</td>
<td>1,122.00</td>
<td>129,030</td>
</tr>
<tr>
<td>Large (10,000 sq ft or larger)</td>
<td>78,592</td>
<td>1,228.00</td>
<td>78,592</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td><strong>$397,801</strong></td>
<td></td>
<td><strong>$397,801</strong></td>
</tr>
</tbody>
</table>
EXHIBIT “B”

CITY OF FONTANA
COMMUNITY FACILITIES DISTRICT NO. 7
(COUNTRY CLUB ESTATES)
RATE AND METHOD OF APPORTIONMENT OF SPECIAL TAXES
(Summary – Full text available in the Financial Services Division)

The Resolution of Annual Levy refers to this Exhibit for an explanation of the rate and method of apportionment of the special tax so as to allow each landowner or resident within the district to estimate the annual amount that would be required for payment.

A Special Tax shall be levied on and collected in City of Fontana Community Facilities District No. 7 (Country Club Estates) (“CFD No. 7”) each Fiscal Year in an amount determined by the City Council of the City of Fontana through the application of the provisions described herein. All of the real property in CFD No. 7, unless exempted by law or by the provisions hereof, shall be taxed for the purposes, to the extent, and in the manner herein provided.

The rate and method of apportionment of the special tax for 2017-2018 shall be as follows.

I. SPECIAL TAXES FOR PUBLIC IMPROVEMENTS:

<table>
<thead>
<tr>
<th>Taxing Classification</th>
<th>Maximum Annual Tax Rate</th>
<th>Actual Tax Rate</th>
<th>Tax Amount</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>FY 2017-2018</td>
<td>FY 2017-2018</td>
<td>FY 2017-2018</td>
</tr>
<tr>
<td>Small (less than 7,200 sq ft)</td>
<td>Unit</td>
<td>$875.00</td>
<td>$711.00</td>
</tr>
<tr>
<td>Medium (7,200 sq ft to 9,999 sq ft)</td>
<td>Unit</td>
<td>1,004.00</td>
<td>816.00</td>
</tr>
<tr>
<td>Large (10,000 sq ft or larger)</td>
<td>Unit</td>
<td>1,134.00</td>
<td>922.00</td>
</tr>
</tbody>
</table>

$285,805

The Levy of Special Tax A

1. Assignment to Land Use Classes

Each Fiscal Year, each Parcel shall be classified as Public Property or Taxable Property. Each parcel of Taxable Property shall be classified as Large Lot, Medium Lot, or Small Lot. The classification of Parcels each Fiscal Year shall be made based on the status of each Parcel as of January 1 of the previous Fiscal Year.
2. The Special Tax Requirement

The Special Tax Requirement for any Fiscal Year shall be an amount equal to (A) the sum of the following: (1) debt service and other periodic costs (including deposits to any sinking funds) on the Bonds due in the calendar year commencing in such Fiscal Year, (2) Administration Expenses to be incurred in the Fiscal Year or incurred in any previous Fiscal Year and not paid by CFD No. 7, (3) any amount required to replenish any reserve fund established for any Bonds, (4) an amount equal to the estimated delinquencies expected in the payment of Special Tax A for the Fiscal Year, and (5) the costs of remarketing, credit enhancement and liquidity facility fees (including such fees for instruments that serve as the basis of a reserve fund for any Bonds in lieu of cash), minus (B) any credit pursuant to the indenture, such as investment earnings on account balances.

3. Levy of Special Tax A

Commencing with the 1998-99 Fiscal year and for each following Fiscal Year, the City Council shall determine the Special Tax Requirement for the applicable Fiscal Year and shall levy Special Tax A proportionately on each Parcel of Taxable Property up to the Maximum Annual Special Tax A for each Parcel until the aggregate amount of the levy equals the Special Tax Requirement for such Fiscal Year.

Pursuant to Section 53321 of the Act, under no circumstances shall the Special Tax A levied against any Parcel be increased by more than ten percent as a consequence of a delinquency or default in the payment of Special Tax A by the owner of any other Parcel. An increase of ten percent or more shall be determined by comparison of the levy of Special Tax A to the levy if there were no delinquencies or defaults.

Termination of Special Tax A

Except for any delinquencies in Special Tax A and related penalties and interest, Special Tax A used to pay for either or both the acquisition and construction of any public facilities for CFD No. 7 (through the issuance of Bonds or otherwise) and levied on any Parcel shall not be levied after Fiscal Year 2027-28. After such Fiscal Year, and the collection of any delinquencies in Special Tax A, penalties, and interest, the City shall cause a document substantially in the form required by the Act evidencing such termination of the levy and collection to be recorded in the office of the Recorder of the County.
II. SPECIAL TAXES FOR MAINTENANCE OF PARKS, PARKWAYS, AND OPEN SPACE

<table>
<thead>
<tr>
<th>Taxing Classification</th>
<th>Maximum Annual Tax Rate FY 2017-2018</th>
<th>Actual Tax Rate FY 2017-2018</th>
<th>Tax Amount FY 2017-2018</th>
</tr>
</thead>
<tbody>
<tr>
<td>Taxable Property</td>
<td>Unit</td>
<td>$566.70</td>
<td>$306.00</td>
</tr>
</tbody>
</table>

“Maximum Annual Special Tax B” for each Parcel of Taxable Property shall be $389 for the 1998-1999 Fiscal Year, and shall increase by two percent each Fiscal Year thereafter.

The Levy of Special Tax B

1. The Special Tax Requirement

The Special Tax Requirement for any Fiscal Year shall be an amount equal to (A) the sum of the following: (1) the estimated Park, Parkways, and Open Space Maintenance Cost for such Fiscal Year, (2) Administrative Expenses to be incurred in the Fiscal Year or incurred in any previous Fiscal Year and not paid by CFD No. 7, and (3) an amount equal to the estimated delinquencies expected in the payment of Special Tax B for the Fiscal Year.

2. Levy of Special Tax B

Commencing with the 1998-99 Fiscal Year and for each following Fiscal Year, the City Council shall determine the Special Tax Requirement for the applicable Fiscal Year and shall levy Special Tax B proportionately on each parcel of Taxable Property up to the Maximum Annual Special Tax B for each Parcel until the aggregate amount of the levy equals the Special Tax Requirement for such Fiscal Year.

Pursuant to Section 53321 of the Act, under no circumstances shall the Special Tax B levied against any Parcel be increased by more than ten percent as a consequence of a delinquency or default in the payment of Special Tax B by the owner of any other Parcel. An increase of ten percent or more shall be determined by comparison of the levy of Special Tax B to the levy if there were no delinquencies or defaults.
FROM: Department of Management Services

SUBJECT: Levy of a Special Tax in Community Facilities District No. 11 (Heritage West End) for Fiscal Year 2017-2018

RECOMMENDATION:

Adopt Resolution No. 2017-____ of the City Council of the City of Fontana, California, authorizing the Levy of a Special Tax in Community Facilities District No. 11 (Heritage West End) for Fiscal Year 2017-2018.

COUNCIL GOALS:

* To practice sound fiscal management by fully funding liabilities and reserves.
* To practice sound fiscal management by developing long-term funding and debt management plans.

DISCUSSION:

Community Facilities District No. 11 was established by Resolution No. 98-110 on December 1, 1998. On January 28, 1999, the District issued $15.5 million in Special Tax Refunding Bonds, 1999 Series A, to prepay a portion of the special tax levied on the property within the District by the Community Facilities District No. 2 and to refund certain indebtedness secured by such special tax, namely the City of Fontana Community Facilities District No. 2 (Village of Heritage) Sub-Subordinate Special Tax Refunding Bonds, 1998 Series C.

Pursuant to Government Code Section 53340, a resolution must be adopted by the City Council annually to levy a special tax to pay for the maturing principal and interest on the bonds. The rate and method of apportionment of the special tax was originally set forth in Ordinance No. 1271 approved and adopted by the City Council on December 15, 1998.

The special tax levied on each assessable parcel within the District is necessary to pay principal and interest on the outstanding bonded indebtedness and authorized administration expenses (Exhibit A, Schedule 1).

A comparison of the special tax levy and rates for Fiscal Year 2016-2017 and Fiscal Year 2017-2018 is outlined in Exhibit A, Schedule 2.

The proposed special tax rates for Fiscal Year 2017-2018 were developed according to the Rate and Method of Apportionment (Exhibit B) and are the same as the prior year.

The District was established after the adoption of Proposition 218, and complies
with its requirements because the District and the special taxes were approved by the consent of the property owner at the time the District was formed.

The City Treasurer has reviewed and supports this action.

**FISCAL IMPACT:**

The proposed Fiscal Year 2017-2018 special tax rates are the same as the prior year. The proposed levy will generate approximately $889,573 for debt service expenses.

**MOTION:**

Approve staff recommendation.

**ATTACHMENTS:**

<table>
<thead>
<tr>
<th>Description</th>
<th>Type</th>
</tr>
</thead>
<tbody>
<tr>
<td>Proposed Resolution for Levy of Community Facilities District No. 11</td>
<td>Resolution</td>
</tr>
<tr>
<td>Exhibit A for CFD No. 11</td>
<td>Backup Material</td>
</tr>
<tr>
<td>Exhibit B for CFD No. 11</td>
<td>Backup Material</td>
</tr>
<tr>
<td>Location Map CFD No. 11</td>
<td>Backup Material</td>
</tr>
</tbody>
</table>

**ITEM: CC-L**
RESOLUTION NO. 2017-


WHEREAS, the City Council of the City of Fontana, (the "City Council") has initiated proceedings, held a public hearing, conducted an election and received a favorable vote from the qualified electors relating to the levy of a special tax in a community facilities district, all as authorized pursuant to the terms and provisions of the "Mello-Roos Community Facilities Act of 1982", being Chapter 2.5, Part 1, Division 2, Title 5 of the Government Code of the State of California (the “Act”). This Community Facilities District shall hereinafter be referred to as COMMUNITY FACILITIES DISTRICT NO. 11; and

WHEREAS, on January 28, 1999, Community Facilities District No. 11 (Heritage West End) Special Tax Refunding Bonds were issued to prepay a portion of the special tax levied on the property within the District by the Community Facilities District No. 2 and to refund certain indebtedness secured by such special tax, namely the City of Fontana Community Facilities District No. 2 (Village of Heritage) Sub-Subordinate Special Tax Refunding Bonds, 1998 Series C; and

WHEREAS, the City Council, by Ordinance, as authorized by Section 53340 of the Government Code of the State of California, has authorized the levy of a special tax to pay for costs and expenses related to said Community Facilities District, and the City Council is desirous to establish the specific rate of the special tax to be collected for Fiscal Year 2017-2018.

NOW, THEREFORE, BE IT RESOLVED, determined, and ordered by the City Council of the City of Fontana, California, as follows:

SECTION 1. That the above recitals are all true and correct.

SECTION 2. The specific rate and amount of the special tax to be collected to pay for the costs and expenses for Fiscal Year 2017-2018 for the referenced District is hereby determined and established as set forth in Exhibit "B" attached hereto and incorporated herein by reference provided, however, the City Manager is hereby authorized to reduce the specific rate and method of the special tax as shown in Exhibit "B" upon receipt of the Assessor’s roll from the County of San Bernardino if, as determined by the City Manager in his discretion, following review of the Assessor’s roll, a lower rate and amount of the special tax will be sufficient to pay for the costs and expenses for such fiscal year.
SECTION 3. The rate as set forth above does not exceed the amount previously authorized by Ordinance of the City Council, and is not in excess of that as previously approved by the qualified electors of the District.

SECTION 4. The proceeds of the Special Tax shall be used to pay, in whole or in part, the costs of the following, in the following order of priority:

(a) Payment of principal and interest on any outstanding authorized bonded indebtedness;

(b) Necessary replenishment of bond reserve funds or other reserve funds;

(c) Payment of costs and expenses of authorized public facilities and incidental expenses pursuant to the Act; and

(d) Repayment of advances and loans, as appropriate.

The basis for the determination of the special tax needed for the 2017-2018 fiscal year is set forth in Exhibit “A”, attached hereto and incorporated herein by reference.

SECTION 5. The above authorized Special Tax shall be collected in the same manner as ordinary ad valorem property taxes are collected and shall have the same lien and priority in the case of delinquency as is provided for ad valorem taxes.

SECTION 6. All monies above collected shall be paid into the Community Facilities District's funds, including any bond and reserve funds.

SECTION 7. The City Manager is hereby directed to transmit or cause to be transmitted to the Auditor of the County of San Bernardino for entry in the next County assessment roll on which taxes will become due, opposite each lot or parcel of land affected in a space marked “Public Improvement, Special Tax” or by any other suitable designation, the installment of the Special Tax as set forth in Exhibit “B” or as adjusted pursuant to the provisions of Section 2 above.

SECTION 8. The County Auditor shall then, at the close of the tax collection period, promptly render to this Agency a detailed report showing the amount and/or amounts of such Special Tax installments, interest, penalties and percentages so collected and from what property collected, and also provide a statement of any percentages retained for the expense of making any such collection.
APPROVED AND ADOPTED this 25th day of July, 2017.

READ AND APPROVED AS TO LEGAL FORM:

__________________________________________
City Attorney

I, Tonia Lewis, City Clerk of the City of Fontana, and Ex-Officio Clerk of the City Council, do hereby certify that the foregoing resolution is the actual resolution duly and regularly adopted by the City Council at a regular meeting on the 25th day of July, 2017, by the following vote to wit:

AYES:
NOES:
ABSENT:

__________________________________________
City Clerk of the City of Fontana

__________________________________________
Mayor of the City of Fontana

ATTEST:

__________________________________________
City Clerk
Exhibit "A"

City of Fontana
Community Facilities District No. 11
Heritage West End

Schedule 1

Special Tax Allocation - Costs to be Allocated
Fiscal Year 2017-2018

<table>
<thead>
<tr>
<th>Description</th>
<th>Amount</th>
</tr>
</thead>
<tbody>
<tr>
<td>Bond Payment 09/2017</td>
<td>$ 592,331</td>
</tr>
<tr>
<td>Bond Payment 03/2018</td>
<td>154,269</td>
</tr>
<tr>
<td>Bond Payment 09/2018</td>
<td>599,269</td>
</tr>
<tr>
<td>Administration Costs</td>
<td>36,421</td>
</tr>
<tr>
<td><strong>Total Costs</strong></td>
<td><strong>$ 1,382,290</strong></td>
</tr>
<tr>
<td>Bond Service Funds Available</td>
<td>$ 518,717</td>
</tr>
<tr>
<td>Proposed Special Tax Levy</td>
<td>889,573</td>
</tr>
<tr>
<td>Allowance for Delinquencies</td>
<td>(26,000)</td>
</tr>
<tr>
<td><strong>Available Funds</strong></td>
<td><strong>$ 1,382,290</strong></td>
</tr>
</tbody>
</table>

Schedule 2

Comparison of Special Tax Levy and Rates by Fiscal Years

<table>
<thead>
<tr>
<th>Tax Classification (Land Use)</th>
<th>FY 2016 - 2017</th>
<th>FY 2017 - 2018</th>
<th>Percent Change</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>Special Tax</td>
<td>Rate</td>
<td>Special Tax</td>
</tr>
<tr>
<td>1 - Commercial</td>
<td>$ 268,689</td>
<td>$24,994.30</td>
<td>$ 268,689</td>
</tr>
<tr>
<td>2 - Commercial</td>
<td>74,201</td>
<td>7,319.85</td>
<td>74,201</td>
</tr>
<tr>
<td>3 - Undeveloped</td>
<td>0</td>
<td>0.00</td>
<td>0</td>
</tr>
<tr>
<td>3 - Non-residential (sq ft)</td>
<td>21,646</td>
<td>0.55</td>
<td>21,646</td>
</tr>
<tr>
<td>3 - Non-residential (acre)</td>
<td>9,365</td>
<td>7,204.00</td>
<td>9,365</td>
</tr>
<tr>
<td>3 - R 3,500 sq ft</td>
<td>86,247</td>
<td>1,369.00</td>
<td>86,247</td>
</tr>
<tr>
<td>3 - R 3,280-3,499 sq ft</td>
<td>27,048</td>
<td>1,288.00</td>
<td>27,048</td>
</tr>
<tr>
<td>3 - R 3,000-3,279 sq ft</td>
<td>83,424</td>
<td>1,264.00</td>
<td>83,424</td>
</tr>
<tr>
<td>3 - R 2,781-2,999 sq ft</td>
<td>73,920</td>
<td>1,120.00</td>
<td>73,920</td>
</tr>
<tr>
<td>3 - R 2,601-2,780 sq ft</td>
<td>15,232</td>
<td>1,088.00</td>
<td>15,232</td>
</tr>
<tr>
<td>3 - R 2,601-2,780 sq ft</td>
<td>66,560</td>
<td>1,024.00</td>
<td>66,560</td>
</tr>
<tr>
<td>3 - R 2,401-2,600 sq ft</td>
<td>984</td>
<td>984.00</td>
<td>984</td>
</tr>
<tr>
<td>3 - R 2,281-2,400 sq ft</td>
<td>84,072</td>
<td>904.00</td>
<td>84,072</td>
</tr>
<tr>
<td>3 - R 2,050 sq ft</td>
<td>78,185</td>
<td>823.00</td>
<td>78,185</td>
</tr>
</tbody>
</table>

| FY 2016 - 2017 | $ 889,573 |
| FY 2017 - 2018 | $ 889,573 |
The Resolution of Annual Levy refers to this Exhibit for an explanation of the rate and method of apportionment of the special tax so as to allow each landowner or resident within the district to estimate the annual amount that would be required for payment.

A Special Tax as hereinafter defined shall be levied on all Assessor’s Parcels of Taxable Property in City of Fontana Community Facilities District No. 11 (Heritage West End) ("CFD No. 11") and collected each Tax Period and/or Fiscal Year commencing in the Initial Tax Period, in an amount determined by the City Council through the application of the appropriate Special Tax for “Developed Property”, “Taxable Property Owner Association Property”, “Taxable Public Property”, and “Undeveloped Property”, as described below. All of the real property in CFD No. 11, unless exempted by law or by the provisions hereof, shall be taxed for the purposes, to the extent and in the manner herein provided.

The rate and method of apportionment of the special tax for 2017-2018 shall be as follows.

<table>
<thead>
<tr>
<th>Tax Class</th>
<th>Unit</th>
<th>Maximum Annual Tax Rate FY 2017-2018</th>
<th>Actual Tax Rate FY 2017-2018</th>
<th>Tax Amount FY 2017-2018</th>
</tr>
</thead>
<tbody>
<tr>
<td>1 Commercial</td>
<td>Acre</td>
<td>$24,994.31</td>
<td>$24,994.30</td>
<td>$268,689</td>
</tr>
<tr>
<td>2 Commercial</td>
<td>Acre</td>
<td>9,883.38</td>
<td>7,319.85</td>
<td>74,201</td>
</tr>
<tr>
<td>3 Undeveloped</td>
<td>Acre</td>
<td>14,873.07</td>
<td>0.00</td>
<td>-</td>
</tr>
<tr>
<td>3 Non-residential</td>
<td>Sq Ft</td>
<td>0.77</td>
<td>0.55</td>
<td>21,646</td>
</tr>
<tr>
<td>3 Non-residential</td>
<td>Acre</td>
<td>9,997.72</td>
<td>7,204.00</td>
<td>9,365</td>
</tr>
<tr>
<td>3 R 3,500 sq ft</td>
<td>Unit</td>
<td>1,826.52</td>
<td>1,369.00</td>
<td>86,247</td>
</tr>
<tr>
<td>3 R 3,280-3,499 sq ft</td>
<td>Unit</td>
<td>1,718.86</td>
<td>1,288.00</td>
<td>27,048</td>
</tr>
<tr>
<td>3 R 3,000-3,279 sq ft</td>
<td>Unit</td>
<td>1,686.57</td>
<td>1,264.00</td>
<td>83,424</td>
</tr>
<tr>
<td>3 R 2,781-2,999 sq ft</td>
<td>Unit</td>
<td>1,493.99</td>
<td>1,120.00</td>
<td>73,920</td>
</tr>
<tr>
<td>3 R 2,601-2,780 sq ft</td>
<td>Unit</td>
<td>1,450.93</td>
<td>1,088.00</td>
<td>15,232</td>
</tr>
<tr>
<td>3 R 2,401-2,600 sq ft</td>
<td>Unit</td>
<td>1,366.00</td>
<td>1,024.00</td>
<td>66,560</td>
</tr>
<tr>
<td>3 R 2,281-2,400 sq ft</td>
<td>Unit</td>
<td>1,312.17</td>
<td>984.00</td>
<td>984</td>
</tr>
<tr>
<td>3 R 2,051-2,280 sq ft</td>
<td>Unit</td>
<td>1,205.72</td>
<td>904.00</td>
<td>84,072</td>
</tr>
<tr>
<td>3 R 2,050 sq ft</td>
<td>Unit</td>
<td>1,098.06</td>
<td>823.00</td>
<td>78,185</td>
</tr>
</tbody>
</table>

$889,573
Method of Apportionment of the Special Tax

1. Initial Tax Period

The amount of Special Taxes to be levied in the Initial Tax Period shall be the Maximum Special Tax for each Assessor's Parcel in Tax Class 1, 2, and 3, multiplied by the quotient derived from dividing the number of months in the Initial Tax Period by twelve (12).

2. After the Initial Tax Period

Commencing with Fiscal year 1999-2000 and for each following Fiscal Year, the City Council shall determine the Special Tax Requirement and shall levy the Special Tax until the amount of Special Taxes equals the Special Tax Requirement. The Special Tax shall be levied each Fiscal Year as follows:

First: The Special Tax shall be levied proportionately on each Assessor's Parcel of Tax Class 1 Property at up to 100% of the applicable Maximum Special Tax. For Fiscal Years which contain the Second and Third Tax Periods, the Maximum Special Tax for the Fiscal Year shall be the sum of the amounts determined by multiplying the Maximum Special Tax for each Tax Period by the quotient of the number of months of such Tax Period in the Fiscal Year for which the special tax is being levied divided by twelve;

Second: If additional monies are needed to satisfy the Special Tax Requirement after the first step has been completed, then the Special Tax shall be levied proportionately on each Assessor’s Parcel in Tax Class 2 up to 100% of the applicable Maximum Special Tax and on each Assessor’s Parcel of Developed Property in Tax Class 3 at up to 100% of the applicable Assigned Special Tax;

Third: If additional monies are needed to satisfy the Special Tax Requirement after the first two steps have been completed, then the Special Tax shall be levied proportionately on each Assessor’s Parcel of Undeveloped Property in Tax Class 3 at up to 100% of the Maximum Special Tax for Undeveloped Property;

Fourth: If additional monies are needed to satisfy the Special Tax Requirement after the first three steps have been completed, then the levy of the Special Tax on each Assessor’s Parcel of Development Property in Tax Class 3 whose Maximum Special Tax is determined through the application of the Backup Special Tax shall be increased proportionately from the Assigned Special Tax up to the Maximum Special Tax for each such Assessor’s Parcel;

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

Notwithstanding the above, under no circumstances will the Special Tax levied against any Assessor’s Parcel of Residential Property for which an occupancy permit for private residential use has been issued be increased by more than ten percent as a consequence of delinquency or default by the owner of any other Assessor’s Parcel within the CFD.

Term of Special Tax

The Special Tax shall be levied commencing in the Initial Tax Period to the extent necessary to meet the Special Tax Requirement for a period not to exceed forty years on each Assessor’s Parcel.
CFD #11
ACTION REPORT  
July 25, 2017

FROM: Department of Management Services  
SUBJECT: Levy of a Special Tax in Community Facilities District No. 12 (Sierra Lakes) for Fiscal Year 2017-2018

RECOMMENDATION:  
Adopt Resolution No. 2017-____ of the City Council of the City of Fontana, California, authorizing the Levy of a Special Tax In Community Facilities District No. 12 (Sierra Lakes) for Fiscal Year 2017-2018.

COUNCIL GOALS:  
* To practice sound fiscal management by fully funding liabilities and reserves.  
* To practice sound fiscal management by developing long-term funding and debt management plans.

DISCUSSION:  
Community Facilities District No. 12 was established by Resolution No. 99-09 on January 19, 1999, to finance public facilities and to pay annual landscape and lighting maintenance costs for the district. On November 24, 1999, the District issued $25.4 million in Special Tax Bonds, Series 1999, to finance certain public improvements within the District. The bonds were refunded in 2005 to take advantage of interest rate savings.

Pursuant to Government Code Section 53340, a resolution must be adopted by the City Council annually to levy a special tax to pay for the maturing principal and interest on the bonds. The rate and method of apportionment of the special tax was originally set forth in Resolution No. 99-09 approved and adopted by the City Council on January 19, 1999, and later amended by Resolution No. 99-99 on October 5, 1999.

The special tax levied on each assessable parcel within the District is necessary to pay principal and interest on the outstanding bonded indebtedness and authorized administration expenses (Special Tax A); and the annual park, parkways, and open space maintenance costs of the District (Special Tax B).

The portion of the special tax rate above necessary to pay the principal and interest on the outstanding bonded indebtedness and authorized incidental expenses is comprised of available cash balance, debt service payments, and administration costs (Exhibit A, Schedule 1).

The proposed Fiscal Year 2017-2018 special tax rates (Special Tax A and Special Tax B) are outlined in Exhibit A, Schedule 2.
A comparison of the total special tax levy and rates (A and B) for Fiscal Year 2016-2017 and Fiscal Year 2017-2018 is outlined in Exhibit A, Schedule 3.

The proposed special tax rates for Fiscal Year 2017-2018 were developed according to the Rate and Method of Apportionment (Exhibit B). The rate for the special tax A (bond) will decrease by six and one half percent (6.5%) from the prior year and special tax rate B (maintenance) will increase by fifteen percent (15%) from the prior year.

The District was established after the adoption of Proposition 218 and complies with its requirements because the District and the special taxes were approved by the consent of the property owner at the time the District was formed.

The City Treasurer has reviewed and supports this action.

FISCAL IMPACT:
The proposed Fiscal Year 2017-2018 bond special tax will decrease 6.5% from the prior year and the maintenance special tax rate will increase 15% from the prior year. The levy will generate approximately $2.6 million; $1.7 million for debt service expenses and $0.9 million for park, parkways and open space maintenance costs.

MOTION:
Approve staff recommendation.

SUBMITTED BY: 

REVIEWED BY: 

APPROVED BY: 

ATTACHMENTS:

<table>
<thead>
<tr>
<th>Description</th>
<th>Type:</th>
</tr>
</thead>
<tbody>
<tr>
<td>Proposed Resolution to Levy Community Facilities District No. 12</td>
<td>Resolution</td>
</tr>
<tr>
<td>Exhibit A to CFD # 12</td>
<td>Backup Material</td>
</tr>
<tr>
<td>Exhibit B to CFD # 12</td>
<td>Backup Material</td>
</tr>
<tr>
<td>Location Map CFD No. 12</td>
<td>Backup Material</td>
</tr>
</tbody>
</table>
ITEM: CC-M
RESOLUTION NO. 2017-


WHEREAS, the City Council of the City of Fontana, (the "City Council") has initiated proceedings, held a public hearing, conducted an election and received a favorable vote from the qualified electors relating to the levy of a special tax in a community facilities district, all as authorized pursuant to the terms and provisions of the “Mello-Roos Community Facilities Act of 1982”, being Chapter 2.5, Part 1, Division 2, Title 5 of the Government Code of the State of California (the “Act”). This Community Facilities District shall hereinafter be referred to as COMMUNITY FACILITIES DISTRICT NO. 12; and

WHEREAS, on November 24, 1999, Community Facilities District No. 12 (Sierra Lakes) Special Tax Bonds, Series 1999, were issued to finance certain public improvements within the district; and

WHEREAS, the City Council, by Ordinance, as authorized by Section 53340 of the Government Code of the State of California, has authorized the levy of a special tax to pay for costs and expenses related to said Community Facilities District, and the City Council is desirous to establish the specific rate of the special tax to be collected for Fiscal Year 2017-2018.

NOW, THEREFORE, BE IT RESOLVED, determined, and ordered by the City Council of the City of Fontana, California, as follows:

SECTION 1. That the above recitals are all true and correct.

SECTION 2. The specific rate and amount of the special tax to be collected to pay for the costs and expenses for Fiscal Year 2017-2018 for the referenced District is hereby determined and established as set forth in Exhibit “A” attached hereto and incorporated herein by reference provided, however, the City Manager is hereby authorized to reduce the specific rate and method of the special tax as shown in Exhibit “B” upon receipt of the Assessor's roll from the County of San Bernardino if, as determined by the City Manager in his discretion, following review of the Assessor's roll, a lower rate and amount of the special tax will be sufficient to pay for the costs and expenses for such fiscal year.

SECTION 3. The rate as set forth above does not exceed the amount previously authorized by Ordinance of the City Council, and is not in excess of that as previously approved by the qualified electors of the District.
SECTION 4. The proceeds of Special Tax A shall be used to pay, in whole or in part, the costs of the following, in the following order of priority:

(a) Payment of principal and interest on any outstanding authorized bonded indebtedness;

(b) Necessary replenishment of bond reserve funds or other reserve funds;

(c) Payment of costs and expenses of authorized public facilities and incidental expenses pursuant to the Act; and

(d) Repayment of advances and loans, as appropriate.

The basis for the determination of Special Tax A needed for the 2017-2018 fiscal year is set forth in Exhibit “A”, attached hereto and incorporated herein by reference.

SECTION 5. The proceeds of Special Tax B shall be used to pay the costs of park, parkways and open space maintenance of the District and for the payment of administrative expenses incurred in connection with the levy and collection of said Special Tax B.

SECTION 6. The above authorized Special Tax shall be collected in the same manner as ordinary ad valorem property taxes are collected and shall have the same lien and priority in the case of delinquency as is provided for ad valorem taxes.

SECTION 7. All monies above collected shall be paid into the Community Facilities District’s funds, including any bond and reserve funds.

SECTION 8. The City Manager is hereby directed to transmit or cause to be transmitted to the Auditor of the County of San Bernardino for entry in the next County assessment roll on which taxes will become due, opposite each lot or parcel of land affected in a space marked “Public Improvement, Special Tax” or by any other suitable designation, the installment of the Special Tax as set forth in Exhibit “A” or as adjusted pursuant to the provisions of Section 2 above.

SECTION 9. The County Auditor shall then, at the close of the tax collection period, promptly render to this Agency a detailed report showing the amount and/or amounts of such Special Tax installments, interest, penalties and percentages so collected and from what property collected, and also provide a statement of any percentages retained for the expense of making any such collection.
APPROVED AND ADOPTED this 25th day of July, 2017.

READ AND APPROVED AS TO LEGAL FORM:

________________________________________
City Attorney

I, Tonia Lewis, City Clerk of the City of Fontana, and Ex-Officio Clerk of the City Council, do hereby certify that the foregoing resolution is the actual resolution duly and regularly adopted by the City Council at a regular meeting on the 25th day of July, 2017, by the following vote to wit:

AYES: 
NOES: 
ABSENT:

________________________________________
City Clerk of the City of Fontana

________________________________________
Mayor of the City of Fontana

ATTEST:

________________________________________
City Clerk
Special Tax Allocation - Costs to be Allocated
Fiscal Year 2017-2018

<table>
<thead>
<tr>
<th>Bond Payment 09/2017</th>
<th>$1,379,729</th>
<th>Bond Service Funds Available</th>
<th>$1,659,057</th>
</tr>
</thead>
<tbody>
<tr>
<td>Bond Payment 03/2018</td>
<td>380,413</td>
<td>Proposed Special Tax Levy</td>
<td>1,661,816</td>
</tr>
<tr>
<td>Bond Payment 09/2018</td>
<td>1,395,413</td>
<td>Allowance for Delinquencies</td>
<td>(53,300)</td>
</tr>
<tr>
<td>Administration Costs</td>
<td>112,018</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Total Costs</td>
<td>$3,267,573</td>
<td>Available Funds</td>
<td>$3,267,573</td>
</tr>
</tbody>
</table>

Proposed Special Tax Rates for Fiscal Year 2017-2018
(Special Tax A and Special Tax B)

<table>
<thead>
<tr>
<th>Land Use Category</th>
<th>Special Tax A</th>
<th>Special Tax B</th>
<th>Total Special Tax Rate</th>
</tr>
</thead>
<tbody>
<tr>
<td>Greater than 2,700 sq ft</td>
<td>$1,010.74</td>
<td>$450.00</td>
<td>$1,460.74</td>
</tr>
<tr>
<td>2,601 - 2,700 sq ft</td>
<td>896.33</td>
<td>450.00</td>
<td>1,346.33</td>
</tr>
<tr>
<td>2,501 - 2,600 sq ft</td>
<td>833.53</td>
<td>450.00</td>
<td>1,283.53</td>
</tr>
<tr>
<td>2,401 - 2,500 sq ft</td>
<td>787.08</td>
<td>450.00</td>
<td>1,237.08</td>
</tr>
<tr>
<td>2,301 - 2,400 sq ft</td>
<td>740.63</td>
<td>450.00</td>
<td>1,190.63</td>
</tr>
<tr>
<td>2,201 - 2,300 sq ft</td>
<td>688.16</td>
<td>450.00</td>
<td>1,138.16</td>
</tr>
<tr>
<td>2,101 - 2,200 sq ft</td>
<td>635.69</td>
<td>450.00</td>
<td>1,085.69</td>
</tr>
<tr>
<td>2,001 - 2,101 sq ft</td>
<td>605.58</td>
<td>450.00</td>
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</tr>
<tr>
<td>1,901 - 2,000 sq ft</td>
<td>573.75</td>
<td>450.00</td>
<td>1,023.75</td>
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<tr>
<td>1,900 sq ft or less</td>
<td>553.11</td>
<td>450.00</td>
<td>1,003.11</td>
</tr>
<tr>
<td>Non-residential property</td>
<td>2,659.74</td>
<td>758.00</td>
<td>3,417.74</td>
</tr>
<tr>
<td>Golf Course property</td>
<td>272.68</td>
<td>196.00</td>
<td>468.68</td>
</tr>
<tr>
<td>Golf Course structures (sq ft)</td>
<td>0.32</td>
<td>0.00</td>
<td>0.32</td>
</tr>
<tr>
<td>Undeveloped - residential</td>
<td>0.00</td>
<td>0.00</td>
<td>0.00</td>
</tr>
<tr>
<td>Undeveloped - non-residential</td>
<td>0.00</td>
<td>0.00</td>
<td>0.00</td>
</tr>
<tr>
<td>Total Proposed Levy</td>
<td>$1,661,816</td>
<td>$897,077</td>
<td>$2,558,893</td>
</tr>
</tbody>
</table>

Comparison of Special Tax Levy and Rates by Fiscal Years

<table>
<thead>
<tr>
<th>Tax Classification</th>
<th>FY 2016 - 2017</th>
<th>FY 2017 - 2018</th>
</tr>
</thead>
<tbody>
<tr>
<td>(Land Use)</td>
<td>Special Tax</td>
<td>Rate</td>
</tr>
<tr>
<td>Greater than 2,700 sq ft</td>
<td>$1,013,424</td>
<td>$1,473.00</td>
</tr>
<tr>
<td>2,601 - 2,700 sq ft</td>
<td>117,506</td>
<td>1,350.64</td>
</tr>
<tr>
<td>2,501 - 2,600 sq ft</td>
<td>44,922</td>
<td>1,283.48</td>
</tr>
<tr>
<td>2,401 - 2,500 sq ft</td>
<td>132,017</td>
<td>1,233.80</td>
</tr>
<tr>
<td>2,301 - 2,400 sq ft</td>
<td>116,044</td>
<td>1,184.12</td>
</tr>
<tr>
<td>2,201 - 2,300 sq ft</td>
<td>135,360</td>
<td>1,128.00</td>
</tr>
<tr>
<td>2,101 - 2,200 sq ft</td>
<td>84,678</td>
<td>1,071.88</td>
</tr>
<tr>
<td>2,001 - 2,101 sq ft</td>
<td>218,333</td>
<td>1,039.68</td>
</tr>
<tr>
<td>1,901 - 2,000 sq ft</td>
<td>100,564</td>
<td>1,005.64</td>
</tr>
<tr>
<td>1,900 sq ft or less</td>
<td>292,117</td>
<td>983.56</td>
</tr>
<tr>
<td>Non-residential property</td>
<td>222,655</td>
<td>3,503.64</td>
</tr>
<tr>
<td>Golf Course property</td>
<td>67,469</td>
<td>461.64</td>
</tr>
<tr>
<td>Golf Course structures (sq ft)</td>
<td>9,725</td>
<td>0.34</td>
</tr>
<tr>
<td>Undeveloped - residential</td>
<td>0.00</td>
<td>0.00</td>
</tr>
<tr>
<td>Undeveloped - non-residential</td>
<td>0.00</td>
<td>0.00</td>
</tr>
</tbody>
</table>

$2,554,814                  $2,558,893
EXHIBIT “B”

CITY OF FONTANA
COMMUNITY FACILITIES DISTRICT NO. 12
(SIERRA LAKES)
RATE AND METHOD OF APPORTIONMENT OF SPECIAL TAXES
(Summary – Full text available in the Financial Services Division)

The Resolution of Annual Levy refers to this Exhibit for an explanation of the rate and method of apportionment of the special tax so as to allow each landowner or resident within the district to estimate the annual amount that would be required for payment.

A Special Tax shall be levied on all Assessor’s Parcels of Taxable Property in City of Fontana Community Facilities District No. 12 (“CFD No. 12”) and collected each Fiscal year commencing in Fiscal year 1999-2000, in an amount determined by the City Council of the City of Fontana (the “Council”) through the application of the appropriate Special Tax for “Developed Property,” “Golf Course Property,” “Taxable Property Owner Association Property,” “Taxable Public Property,” “Undeveloped Non-Residential Property,” and “Undeveloped Residential Property.” All of the real property in CFD No. 12, unless exempted by law or by the provisions hereof, shall be taxed for the purposes, to the extent and in the manner herein provided.

The rate and method of apportionment of the special tax for 2017-2018 shall be as follows.

I. SPECIAL TAXES FOR PUBLIC IMPROVEMENTS:

<table>
<thead>
<tr>
<th>Land Use</th>
<th>Unit</th>
<th>Maximum Annual Tax Rate FY 2017-2018</th>
<th>Actual Tax Rate FY 2017-2018</th>
<th>Tax Amount FY 2017-2018</th>
</tr>
</thead>
<tbody>
<tr>
<td>R - greater than 2,700 sq ft</td>
<td>Unit</td>
<td>$1,473.00</td>
<td>$1,010.74</td>
<td>$695,389</td>
</tr>
<tr>
<td>R - 2,601 - 2,700 sq ft</td>
<td>Unit</td>
<td>1,306.00</td>
<td>896.33</td>
<td>77,981</td>
</tr>
<tr>
<td>R - 2,501 - 2,600 sq ft</td>
<td>Unit</td>
<td>1,215.00</td>
<td>833.53</td>
<td>29,173</td>
</tr>
<tr>
<td>R - 2,401 - 2,500 sq ft</td>
<td>Unit</td>
<td>1,147.00</td>
<td>787.08</td>
<td>84,217</td>
</tr>
<tr>
<td>R - 2,301 - 2,400 sq ft</td>
<td>Unit</td>
<td>1,079.00</td>
<td>740.63</td>
<td>72,582</td>
</tr>
<tr>
<td>R - 2,201 - 2,300 sq ft</td>
<td>Unit</td>
<td>1,003.00</td>
<td>688.16</td>
<td>82,579</td>
</tr>
<tr>
<td>R - 2,101 - 2,200 sq ft</td>
<td>Unit</td>
<td>927.00</td>
<td>635.69</td>
<td>50,220</td>
</tr>
<tr>
<td>R - 2,001 - 2,101 sq ft</td>
<td>Unit</td>
<td>882.00</td>
<td>605.58</td>
<td>127,172</td>
</tr>
<tr>
<td>R - 1,901 - 2,000 sq ft</td>
<td>Unit</td>
<td>836.00</td>
<td>573.75</td>
<td>57,375</td>
</tr>
<tr>
<td>R - 1,900 sq ft or less</td>
<td>Unit</td>
<td>806.00</td>
<td>553.11</td>
<td>164,274</td>
</tr>
<tr>
<td>Non-residential property</td>
<td>Acre</td>
<td>3,876.00</td>
<td>2,659.74</td>
<td>171,872</td>
</tr>
<tr>
<td>Golf course property</td>
<td>Acre</td>
<td>396.00</td>
<td>272.68</td>
<td>39,852</td>
</tr>
<tr>
<td>Golf course structures (per sq ft)</td>
<td>Sq Foot</td>
<td>0.46</td>
<td>0.32</td>
<td>9,130</td>
</tr>
<tr>
<td>Undeveloped - residential</td>
<td>Acre</td>
<td>8,617.00</td>
<td>0.00</td>
<td>0</td>
</tr>
<tr>
<td>Undeveloped - non-residential</td>
<td>Acre</td>
<td>3,876.00</td>
<td>0.00</td>
<td>0</td>
</tr>
</tbody>
</table>

$1,661,816
The maximum Special Tax Rate of $3,876 per Acre for Non-Residential Property presented above applies only to the first 65.14 Acres assigned to Land Use Class 11 (Non-residential property). In the event the total amount of Developed Non-Residential Property exceeds 65.14 acres, the additional Acres will be subject to a Maximum Special Tax Rate of $8,617 per Acre. The CFD Administrator shall determine which Developed Non-Residential Acres will be subject to the Maximum Special Tax Rates of $8,617 per Acre in inverse chronological order as to when the property was assigned as Land Use Class 11 as Developed Non-Residential Property.

Method of Apportionment of Special Tax A

Commencing with Fiscal year 1999-2000 and for each following Fiscal Year, the Council shall determine the Special Tax A Requirement and shall levy Special Tax A until the amount of Special Taxes equals the Special Tax A Requirement. Special Tax A shall be levied each Fiscal Year as follows:

First: Special Tax A shall be levied Proportionately on each Assessor’s Parcel of Developed Property at up to 100% of the applicable Assigned Special Tax A, and Golf Course Property at up to 100% of its applicable Maximum Special Tax A to satisfy the Special Tax A Requirement;

Second: If additional monies are needed to satisfy the Special Tax A Requirement after the first step has been completed, then Special Tax A shall be levied Proportionately on each Assessor’s Parcel of Undeveloped Non-Residential Property and Undeveloped Residential Property at up to 100% of the Maximum Special Tax A for Undeveloped Non-Residential Property and Undeveloped Residential Property;

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

Fourth: If additional monies are needed to satisfy the Special Tax A Requirement after the first three steps have been completed, then Special Tax A shall be levied Proportionately on each Assessor’s Parcel of Taxable Property Owner Association Property or Taxable Public Property at up to the Maximum Special Tax A for Taxable Property Owner Association Property or Taxable Public Property.

Notwithstanding the above, under no circumstances will the amount of Special Tax A levied against any Assessor’s Parcel of Residential Property for which an occupancy permit for private residential use has been issued be increased by more than ten percent as a consequence of delinquency or default by the owner of any other Assessor’s Parcel within the CFD.
“Special Tax A Requirement” means that amount required in any Fiscal Year for CFD No. 12 to: (i) pay debt service on all Outstanding Bonds; (ii) pay periodic costs on the bonds, including but not limited to, credit enhancement and arbitrage and other rebate payments on the bonds; (iii) pay Administrative Expenses; (iv) pay any amounts required to establish or replenish any reserve funds for all Outstanding Bonds; (v) pay for reasonably anticipated Special Tax A delinquencies based on the delinquency rate for Special Taxes levied in the previous Fiscal year; (vi) pay directly for the acquisition or construction of authorized facilities; less (vii) available funds as directed under the Indenture.

II. SPECIAL TAXES FOR MAINTENANCE OF PARK, PARKWAYS, AND OPEN SPACE

<table>
<thead>
<tr>
<th>Land Use</th>
<th>Unit</th>
<th>Maximum Annual Tax Rate FY 2017-2018</th>
<th>Actual Tax Rate FY 2017-2018</th>
<th>Tax Amount FY 2017-2018</th>
</tr>
</thead>
<tbody>
<tr>
<td>Residential property</td>
<td>Unit</td>
<td>$782.68</td>
<td>$450.00</td>
<td>$819,450</td>
</tr>
<tr>
<td>Non-residential property</td>
<td>Acre</td>
<td>1,318.27</td>
<td>758.00</td>
<td>48,982</td>
</tr>
<tr>
<td>Golf course property</td>
<td>Acre</td>
<td>339.92</td>
<td>196.00</td>
<td>28,645</td>
</tr>
<tr>
<td>Undeveloped property</td>
<td>Acre</td>
<td>5,230.31</td>
<td>0.00</td>
<td>0</td>
</tr>
</tbody>
</table>

$897,077

Commencing July 1, 2000, and each July 1 thereafter, the Maximum Special Tax rates for Special Tax B for Residential Property, Non-Residential Property, and Golf Course Property shall be increased by two percent (2%).

The Maximum Special Tax B for Undeveloped Property shall be $1,905 per Acre for Fiscal Year 1999-2000; $2,860 per Acre for Fiscal Year 2000-2001; and $3,810 per Acre for Fiscal Year 2001-2002. Commencing July 1, 2002, and each July 1 thereafter, the Maximum Special Tax B for Undeveloped Property shall be increased by two percent (2%).

Method of Apportionment of Special Tax B

Commencing with Fiscal Year 1999-2000 and for each following Fiscal Year, the Council shall determine the Special Tax B Requirement and shall levy Special Tax B until the amount of Special Taxes equals the Special Tax B Requirement. Special Tax B shall be levied each Fiscal Year as follows:

First: Special Tax B shall be levied Proportionately on each Assessor’s Parcel of Residential Property classified as Developed Property at up to $392 per dwelling unit, on each Assessor’s Parcel of Non-Residential Property classified as Developed Property at up to $659 per Acre, and on each Assessor’s Parcel of
Golf Course Property at up to $170 per Acre to satisfy the Special Tax B Requirement;

**Second:** If additional monies are needed to satisfy the Special Tax B Requirement after the first step has been completed, then Special Tax B shall be levied proportionately on each Assessor’s Parcel of Undeveloped Non-Residential Property and Undeveloped Residential Property at up to 100% of the Maximum Special Tax B rate for Undeveloped Non-Residential Property and Undeveloped Residential Property;

**Third:** If additional monies are needed to satisfy the Special Tax B Requirement after the first two steps have been completed, then Special Tax B shall be levied proportionately on each Assessor’s parcel of Residential Property that is Developed Property, Non-Residential Property, and Golf Course Property at up to 100% of the applicable Maximum Special Tax B rate;

**Fourth:** If additional monies are needed to satisfy the Special Tax B Requirement after the first three steps have been completed, then Special Tax B shall be levied proportionately on each Assessor’s parcel of Taxable Property Owner or Taxable Public Property at up to the Maximum Special Tax B for Taxable Property Owner Association Property or Taxable Public Property.

Notwithstanding the above, under no circumstances will the amount of Special Tax B levied against any Assessor’s Parcel of Residential Property for which an occupancy permit for private residential use has been issued be increased by more than ten percent as a consequence of delinquency or default by the owner of any other Assessor’s Parcel within the CFD.
CFD #12 (Maintenance and Acquisition)
ACTION REPORT
July 25, 2017

FROM: Department of Management Services
SUBJECT: Levy of a Special Tax in Community Facilities District No. 22 (Sierra Hills South) for Fiscal Year 2017-2018

RECOMMENDATION:
Adopt Resolution No. 2017-____ of the City Council of the City of Fontana, California, authorizing the Levy of a Special Tax in Community Facilities District No. 22 (Sierra Hills South) for Fiscal Year 2017-2018.

COUNCIL GOALS:
* To practice sound fiscal management by fully funding liabilities and reserves.
* To practice sound fiscal management by developing long-term funding and debt management plans.

DISCUSSION:
Community Facilities District No. 22 (Sierra Hills South) was established by Resolution No. 2003-38 on April 15, 2003. On August 26, 2004, the District issued $37,365,000 in Special Tax Bonds to refund CFD #90-3 (Empire Center) Special Tax Bonds which were used to finance the construction, installation and acquisition of certain major capital facilities (infrastructure) to serve properties located within the District. On May 29, 2014, the District issued $31 million in Special Tax Refunding Bonds to refinance the 2004 bonds.

Pursuant to Government Code Section 53340, a resolution must be adopted by the City Council annually to levy a special tax to pay for the maturing principal and interest on the bonds. The rate and method of apportionment of the special tax was originally set forth in Ordinance 1426, approved and adopted by the City Council on August 6, 2003.

The special tax levied on each assessable parcel within the District is necessary to pay the principal and interest on the outstanding bonded indebtedness and authorized administrative expenses (Exhibit A, Schedule 1).


The proposed special tax rates for Fiscal Year 2017-2018 were developed according to the Rate and Method of Apportionment (Exhibit B) and are the same as the prior year.

The City’s special taxes for this District have been reviewed in light of the passage
of Proposition 218. The recommended actions comply with the provisions of this proposition.

The City Treasurer has reviewed and supports this action.

**FISCAL IMPACT:**

The proposed Fiscal Year 2017-2018 special tax rates are the same as the prior year and will generate approximately $2.7 million for debt service expenses.

**MOTION:**

Approve staff recommendation.

**ATTACHMENTS:**

<table>
<thead>
<tr>
<th>Description</th>
<th>Type</th>
</tr>
</thead>
<tbody>
<tr>
<td>Proposed Resolution for Community Facilities District No. 22</td>
<td>Resolution</td>
</tr>
<tr>
<td>Exhibit A for CFD # 22</td>
<td>Backup Material</td>
</tr>
<tr>
<td>Exhibit B for CFD # 22</td>
<td>Backup Material</td>
</tr>
<tr>
<td>Location Map CFD No. 22</td>
<td>Backup Material</td>
</tr>
</tbody>
</table>

**ITEM: CC-N**
RESOLUTION NO. 2017-


WHEREAS, the City Council of the City of Fontana, (the "City Council") has initiated proceedings, held a public hearing, conducted an election and received a favorable vote from the qualified electors relating to the levy of a special tax in a community facilities district, all as authorized pursuant to the terms and provisions of the “Mello-Roos Community Facilities Act of 1982”, being Chapter 2.5, Part 1, Division 2, Title 5 of the Government Code of the State of California (the “Act”). This Community Facilities District shall hereinafter be referred to as COMMUNITY FACILITIES DISTRICT NO. 22; and

WHEREAS, on or about August 18, 2004, Community Facilities District No. 22 (Sierra Hills South) Special Tax Bonds were issued to refund the outstanding Community Facilities District No. 90-3 (Empire Center) Special Tax Bonds, Series A, which were used to finance the construction, installation and acquisition of certain major capital facilities (infrastructure) to serve properties located within Community Facilities District. On May 29, 2014, the District issued $31 million in Special Tax Refunding Bonds to refinance the 2004 bonds; and

WHEREAS, the City Council, by Ordinance, as authorized by Section 53340 of the Government Code of the State of California, has authorized the levy of a special tax to pay for costs and expenses related to said Community Facilities District, and the City Council is desirous to establish the specific rate of the special tax to be collected for Fiscal Year 2017-2018.

NOW, THEREFORE, BE IT RESOLVED, determined, and ordered by the City Council of the City of Fontana, California, as follows:

SECTION 1. That the above recitals are all true and correct.

SECTION 2. The specific rate and amount of the special tax to be collected to pay for the costs and expenses for Fiscal Year 2017-2018 for the referenced District is hereby determined and established as set forth in Exhibit “B” attached hereto and incorporated herein by reference provided, however, the City Manager is hereby authorized to reduce the specific rate and method of the special tax as shown in Exhibit “B” upon receipt of the Assessor’s roll from the County of San Bernardino if, as determined by the City Manager in his discretion, following review of the Assessor’s roll, a lower rate and amount of the special tax will be sufficient to pay for the costs and expenses for such fiscal year.
SECTION 3. The rate as set forth above does not exceed the amount previously authorized by Ordinance of the City Council, and is not in excess of that as previously approved by the qualified electors of the District.

SECTION 4. The proceeds of the Special Tax shall be used to pay, in whole or in part, the costs of the following, in the following order of priority:

(a) Payment of principal and interest on any outstanding authorized bonded indebtedness;

(b) Necessary replenishment of bond reserve funds or other reserve funds;

(c) Payment of costs and expenses of authorized public facilities and incidental expenses pursuant to the Act; and

(d) Repayment of advances and loans, as appropriate.

The basis for the determination of the special tax needed for the 2017-2018 fiscal year is set forth in Exhibit “B”, attached hereto and incorporated herein by reference.

SECTION 5. The above authorized Special Tax shall be collected in the same manner as ordinary ad valorem property taxes are collected and shall have the same lien and priority in the case of delinquency as is provided for ad valorem taxes.

SECTION 6. All monies above collected shall be paid into the Community Facilities District's funds, including any bond and reserve funds.

SECTION 7. The City Manager is hereby directed to transmit or cause to be transmitted to the Auditor of the County of San Bernardino for entry in the next County assessment roll on which taxes will become due, opposite each lot or parcel of land affected in a space marked “Public Improvement, Special Tax” or by any other suitable designation, the installment of the Special Tax as set forth in Exhibit “B” or as adjusted pursuant to the provisions of Section 2 above.

SECTION 8. The County Auditor shall then, at the close of the tax collection period, promptly render to this Agency a detailed report showing the amount and/or amounts of such Special Tax installments, interest, penalties and percentages so collected and from what property collected, and also provide a statement of any percentages retained for the expense of making any such collection.
APPROVED AND ADOPTED this 25th day of July, 2017.

READ AND APPROVED AS TO LEGAL FORM:

________________________________________
City Attorney

I, Tonia Lewis, City Clerk of the City of Fontana, and Ex-Officio Clerk of the City Council, do hereby certify that the foregoing resolution is the actual resolution duly and regularly adopted by the City Council at a regular meeting on the 25th day of July, 2017, by the following vote to wit:

AYES:
NOES:
ABSENT:

________________________________________
City Clerk of the City of Fontana

________________________________________
Mayor of the City of Fontana

ATTEST:

________________________________________
City Clerk
Exhibit A

City of Fontana
Community Facilities District No. 22
Sierra Hills South

Schedule 1
Special Tax Allocation - Costs to be Allocated
Fiscal Year 2017-2018

<table>
<thead>
<tr>
<th>Bond Payment 09/2017</th>
<th>$ 1,863,150</th>
</tr>
</thead>
<tbody>
<tr>
<td>Bond Payment 03/2018</td>
<td>695,250</td>
</tr>
<tr>
<td>Bond Payment 09/2018</td>
<td>1,885,250</td>
</tr>
<tr>
<td>Administration Costs</td>
<td>77,615</td>
</tr>
<tr>
<td><strong>Total Costs</strong></td>
<td><strong>$ 4,521,265</strong></td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Bond Service Funds Available</th>
<th>$ 1,906,438</th>
</tr>
</thead>
<tbody>
<tr>
<td>Proposed Special Tax Levy</td>
<td>2,695,627</td>
</tr>
<tr>
<td>Allowance for Delinquencies</td>
<td>(80,800)</td>
</tr>
<tr>
<td><strong>Available Funds</strong></td>
<td><strong>$ 4,521,265</strong></td>
</tr>
</tbody>
</table>

Schedule 2
Comparison of Special Tax Levy and Rates by Fiscal Years

<table>
<thead>
<tr>
<th>Tax Classification (Land Use)</th>
<th>FY 2016 - 2017</th>
<th>FY 2017 - 2018</th>
<th>Percent Change</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>Special Tax</td>
<td>Rate</td>
<td>Special Tax</td>
</tr>
<tr>
<td>1 - Non-residential</td>
<td>$ 645,964</td>
<td>$ 10,402.00</td>
<td>$ 645,964</td>
</tr>
<tr>
<td>1 - Non-residential</td>
<td>967,617</td>
<td>4,623.11</td>
<td>967,617</td>
</tr>
<tr>
<td>2 - Hotel Property</td>
<td>4,161</td>
<td>4,623.11</td>
<td>4,161</td>
</tr>
<tr>
<td>3 - Residential</td>
<td>440,450</td>
<td>1,150.00</td>
<td>440,450</td>
</tr>
<tr>
<td>4 - Residential</td>
<td>455,400</td>
<td>1,150.00</td>
<td>455,400</td>
</tr>
<tr>
<td>5 - Non-residential</td>
<td>182,035</td>
<td>10,402.00</td>
<td>182,035</td>
</tr>
</tbody>
</table>

$ 2,695,627  $ 2,695,627
EXHIBIT “B”

CITY OF FONTANA
COMMUNITY FACILITIES DISTRICT NO. 22
(SIERRA HILLS SOUTH)
RATE AND METHOD OF APPORTIONMENT OF SPECIAL TAXES
(Summary – Full text available in the Financial Services Division)

The Resolution of Annual Levy refers to this Exhibit for an explanation of the rate and method of apportionment of the special tax so as to allow each landowner or resident within the district to estimate the annual amount that would be required for payment.

Special Taxes shall be levied on all Parcels located within the boundaries of City of Fontana Community Facilities District No. 22 (Sierra Hills South) (hereinafter “CFD No. 22”). The amount of Special Tax to be levied on a Parcel in any fiscal year shall be determined by the City Council of the City of Fontana (hereinafter the “Council” and the “City”), in accordance with the rate and method of apportionment of the Special Taxes described below. All of the property in CFD No. 22, unless exempted by law or by the provisions hereof, shall be taxed for the purposes, to the extent, and in the manner provided herein.

The rate and method of apportionment of the special tax for 2017-2018 shall be as follows.

<table>
<thead>
<tr>
<th>Tax Rate Zone / Land Use Class</th>
<th>Unit</th>
<th>Maximum Annual Tax Rate FY 2017-2018</th>
<th>Actual Tax Rate FY 2017-2018</th>
<th>Tax Amount FY 2017-2018</th>
</tr>
</thead>
<tbody>
<tr>
<td>Tax Rate Zone 1 – Non residential</td>
<td>Acre</td>
<td>$11,875.31</td>
<td>$10,402.00</td>
<td>$645,964</td>
</tr>
<tr>
<td>Tax Rate Zone 2 – Non residential</td>
<td>Acre</td>
<td>5,277.92</td>
<td>4,623.11</td>
<td>967,617</td>
</tr>
<tr>
<td>Tax Rate Zone 2 – Hotel</td>
<td>Acre</td>
<td>5,277.92</td>
<td>4,623.11</td>
<td>4,161</td>
</tr>
<tr>
<td>Tax Rate Zone 3 – Residential</td>
<td>Unit</td>
<td>1,312.88</td>
<td>1,150.00</td>
<td>440,450</td>
</tr>
<tr>
<td>Tax Rate Zone 4 – Residential</td>
<td>Unit</td>
<td>1,312.88</td>
<td>1,150.00</td>
<td>455,400</td>
</tr>
<tr>
<td>Tax Rate Zone 5 – Non residential</td>
<td>Acre</td>
<td>11,875.31</td>
<td>10,420.00</td>
<td>182,035</td>
</tr>
</tbody>
</table>

$2,695,627

Maximum Special Tax Rates escalate at 2% per year commencing July 1, 2004.

Tax Rate Zone 3 may only be taxed until the earlier of Fiscal Year 2029-2030 or when no Bonds are outstanding. All other tax rate zones may be taxed until the earlier of Fiscal Year 2041-2042 or when no Bonds are outstanding.
Method of Apportionment of the Special Tax

No earlier than the fiscal year in which CFD No. 90-3 is dissolved pursuant to Section 5338.5 of the Act and for each subsequent fiscal year, the Council shall determine the Special Tax Requirement and levy the Special Taxes until the amount of Special Taxes equals the Special Tax Requirement.

**Step 1:** The Special Tax shall be levied proportionately on each Parcel of Single Family Residential Property, Hotel Property and Non-Residential Property at up to 100 percent of its applicable Maximum Special Tax to satisfy the Special Tax Requirement.

**Step 2:** If additional monies are needed to satisfy the Special Tax Requirement after Step 1 has been completed, then the Special Tax shall be levied proportionately on each Parcel of Property Owner Association Property at up to 100 percent of its applicable Maximum Special Tax to satisfy the Special Tax Requirement.

**Step 3:** If additional monies are needed to satisfy the Special Tax Requirement after Step 1 and Step 2 have been completed, then the Special Tax shall be levied proportionately on each Parcel of Public Property at up to 100 percent of its applicable Maximum Special Tax to satisfy the Special Tax Requirement.

“Special Tax Requirement” means, for a fiscal year, that amount required in such fiscal year for CFD No. 22 to: (i) pay debt service on all Outstanding Bonds; (ii) pay periodic costs on the bonds, including but not limited to, credit enhancement and rebate payments on the bonds; (iii) pay Administrative Expenses; (iv) pay any amounts required to establish or replenish any reserve funds for the Bonds; and (v) pay for reasonably anticipated delinquent Special Taxes based on the delinquency rate for Special Taxes levied in the previous fiscal year, except for the first fiscal year in which the Special Taxes are levied, for which the delinquency rate will be three percent (3%), taking into account any available funds, as determined by the CFD Administrator.
ACTION REPORT
July 25, 2017

FROM: Department of Management Services

SUBJECT: Levy of a Special Tax in Community Facilities District No. 31 (Citrus Heights North) for Fiscal Year 2017-2018

RECOMMENDATION:
Adopt Resolution No. 2017-____ of the City Council of the City of Fontana, California, authorizing the Levy of a Special Tax in Community Facilities District No. 31 (Citrus Heights North) for Fiscal Year 2017-2018.

COUNCIL GOALS:
* To practice sound fiscal management by fully funding liabilities and reserves.
* To practice sound fiscal management by developing long-term funding and debt management plans.

DISCUSSION:
Community Facilities District No. 31 (Citrus Heights North) was established by Resolution No. 2005-59 on June 7, 2005, to finance public facilities and to pay the annual landscape and lighting maintenance costs for the district. On December 21, 2006, the District issued $26,815,000 in Special Tax Bonds, Series 2006, to finance the acquisition and construction of certain capital facilities (infrastructure).

Pursuant to Government Code Section 53340, a resolution must be adopted by the City Council annually to levy a special tax to pay for the maturing principal and interest on the bonds. The rate and method of apportionment of the special tax was originally set forth in Resolution No. 2005-59 approved and adopted by the City Council on June 7, 2005.

The special tax levied on each assessable parcel within the District is necessary to pay principal and interest on the outstanding bonded indebtedness and authorized administration expenses (Special Tax A); and the annual park, parkways, and open space maintenance costs of the District (Special Tax B).

The portion of the special tax rate necessary to pay the principal and interest on the outstanding bonded indebtedness and authorized incidental expenses is comprised of available cash balance, debt service payments, and administration costs (Exhibit A, Schedule 1).

The proposed Fiscal Year 2017-2018 special tax rates (Special Tax A and Special Tax B) are outlined in Exhibit A, Schedule 2. A comparison of the total special tax levy and rates (A and B) for Fiscal Year 2016-2017 and Fiscal Year 2017-2018 is outlined in Exhibit A, Schedule 3.
The proposed special tax rates for Fiscal Year 2017-2018 were developed according to the Rate and Method of Apportionment (Exhibit A). The rates for all categories are the same as the prior year.

The District was established after the adoption of Proposition 218 and complies with its requirements because the District and the special taxes were approved by the consent of the property owner at the time the District was formed.

The City Treasurer has reviewed and supports this action.

**FISCAL IMPACT:**

The proposed Fiscal Year 2017-2018 special tax rates are the same as the prior year and will generate approximately $2.0 million; $1.7 million for debt service expenses and $247,000 for park, parkways and open space costs.

**MOTION:**

Approve staff recommendation.

**ATTACHMENTS:**

<table>
<thead>
<tr>
<th>Description</th>
<th>Type</th>
</tr>
</thead>
<tbody>
<tr>
<td>Proposed Resolution to Levy Community Facilities District No. 31</td>
<td>Resolution</td>
</tr>
<tr>
<td>Exhibit A Community Facilities District No. 31</td>
<td>Backup Material</td>
</tr>
<tr>
<td>Exhibit B Community Facilities District No. 31</td>
<td>Backup Material</td>
</tr>
<tr>
<td>Location Map CFD No. 31</td>
<td>Backup Material</td>
</tr>
</tbody>
</table>

**ITEM: CC-O**
RESOLUTION NO. 2017-


WHEREAS, the City Council of the City of Fontana, (the "City Council") has initiated proceedings, held a public hearing, conducted an election and received a favorable vote from the qualified electors relating to the levy of a special tax in a community facilities district, all as authorized pursuant to the terms and provisions of the “Mello-Roos Community Facilities Act of 1982”, being Chapter 2.5, Part 1, Division 2, Title 5 of the Government Code of the State of California (the “Act”). This Community Facilities District shall hereinafter be referred to as COMMUNITY FACILITIES DISTRICT NO. 31; and

WHEREAS, on December 21, 2006 Community Facilities District No. 31 (Citrus Heights North) Special Tax Bonds, Series 2006, were issued to finance certain public improvements within the district; and

WHEREAS, the City Council, by Ordinance, as authorized by Section 53340 of the Government Code of the State of California, has authorized the levy of a special tax to pay for costs and expenses related to said Community Facilities District, and the City Council is desirous to establish the specific rate of the special tax to be collected for Fiscal Year 2017-2018.

NOW, THEREFORE, BE IT RESOLVED, determined, and ordered by the City Council of the City of Fontana, California, as follows:

SECTION 1. That the above recitals are all true and correct.

SECTION 2. The specific rate and amount of the special tax to be collected to pay for the costs and expenses for Fiscal Year 2017-2018 for the referenced District is hereby determined and established as set forth in Exhibit “B” attached hereto and incorporated herein by reference provided, however, the City Manager is hereby authorized to reduce the specific rate and method of the special tax as shown in Exhibit “B” upon receipt of the Assessor’s roll from the County of San Bernardino if, as determined by the City Manager in his discretion, following review of the Assessor’s roll, a lower rate and amount of the special tax will be sufficient to pay for the costs and expenses for such fiscal year.

SECTION 3. The rate as set forth above does not exceed the amount previously authorized by Ordinance of the City Council, and is not in excess of that as previously approved by the qualified electors of the District.
SECTION 4. The proceeds of Special Tax A shall be used to pay, in whole or in part, the costs of the following, in the following order of priority:

(a) Payment of principal and interest on any outstanding authorized bonded indebtedness;

(b) Necessary replenishment of bond reserve funds or other reserve funds;

(c) Payment of costs and expenses of authorized public facilities and incidental expenses pursuant to the Act; and

(d) Repayment of advances and loans, as appropriate.

The basis for the determination of Special Tax A needed for the 2017-2018 fiscal year is set forth in Exhibit “A”, attached hereto and incorporated herein by reference.

SECTION 5. The proceeds of Special Tax B shall be used to pay the costs of park, parkways and open space maintenance of the District and for the payment of administrative expenses incurred in connection with the levy and collection of said Special Tax B.

SECTION 6. The above authorized Special Tax shall be collected in the same manner as ordinary ad valorem property taxes are collected and shall have the same lien and priority in the case of delinquency as is provided for ad valorem taxes.

SECTION 7. All monies above collected shall be paid into the Community Facilities District’s funds, including any bond and reserve funds.

SECTION 8. The City Manager is hereby directed to transmit or cause to be transmitted to the Auditor of the County of San Bernardino for entry in the next County assessment roll on which taxes will become due, opposite each lot or parcel of land affected in a space marked “Public Improvement, Special Tax” or by any other suitable designation, the installment of the Special Tax as set forth in Exhibit “B” or as adjusted pursuant to the provisions of Section 2 above.

SECTION 9. The County Auditor shall then, at the close of the tax collection period, promptly render to this Agency a detailed report showing the amount and/or amounts of such Special Tax installments, interest, penalties and percentages so collected and from what property collected, and also provide a statement of any percentages retained for the expense of making any such collection.
Resolution No. 2017-

APPROVED AND ADOPTED this 25th day of July, 2017

READ AND APPROVED AS TO LEGAL FORM:

____________________________________________
City Attorney

I, Tonia Lewis, City Clerk of the City of Fontana, and Ex-Officio Clerk of the Council, do hereby certify that the foregoing resolution is the actual resolution duly and regularly adopted by the Council at a regular meeting on the 25th day of July, 2017, by the following vote to wit:

AYES:  
NOES:  
ABSENT:

____________________________________________
City Clerk of the City of Fontana

____________________________________________
Mayor of the City of Fontana

ATTEST:

____________________________________________
City Clerk
Schedule 1
Special Tax Allocation - Costs to be Allocated
Fiscal Year 2017-2018

<table>
<thead>
<tr>
<th>Description</th>
<th>Amount</th>
<th>Description</th>
<th>Amount</th>
</tr>
</thead>
<tbody>
<tr>
<td>Bond Payment 09/2017</td>
<td>$1,182,321</td>
<td>Bond Service Funds Available</td>
<td>$1,266,422</td>
</tr>
<tr>
<td>Bond Payment 03/2018</td>
<td>$511,929</td>
<td>Proposed Special Tax Levy</td>
<td>$1,726,290</td>
</tr>
<tr>
<td>Bond Payment 09/2018</td>
<td>$1,196,929</td>
<td>Allowance for Delinquencies</td>
<td>$(51,800)</td>
</tr>
<tr>
<td>Administration Costs</td>
<td>$49,733</td>
<td></td>
<td></td>
</tr>
<tr>
<td><strong>Total Costs</strong></td>
<td><strong>$2,940,912</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td><strong>Available Funds</strong></td>
<td><strong>$2,940,912</strong></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

Schedule 2
Proposed Special Tax Rates for Fiscal Year 2017-2018
(Special Tax A and Special Tax B)

<table>
<thead>
<tr>
<th>Land Use Category</th>
<th>Special Tax A</th>
<th>Special Tax B</th>
<th>Total Special Tax Rate</th>
</tr>
</thead>
<tbody>
<tr>
<td>Greater than 4,275 sq ft</td>
<td>$3,764.00</td>
<td>$475.00</td>
<td>$4,239.00</td>
</tr>
<tr>
<td>4,075 - 4,274 sq ft</td>
<td>3,595.00</td>
<td>475.00</td>
<td>4,070.00</td>
</tr>
<tr>
<td>3,875 - 4,074 sq ft</td>
<td>3,490.00</td>
<td>475.00</td>
<td>3,965.00</td>
</tr>
<tr>
<td>3,675 - 3,874 sq ft</td>
<td>3,409.00</td>
<td>475.00</td>
<td>3,884.00</td>
</tr>
<tr>
<td>3,475 - 3,674 sq ft</td>
<td>3,344.00</td>
<td>475.00</td>
<td>3,819.00</td>
</tr>
<tr>
<td>3,275 - 3,474 sq ft</td>
<td>3,223.00</td>
<td>475.00</td>
<td>3,698.00</td>
</tr>
<tr>
<td>3,075 - 3,274 sq ft</td>
<td>3,130.00</td>
<td>475.00</td>
<td>3,605.00</td>
</tr>
<tr>
<td>2,875 - 3,074 sq ft</td>
<td>3,037.00</td>
<td>475.00</td>
<td>3,512.00</td>
</tr>
<tr>
<td>2,675 - 2,874 sq ft</td>
<td>2,916.00</td>
<td>475.00</td>
<td>3,391.00</td>
</tr>
<tr>
<td>2,475 - 2,674 sq ft</td>
<td>2,795.00</td>
<td>475.00</td>
<td>3,270.00</td>
</tr>
<tr>
<td>2,275 - 2,474 sq ft</td>
<td>2,795.00</td>
<td>475.00</td>
<td>3,270.00</td>
</tr>
<tr>
<td>2,075 - 2,274 sq ft</td>
<td>2,674.00</td>
<td>475.00</td>
<td>3,149.00</td>
</tr>
<tr>
<td>1,875 - 2,074 sq ft</td>
<td>2,108.00</td>
<td>475.00</td>
<td>2,583.00</td>
</tr>
<tr>
<td>1,675 - 1,874 sq ft</td>
<td>1,882.00</td>
<td>475.00</td>
<td>2,357.00</td>
</tr>
<tr>
<td>1,475 - 1,674 sq ft</td>
<td>1,664.00</td>
<td>475.00</td>
<td>2,139.00</td>
</tr>
<tr>
<td>1,275 - 1,474 sq ft</td>
<td>1,503.00</td>
<td>475.00</td>
<td>1,978.00</td>
</tr>
<tr>
<td>Less than 1,275 sq ft</td>
<td>1,180.00</td>
<td>475.00</td>
<td>1,655.00</td>
</tr>
<tr>
<td>Non-residential</td>
<td>$32,233.00</td>
<td>2,040.00</td>
<td>34,273.00</td>
</tr>
<tr>
<td>Final Mapped Property - Zone 1</td>
<td>$17,806.00</td>
<td>2,448.73 **</td>
<td>20,254.73</td>
</tr>
<tr>
<td>Final Mapped Property - Zone 2</td>
<td>26,894.00</td>
<td>4,423.18 **</td>
<td>31,317.18</td>
</tr>
<tr>
<td>Final Mapped Property - Zone 3</td>
<td>32,233.00</td>
<td>6,519.61 **</td>
<td>38,752.61</td>
</tr>
<tr>
<td>Undeveloped Zone 1 property</td>
<td>2,670.90</td>
<td>0.00</td>
<td>2,670.90</td>
</tr>
<tr>
<td>Undeveloped Zone 2 property</td>
<td>4,034.10</td>
<td>0.00</td>
<td>4,034.10</td>
</tr>
<tr>
<td>Undeveloped Zone 3 property</td>
<td>4,834.95</td>
<td>0.00</td>
<td>4,834.95</td>
</tr>
<tr>
<td><strong>Total Proposed Levy</strong></td>
<td><strong>$1,726,290</strong></td>
<td><strong>$247,000</strong></td>
<td><strong>$1,973,290</strong></td>
</tr>
</tbody>
</table>

**Rate calculated based on $475/unit mapped as of January 1, 2015**
### Schedule 3
Comparison of Total Special Tax Levy and Rates for 2016-17 and 2017-18
(Special Tax A and Special Tax B)

<table>
<thead>
<tr>
<th>Land Use Category</th>
<th>FY 2016 - 2017</th>
<th>FY 2017 - 2018</th>
<th>Percent Change</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>Special Tax</td>
<td>Rate</td>
<td>Special Tax</td>
</tr>
<tr>
<td>Greater than 4,275 sq ft</td>
<td>$42,390</td>
<td>$4,239.00</td>
<td>$42,390</td>
</tr>
<tr>
<td>4,075 - 4,274 sq ft</td>
<td>150,590</td>
<td>4,070.00</td>
<td>150,590</td>
</tr>
<tr>
<td>3,875 - 4,074 sq ft</td>
<td>27,755</td>
<td>3,965.00</td>
<td>27,755</td>
</tr>
<tr>
<td>3,675 - 3,874 sq ft</td>
<td>229,156</td>
<td>3,884.00</td>
<td>229,156</td>
</tr>
<tr>
<td>3,475 - 3,674 sq ft</td>
<td>171,855</td>
<td>3,819.00</td>
<td>171,855</td>
</tr>
<tr>
<td>3,275 - 3,474 sq ft</td>
<td>129,430</td>
<td>3,698.00</td>
<td>129,430</td>
</tr>
<tr>
<td>3,075 - 3,274 sq ft</td>
<td>108,150</td>
<td>3,605.00</td>
<td>108,150</td>
</tr>
<tr>
<td>2,875 - 3,074 sq ft</td>
<td>66,728</td>
<td>3,512.00</td>
<td>66,728</td>
</tr>
<tr>
<td>2,675 - 2,874 sq ft</td>
<td>44,083</td>
<td>3,391.00</td>
<td>44,083</td>
</tr>
<tr>
<td>2,475 - 2,674 sq ft</td>
<td>137,340</td>
<td>3,270.00</td>
<td>137,340</td>
</tr>
<tr>
<td>2,275 - 2,474 sq ft</td>
<td>140,610</td>
<td>3,270.00</td>
<td>140,610</td>
</tr>
<tr>
<td>2,075 - 2,274 sq ft</td>
<td>6,298</td>
<td>3,149.00</td>
<td>6,298</td>
</tr>
<tr>
<td>1,875 - 2,074 sq ft</td>
<td>315,126</td>
<td>2,583.00</td>
<td>315,126</td>
</tr>
<tr>
<td>1,675 - 1,874 sq ft</td>
<td>103,708</td>
<td>2,357.00</td>
<td>103,708</td>
</tr>
<tr>
<td>1,475 - 1,674 sq ft</td>
<td>25,668</td>
<td>2,139.00</td>
<td>25,668</td>
</tr>
<tr>
<td>1,275 - 1,474 sq ft</td>
<td>1,978.00</td>
<td>0</td>
<td>1,978.00</td>
</tr>
<tr>
<td>Less than 1,275 sq ft</td>
<td>1,655.00</td>
<td>0</td>
<td>1,655.00</td>
</tr>
<tr>
<td>Non-residential</td>
<td>0</td>
<td>34,273.00</td>
<td>0</td>
</tr>
<tr>
<td>Final Mapped Property - Zone 1</td>
<td>0</td>
<td>20,254.73</td>
<td>0</td>
</tr>
<tr>
<td>Final Mapped Property - Zone 2</td>
<td>0</td>
<td>31,237.79</td>
<td>0</td>
</tr>
<tr>
<td>Final Mapped Property - Zone 3</td>
<td>0</td>
<td>38,752.61</td>
<td>0</td>
</tr>
<tr>
<td>Undeveloped Zone 1 property</td>
<td>99,315</td>
<td>2,670.90</td>
<td>99,315</td>
</tr>
<tr>
<td>Undeveloped Zone 2 property</td>
<td>38,082</td>
<td>4,034.10</td>
<td>38,082</td>
</tr>
<tr>
<td>Undeveloped Zone 3 property</td>
<td>136,926</td>
<td>4,834.95</td>
<td>136,926</td>
</tr>
</tbody>
</table>

| Total | $1,973,290 | $1,973,290 | 0% |
EXHIBIT “B”

CITY OF FONTANA
COMMUNITY FACILITIES DISTRICT NO. 31
(CITRUS HEIGHTS NORTH)
RATE AND METHOD OF APPORTIONMENT OF SPECIAL TAXES
(Summary – Full text available in the Financial Services Division)

The Resolution of Annual Levy refers to this Exhibit for an explanation of the rate and method of apportionment of the special tax so as to allow each landowner or resident within the district to estimate the annual amount that would be required for payment.

A Special Tax shall be levied on all Assessor’s Parcels of Taxable Property in City of Fontana Community Facilities District No. 31 (“CFD No. 31”) and collected each Fiscal year commencing in Fiscal year 2006-2007, in an amount determined by the City Council of the City of Fontana (the “Council”) through the application of the appropriate Special Tax for “Developed Property,” “Taxable Property Owner Association Property,” “Taxable Public Property,” “Undeveloped Non-Residential Property,” and “Undeveloped Residential Property.” All of the real property in CFD No. 31, unless exempted by law or by the provisions hereof, shall be taxed for the purposes, to the extent and in the manner herein provided.

The rate and method of apportionment of the special tax for 2017-2018 shall be as follows.

I. SPECIAL TAXES FOR PUBLIC IMPROVEMENTS:

<table>
<thead>
<tr>
<th>Land Use</th>
<th>Unit</th>
<th>Assigned Special Tax FY 2017-2018</th>
<th>Actual Tax Rate FY 2017-2018</th>
<th>Tax Amount FY 2017-2018</th>
</tr>
</thead>
<tbody>
<tr>
<td>Greater than 4,275 sq ft</td>
<td>Unit</td>
<td>$3,764.00</td>
<td>$3,764.00</td>
<td>$37,640</td>
</tr>
<tr>
<td>4,075 - 4,274 sq ft</td>
<td>Unit</td>
<td>$3,595.00</td>
<td>$3,595.00</td>
<td>133,015</td>
</tr>
<tr>
<td>3,875 - 4,074 sq ft</td>
<td>Unit</td>
<td>$3,490.00</td>
<td>$3,490.00</td>
<td>24,430</td>
</tr>
<tr>
<td>3,675 - 3,874 sq ft</td>
<td>Unit</td>
<td>$3,409.00</td>
<td>$3,409.00</td>
<td>201,131</td>
</tr>
<tr>
<td>3,475 - 3,674 sq ft</td>
<td>Unit</td>
<td>$3,344.00</td>
<td>$3,344.00</td>
<td>150,480</td>
</tr>
<tr>
<td>3,275 - 3,474 sq ft</td>
<td>Unit</td>
<td>$3,223.00</td>
<td>$3,223.00</td>
<td>112,805</td>
</tr>
<tr>
<td>3,075 - 3,274 sq ft</td>
<td>Unit</td>
<td>$3,130.00</td>
<td>$3,130.00</td>
<td>93,900</td>
</tr>
<tr>
<td>2,875 - 3,074 sq ft</td>
<td>Unit</td>
<td>$3,037.00</td>
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<td>57,703</td>
</tr>
<tr>
<td>2,675 - 2,874 sq ft</td>
<td>Unit</td>
<td>$2,916.00</td>
<td>$2,916.00</td>
<td>37,908</td>
</tr>
<tr>
<td>475 - 2,674 sq ft</td>
<td>Unit</td>
<td>$2,795.00</td>
<td>$2,795.00</td>
<td>117,390</td>
</tr>
<tr>
<td>2,275 - 2,474 sq ft</td>
<td>Unit</td>
<td>$2,795.00</td>
<td>$2,795.00</td>
<td>120,185</td>
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<td>Unit</td>
<td>$2,674.00</td>
<td>$2,674.00</td>
<td>5,348</td>
</tr>
<tr>
<td>1,875 - 2,074 sq ft</td>
<td>Unit</td>
<td>$2,108.00</td>
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<td>257,176</td>
</tr>
<tr>
<td>1,675 - 1,874 sq ft</td>
<td>Unit</td>
<td>$1,882.00</td>
<td>$1,882.00</td>
<td>82,808</td>
</tr>
<tr>
<td>1,475 - 1,674 sq ft</td>
<td>Unit</td>
<td>$1,664.00</td>
<td>$1,664.00</td>
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<tr>
<td>1,275 - 1,474 sq ft</td>
<td>Unit</td>
<td>$1,503.00</td>
<td>$1,503.00</td>
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</tr>
<tr>
<td>1,274 sq ft or less</td>
<td>Unit</td>
<td>$1,180.00</td>
<td>$1,180.00</td>
<td>0</td>
</tr>
<tr>
<td>Non-residential property</td>
<td>Acre</td>
<td>32,233.00</td>
<td>32,233.00</td>
<td>0</td>
</tr>
<tr>
<td>Mapped Property – Zone 1</td>
<td>Acre</td>
<td>17,806.00</td>
<td>17,806.00</td>
<td>0</td>
</tr>
</tbody>
</table>
Method of Apportionment of Special Tax A

Commencing with Fiscal year 2005-2006 and for each following Fiscal Year, the Council shall determine the Special Tax Requirement for Facilities and shall levy Special Tax A until the total Special Tax A equals the Special Tax Requirement for Facilities. Special Tax A shall be levied each Fiscal Year as follows:

First: Special Tax A shall be levied on each Assessor’s Parcel of Developed Property at up to 100% of the applicable Assigned Special Tax A;

Second: If additional monies are needed to satisfy the Special Tax Requirement for Facilities after the first step has been completed, the Special Tax A shall be levied Proportionately on each Assessor’s Parcel of Final Mapped Property in Zone 1, Zone 2, and Zone 3 at up to 100% of the applicable Initial Maximum Special Tax A;

Third: If additional monies are needed to satisfy the Special Tax Requirement for Facilities after the second step has been completed, the Special Tax A shall be levied Proportionately on each Assessor’s Parcel of Undeveloped Property in Zone 1, Zone 2, and Zone 3 at up to 100% of the applicable Initial Maximum Special Tax A;

Fourth: If additional monies are needed to satisfy the Special Tax Requirement for Facilities after the first three steps have been completed, then the levy of the Special Tax A on each Assessor’s Parcel of Final Mapped Property and Undeveloped Property in Zone 1, Zone 2, and Zone 3 shall be increased in equal percentages from the applicable Initial Maximum Special Tax A for such Zone up to 100% of the applicable Maximum Special Tax A for Final Mapped Property and Undeveloped Property;

Fifth: If additional monies are needed to satisfy the Special Tax Requirement for Facilities after the first four steps have been completed, then the levy of the Special Tax A on each Assessor’s Parcel of Developed Property in Zone 1, Zone 2, and Zone 3 whose Maximum Special Tax A is determined through the application of the Backup Special Tax A shall be increased in equal percentages from the Assigned Special Tax A up to the Maximum Special Tax A for each such Assessor’s Parcel;

Sixth: If additional monies are needed to satisfy the Special Tax Requirement for Facilities after the first five steps have been completed, then the Special Tax A
shall be levied proportionately on each Assessor’s Parcel of Taxable Property Owner Association at up to the Maximum Special Tax A for Taxable Property Owner Association Property;

Seventh: If additional monies are needed to satisfy the Special Tax Requirement for Facilities after the first six steps have been completed, then the Special Tax A shall be levied proportionately on each Assessor’s Parcel of Taxable Public Property at up to the Maximum Special Tax A for Taxable Public Property.

Notwithstanding the above the Council may, in any Fiscal Year, levy proportionately less than 100% of the Assigned Special Tax A in step one (above), when (i) the Council is no longer required to levy the Special Tax A pursuant to steps two through seven above in order to meet the Special Tax Requirement for Facilities, and (ii) all authorized Bonds have already been issued or the Council has covenanted that it will not issue any additional Bonds (except refunding bonds) to be supported by the Special Tax A.

Further notwithstanding the above, under no circumstances will the Special Tax A be levied against any Assessor’s Parcel of Residential Property for which a Certificate of Occupancy has been issued be increased by more than ten percent as a consequence of delinquency or default by the owner of any other Assessor’s Parcel within CFD No. 31.

II. SPECIAL TAXES FOR MAINTENANCE OF PARK, PARKWAYS, AND OPEN SPACE

<table>
<thead>
<tr>
<th>Land Use Class</th>
<th>Unit</th>
<th>Maximum Annual Tax Rate FY 2017-2018</th>
<th>Actual Tax Rate FY 2017-2018</th>
<th>Tax Amount FY 2017-2018</th>
</tr>
</thead>
<tbody>
<tr>
<td>Residential property</td>
<td>Unit</td>
<td>$826.84</td>
<td>$475.00</td>
<td>$247,000</td>
</tr>
<tr>
<td>Developed Non-Residential Property</td>
<td>Acre</td>
<td>3,556.05</td>
<td>2,040.00</td>
<td>0</td>
</tr>
</tbody>
</table>

Method of Apportionment of Special Tax B

Commencing with Fiscal Year 2005-2006 and for each following Fiscal Year, the Council shall levy the Special Tax B until the total Special Tax B levy equals the Special Tax Requirement for Services. The Special Tax B shall be levied each Fiscal Year as follows;

First: The Special Tax B shall be levied proportionately on each Assessor’s Parcel of Developed Property at up to 100% of the applicable Assigned Special Tax B for such Assessor’s Parcel;

Second: If additional monies are needed to satisfy the Special Tax Requirement for Services after the first step has been completed, then the levy of the Special
Tax B on each Assessor's Parcel of Developed Property shall be increased in equal percentages from the Assigned Special Tax B up to the Maximum Special Tax B for each such Assessor's Parcel.
ACTION REPORT  
July 25, 2017

FROM: Department of Management Services

SUBJECT: Levy of a Special Tax in Community Facilities District No. 37 (Montelago) for Fiscal Year 2017-2018

RECOMMENDATION:
Adopt Resolution No. 2017-____ of the City Council of the City of Fontana, California, authorizing the Levy of Special Tax in Community Facilities District No. 37 (Montelago) for Fiscal Year 2017-2018.

COUNCIL GOALS:
* To practice sound fiscal management by fully funding liabilities and reserves.
* To practice sound fiscal management by developing long-term funding and debt management plans.

DISCUSSION:
Community Facilities District No. 37 (Montelago) was established by Resolution No. 2005-63 on June 7, 2005, to finance public facilities and to pay annual landscape and lighting maintenance costs for the district. On September 1, 2005, the District issued $4,590,000 in Special Tax Bonds to finance the acquisition of certain major capital facilities (infrastructure) to serve properties within the District.

Pursuant to Government Code Section 53340, a resolution must be adopted by the City Council annually to levy a special tax to pay for the maturing principal and interest on the bonds. The rate and method of apportionment of the special tax was originally set forth in Ordinance No. 1480 approved and adopted by the City Council on June 21, 2005.

The special tax levied on each assessable parcel within the District is necessary to pay principal and interest on the outstanding bonded indebtedness and authorized administrative expenses (Special Tax A); and the annual landscape and lighting maintenance costs of the District (Special Tax B).

The portion of the special tax rate necessary to pay the principal and interest on the outstanding bonded indebtedness and authorized incidental expenses is comprised of available cash balance, debt service payments, and administration costs (Exhibit A, Schedule 1).

The proposed Fiscal Year 2017-2018 special tax rates (Special Tax A and Special Tax B) are shown in Exhibit A, Schedule 2.

A comparison of the total special tax levy and rates (A and B) for Fiscal Year 2016-
2017 and Fiscal Year 2017-2018 is outlined in Exhibit A, Schedule 3.

The proposed special tax rates for Fiscal Year 2017-2018 were developed according to the Rate and Method of Apportionment (Exhibit B). Special tax rate A (bond) will decrease by eight percent (8%) and special tax rate B (maintenance) will remain the same as the prior year.

The District was established after the adoption of Proposition 218 and complies with its requirements because the District and the special taxes were approved by the consent of the property owner at the time the District was formed.

The City Treasurer has reviewed and supports this action.

**FISCAL IMPACT:**
The proposed Fiscal Year 2017-2018 bond special tax rates will generate approximately $395,416; $308,615 for debt service expenses and $86,801 for landscape and lighting maintenance costs. The levy of a special tax is necessary to pay for the principal and interest on the $4.6 million Special Tax Bonds and to pay for administrative expenses as authorized by the Mello-Roos Communities Facilities Act of 1982 and the bond indenture.

**MOTION:**
Approve staff recommendation.

**ATTACHMENTS:**

<table>
<thead>
<tr>
<th>Description</th>
<th>Type</th>
</tr>
</thead>
<tbody>
<tr>
<td>Proposed Resolution to Levy Community Facilities District No. 37</td>
<td>Resolution</td>
</tr>
<tr>
<td>Exhibit A Community Facilities District No. 37</td>
<td>Backup Material</td>
</tr>
<tr>
<td>Exhibit B Community Facilities District No. 37</td>
<td>Backup Material</td>
</tr>
<tr>
<td>Location Map CFD No. 37</td>
<td>Backup Material</td>
</tr>
</tbody>
</table>

ITEM: CC-P
RESOLUTION NO. 2017-


WHEREAS, the City Council of the City of Fontana, (the "City Council") has initiated proceedings, held a public hearing, conducted an election and received a favorable vote from the qualified electors relating to the levy of a special tax in a community facilities district, all as authorized pursuant to the terms and provisions of the “Mello-Roos Community Facilities Act of 1982”, being Chapter 2.5, Part 1, Division 2, Title 5 of the Government Code of the State of California (the “Act”). This Community Facilities District shall hereinafter be referred to as COMMUNITY FACILITIES DISTRICT NO. 37; and

WHEREAS, on September 1, 2005, Community Facilities District No. 37 (Montelago) Special Tax Bonds, Series 2005, were issued to acquire the improvements in Tract 16678; and

WHEREAS, the City Council, by Ordinance, as authorized by Section 53340 of the Government Code of the State of California, has authorized the levy of a special tax to pay for costs and expenses related to said Community Facilities District, and the City Council is desirous to establish the specific rate of the special tax to be collected for Fiscal Year 2017-2018.

NOW, THEREFORE, BE IT RESOLVED, determined, and ordered by the City Council of the City of Fontana, California, as follows:

SECTION 1. That the above recitals are all true and correct.

SECTION 2. The specific rate and amount of the special tax to be collected to pay for the costs and expenses for Fiscal Year 2017-2018 for the referenced District is hereby determined and established as set forth in Exhibit “B” attached hereto and incorporated herein by reference provided, however, the City Manager is hereby authorized to reduce the specific rate and method of the special tax as shown in Exhibit “B” upon receipt of the Assessor’s roll from the County of San Bernardino if, as determined by the City Manager in his discretion, following review of the Assessor’s roll, a lower rate and amount of the special tax will be sufficient to pay for the costs and expenses for such fiscal year.

SECTION 3. The rate as set forth above does not exceed the amount previously authorized by Ordinance of the City Council, and is not in excess of that as previously approved by the qualified electors of the District.
SECTION 4. The proceeds of the Special Tax shall be used to pay, in whole or in part, the costs of the following, in the following order of priority:

(a) Payment of principal and interest on any outstanding authorized bonded indebtedness;

(b) Necessary replenishment of bond reserve funds or other reserve funds;

(c) Payment of costs and expenses of authorized public facilities and incidental expenses pursuant to the Act; and

(d) Repayment of advances and loans, as appropriate.

The basis for the determination of the special tax needed for the 2017-2018 fiscal year is set forth in Exhibit “B”, attached hereto and incorporated herein by reference.

SECTION 5. The above authorized Special Tax shall be collected in the same manner as ordinary ad valorem property taxes are collected and shall have the same lien and priority in the case of delinquency as is provided for ad valorem taxes.

SECTION 6. All monies above collected shall be paid into the Community Facilities District's funds, including any bond and reserve funds.

SECTION 7. The City Manager is hereby directed to transmit or cause to be transmitted to the Auditor of the County of San Bernardino for entry in the next County assessment roll on which taxes will become due, opposite each lot or parcel of land affected in a space marked “Public Improvement, Special Tax” or by any other suitable designation, the installment of the Special Tax as set forth in Exhibit “B” or as adjusted pursuant to the provisions of Section 2 above.

SECTION 8. The County Auditor shall then, at the close of the tax collection period, promptly render to this Agency a detailed report showing the amount and/or amounts of such Special Tax installments, interest, penalties and percentages so collected and from what property collected, and also provide a statement of any percentages retained for the expense of making any such collection.
APPROVED AND ADOPTED this 25th day of July, 2017.

READ AND APPROVED AS TO LEGAL FORM:

____________________________
City Attorney

I, Tonia Lewis, City Clerk of the City of Fontana, and Ex-Officio Clerk of the City Council, do hereby certify that the foregoing resolution is the actual resolution duly and regularly adopted by the City Council at a regular meeting on the 25th day of July, 2017, by the following vote to wit:

AYES:
NOES:
ABSENT:

____________________________
City Clerk of the City of Fontana

____________________________
Mayor of the City of Fontana

ATTEST:

____________________________
City Clerk
Schedule 1
Special Tax Allocation - Costs to be Allocated
Fiscal Year 2017-2018

<table>
<thead>
<tr>
<th>Costs Item</th>
<th>Amount</th>
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<tbody>
<tr>
<td>Bond Payment 09/2017</td>
<td>$209,537</td>
</tr>
<tr>
<td>Bond Payment 03/2018</td>
<td>$86,748</td>
</tr>
<tr>
<td>Bond Payment 09/2018</td>
<td>$211,748</td>
</tr>
<tr>
<td>Administration Costs</td>
<td>$31,082</td>
</tr>
<tr>
<td>Total Costs</td>
<td>$539,115</td>
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</tbody>
</table>

<table>
<thead>
<tr>
<th>Funds Available</th>
<th>Amount</th>
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</thead>
<tbody>
<tr>
<td>Bond Service Funds Available</td>
<td>$240,600</td>
</tr>
<tr>
<td>Proposed Special Tax Levy</td>
<td>$308,615</td>
</tr>
<tr>
<td>Allowance for Delinquencies</td>
<td>$(10,100)</td>
</tr>
<tr>
<td>Available Funds</td>
<td>$539,115</td>
</tr>
</tbody>
</table>

Schedule 2
Proposed Special Tax Rates for Fiscal Year 2017-2018
(Special Tax A and Special Tax B)

<table>
<thead>
<tr>
<th>Residential Lot Size</th>
<th>Special Tax A</th>
<th>Special Tax B</th>
<th>Total Special Tax Rate</th>
</tr>
</thead>
<tbody>
<tr>
<td>1- &gt;3,700 sq ft</td>
<td>$2,461.00</td>
<td>$607.00</td>
<td>$3,068.00</td>
</tr>
<tr>
<td>2- 34.50 to 3,699 sq ft</td>
<td>$2,172.00</td>
<td>$607.00</td>
<td>$2,779.00</td>
</tr>
<tr>
<td>3- 3,200 to 3,449 sq ft</td>
<td>$2,020.00</td>
<td>$607.00</td>
<td>$2,627.00</td>
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<tr>
<td>4- &lt;3,200 sq ft</td>
<td>$1,803.00</td>
<td>$607.00</td>
<td>$2,410.00</td>
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<tr>
<td>Total Proposed Levy</td>
<td>$308,615.00</td>
<td>$86,801.00</td>
<td>$395,416.00</td>
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</table>

Schedule 3
Comparison of Special Tax Levy and Rates by Fiscal Years

<table>
<thead>
<tr>
<th>Tax Classification (Land Use)</th>
<th>FY 2016 - 2017</th>
<th>FY 2017 - 2018</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>Special Tax</td>
<td>Rate</td>
</tr>
<tr>
<td>1- &gt;3,700 sq ft</td>
<td>$144,408</td>
<td>$3,282.00</td>
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<tr>
<td>2- 34.50 to 3,699 sq ft</td>
<td>$112,784</td>
<td>$2,968.00</td>
</tr>
<tr>
<td>3- 3,200 to 3,449 sq ft</td>
<td>$100,908</td>
<td>$2,803.00</td>
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<tr>
<td>4- &lt;3,200 sq ft</td>
<td>$64,175</td>
<td>$2,567.00</td>
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<tr>
<td>Total</td>
<td>$422,275</td>
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EXHIBIT “B”

CITY OF FONTANA
COMMUNITY FACILITIES DISTRICT NO. 37
(MONTELAGO)
RATE AND METHOD OF APPORTIONMENT OF SPECIAL TAXES
(Summary – Full text available in the Financial Services Division)

The Resolution of Annual Levy refers to this Exhibit for an explanation of the rate and method of apportionment of the special tax so as to allow each landowner or resident within the district to estimate the annual amount that would be required for payment.

A Special Tax shall be levied on all Assessor’s Parcels of Taxable Property in City of Fontana Community Facilities District No. 37 ("CFD No. 37") and collected each fiscal year commencing in Fiscal Year 2005-2006, in an amount determined by the City Council of the City of Fontana (the “Council”) through the application of the appropriate Special Tax for “Developed Property,” and “Non-Residential Property.” All of the real property in CFD No. 37, unless exempted by law or by the provisions hereof, shall be taxed for the purposes, to the extent and in the manner herein provided.

The rate and method of apportionment of the special tax for 2017-2018 shall be as follows.

I. SPECIAL TAXES FOR PUBLIC IMPROVEMENTS:

<table>
<thead>
<tr>
<th>Land Use Class</th>
<th>Assigned Special Tax FY 2017-2018</th>
<th>Actual Tax Rate FY 2017-2018</th>
<th>Tax Amount FY 2017-2018</th>
</tr>
</thead>
<tbody>
<tr>
<td>1 - greater than 3,700 sq ft</td>
<td>$2,918.00</td>
<td>$2,461.00</td>
<td>$108,284</td>
</tr>
<tr>
<td>2 - 3,450 - 3,699 sq ft</td>
<td>2,575.00</td>
<td>2,172.00</td>
<td>82,536</td>
</tr>
<tr>
<td>3 - 3,200 - 3,449 sq ft</td>
<td>2,395.00</td>
<td>2,020.00</td>
<td>72,720</td>
</tr>
<tr>
<td>4 - 3,199 sq ft or less</td>
<td>2,138.00</td>
<td>1,803.00</td>
<td>45,075</td>
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</tbody>
</table>

Method of Apportionment of Special Tax A

Commencing with Fiscal year 2005-2006 and for each following Fiscal Year, the Council shall determine the Special Tax Requirement for Facilities and shall levy Special Tax A until the total Special Tax A levy equals the Special Tax Requirement for Facilities. The Special Tax A shall be levied each Fiscal Year as follows:
First: Special Tax A shall be levied proportionately on each Assessor’s Parcel of Developed Property in an amount equal to 100% of the applicable Assigned Special Tax A;

Second: If additional monies are needed to satisfy the Special Tax Requirement for Facilities after the first step has been completed, the Special Tax A shall be levied proportionately on each Assessor’s Parcel of Undeveloped Property at up to 100% of the Maximum Special Tax A for Undeveloped Property;

Third: If additional monies are needed to satisfy the Special Tax Requirement for Facilities after the first two steps have been completed, then the levy of Special Tax A on each Assessor’s Parcel of Developed Property whose Maximum Special Tax is determined through the application of the Backup Tax A shall be increased in equal percentages from the Assigned Special Tax A up to the Maximum Special Tax A for each such Assessor’s Parcel;

Fourth: If additional monies are needed to satisfy the Special Tax Requirement for Facilities after the first three steps have been completed, then Special Tax A shall be levied proportionately on each Assessor’s Parcel of Taxable Property Owner Association Property at up to the Maximum Special Tax A for Taxable Property Owner Association Property;

Fifth: If additional monies are needed to satisfy the Special Tax Requirement for Facilities after the first four steps have been completed, then Special Tax A shall be levied proportionately on each Assessor’s Parcel of Taxable Public Property at up to the Maximum Special Tax A for Taxable Public Property;

Notwithstanding the above the Council may, in any Fiscal year, levy proportionately less than 100% of the Assigned Special Tax A in step one (above), when (i) the Council is no longer required to levy the Special Tax A pursuant to steps two through five above in order to meet the Special Tax Requirement for Facilities, and (ii) all authorized Bonds have already been issued or the Council has covenanted that it will not issue any additional Bonds (except refunding bonds) to be supported by the Special Tax A.

Further notwithstanding the above, under no circumstances will the Special Tax A levied against any Assessor’s Parcel of Residential Property for which a Certificate of Occupancy has been issued be increased by more than ten percent as a consequence of delinquency or default by the owner of any other Assessor’s Parcel within CFD No. 37.
II. SPECIAL TAXES FOR MAINTENANCE OF PARK, PARKWAYS, AND OPEN SPACE

<table>
<thead>
<tr>
<th>Land Use Class</th>
<th>Unit</th>
<th>Maximum Annual Tax Rate FY 2017-2018</th>
<th>Actual Tax Rate FY 2017-2018</th>
<th>Tax Amount FY 2017-2018</th>
</tr>
</thead>
<tbody>
<tr>
<td>1 – Final Residential Subdivision</td>
<td>Unit</td>
<td>$1,056.87</td>
<td>$607.00</td>
<td>$86,801</td>
</tr>
<tr>
<td>5 – Non-Residential Property</td>
<td>Acre</td>
<td>4,544.53</td>
<td>2,610.00</td>
<td>0</td>
</tr>
</tbody>
</table>

Commencing July 1, 2006, and each July 1 thereafter, the Maximum Special Tax rates for Special Tax B for Residential Property, and Non-Residential Property shall be increased by two percent (2%).

Method of Apportionment of Special Tax B

Commencing with Fiscal Year 2005-2006 and for each following Fiscal Year, the Council shall levy Special Tax B until the total Special Tax B levy equals the Special Tax Requirement for Services. Special Tax B shall be levied each Fiscal Year as follows:

First: Special Tax B shall be levied proportionately on each Assessor’s Parcel of Developed Property at up to 100% of the applicable Assigned Special Tax B for such Assessor’s Parcel;

Second: If additional monies are needed to satisfy the Special Tax Requirement for Services after the first step has been completed, then the levy of the Special Tax B on each Assessor’s Parcel of Developed Property shall be increased in equal percentages from the Assigned Special Tax B up to the Maximum Special Tax B for each such Assessor’s parcel.
CFD # 37
143 residential lots
ACTION REPORT  
July 25, 2017

FROM: Department of Management Services

SUBJECT: Levy of a Special Tax in Community Facilities District No. 70 (Avellino) for Fiscal Year 2017-2018

RECOMMENDATION:
Adopt Resolution No. 2017-____ of the City Council of the City of Fontana, California, authorizing the Levy of Special Tax in Community Facilities District No. 70 (Avellino) for Fiscal Year 2017-2018.

COUNCIL GOALS:
* To practice sound fiscal management by fully funding liabilities and reserves.
* To practice sound fiscal management by developing long-term funding and debt management plans.

DISCUSSION:
Community Facilities District No. 70 (Avellino) was established by Resolution No. 2012-90 on September 25, 2012, to finance public facilities and to pay annual landscape and lighting maintenance costs for the district. On July 24, 2013, the District issued $2,750,000 in Special Tax Bonds to finance the acquisition of certain major capital facilities (infrastructure) to serve properties within the District.

Pursuant to Government Code Section 53340, a resolution must be adopted by the City Council annually to levy a special tax to pay for the maturing principal and interest on the bonds. The rate and method of apportionment of the special tax was originally set forth in Ordinance No. 1670 approved and adopted by the City Council on October 9, 2012.

The special tax levied on each assessable parcel within the District is necessary to pay principal and interest on the outstanding bonded indebtedness and authorized administrative expenses (Facilities Special Tax A); and the annual landscape and lighting maintenance costs of the District (Services Special Tax B). The proposed Fiscal Year 2017-2018 special tax rates (Special Tax A and Special Tax B) are shown in Exhibit A, Schedule 2.

The proposed special tax rates for Fiscal Year 2017-2018 were developed according to the Rate and Method of Apportionment (Exhibit B) and are the same as the prior year.

The District was established after the adoption of Proposition 218 and complies with its requirements because the District and the special taxes were approved by the consent of the property owner at the time the District was formed.
The City Treasurer has reviewed and supports this action.

**FISCAL IMPACT:**

The proposed Fiscal Year 2017-2018 bond special tax rates and the maintenance special tax rates will generate approximately $319,264; $241,384 for debt service expenses and $77,880 for landscape and lighting maintenance costs.

**MOTION:**

Approve staff recommendation.

**ATTACHMENTS:**

<table>
<thead>
<tr>
<th>Description</th>
<th>Type</th>
</tr>
</thead>
<tbody>
<tr>
<td>Proposed Resolution to Levy Community Facilities District No. 70</td>
<td>Resolution</td>
</tr>
<tr>
<td>Exhibit A Community Facilities District No. 70</td>
<td>Backup Material</td>
</tr>
<tr>
<td>Exhibit B Community Facilities District No. 70</td>
<td>Backup Material</td>
</tr>
<tr>
<td>CFD #70 Location Map</td>
<td>Backup Material</td>
</tr>
</tbody>
</table>

**ITEM:** CC-Q
RESOLUTION NO. 2017-


WHEREAS, the City Council of the City of Fontana, (the “City Council”) has initiated proceedings, held a public hearing, conducted an election and received a favorable vote from the qualified electors relating to the levy of a special tax in a community facilities district, all as authorized pursuant to the terms and provisions of the “Mello-Roos Community Facilities Act of 1982”, being Chapter 2.5, Part 1, Division 2, Title 5 of the Government Code of the State of California (the “Act”). This Community Facilities District shall hereinafter be referred to as COMMUNITY FACILITIES DISTRICT NO. 70; and

WHEREAS, on September 25, 2012, Community Facilities District No. 70 (Avellino) Special Tax Bonds, were approved for the acquisition of the improvements in Tract 18824; and

WHEREAS, the City Council, by Ordinance, as authorized by Section 53340 of the Government Code of the State of California, has authorized the levy of a special tax to pay for costs and expenses related to said Community Facilities District, and the City Council is desirous to establish the specific rate of the special tax to be collected for Fiscal Year 2017-2018.

NOW, THEREFORE, BE IT RESOLVED, determined, and ordered by the City Council of the City of Fontana, California, as follows:

SECTION 1. That the above recitals are all true and correct.

SECTION 2. The specific rate and amount of the special tax to be collected to pay for the costs and expenses for Fiscal Year 2017-2018 for the referenced District is hereby determined and established as set forth in Exhibit “B” attached hereto and incorporated herein by reference provided, however, the City Manager is hereby authorized to reduce the specific rate and method of the special tax as shown in Exhibit “B” upon receipt of the Assessor’s roll from the County of San Bernardino if, as determined by the City Manager in his discretion, following review of the Assessor’s roll, a lower rate and amount of the special tax will be sufficient to pay for the costs and expenses for such fiscal year.

SECTION 3. The rate as set forth above does not exceed the amount previously authorized by Ordinance of the City Council, and is not in excess of that as previously approved by the qualified electors of the District.
SECTION 4. The proceeds of the Special Tax shall be used to pay, in whole or in part, the costs of the following, in the following order of priority:

(a) Payment of principal and interest on any outstanding authorized bonded indebtedness;

(b) Necessary replenishment of bond reserve funds or other reserve funds;

(c) Payment of costs and expenses of authorized public facilities and incidental expenses pursuant to the Act; and

(d) Repayment of advances and loans, as appropriate.

The basis for the determination of the special tax needed for the 2017-2018 fiscal year is set forth in Exhibit “B”, attached hereto and incorporated herein by reference.

SECTION 5. The above authorized Special Tax shall be collected in the same manner as ordinary ad valorem property taxes are collected and shall have the same lien and priority in the case of delinquency as is provided for ad valorem taxes.

SECTION 6. All monies above collected shall be paid into the Community Facilities District's funds, including any bond and reserve funds.

SECTION 7. The City Manager is hereby directed to transmit or cause to be transmitted to the Auditor of the County of San Bernardino for entry in the next County assessment roll on which taxes will become due, opposite each lot or parcel of land affected in a space marked “Public Improvement, Special Tax” or by any other suitable designation, the installment of the Special Tax as set forth in Exhibit “B” or as adjusted pursuant to the provisions of Section 2 above.

SECTION 8. The County Auditor shall then, at the close of the tax collection period, promptly render to this Agency a detailed report showing the amount and/or amounts of such Special Tax installments, interest, penalties and percentages so collected and from what property collected, and also provide a statement of any percentages retained for the expense of making any such collection.
APPROVED AND ADOPTED this 25th day of July, 2017.

READ AND APPROVED AS TO LEGAL FORM:

________________________________________
City Attorney

I, Tonia Lewis, City Clerk of the City of Fontana, and Ex-Officio Clerk of the City Council, do hereby certify that the foregoing resolution is the actual resolution duly and regularly adopted by the City Council at a regular meeting on the 25th day of July, 2017, by the following vote to wit:

AYES:
NOES:
ABSENT:

________________________________________
City Clerk of the City of Fontana

________________________________________
Mayor of the City of Fontana

ATTEST:

________________________________________
City Clerk
**Exhibit "A"**

City of Fontana
Community Facilities District No. 70
Avellino

**Schedule 1**
Special Tax Allocation - Costs to be Allocated
Fiscal Year 2017-2018

<table>
<thead>
<tr>
<th>Bond Payment 09/2017</th>
<th>$123,437</th>
<th>Bond Service Funds Available</th>
<th>$104,139</th>
</tr>
</thead>
<tbody>
<tr>
<td>Bond Payment 03/2018</td>
<td>67,613</td>
<td>Proposed Special Tax Levy</td>
<td>241,384</td>
</tr>
<tr>
<td>Bond Payment 09/2018</td>
<td>122,613</td>
<td>Allowance for Delinquencies</td>
<td>(4,800)</td>
</tr>
<tr>
<td>Administration Costs</td>
<td>27,060</td>
<td></td>
<td></td>
</tr>
<tr>
<td><strong>Total Costs</strong></td>
<td><strong>$340,723</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td><strong>Available Funds</strong></td>
<td><strong>$340,723</strong></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

**Schedule 2**
Proposed Special Tax Rates for Fiscal Year 2017-2018
(Special Tax A and Special Tax B)

<table>
<thead>
<tr>
<th>Residential Lot Size</th>
<th>Special Tax A</th>
<th>Special Tax B</th>
<th>Total Special Tax Rate</th>
</tr>
</thead>
<tbody>
<tr>
<td>1- &gt;3,850 sq ft</td>
<td>$2,639.00</td>
<td>$660.00</td>
<td>$3,299.00</td>
</tr>
<tr>
<td>2- 3,450 to 3,850 sq ft</td>
<td>2,394.00</td>
<td>660.00</td>
<td>3,054.00</td>
</tr>
<tr>
<td>3- 3,050 to 3,450 sq ft</td>
<td>2,149.00</td>
<td>660.00</td>
<td>2,809.00</td>
</tr>
<tr>
<td>4- 2,650 to 3,050 sq ft</td>
<td>2,043.00</td>
<td>660.00</td>
<td>2,703.00</td>
</tr>
<tr>
<td>5- 2,250 to 2,650 sq ft</td>
<td>1,847.00</td>
<td>660.00</td>
<td>2,507.00</td>
</tr>
<tr>
<td>6- 1,850 to 2,250 sq ft</td>
<td>1,639.00</td>
<td>660.00</td>
<td>2,299.00</td>
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<tr>
<td>7- &lt;1,850 sq ft</td>
<td>1,431.00</td>
<td>660.00</td>
<td>2,091.00</td>
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<tr>
<td>8- Non-Residential</td>
<td>12,140.00</td>
<td>3,867.00</td>
<td>16,007.00</td>
</tr>
<tr>
<td><strong>Total Proposed Levy</strong></td>
<td>$241,384.00</td>
<td>$77,880.00</td>
<td>$319,264.00</td>
</tr>
</tbody>
</table>

**Schedule 3**
Comparison of Special Tax Levy and Rates by Fiscal Years

<table>
<thead>
<tr>
<th>Tax Classification (Land Use)</th>
<th>FY 2016 - 2017</th>
<th>FY 2017 - 2018</th>
<th>Percent Change</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>Special Tax</td>
<td>Rate</td>
<td>Special Tax</td>
</tr>
<tr>
<td>1- &gt;3,850 sq ft</td>
<td>$</td>
<td>$3,299.00</td>
<td>$</td>
</tr>
<tr>
<td>2- 3,450 to 3,850 sq ft</td>
<td>61,080</td>
<td>3,054.00</td>
<td>61,080</td>
</tr>
<tr>
<td>3- 3,050 to 3,450 sq ft</td>
<td>81,461</td>
<td>2,809.00</td>
<td>81,461</td>
</tr>
<tr>
<td>4- 2,650 to 3,050 sq ft</td>
<td>94,605</td>
<td>2,703.00</td>
<td>94,605</td>
</tr>
<tr>
<td>5- 2,250 to 2,650 sq ft</td>
<td>52,647</td>
<td>2,507.00</td>
<td>52,647</td>
</tr>
<tr>
<td>6- 1,850 to 2,250 sq ft</td>
<td>25,289</td>
<td>2,299.00</td>
<td>25,289</td>
</tr>
<tr>
<td>7- &lt;1,850 sq ft</td>
<td>4,182</td>
<td>2,091.00</td>
<td>4,182</td>
</tr>
<tr>
<td>8- Non-Residential</td>
<td>0</td>
<td>16,007.00</td>
<td>0</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td><strong>$319,264</strong></td>
<td><strong>$319,264</strong></td>
<td></td>
</tr>
</tbody>
</table>
EXHIBIT “B”

CITY OF FONTANA
COMMUNITY FACILITIES DISTRICT NO. 70
(AVELLINO)
RATE AND METHOD OF APPORTIONMENT OF SPECIAL TAXES
(Summary – Full text available in the Financial Services Division)

The Resolution of Annual Levy refers to this Exhibit for an explanation of the rate and method of apportionment of the special tax so as to allow each landowner or resident within the district to estimate the annual amount that would be required for payment.

A Special Tax shall be levied on all Assessor’s Parcels of Taxable Property in City of Fontana Community Facilities District No. 70 (“CFD No. 70”) and collected each fiscal year commencing in Fiscal Year 2013-2014, in an amount determined by the City Council of the City of Fontana (the “Council”) through the application of the appropriate Special Tax for “Developed Property,” and “Non-Residential Property.” All of the real property in CFD No. 70, unless exempted by law or by the provisions hereof, shall be taxed for the purposes, to the extent and in the manner herein provided.

The rate and method of apportionment of the special tax for 2017-2018 shall be as follows.

I. SPECIAL TAXES FOR PUBLIC IMPROVEMENTS:

<table>
<thead>
<tr>
<th>Land Use Class</th>
<th>Assigned Special Tax FY 2017-2018</th>
<th>Actual Tax Rate FY 2017-2018</th>
<th>Tax Amount FY 2017-2018</th>
</tr>
</thead>
<tbody>
<tr>
<td>1 - greater than 3,850 sq ft</td>
<td>$2,639.00</td>
<td>$2,639.00</td>
<td>$ --</td>
</tr>
<tr>
<td>2 - 3,450 - 3,850 sq ft</td>
<td>$2,394.00</td>
<td>$2,394.00</td>
<td>$47,880</td>
</tr>
<tr>
<td>3 - 3,050 - 3,450 sq ft</td>
<td>$2,149.00</td>
<td>$2,149.00</td>
<td>$62,321</td>
</tr>
<tr>
<td>4 - 2,650 - 3,050 sq ft</td>
<td>$2,043.00</td>
<td>$2,043.00</td>
<td>$71,505</td>
</tr>
<tr>
<td>5 - 2,250 – 2,650 sq ft</td>
<td>$1,847.00</td>
<td>$1,847.00</td>
<td>$38,787</td>
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<tr>
<td>6- 1,850 – 2,250 sq ft</td>
<td>$1,639.00</td>
<td>$1,639.00</td>
<td>$18,029</td>
</tr>
<tr>
<td>7- less than 1,850 sq ft</td>
<td>$1,431.00</td>
<td>$1,431.00</td>
<td>$2,862</td>
</tr>
<tr>
<td>8- Non-residential</td>
<td>$12,140.00</td>
<td>$12,140.00</td>
<td>--</td>
</tr>
<tr>
<td>9- Undeveloped</td>
<td>$13,486.00</td>
<td>$13,486.00</td>
<td>--</td>
</tr>
</tbody>
</table>

$241,384

Method of Apportionment of Special Tax A

Commencing with Fiscal year 2017-2018 and for each following Fiscal Year, the CFD Administrator shall determine the Special Tax Requirement for Facilities
and shall provide for the levy of the Facilities Special Tax each Fiscal Year as follows:

First: The Facilities Special Tax shall be levied on each Assessor’s Parcel of Developed Property in an amount equal to 100% of the applicable Assigned Facilities Special Tax;

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

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

Fourth: If additional monies are needed to satisfy the Special Tax Requirement for Facilities after the first three steps have been completed, then the Facilities Special Tax shall be levied Proportionately on each Assessor’s Parcel of Taxable Public Property at up to 100% the Maximum Facilities Special Tax A for Taxable Public Property, as needed to satisfy the Special Tax Requirement for Facilities;

Notwithstanding the above the CFD Administrator shall, in any Fiscal Year, calculate a levy Proportionately less than 100% of the Assigned Facilities Special Tax in step one (above), when (i) the CFD Administrator is no longer required to provide for the levy of the Facilities Special Tax pursuant to steps two through four above in order to meet the Special Tax Requirement for Facilities; and (ii) all authorized CFD No. 70 Bonds have already been issued or the Council has covenanted that it shall not issue any additional CFD No. 70 Bonds (except refunding bonds) to be supported by the Facilities Special Tax.

Further notwithstanding the above, under no circumstances shall the Facilities Special Tax levied against any Assessor’s Parcel of Residential Property for which a Certificate of Occupancy has been issued for private residential use be increased as a consequence of delinquency or default by the owner of any other Assessor’s Parcel within CFD No. 70 by more than ten percent above the amount that would have been levied in that Fiscal Year had there never been any such delinquencies or defaults. To the extent that the levy of the Facilities Special Tax on Residential Property is limited by the provision in the previous sentence, the levy of the Facilities Special Tax on each Assessor’s Parcel of Non-Residential Property shall continue in equal percentages up to 100% of the applicable Maximum Facilities Special Tax.
II. SERVICES SPECIAL TAXES FOR MAINTENANCE OF PARK, PARKWAYS, AND OPEN SPACE

<table>
<thead>
<tr>
<th>Land Use Class</th>
<th>Unit</th>
<th>Maximum Annual Tax Rate FY 2017-2018</th>
<th>Actual Tax Rate FY 2017-2018</th>
<th>Tax Amount FY 2017-2018</th>
</tr>
</thead>
<tbody>
<tr>
<td>1 – Final Residential Subdivision</td>
<td>Unit</td>
<td>$1,020.17</td>
<td>$660.00</td>
<td>$77,880</td>
</tr>
<tr>
<td>5 – Non-Residential Property</td>
<td>Acre</td>
<td>5,977.4 9</td>
<td>3,867.00</td>
<td>0</td>
</tr>
</tbody>
</table>

Commencing July 1, 2013, and each July 1 thereafter, the Maximum Special Tax rates for Special Tax B for Residential Property, and Non-Residential Property shall be increased by two percent (2%).

Method of Apportionment of Special Tax B

Commencing with Fiscal Year 2013-2014 and for each following Fiscal Year, the CFD Administrator shall determine the Special Tax Requirement for Services and shall provide for the levy of the Services Special Tax until the total Services Special Tax levy equals the Special Tax Requirement for Services. The Services Special Tax shall be levied each Fiscal Year as follows:

**First:** The Services Special Tax shall be levied Proportionately each Fiscal Year on each Assessor’s Parcel of Developed Property at up to 100% of the applicable Assigned Services Special Tax as needed to satisfy the Special Tax Requirement for Services;

**Second:** If additional monies are needed to satisfy the Special Tax Requirement for Services after the first step has been completed, then the levy of the Services Special Tax on each Assessor’s Parcel of Developed Property shall be increased in equal percentages from the Assigned Services Special Tax up to the Maximum Services Special Tax for each such Assessor’s parcel.
ACTION REPORT  
July 25, 2017

FROM: Department of Management Services

SUBJECT: Levy of a Special Tax in Community Facilities District No. 71 (Sierra Crest) for Fiscal Year 2017-2018

RECOMMENDATION:
Adopt Resolution No. 2017- _____ Authorizing the Levy of Special Tax in Community Facilities District No. 71 (Sierra Crest) for Fiscal Year 2017-2018.

COUNCIL GOALS:
* To practice sound fiscal management by fully funding liabilities and reserves.
* To practice sound fiscal management by developing long-term funding and debt management plans.

DISCUSSION:
Community Facilities District No. 71 (Sierra Crest) was established by Resolution No. 2014-020 on April 8, 2014, to finance public facilities and to pay annual landscape and lighting maintenance costs for the district. On July 20, 2016, the District issued $5,915,000 in Special Tax Bonds to finance the acquisition of certain major capital facilities (infrastructure) to serve properties within the District.

Pursuant to Government Code Section 53340, a resolution must be adopted by the City Council annually to levy a special tax to pay for the maturing principal and interest on the bonds and/or direct payment for the acquisition or construction of authorized facilities. The rate and method of apportionment of the special tax was originally set forth in Ordinance No. 1692 approved and adopted by the City Council on April 8, 2014.

The special tax levied on each assessable parcel within the District is necessary to pay principal and interest on the outstanding bonded indebtedness and authorized administrative expenses (Facilities Special Tax A); and the annual landscape and lighting maintenance costs of the District (Services Special Tax B). The proposed Fiscal Year 2017-2018 special tax rates (Special Tax A and Special Tax B) are shown in Exhibit A, Schedule 2.

A comparison of the total special tax levy and rates (A and B) for Fiscal Year 2016-2017 and fiscal Year 2017-2018 is outlined in Exhibit A, Schedule 3.

The proposed special tax rates for Fiscal Year 2017-2018 were developed according to the Rate and Method of Apportionment (Exhibit B) as amended in April 2016. The rates were reduced in 2017-2018 in order to reduce the total tax burden on residential properties within the district to 1.95% (or less) of the Minimum Sale
Price.

The District was established after the adoption of Proposition 218 and complies with its requirements because the District and the special taxes were approved by the consent of the property owner at the time the District was formed.

The City Treasurer has reviewed and supports this action.

**FISCAL IMPACT:**

The proposed Fiscal Year 2017-2018 special tax rates will generate approximately $490,566; $373,504 for debt service and $117,062 for landscape and lighting maintenance costs.

**MOTION:**

Approve staff recommendation.

**ATTACHMENTS:**

<table>
<thead>
<tr>
<th>Description</th>
<th>Type</th>
</tr>
</thead>
<tbody>
<tr>
<td>Proposed Resolution for Levy of Community Facilities District No. 71</td>
<td>Resolution</td>
</tr>
<tr>
<td>Exhibit A for CFD # 71</td>
<td>Backup Material</td>
</tr>
<tr>
<td>Exhibit B for CFD #71</td>
<td>Backup Material</td>
</tr>
<tr>
<td>CFD # 71 Location Map</td>
<td>Backup Material</td>
</tr>
</tbody>
</table>

**ITEM:** CC-R
RESOLUTION NO. 2017-


WHEREAS, the City Council of the City of Fontana, (the "City Council") has initiated proceedings, held a public hearing, conducted an election and received a favorable vote from the qualified electors relating to the levy of a special tax in a community facilities district, all as authorized pursuant to the terms and provisions of the “Mello-Roos Community Facilities Act of 1982”, being Chapter 2.5, Part 1, Division 2, Title 5 of the Government Code of the State of California (the “Act”). This Community Facilities District shall hereinafter be referred to as COMMUNITY FACILITIES DISTRICT NO. 71; and

WHEREAS, on April 8, 2014, Community Facilities District No. 71 (Sierra Crest) Special Tax Bonds, were approved for the acquisition of the improvements in Tract 18820; and

WHEREAS, the City Council, by Ordinance, as authorized by Section 53340 of the Government Code of the State of California, has authorized the levy of a special tax to pay for costs and expenses related to said Community Facilities District, and the City Council is desirous to establish the specific rate of the special tax to be collected for Fiscal Year 2017-2018.

NOW, THEREFORE, BE IT RESOLVED, determined, and ordered by the City Council of the City of Fontana, California, as follows:

SECTION 1. That the above recitals are all true and correct.

SECTION 2. The specific rate and amount of the special tax to be collected to pay for the costs and expenses for Fiscal Year 2017-2018 for the referenced District is hereby determined and established as set forth in Exhibit “B” attached hereto and incorporated herein by reference provided, however, the City Manager is hereby authorized to reduce the specific rate and method of the special tax as shown in Exhibit “B” upon receipt of the Assessor’s roll from the County of San Bernardino if, as determined by the City Manager in his discretion, following review of the Assessor’s roll, a lower rate and amount of the special tax will be sufficient to pay for the costs and expenses for such fiscal year.

SECTION 3. The rate as set forth above does not exceed the amount previously authorized by Ordinance of the City Council, and is not in excess of that as previously approved by the qualified electors of the District.
SECTION 4. The proceeds of the Special Tax shall be used to pay, in whole or in part, the costs of the following, in the following order of priority:

(a) Payment of principal and interest on any outstanding authorized bonded indebtedness;

(b) Necessary replenishment of bond reserve funds or other reserve funds;

(c) Payment of costs and expenses of authorized public facilities and incidental expenses pursuant to the Act; and

(d) Repayment of advances and loans, as appropriate.

The basis for the determination of the special tax needed for the 2017-2018 fiscal year is set forth in Exhibit “B”, attached hereto and incorporated herein by reference.

SECTION 5. The above authorized Special Tax shall be collected in the same manner as ordinary *ad valorem* property taxes are collected and shall have the same lien and priority in the case of delinquency as is provided for *ad valorem* taxes.

SECTION 6. All monies above collected shall be paid into the Community Facilities District's funds, including any bond and reserve funds.

SECTION 7. The City Manager is hereby directed to transmit or cause to be transmitted to the Auditor of the County of San Bernardino for entry in the next County assessment roll on which taxes will become due, opposite each lot or parcel of land affected in a space marked “Public Improvement, Special Tax” or by any other suitable designation, the installment of the Special Tax as set forth in Exhibit “B” or as adjusted pursuant to the provisions of Section 2 above.

SECTION 8. The County Auditor shall then, at the close of the tax collection period, promptly render to this Agency a detailed report showing the amount and/or amounts of such Special Tax installments, interest, penalties and percentages so collected and from what property collected, and also provide a statement of any percentages retained for the expense of making any such collection.
APPROVED AND ADOPTED this 25th day of July, 2017.

READ AND APPROVED AS TO LEGAL FORM:

__________________________________________
City Attorney

I, Tonia Lewis, City Clerk of the City of Fontana, and Ex-Officio Clerk of the City Council, do hereby certify that the foregoing resolution is the actual resolution duly and regularly adopted by the City Council at a regular meeting on the 25th day of July, 2017, by the following vote to wit:

AYES: _____________________________________

NOES: _____________________________________

ABSENT: ___________________________________

__________________________________________
City Clerk of the City of Fontana

__________________________________________
Mayor of the City of Fontana

ATTEST:

__________________________________________
City Clerk
Schedule 1
Special Tax Allocation - Costs to be Allocated
Fiscal Year 2017-2018

Bond Payment 09/2017 $ 229,284
Bond Payment 03/2018 $ 82,834
Bond Payment 09/2018 $ 227,834
Administration Costs $ 30,600
Total Costs $ 597,082

Bond Service Funds Available $ 228,779
Proposed Special Tax Levy $ 373,504
Allowance for Delinquencies (5,201)
Available Funds $ 597,082

Schedule 2
Proposed Special Tax Rates for Fiscal Year 2017-2018
(Special Tax A and Special Tax B)

<table>
<thead>
<tr>
<th>Residential Lot Size</th>
<th>Special Tax A</th>
<th>Special Tax B</th>
<th>Total Special Tax Rate</th>
</tr>
</thead>
<tbody>
<tr>
<td>1- &gt;3,450 sq ft</td>
<td>$ 2,333.48</td>
<td>$ 626.00</td>
<td>$ 2,959.48</td>
</tr>
<tr>
<td>2- 3,250 to 3,450 sq ft</td>
<td>2,243.08</td>
<td>626.00</td>
<td>2,869.08</td>
</tr>
<tr>
<td>3- 3,050 to 3,250 sq ft</td>
<td>2,105.59</td>
<td>626.00</td>
<td>2,731.59</td>
</tr>
<tr>
<td>4- 2,850 to 3,050 sq ft</td>
<td>2,062.90</td>
<td>626.00</td>
<td>2,688.90</td>
</tr>
<tr>
<td>5- 2,650 to 2,850 sq ft</td>
<td>1,979.40</td>
<td>626.00</td>
<td>2,605.40</td>
</tr>
<tr>
<td>6- 2,450 to 2,650 sq ft</td>
<td>1,937.25</td>
<td>626.00</td>
<td>2,563.25</td>
</tr>
<tr>
<td>7- 2,250 to 2,450 sq ft</td>
<td>1,856.98</td>
<td>626.00</td>
<td>2,482.98</td>
</tr>
<tr>
<td>8- 2,050 to 2,250 sq ft</td>
<td>1,809.89</td>
<td>626.00</td>
<td>2,435.89</td>
</tr>
<tr>
<td>9- 1,850 to 2,050 sq ft</td>
<td>1,724.51</td>
<td>626.00</td>
<td>2,350.51</td>
</tr>
<tr>
<td>10- &lt;1,850 sq ft</td>
<td>1,695.01</td>
<td>626.00</td>
<td>2,321.01</td>
</tr>
<tr>
<td>Total Proposed Levy</td>
<td>$ 373,504.00</td>
<td>$ 117,062.00</td>
<td>$ 490,566.00</td>
</tr>
</tbody>
</table>

Schedule 3
Comparison of Special Tax Levy and Rates by Fiscal Years

<table>
<thead>
<tr>
<th>Tax Classification (Land Use)</th>
<th>FY 2016 - 2017</th>
<th>FY 2017 - 2018</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>Special Tax</td>
<td>Rate</td>
</tr>
<tr>
<td>1- &gt;3,450 sq ft</td>
<td>$ 44,674</td>
<td>$ 3,191</td>
</tr>
<tr>
<td>2- 3,250 to 3,450 sq ft</td>
<td>53,142</td>
<td>3,126</td>
</tr>
<tr>
<td>3- 3,050 to 3,250 sq ft</td>
<td>60,960</td>
<td>3,048</td>
</tr>
<tr>
<td>4- 2,850 to 3,050 sq ft</td>
<td>52,596</td>
<td>2,922</td>
</tr>
<tr>
<td>5- 2,650 to 2,850 sq ft</td>
<td>100,415</td>
<td>2,869</td>
</tr>
<tr>
<td>6- 2,450 to 2,650 sq ft</td>
<td>-</td>
<td>2,778</td>
</tr>
<tr>
<td>7- 2,250 to 2,450 sq ft</td>
<td>63,576</td>
<td>2,649</td>
</tr>
<tr>
<td>8- 2,050 to 2,250 sq ft</td>
<td>77,730</td>
<td>2,591</td>
</tr>
<tr>
<td>9- 1,850 to 2,050 sq ft</td>
<td>34,692</td>
<td>2,478</td>
</tr>
<tr>
<td>10- &lt;1,850 sq ft</td>
<td>9,390</td>
<td>2,441</td>
</tr>
<tr>
<td>Undeveloped</td>
<td>9,390</td>
<td>626</td>
</tr>
<tr>
<td></td>
<td>$ 497,175</td>
<td></td>
</tr>
</tbody>
</table>
EXHIBIT “B”
CITY OF FONTANA
COMMUNITY FACILITIES DISTRICT NO. 71
(SIERRA CREST)
RATE AND METHOD OF APPORTIONMENT OF SPECIAL TAXES
(Summary – Full text available in the Financial Services Division)

The Resolution of Annual Levy refers to this Exhibit for an explanation of the rate and method of apportionment of the special tax so as to allow each landowner or resident within the district to estimate the annual amount that would be required for payment.

A Special Tax shall be levied on all Assessor’s Parcels of Taxable Property in City of Fontana Community Facilities District No. 71 (“CFD No. 71”) and collected each fiscal year commencing in Fiscal Year 2014-2015, in an amount determined by the City Council of the City of Fontana (the “Council”) through the application of the appropriate Special Tax for “Developed Property” and “Non-Residential Property.” All of the real property in CFD No. 71, unless exempted by law or by the provisions hereof, shall be taxed for the purposes, to the extent and in the manner herein provide.

The rate and method of apportionment of the special tax for 2017-2018 shall be as follows.

I. SPECIAL TAXES FOR PUBLIC IMPROVEMENTS:

<table>
<thead>
<tr>
<th>Land Use Class</th>
<th>Assigned Special Tax* FY 2017-2018</th>
<th>Actual Tax Rate FY 2017-2018</th>
<th>Tax Amount FY 2017-2018</th>
</tr>
</thead>
<tbody>
<tr>
<td>1 - greater than 3,450 sq ft</td>
<td>$2,333.48</td>
<td>$2,333.48</td>
<td>$44,336</td>
</tr>
<tr>
<td>2 - 3,250 – &lt; 3,450 sq ft</td>
<td>2,243.08</td>
<td>2,243.08</td>
<td>49,348</td>
</tr>
<tr>
<td>3 - 3,050 – &lt; 3,250 sq ft</td>
<td>2,105.59</td>
<td>2,105.59</td>
<td>50,534</td>
</tr>
<tr>
<td>4 - 2,850 – &lt; 3,050 sq ft</td>
<td>2,062.90</td>
<td>2,062.90</td>
<td>37,132</td>
</tr>
<tr>
<td>5 - 2,650 – &lt; 2,850 sq ft</td>
<td>1,979.40</td>
<td>1,979.40</td>
<td>69,278</td>
</tr>
<tr>
<td>6 - 2,450 – &lt; 2,650 sq ft</td>
<td>1,937.25</td>
<td>1,937.25</td>
<td>-</td>
</tr>
<tr>
<td>7 - 2,250 – &lt; 2,450 sq ft</td>
<td>1,856.98</td>
<td>1,856.98</td>
<td>42,711</td>
</tr>
<tr>
<td>8 - 2,050 – &lt; 2,250 sq ft</td>
<td>1,809.89</td>
<td>1,809.89</td>
<td>54,297</td>
</tr>
<tr>
<td>9 - 1,850 – &lt; 2,050 sq ft</td>
<td>1,724.51</td>
<td>1,724.51</td>
<td>25,868</td>
</tr>
<tr>
<td>10 - less than 1,850 sq ft</td>
<td>1,695.01</td>
<td>1,695.01</td>
<td>-</td>
</tr>
<tr>
<td>11 - Non-Residential</td>
<td>19,074.00</td>
<td>19,074.00</td>
<td>-</td>
</tr>
</tbody>
</table>

$373,504

Method of Apportionment of Special Tax A

Commencing with Fiscal year 2014-2015 and for each following Fiscal Year, the CFD Administrator shall determine the Special Tax Requirement for Facilities and shall provide for the levy of the Facilities Special Tax each Fiscal Year as follows:

First: The Facilities Special Tax shall be levied on each Assessor’s Parcel of Developed Property in an amount equal to 100% of the applicable Assigned Facilities Special Tax;

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

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

Fourth: If additional monies are needed to satisfy the Special Tax Requirement for Facilities after the first three steps have been completed, then the Facilities Special Tax shall be levied Proportionately on each Assessor’s Parcel of Taxable Public Property at up to 100% the Maximum Facilities Special Tax A for Taxable Public Property, as needed to satisfy the Special Tax Requirement for Facilities;

Notwithstanding the above the CFD Administrator shall, in any Fiscal Year, calculate a levy Proportionately less than 100% of the Assigned Facilities Special Tax in step one (above), when (i) the CFD Administrator is no longer required to provide for the levy of the Facilities Special Tax pursuant to steps two through four above in order to meet the Special Tax Requirement for Facilities; and (ii) all authorized CFD No. 70 Bonds have already been issued or the Council has covenanted that it shall not issue any additional CFD No. 71 Bonds (except refunding bonds) to be supported by the Facilities Special Tax.

Further notwithstanding the above, under no circumstances shall the Facilities Special Tax levied against any Assessor’s Parcel of Residential Property for which a Certificate of Occupancy has been issued for private residential use be increased as a consequence of delinquency or default by the owner of any other Assessor’s Parcel within CFD No. 71 by more than ten percent above the
amount that would have been levied in that Fiscal Year had there never been any such delinquencies or defaults. To the extent that the levy of the Facilities Special Tax on Residential Property is limited by the provision in the previous sentence, the levy of the Facilities Special Tax on each Assessor’s Parcel of Non-Residential Property shall continue in equal percentages up to 100% of the applicable Maximum Facilities Special Tax.

II. SERVICES SPECIAL TAXES FOR MAINTENANCE OF PARK, PARKWAYS, AND OPEN SPACE

<table>
<thead>
<tr>
<th>Land Use Class</th>
<th>Unit</th>
<th>Maximum Annual Tax Rate FY 2017-2018</th>
<th>Actual Tax Rate FY 2017-2018</th>
<th>Tax Amount FY 2017-2018</th>
</tr>
</thead>
<tbody>
<tr>
<td>1 – Final Residential Subdivision</td>
<td>Unit</td>
<td>$930.68</td>
<td>$626.00</td>
<td>$117,062</td>
</tr>
<tr>
<td>5 – Non-Residential Property</td>
<td>Acre</td>
<td>7,968.61</td>
<td>5,360.00</td>
<td>0</td>
</tr>
</tbody>
</table>

Commencing July 1, 2014, and each July 1 thereafter, the Maximum Special Tax rates for Special Tax B for Residential Property, and Non-Residential Property shall be increased by two percent (2%).

Method of Apportionment of Special Tax B

Commencing with Fiscal Year 2014-2015 and for each following Fiscal Year, the CFD Administrator shall determine the Special Tax Requirement for Services and shall provide for the levy of the Services Special Tax until the total Services Special Tax levy equals the Special Tax Requirement for Services. The Services Special Tax shall be levied each Fiscal Year as follows:

First: The Services Special Tax shall be levied Proportionately each Fiscal Year on each Assessor’s Parcel of Developed Property at up to 100% of the applicable Assigned Services Special Tax as needed to satisfy the Special Tax Requirement for Services;

Second: If additional monies are needed to satisfy the Special Tax Requirement for Services after the first step has been completed, then the levy of the Services Special Tax on each Assessor’s Parcel of Developed Property shall be increased in equal percentages from the Assigned Services Special Tax up to the Maximum Services Special Tax for each such Assessor’s parcel.
Location Map
CFD 71
Tract 18820
187 lots
ACTION REPORT
July 25, 2017

FROM: Department of Management Services

SUBJECT: Levy of a Special Tax in Community Facilities District No. 74B for Fiscal Year 2017-2018

RECOMMENDATION:
Adopt Resolution No. 2017-______ Authorizing the Levy of a Special Tax in Community Facilities District No. 74B for Fiscal Year 2017-2018.

COUNCIL GOALS:
* To practice sound fiscal management by fully funding liabilities and reserves.
* To practice sound fiscal management by developing long-term funding and debt management plans.

DISCUSSION:
Community Facilities District No. 74B (Citrus/Summit) was established by Resolution No. 2016-002 on January 12, 2016, to finance public facilities for the district. The District will issue a maximum (not to exceed) of $5,500,000 in Special Tax Bonds to finance the acquisition of certain major capital facilities (infrastructure) to serve properties within the District.

Pursuant to Government Code Section 53340, a resolution must be adopted by the City Council annually to levy a special tax to pay for the cost of providing public facilities, services, and incidental expenses. The rate and method of apportionment of the special tax was originally set forth in Ordinance No. 1738 approved and adopted by the City Council on January 12, 2016.

The special tax levied on each assessable parcel within the District is necessary to pay for the cost of providing public facilities and authorized administrative expenses (Facilities Special Tax). The proposed Fiscal Year 2017-2018 special tax rates are shown in Exhibit A, Schedule 2.

This is the first year tax levy. The proposed special tax rates for Fiscal Year 2017-2018 were developed according to the Rate and Method of Apportionment (Exhibit B).

The District was established after the adoption of Proposition 218 and complies with its requirements because the District and the special taxes were approved by the consent of the property owner at the time the District was formed.

The City Treasurer has reviewed and supports this action.
FISCAL IMPACT:
The proposed Fiscal Year 2017-2018 special tax rates will generate approximately $54,464 for debt service expenses.

MOTION:
Approve staff recommendation.

ATTACHMENTS:

<table>
<thead>
<tr>
<th>Description</th>
<th>Type</th>
</tr>
</thead>
<tbody>
<tr>
<td>Proposed Resolution Authorizing the Levy for Community Facilities District No. 74B</td>
<td>Resolution</td>
</tr>
<tr>
<td>Exhibit A to Community Facilities District No. 74B</td>
<td>Backup Material</td>
</tr>
<tr>
<td>Exhibit B to Community Facilities District No. 74B</td>
<td>Backup Material</td>
</tr>
<tr>
<td>Location Map for CFD 74B</td>
<td>Backup Material</td>
</tr>
</tbody>
</table>

ITEM: CC-S
RESOLUTION NO. 2017-


WHEREAS, the City Council of the City of Fontana, (the "City Council") has initiated proceedings, held a public hearing, conducted an election and received a favorable vote from the qualified electors relating to the levy of a special tax in a community facilities district, all as authorized pursuant to the terms and provisions of the “Mello-Roos Community Facilities Act of 1982”, being Chapter 2.5, Part 1, Division 2, Title 5 of the Government Code of the State of California (the “Act”). This Community Facilities District shall hereinafter be referred to as COMMUNITY FACILITIES DISTRICT NO. 74B; and

WHEREAS, on January 12, 2016, Community Facilities District No. 74B (Citrus/Summit) Special Tax Bonds, were approved for the acquisition of the improvements in Tracts 18825 and 18915; and

WHEREAS, the City Council, by Ordinance, as authorized by Section 53340 of the Government Code of the State of California, has authorized the levy of a special tax to pay for costs and expenses related to said Community Facilities District, and the City Council is desirous to establish the specific rate of the special tax to be collected for Fiscal Year 2017-2018.

NOW, THEREFORE, BE IT RESOLVED, determined, and ordered by the City Council of the City of Fontana, California, as follows:

SECTION 1. That the above recitals are all true and correct.

SECTION 2. The specific rate and amount of the special tax to be collected to pay for the costs and expenses for Fiscal Year 2017-2018 for the referenced District is hereby determined and established as set forth in Exhibit “B” attached hereto and incorporated herein by reference provided, however, the City Manager is hereby authorized to reduce the specific rate and method of the special tax as shown in Exhibit “B” upon receipt of the Assessor’s roll from the County of San Bernardino if, as determined by the City Manager in his discretion, following review of the Assessor’s roll, a lower rate and amount of the special tax will be sufficient to pay for the costs and expenses for such fiscal year.

SECTION 3. The rate as set forth above does not exceed the amount previously authorized by Ordinance of the City Council, and is not in excess of that as previously approved by the qualified electors of the District.
SECTION 4. The proceeds of the Special Tax shall be used to pay, in whole or in part, the costs of the following, in the following order of priority:

(a) Payment of principal and interest on any outstanding authorized bonded indebtedness;

(b) Necessary replenishment of bond reserve funds or other reserve funds;

(c) Payment of costs and expenses of authorized public facilities and incidental expenses pursuant to the Act; and

(d) Repayment of advances and loans, as appropriate.

The basis for the determination of the special tax needed for the 2017-2018 fiscal year is set forth in Exhibit “B”, attached hereto and incorporated herein by reference.

SECTION 5. The above authorized Special Tax shall be collected in the same manner as ordinary *ad valorem* property taxes are collected and shall have the same lien and priority in the case of delinquency as is provided for *ad valorem* taxes.

SECTION 6. All monies above collected shall be paid into the Community Facilities District's funds, including any bond and reserve funds.

SECTION 7. The City Manager is hereby directed to transmit or cause to be transmitted to the Auditor of the County of San Bernardino for entry in the next County assessment roll on which taxes will become due, opposite each lot or parcel of land affected in a space marked “Public Improvement, Special Tax” or by any other suitable designation, the installment of the Special Tax as set forth in Exhibit “B” or as adjusted pursuant to the provisions of Section 2 above.

SECTION 8. The County Auditor shall then, at the close of the tax collection period, promptly render to this Agency a detailed report showing the amount and/or amounts of such Special Tax installments, interest, penalties and percentages so collected and from what property collected, and also provide a statement of any percentages retained for the expense of making any such collection.
APPROVED AND ADOPTED this 25th day of July, 2017.

READ AND APPROVED AS TO LEGAL FORM:

City Attorney

I, Tonia Lewis, City Clerk of the City of Fontana, and Ex-Officio Clerk of the City Council, do hereby certify that the foregoing resolution is the actual resolution duly and regularly adopted by the City Council at a regular meeting on the 25th day of July, 2017, by the following vote to wit:

AYES:
NOES:
ABSENT:

City Clerk of the City of Fontana

Mayor of the City of Fontana

ATTEST:

City Clerk
## Schedule 1
Special Tax Allocation - Costs to be Allocated
Fiscal Year 2017-2018

<table>
<thead>
<tr>
<th>Description</th>
<th>Amount</th>
</tr>
</thead>
<tbody>
<tr>
<td>Pay as you go facilities</td>
<td>$11,214</td>
</tr>
<tr>
<td>Administration Costs (Est)</td>
<td>$41,616</td>
</tr>
<tr>
<td>Allowance for Delinquencies</td>
<td>$(1,634)</td>
</tr>
<tr>
<td><strong>Total Costs</strong></td>
<td><strong>$52,830</strong></td>
</tr>
</tbody>
</table>

## Schedule 2
Proposed Special Tax Rates for Fiscal Year 2017-2018

<table>
<thead>
<tr>
<th>Residential Lot Size</th>
<th>Special Tax</th>
</tr>
</thead>
<tbody>
<tr>
<td>1- &gt;2,700 sq ft</td>
<td>$2,419</td>
</tr>
<tr>
<td>2- 2,450 to 2,700 sq ft</td>
<td>2,263</td>
</tr>
<tr>
<td>3- 2,200 to 2,450 sq ft</td>
<td>2,160</td>
</tr>
<tr>
<td>4- 1,950 to 2,200 sq ft</td>
<td>1,983</td>
</tr>
<tr>
<td>5- 1,700 to 1,950 sq ft</td>
<td>1,811</td>
</tr>
<tr>
<td>6- &lt;1,700 sq ft</td>
<td>1,726</td>
</tr>
<tr>
<td>7- Non-Residential/acre</td>
<td>21,775</td>
</tr>
<tr>
<td><strong>Total Proposed Levy</strong></td>
<td><strong>$54,464</strong></td>
</tr>
</tbody>
</table>

## Schedule 3
Comparison of Special Tax Levy and Rates by Fiscal Years

<table>
<thead>
<tr>
<th>Tax Classification</th>
<th>FY 2016-2017</th>
<th>FY 2017-2018</th>
<th>Percent Change</th>
</tr>
</thead>
<tbody>
<tr>
<td>(Land Use)</td>
<td>Special Tax</td>
<td>Rate</td>
<td>Special Tax</td>
</tr>
<tr>
<td>1- &gt;2,700 sq ft</td>
<td>$</td>
<td>$2,419</td>
<td>$</td>
</tr>
<tr>
<td>2- 2,450 to 2,700 sq ft</td>
<td>-</td>
<td>2,263</td>
<td>20,367</td>
</tr>
<tr>
<td>3- 2,200 to 2,450 sq ft</td>
<td>-</td>
<td>2,160</td>
<td>12,960</td>
</tr>
<tr>
<td>4- 1,950 to 2,200 sq ft</td>
<td>-</td>
<td>1,983</td>
<td>-</td>
</tr>
<tr>
<td>5- 1,700 to 1,950 sq ft</td>
<td>-</td>
<td>1,811</td>
<td>9,055</td>
</tr>
<tr>
<td>6- &lt;1,700 sq ft</td>
<td>-</td>
<td>1,726</td>
<td>12,082</td>
</tr>
<tr>
<td>7- Non-Residential/acre</td>
<td>-</td>
<td>21,775</td>
<td>-</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td>$</td>
<td><strong>$54,464</strong></td>
<td></td>
</tr>
</tbody>
</table>
EXHIBIT “B”

CITY OF FONTANA
COMMUNITY FACILITIES DISTRICT NO. 74B
(Citrus/Summit)
RATE AND METHOD OF APPORTIONMENT OF SPECIAL TAXES
(Summary – Full text available in the Financial Services Division)

The Resolution of Annual Levy refers to this Exhibit for an explanation of the rate and method of apportionment of the special tax so as to allow each landowner or resident within the district to estimate the annual amount that would be required for payment.

A Special Tax shall be levied on all Assessor’s Parcels of Taxable Property in City of Fontana Community Facilities District No. 74B (“CFD No. 74B”) and collected each fiscal year commencing in Fiscal Year 2016-2017, in an amount determined by the City Council of the City of Fontana (the “Council”) through the application of the Rate and Method of Apportionment as described below. All of the real property in CFD No. 74B, unless exempted by law or by the provisions hereof, shall be taxed for the purposes, to the extent and in the manner herein provided.

The rate and method of apportionment of the special tax for 2017-2018 shall be as follows.

I. SPECIAL TAXES FOR PUBLIC IMPROVEMENTS:

<table>
<thead>
<tr>
<th>Land Use Class</th>
<th>Assigned Special Tax FY 2017-2018</th>
<th>Actual Tax Rate FY 2017-2018</th>
<th>Tax Amount FY 2017-2018</th>
</tr>
</thead>
<tbody>
<tr>
<td>1 - greater than 2,700 sq ft</td>
<td>$2,419.00</td>
<td>$2,419.00</td>
<td>$0</td>
</tr>
<tr>
<td>2 - 2,450 -- &lt;2,700 sq ft</td>
<td>2,263.00</td>
<td>2,263.00</td>
<td>20,367</td>
</tr>
<tr>
<td>3 - 2,200 -- &lt;2,450 sq ft</td>
<td>2,160.00</td>
<td>2,160.00</td>
<td>12,960</td>
</tr>
<tr>
<td>4 - 1,950 -- &lt;2,200 sq ft</td>
<td>1,983.00</td>
<td>1,983.00</td>
<td>0</td>
</tr>
<tr>
<td>5 - 1,700 -- &lt;1,950 sq ft</td>
<td>1,811.00</td>
<td>1,811.00</td>
<td>9,055</td>
</tr>
<tr>
<td>6 - less than 1,700 sq ft</td>
<td>1,726.00</td>
<td>1,726.00</td>
<td>12,082</td>
</tr>
<tr>
<td>7- Non-Residential Property</td>
<td>21,775.00</td>
<td>21,775.00</td>
<td>0</td>
</tr>
</tbody>
</table>

$54,464
Method of Apportionment of Special Tax

Commencing with Fiscal year 2016-2017 and for each following Fiscal Year, the CFD Administrator shall determine the Special Tax Requirement for Facilities and shall provide for the levy of the Facilities Special Tax each Fiscal Year as follows:

First: The Special Tax shall be levied on each Assessor’s Parcel of Developed Property in an amount equal to 100% of the applicable Assigned Facilities Special Tax;

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

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

Fourth: If additional monies are needed to satisfy the Special Tax Requirement after the first three steps have been completed, then the Special Tax shall be levied Proportionately on each Assessor’s Parcel of Taxable Public Property and Taxable Property Owner Association Property at up to 100% the Maximum Special Tax A for Taxable Public Property and Taxable Property Owner Association Property, as needed to satisfy the Special Tax Requirement;

Notwithstanding the above the CFD Administrator shall, in any Fiscal Year, calculate a levy Proportionately less than 100% of the Assigned Special Tax in step one (above), when (i) the CFD Administrator is no longer required to provide for the levy of the Special Tax pursuant to steps two through four above in order to meet the Special Tax Requirement for Facilities; and (ii) all authorized CFD No. 74B Bonds have already been issued or the Council has covenanted that it shall not issue any additional CFD No. 74B Bonds (except refunding bonds) to be supported by the Facilities Special Tax.

Further notwithstanding the above, under no circumstances shall the Special Tax levied against any Assessor’s Parcel of Residential Property for which a occupancy permit for private residential use has been issued (in accordance with Section 53321(d)(3) of the California Government Code), be increased as a consequence of delinquency or default by the owner of any other Assessor’s Parcel within CFD No. 74B by more than ten percent above the amount that
would have been levied in that Fiscal Year had there never been any such delinquencies or defaults. To the extent that the levy of the Special Tax on Residential Property is limited by the provision in the previous sentence, the levy of the Special Tax on each Assessor's Parcel of Non-Residential Property shall continue in equal percentages up to 100% of the applicable Maximum Special Tax.
Location Map
CFD 74B
171 Lots

Proposed CFD 74B
Tracts 18825 & 18915
171 lots
ACTION REPORT
July 25, 2017

FROM: Department of Management Services

SUBJECT: Levy of a Special Tax in Community Facilities District No. 80 (Bella Strada) for Fiscal Year 2017-2018

RECOMMENDATION:
Adopt Resolution No. 2017-____ Authorizing the Levy of Special Tax in Community Facilities District No. 80 (Bella Strada) for Fiscal Year 2017-2018.

COUNCIL GOALS:
* To practice sound fiscal management by fully funding liabilities and reserves.
* To practice sound fiscal management by developing long-term funding and debt management plans.

DISCUSSION:
Community Facilities District No 80 (Bella Strada) was established by Resolution No. 2015-021 on April 14, 2015, to finance public facilities and to pay annual landscape and lighting costs for the district. The District will issue a maximum (not to exceed) of $13,000,000 in Special Tax Bonds to finance the acquisition of certain major capital facilities (infrastructure) to serve properties within the District.

Pursuant to Government Code Section 53340, a resolution must be adopted by the City Council annually to levy a special tax to pay for the cost of providing public facilities, services, and incidental expenses. The rate and method of apportionment of the special tax was originally set forth in Ordinance No. 1726 approved and adopted by the City Council on April 14, 2015.

The special tax levied on each assessable parcel within the District is necessary to pay for the cost of providing public facilities and authorized administrative expenses (Facilities Special Tax A); and the annual landscape and lighting maintenance costs of the District (Services Special Tax B). The proposed Fiscal Year 2017-2018 special tax rates (Special Tax A and Special Tax B) are shown in Exhibit A, Schedule 2.

The proposed special tax rates for Fiscal Year 2017-2018 were developed according to the Rate and Method of Apportionment (Exhibit B) and are the same as the prior year.

The District was established after the adoption of Proposition 218 and complies with its requirements because the District and the special taxes were approved by the consent of the property owner at the time the District was formed.
The City Treasurer has reviewed and supports this action.

**FISCAL IMPACT:**
The proposed Fiscal Year 2017-2018 special tax rates will generate approximately $824,797; $612,357 for public facility expenses and $212,440 for landscape and lighting maintenance costs.

**MOTION:**
Approve staff recommendation.

**ATTACHMENTS:**

<table>
<thead>
<tr>
<th>Description</th>
<th>Type</th>
</tr>
</thead>
<tbody>
<tr>
<td>Proposed Resolution to Levy Community Facilities District No. 80</td>
<td>Resolution</td>
</tr>
<tr>
<td>Exhibit A to CFD # 80</td>
<td>Backup Material</td>
</tr>
<tr>
<td>Exhibit B to CFD # 80</td>
<td>Backup Material</td>
</tr>
<tr>
<td>Location Map for CFD No. 80</td>
<td>Backup Material</td>
</tr>
</tbody>
</table>

**ITEM:** CC-T
RESOLUTION NO. 2017-


WHEREAS, the City Council of the City of Fontana, (the "City Council") has initiated proceedings, held a public hearing, conducted an election and received a favorable vote from the qualified electors relating to the levy of a special tax in a community facilities district, all as authorized pursuant to the terms and provisions of the "Mello-Roos Community Facilities Act of 1982", being Chapter 2.5, Part 1, Division 2, Title 5 of the Government Code of the State of California (the “Act”). This Community Facilities District shall hereinafter be referred to as COMMUNITY FACILITIES DISTRICT NO. 80; and

WHEREAS, on April 14, 2015, Community Facilities District No. 80 (Bella Strada) Special Tax Bonds, were approved for the acquisition of the improvements in Tract 18859; and

WHEREAS, the City Council, by Ordinance, as authorized by Section 53340 of the Government Code of the State of California, has authorized the levy of a special tax to pay for costs and expenses related to said Community Facilities District, and the City Council is desirous to establish the specific rate of the special tax to be collected for Fiscal Year 2017-2018.

NOW, THEREFORE, BE IT RESOLVED, determined, and ordered by the City Council of the City of Fontana, California, as follows:

SECTION 1. That the above recitals are all true and correct.

SECTION 2. The specific rate and amount of the special tax to be collected to pay for the costs and expenses for Fiscal Year 2017-2018 for the referenced District is hereby determined and established as set forth in Exhibit “B” attached hereto and incorporated herein by reference provided, however, the City Manager is hereby authorized to reduce the specific rate and method of the special tax as shown in Exhibit “B” upon receipt of the Assessor’s roll from the County of San Bernardino if, as determined by the City Manager in his discretion, following review of the Assessor’s roll, a lower rate and amount of the special tax will be sufficient to pay for the costs and expenses for such fiscal year.

SECTION 3. The rate as set forth above does not exceed the amount previously authorized by Ordinance of the City Council, and is not in excess of that as previously approved by the qualified electors of the District.
SECTION 4. The proceeds of the Special Tax shall be used to pay, in whole or in part, the costs of the following, in the following order of priority:

(a) Payment of principal and interest on any outstanding authorized bonded indebtedness;

(b) Necessary replenishment of bond reserve funds or other reserve funds;

(c) Payment of costs and expenses of authorized public facilities and incidental expenses pursuant to the Act; and

(d) Repayment of advances and loans, as appropriate.

The basis for the determination of the special tax needed for the 2017-2018 fiscal year is set forth in Exhibit “B”, attached hereto and incorporated herein by reference.

SECTION 5. The above authorized Special Tax shall be collected in the same manner as ordinary ad valorem property taxes are collected and shall have the same lien and priority in the case of delinquency as is provided for ad valorem taxes.

SECTION 6. All monies above collected shall be paid into the Community Facilities District's funds, including any bond and reserve funds.

SECTION 7. The City Manager is hereby directed to transmit or cause to be transmitted to the Auditor of the County of San Bernardino for entry in the next County assessment roll on which taxes will become due, opposite each lot or parcel of land affected in a space marked “Public Improvement, Special Tax” or by any other suitable designation, the installment of the Special Tax as set forth in Exhibit “B” or as adjusted pursuant to the provisions of Section 2 above.

SECTION 8. The County Auditor shall then, at the close of the tax collection period, promptly render to this Agency a detailed report showing the amount and/or amounts of such Special Tax installments, interest, penalties and percentages so collected and from what property collected, and also provide a statement of any percentages retained for the expense of making any such collection.
APPROVED AND ADOPTED this 25th day of July, 2017.

READ AND APPROVED AS TO LEGAL FORM:

City Attorney

I, Tonia Lewis, City Clerk of the City of Fontana, and Ex-Officio Clerk of the City Council, do hereby certify that the foregoing resolution is the actual resolution duly and regularly adopted by the City Council at a regular meeting on the 25th day of July, 2017, by the following vote to wit:

AYES:
NOES:
ABSENT:

City Clerk of the City of Fontana

Mayor of the City of Fontana

ATTEST:

City Clerk
### Schedule 1

**Special Tax Allocation - Costs to be Allocated**

**Fiscal Year 2017-2018**

<table>
<thead>
<tr>
<th>Description</th>
<th>Amount</th>
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</thead>
<tbody>
<tr>
<td>Authorized Facilities</td>
<td>$793,740</td>
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<tr>
<td>Administration Costs</td>
<td>$40,800</td>
</tr>
<tr>
<td>Bond Service Funds Available</td>
<td>$230,333</td>
</tr>
<tr>
<td>Proposed Special Tax Levy</td>
<td>$612,357</td>
</tr>
<tr>
<td>Allowance for Delinquencies</td>
<td>$(8,150)</td>
</tr>
<tr>
<td><strong>Total Costs</strong></td>
<td><strong>$834,540</strong></td>
</tr>
</tbody>
</table>

**Available Funds**

<table>
<thead>
<tr>
<th>Amount</th>
</tr>
</thead>
<tbody>
<tr>
<td>$834,540</td>
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</tbody>
</table>

### Schedule 2

**Proposed Special Tax Rates for Fiscal Year 2017-2018**

(Special Tax A and Special Tax B)

<table>
<thead>
<tr>
<th>Residential Lot Size</th>
<th>Special Tax A</th>
<th>Special Tax B</th>
<th>Total Special Tax Rate</th>
</tr>
</thead>
<tbody>
<tr>
<td>1- &gt;3,300 sq ft</td>
<td>$2,834.00</td>
<td>$565.00</td>
<td>$3,399.00</td>
</tr>
<tr>
<td>2- 3,100 to 3,330 sq ft</td>
<td>$2,778.00</td>
<td>$565.00</td>
<td>$3,343.00</td>
</tr>
<tr>
<td>3- 2,900 to 3,100 sq ft</td>
<td>$2,706.00</td>
<td>$565.00</td>
<td>$3,271.00</td>
</tr>
<tr>
<td>4- 2,700 to 2,900 sq ft</td>
<td>$2,698.00</td>
<td>$565.00</td>
<td>$3,263.00</td>
</tr>
<tr>
<td>5- 2,500 to 2,700 sq ft</td>
<td>$2,579.00</td>
<td>$565.00</td>
<td>$3,144.00</td>
</tr>
<tr>
<td>6- 2,300 to 2,500 sq ft</td>
<td>$2,419.00</td>
<td>$565.00</td>
<td>$2,984.00</td>
</tr>
<tr>
<td>7- 2,100 to 2,300 sq ft</td>
<td>$2,324.00</td>
<td>$565.00</td>
<td>$2,889.00</td>
</tr>
<tr>
<td>8- 1,900 to 2,100 sq ft</td>
<td>$2,260.00</td>
<td>$565.00</td>
<td>$2,825.00</td>
</tr>
<tr>
<td>9- 1,700 to 1,900 sq ft</td>
<td>$2,140.00</td>
<td>$565.00</td>
<td>$2,705.00</td>
</tr>
<tr>
<td>10- &lt;1,700 sq ft</td>
<td>$2,061.00</td>
<td>$565.00</td>
<td>$2,626.00</td>
</tr>
<tr>
<td>Undeveloped</td>
<td>$0.00</td>
<td>$565.00</td>
<td>$565.00</td>
</tr>
<tr>
<td><strong>Total Proposed Levy</strong></td>
<td><strong>$612,357.00</strong></td>
<td><strong>$212,440.00</strong></td>
<td><strong>$824,797.00</strong></td>
</tr>
</tbody>
</table>

### Schedule 3

**Comparison of Special Tax Levy and Rates by Fiscal Years**

<table>
<thead>
<tr>
<th>Tax Classification</th>
<th>FY 2016 - 2017</th>
<th>FY 2017 - 2018</th>
<th>Percent Change</th>
</tr>
</thead>
<tbody>
<tr>
<td>(Land Use)</td>
<td>Special Tax</td>
<td>Rate</td>
<td>Special Tax</td>
</tr>
<tr>
<td>1- &gt;3,300 sq ft</td>
<td>$</td>
<td>$3,399</td>
<td>$</td>
</tr>
<tr>
<td>2- 3,100 to 3,330 sq ft</td>
<td>46,802</td>
<td>3,343</td>
<td>80,232</td>
</tr>
<tr>
<td>3- 2,900 to 3,100 sq ft</td>
<td>0</td>
<td>3,271</td>
<td>0</td>
</tr>
<tr>
<td>4- 2,700 to 2,900 sq ft</td>
<td>45,682</td>
<td>3,263</td>
<td>101,153</td>
</tr>
<tr>
<td>5- 2,500 to 2,700 sq ft</td>
<td>37,728</td>
<td>3,144</td>
<td>59,736</td>
</tr>
<tr>
<td>6- 2,300 to 2,500 sq ft</td>
<td>92,504</td>
<td>2,984</td>
<td>196,944</td>
</tr>
<tr>
<td>7- 2,100 to 2,300 sq ft</td>
<td>20,223</td>
<td>2,889</td>
<td>52,002</td>
</tr>
<tr>
<td>8- 1,900 to 2,100 sq ft</td>
<td>50,850</td>
<td>2,825</td>
<td>144,075</td>
</tr>
<tr>
<td>9- 1,700 to 1,900 sq ft</td>
<td>40,575</td>
<td>2,705</td>
<td>121,725</td>
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<td>10- &lt;1,700 sq ft</td>
<td>149,725</td>
<td>565</td>
<td>68,930</td>
</tr>
<tr>
<td>Undeveloped</td>
<td>484,089</td>
<td>824,797</td>
<td></td>
</tr>
</tbody>
</table>

Page 189 of 250
EXHIBIT “B”

CITY OF FONTANA
COMMUNITY FACILITIES DISTRICT NO. 80
(Bella Strada)
RATE AND METHOD OF APPORTIONMENT OF SPECIAL TAXES
(Summary – Full text available in the Financial Services Division)

The Resolution of Annual Levy refers to this Exhibit for an explanation of the rate and method of apportionment of the special tax so as to allow each landowner or resident within the district to estimate the annual amount that would be required for payment.

A Special Tax shall be levied on all Assessor’s Parcels of Taxable Property in City of Fontana Community Facilities District No. 80 (“CFD No. 80”) and collected each fiscal year commencing in Fiscal Year 2015-2016, in an amount determined by the City Council of the City of Fontana (the “Council”) through the application of the appropriate Special Tax for “Developed Property,” and “Non-Residential Property.” All of the real property in CFD No. 80, unless exempted by law or by the provisions hereof, shall be taxed for the purposes, to the extent and in the manner herein provided.

The rate and method of apportionment of the special tax for 2017-2018 shall be as follows.

I. SPECIAL TAXES FOR PUBLIC IMPROVEMENTS:

<table>
<thead>
<tr>
<th>Land Use Class</th>
<th>Unit</th>
<th>Assigned Special Tax FY 2017-2018</th>
<th>Actual Tax Rate FY 2017-2018</th>
<th>Tax Amount FY 2017-2018</th>
</tr>
</thead>
<tbody>
<tr>
<td>1 - greater than 3,300 sq ft</td>
<td>Unit</td>
<td>$2,834.00</td>
<td>$2,834.00</td>
<td>$0</td>
</tr>
<tr>
<td>2 - 3,100 -- &lt;3,300 sq ft</td>
<td>Unit</td>
<td>2,778.00</td>
<td>2,778.00</td>
<td>66,672</td>
</tr>
<tr>
<td>3 - 2,900 -- &lt;3,100 sq ft</td>
<td>Unit</td>
<td>2,708.00</td>
<td>2,708.00</td>
<td>0</td>
</tr>
<tr>
<td>4 - 2,700 -- &lt;2,900 sq ft</td>
<td>Unit</td>
<td>2,698.00</td>
<td>2,698.00</td>
<td>83,638</td>
</tr>
<tr>
<td>5 - 2,500 -- &lt;2,700 sq ft</td>
<td>Unit</td>
<td>2,579.00</td>
<td>2,579.00</td>
<td>49,001</td>
</tr>
<tr>
<td>6 - 2,300 -- &lt;2,500 sq ft</td>
<td>Unit</td>
<td>2,419.00</td>
<td>2,419.00</td>
<td>159,654</td>
</tr>
<tr>
<td>7 - 2,100 -- &lt;2,300 sq ft</td>
<td>Unit</td>
<td>2,324.00</td>
<td>2,324.00</td>
<td>41,832</td>
</tr>
<tr>
<td>8 - 1,900 -- &lt;2,100 sq ft</td>
<td>Unit</td>
<td>2,260.00</td>
<td>2,260.00</td>
<td>115,260</td>
</tr>
<tr>
<td>9 - 1,700 -- &lt;1,900 sq ft</td>
<td>Unit</td>
<td>2,140.00</td>
<td>2,140.00</td>
<td>96,300</td>
</tr>
<tr>
<td>10- less than 1,700 sq ft</td>
<td>Unit</td>
<td>2,061.00</td>
<td>2,061.00</td>
<td>0</td>
</tr>
<tr>
<td>11- Non-Residential</td>
<td>Acre</td>
<td>25,620.00</td>
<td>25,620.00</td>
<td>0</td>
</tr>
</tbody>
</table>

$612,357
Method of Apportionment of Special Tax A

Commencing with Fiscal year 2015-2016 and for each following Fiscal Year, the CFD Administrator shall determine the Special Tax Requirement for Facilities and shall provide for the levy of the Facilities Special Tax each Fiscal Year as follows:

First: The Facilities Special Tax shall be levied on each Assessor’s Parcel of Developed Property in an amount equal to 100% of the applicable Assigned Facilities Special Tax;

Second: If additional monies are needed to satisfy the Special Tax Requirement for Facilities after the first step has been completed, the Facilities Special Tax shall be levied proportionately on each Assessor’s Parcel of Undeveloped Property at up to 100% of the Maximum Facilities Special Tax for Undeveloped Property;

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

Fourth: If additional monies are needed to satisfy the Special Tax Requirement for Facilities after the first three steps have been completed, then the Facilities Special Tax shall be levied proportionately on each Assessor’s Parcel of Taxable Public Property at up to 100% the Maximum Facilities Special Tax A for Taxable Public Property, as needed to satisfy the Special Tax Requirement for Facilities;

Notwithstanding the above the CFD Administrator shall, in any Fiscal Year, calculate a levy proportionately less than 100% of the Assigned Facilities Special Tax in step one (above), when (i) the CFD Administrator is no longer required to provide for the levy of the Facilities Special Tax pursuant to steps two through four above in order to meet the Special Tax Requirement for Facilities; and (ii) all authorized CFD No. 80 Bonds have already been issued or the Council has covenanted that it shall not issue any additional CFD No. 80 Bonds (except refunding bonds) to be supported by the Facilities Special Tax.

Further notwithstanding the above, under no circumstances shall the Facilities Special Tax levied against any Assessor’s Parcel of Residential Property for which a Certificate of Occupancy has been issued for private residential use be increased as a consequence of delinquency or default by the owner of any other Assessor’s Parcel within CFD No. 80 by more than ten percent above the
amount that would have been levied in that Fiscal Year had there never been any such delinquencies or defaults. To the extent that the levy of the Facilities Special Tax on Residential Property is limited by the provision in the previous sentence, the levy of the Facilities Special Tax on each Assessor’s Parcel of Non-Residential Property shall continue in equal percentages up to 100% of the applicable Maximum Facilities Special Tax.

II. SERVICES SPECIAL TAXES FOR MAINTENANCE OF PARK, PARKWAYS, AND OPEN SPACE

<table>
<thead>
<tr>
<th>Land Use Class</th>
<th>Unit</th>
<th>Maximum Annual Tax Rate FY 2017-2018</th>
<th>Actual Tax Rate FY 2017-2018</th>
<th>Tax Amount FY 2017-2018</th>
</tr>
</thead>
<tbody>
<tr>
<td>1 – Final Residential Subdivision</td>
<td>Unit</td>
<td>$821.92</td>
<td>$565.00</td>
<td>$212,440</td>
</tr>
<tr>
<td>5 – Non-Residential Property</td>
<td>Acre</td>
<td>8,460.90</td>
<td>5,935.00</td>
<td>0</td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
<td></td>
<td>$212,440</td>
</tr>
</tbody>
</table>

Commencing July 1, 2015, and each July 1 thereafter, the Maximum Special Tax rates for Special Tax B for Residential Property, and Non-Residential Property shall be increased by two percent (2%).

Method of Apportionment of Special Tax B

Commencing with Fiscal Year 2015-2016 and for each following Fiscal Year, the CFD Administrator shall determine the Special Tax Requirement for Services and shall provide for the levy of the Services Special Tax until the total Services Special Tax levy equals the Special Tax Requirement for Services. The Services Special Tax shall be levied each Fiscal Year as follows:

First: The Services Special Tax shall be levied Proportionately each Fiscal Year on each Assessor’s Parcel of Developed Property at up to 100% of the applicable Assigned Services Special Tax as needed to satisfy the Special Tax Requirement for Services;

Second: If additional monies are needed to satisfy the Special Tax Requirement for Services after the first step has been completed, then the levy of the Services Special Tax on each Assessor’s Parcel of Developed Property shall be increased in equal percentages from the Assigned Services Special Tax up to the Maximum Services Special Tax for each such Assessor’s parcel.
ACTION REPORT
July 25, 2017
FROM: Department of Management Services
SUBJECT: Levy of a Special Tax in Community Facilities District No. 81 (Gabriella) for Fiscal Year 2017-2018

RECOMMENDATION:
Adopt Resolution No. 2017-____ Authorizing the Levy of Special Tax in Community Facilities District No. 81 (Gabriella) for Fiscal Year 2017-2018.

COUNCIL GOALS:
* To practice sound fiscal management by fully funding liabilities and reserves.
* To practice sound fiscal management by developing long-term funding and debt management plans.

DISCUSSION:
Community Facilities District No 81 (Gabriella) was established by Resolution No. 2016-022 on March 22, 2016, to finance public facilities and to pay annual landscape and lighting costs for the district. The District will issue a maximum (not to exceed) of $7,500,000 in Special Tax Bonds to finance the acquisition of certain major capital facilities (infrastructure) to serve properties within the District.

Pursuant to Government Code Section 53340, a resolution must be adopted by the City Council annually to levy a special tax to pay for the cost of providing public facilities, services, and incidental expenses. The rate and method of apportionment of the special tax was originally set forth in Ordinance No. 1743 approved and adopted by the City Council on March 22, 2016.

The special tax levied on each assessable parcel within the District is necessary to pay for the cost of providing public facilities and authorized administrative expenses (Facilities Special Tax A); and the annual landscape and lighting maintenance costs of the District (Services Special Tax B). The proposed Fiscal Year 2017-2018 special tax rates (Special Tax A and Special Tax B) are shown in Exhibit A.

This is the first year tax levy. The proposed special tax rates for Fiscal Year 2017-2018 were developed according to the Rate and Method of Apportionment (Exhibit B).

The District was established after the adoption of Proposition 218 and complies with its requirements because the District and the special taxes were approved by the consent of the property owner at the time the District was formed.

The City Treasurer has reviewed and supports this action.
FISCAL IMPACT:
The proposed Fiscal Year 2017-2018 special tax rates will generate approximately
$370,451; $261,451 for public facility expenses and $109,000 for landscape and lighting maintenance costs.

MOTION:
Approve staff recommendation.

SUBMITTED BY:
Lisa Strong
Management Services Director

REVIEWED BY:
David R. Edgar
Deputy City Manager

APPROVED BY:
Kenneth R. Hunt
City Manager

ATTACHMENTS:

<table>
<thead>
<tr>
<th>Description</th>
<th>Type</th>
</tr>
</thead>
<tbody>
<tr>
<td>Proposed Resolution to Levy Community Facilities District No. 81</td>
<td>Resolution</td>
</tr>
<tr>
<td>Exhibit A to CFD # 81</td>
<td>Backup Material</td>
</tr>
<tr>
<td>Exhibit B to CFD # 81</td>
<td>Backup Material</td>
</tr>
<tr>
<td>Location Map for CFD # 81</td>
<td>Backup Material</td>
</tr>
</tbody>
</table>

ITEM: CC-U
RESOLUTION NO. 2017-


WHEREAS, the City Council of the City of Fontana, (the "City Council") has initiated proceedings, held a public hearing, conducted an election and received a favorable vote from the qualified electors relating to the levy of a special tax in a community facilities district, all as authorized pursuant to the terms and provisions of the “Mello-Roos Community Facilities Act of 1982”, being Chapter 2.5, Part 1, Division 2, Title 5 of the Government Code of the State of California (the “Act”). This Community Facilities District shall hereinafter be referred to as COMMUNITY FACILITIES DISTRICT NO. 81; and

WHEREAS, on March 22, 2016, Community Facilities District No. 81 (Gabriella) Special Tax Bonds, were approved for the acquisition of the improvements in Tract 18939; and

WHEREAS, the City Council, by Ordinance, as authorized by Section 53340 of the Government Code of the State of California, has authorized the levy of a special tax to pay for costs and expenses related to said Community Facilities District, and the City Council is desirous to establish the specific rate of the special tax to be collected for Fiscal Year 2017-2018.

NOW, THEREFORE, BE IT RESOLVED, determined, and ordered by the City Council of the City of Fontana, California, as follows:

SECTION 1. That the above recitals are all true and correct.

SECTION 2. The specific rate and amount of the special tax to be collected to pay for the costs and expenses for Fiscal Year 2017-2018 for the referenced District is hereby determined and established as set forth in Exhibit “B” attached hereto and incorporated herein by reference provided, however, the City Manager is hereby authorized to reduce the specific rate and method of the special tax as shown in Exhibit “B” upon receipt of the Assessor’s roll from the County of San Bernardino if, as determined by the City Manager in his discretion, following review of the Assessor’s roll, a lower rate and amount of the special tax will be sufficient to pay for the costs and expenses for such fiscal year.

SECTION 3. The rate as set forth above does not exceed the amount previously authorized by Ordinance of the City Council, and is not in excess of that as previously approved by the qualified electors of the District.
SECTION 4. The proceeds of the Special Tax shall be used to pay, in whole or in part, the costs of the following, in the following order of priority:

(a) Payment of principal and interest on any outstanding authorized bonded indebtedness;

(b) Necessary replenishment of bond reserve funds or other reserve funds;

(c) Payment of costs and expenses of authorized public facilities and incidental expenses pursuant to the Act; and

(d) Repayment of advances and loans, as appropriate.

The basis for the determination of the special tax needed for the 2017-2018 fiscal year is set forth in Exhibit “B”, attached hereto and incorporated herein by reference.

SECTION 5. The above authorized Special Tax shall be collected in the same manner as ordinary ad valorem property taxes are collected and shall have the same lien and priority in the case of delinquency as is provided for ad valorem taxes.

SECTION 6. All monies above collected shall be paid into the Community Facilities District's funds, including any bond and reserve funds.

SECTION 7. The City Manager is hereby directed to transmit or cause to be transmitted to the Auditor of the County of San Bernardino for entry in the next County assessment roll on which taxes will become due, opposite each lot or parcel of land affected in a space marked “Public Improvement, Special Tax” or by any other suitable designation, the installment of the Special Tax as set forth in Exhibit “B” or as adjusted pursuant to the provisions of Section 2 above.

SECTION 8. The County Auditor shall then, at the close of the tax collection period, promptly render to this Agency a detailed report showing the amount and/or amounts of such Special Tax installments, interest, penalties and percentages so collected and from what property collected, and also provide a statement of any percentages retained for the expense of making any such collection.
APPROVED AND ADOPTED this 25th day of July, 2017.

READ AND APPROVED AS TO LEGAL FORM:

____________________________________
City Attorney

I, Tonia Lewis, City Clerk of the City of Fontana, and Ex-Officio Clerk of the City Council, do hereby certify that the foregoing resolution is the actual resolution duly and regularly adopted by the City Council at a regular meeting on the 25th day of July, 2017, by the following vote to wit:

AYES:
NOES:
ABSENT:

____________________________________
City Clerk of the City of Fontana

____________________________________
Mayor of the City of Fontana

ATTEST:

____________________________________
City Clerk
Schedule 1
Special Tax Allocation - Costs to be Allocated
Fiscal Year 2017-2018
Pay as you go facilities $211,385
Administration Costs (Est) 41,616
Available Funds
Bond Service Funds Available $-
Proposed Special Tax Levy 261,451
Allowance for Delinquencies (8,450)
Total Costs $253,001
Available Funds $253,001

Schedule 2
Proposed Special Tax Rates for Fiscal Year 2017-2018
(Special Tax A and Special Tax B)

<table>
<thead>
<tr>
<th>Residential Lot Size</th>
<th>Special Tax A</th>
<th>Special Tax B</th>
<th>Total Special Tax Rate</th>
</tr>
</thead>
<tbody>
<tr>
<td>1- &gt;2,950 sq ft</td>
<td>$3,077.00</td>
<td>$545.00</td>
<td>$3,622.00</td>
</tr>
<tr>
<td>2- 2,750 to 2,950 sq ft</td>
<td>2,987.00</td>
<td>$545.00</td>
<td>3,532.00</td>
</tr>
<tr>
<td>3- 2,550 to 2,750 sq ft</td>
<td>2,897.00</td>
<td>$545.00</td>
<td>3,442.00</td>
</tr>
<tr>
<td>4- 2,350 to 2,550 sq ft</td>
<td>2,684.00</td>
<td>$545.00</td>
<td>3,229.00</td>
</tr>
<tr>
<td>5- 2,150 to 2,350 sq ft</td>
<td>2,525.00</td>
<td>$545.00</td>
<td>3,070.00</td>
</tr>
<tr>
<td>6- 1,950 to 2,150 sq ft</td>
<td>2,366.00</td>
<td>$545.00</td>
<td>2,911.00</td>
</tr>
<tr>
<td>7- &lt;1,950 sq ft</td>
<td>2,290.00</td>
<td>$545.00</td>
<td>2,835.00</td>
</tr>
<tr>
<td>8 - Non-Residential/acre</td>
<td>25,592.00</td>
<td>5,180.00</td>
<td>30,772.00</td>
</tr>
<tr>
<td>Undeveloped</td>
<td>-</td>
<td>545.00</td>
<td>545.00</td>
</tr>
<tr>
<td>Total Proposed Levy</td>
<td>$261,451.00</td>
<td>$109,000.00</td>
<td>$370,451.00</td>
</tr>
</tbody>
</table>

Schedule 3
Comparison of Special Tax Levy and Rates by Fiscal Years

<table>
<thead>
<tr>
<th>Tax Classification (Land Use)</th>
<th>FY 2016 - 2017 Special Tax Rate</th>
<th>FY 2017 - 2018 Special Tax Rate</th>
<th>Percent Change</th>
</tr>
</thead>
<tbody>
<tr>
<td>1- &gt;2,950 sq ft</td>
<td>$-</td>
<td>$3,622</td>
<td>0%</td>
</tr>
<tr>
<td>2- 2,750 to 2,950 sq ft</td>
<td>-</td>
<td>3,532</td>
<td>0%</td>
</tr>
<tr>
<td>3- 2,550 to 2,750 sq ft</td>
<td>-</td>
<td>3,442</td>
<td>0%</td>
</tr>
<tr>
<td>4- 2,350 to 2,550 sq ft</td>
<td>-</td>
<td>3,229</td>
<td>0%</td>
</tr>
<tr>
<td>5- 2,150 to 2,350 sq ft</td>
<td>-</td>
<td>3,070</td>
<td>0%</td>
</tr>
<tr>
<td>6- 1,950 to 2,150 sq ft</td>
<td>-</td>
<td>2,911</td>
<td>0%</td>
</tr>
<tr>
<td>7- &lt;1,950 sq ft</td>
<td>-</td>
<td>2,835</td>
<td>0%</td>
</tr>
<tr>
<td>8 - Non-Residential/acre</td>
<td>-</td>
<td>30,772</td>
<td>0%</td>
</tr>
<tr>
<td>Undeveloped</td>
<td>-</td>
<td>545</td>
<td>0%</td>
</tr>
<tr>
<td>Total</td>
<td>$-</td>
<td>$370,451</td>
<td></td>
</tr>
</tbody>
</table>
EXHIBIT “B”

CITY OF FONTANA
COMMUNITY FACILITIES DISTRICT NO. 81
(Gabriella)
RATE AND METHOD OF APPORTIONMENT OF SPECIAL TAXES
(Summary – Full text available in the Financial Services Division)

The Resolution of Annual Levy refers to this Exhibit for an explanation of the rate and method of apportionment of the special tax so as to allow each landowner or resident within the district to estimate the annual amount that would be required for payment.

A Special Tax as hereinafter defined shall be levied on all Assessor’s Parcels of Taxable Property in City of Fontana Community Facilities District No. 81 (Gabriella) (“CFD No. 81”) and collected each fiscal year commencing in Fiscal Year 2016-2017, in an amount determined by the City Council of the City of Fontana (the “Council”) through the application of the application of the Rate and Method of Apportionment as described below. All of the real property in CFD No. 81, unless exempted by law or by the provisions hereof, shall be taxed for the purposes, to the extent and in the manner herein provided.

The rate and method of apportionment of the special tax for 2017-2018 shall be as follows.

I. SPECIAL TAXES FOR PUBLIC IMPROVEMENTS:

<table>
<thead>
<tr>
<th>Land Use Class</th>
<th>Unit</th>
<th>Assigned Special Tax FY 2017-2018</th>
<th>Actual Tax Rate FY 2017-2018</th>
<th>Tax Amount FY 2017-2018</th>
</tr>
</thead>
<tbody>
<tr>
<td>1 - greater than 2,950 sq ft</td>
<td>Unit</td>
<td>$3,077.00</td>
<td>$3,077.00</td>
<td>$0</td>
</tr>
<tr>
<td>2 - 2,750 -- &lt;2,950 sq ft</td>
<td>Unit</td>
<td>2,987.00</td>
<td>2,987.00</td>
<td>0</td>
</tr>
<tr>
<td>3 - 2,550 -- &lt;2,750 sq ft</td>
<td>Unit</td>
<td>2,897.00</td>
<td>2,897.00</td>
<td>75,724</td>
</tr>
<tr>
<td>4 - 2,350 -- &lt;2,550 sq ft</td>
<td>Unit</td>
<td>2,684.00</td>
<td>2,684.00</td>
<td>56,122</td>
</tr>
<tr>
<td>5 - 2,150 -- &lt;2,350 sq ft</td>
<td>Unit</td>
<td>2,525.00</td>
<td>2,525.00</td>
<td>52,190</td>
</tr>
<tr>
<td>6 - 1,950 -- &lt;2,150 sq ft</td>
<td>Unit</td>
<td>2,366.00</td>
<td>2,366.00</td>
<td>43,665</td>
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<td>7 - less than 1,950 sq ft</td>
<td>Unit</td>
<td>2,290.00</td>
<td>2,290.00</td>
<td>87,885</td>
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<tr>
<td>8 - Non-Residential</td>
<td>Acre</td>
<td>25,592.00</td>
<td>25,592.00</td>
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</table>

$261,451

Method of Apportionment of Special Tax A

Commencing with Fiscal year 2016-2017 and for each following Fiscal Year, the CFD Administrator shall determine the Special Tax Requirement for Facilities
and shall provide for the levy of the Facilities Special Tax each Fiscal Year as follows:

First: The Facilities Special Tax shall be levied on each Assessor’s Parcel of Developed Property in an amount equal to 100% of the applicable Assigned Facilities Special Tax;

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

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

Fourth: If additional monies are needed to satisfy the Special Tax Requirement for Facilities after the first three steps have been completed, then the Facilities Special Tax shall be levied Proportionately on each Assessor’s Parcel of Taxable Public Property at up to 100% the Maximum Facilities Special Tax A for Taxable Public Property, as needed to satisfy the Special Tax Requirement for Facilities;

Notwithstanding the above the CFD Administrator shall, in any Fiscal Year, calculate a levy Proportionately less than 100% of the Assigned Facilities Special Tax in step one (above), when (i) the CFD Administrator is no longer required to provide for the levy of the Facilities Special Tax pursuant to steps two through four above in order to meet the Special Tax Requirement for Facilities; and (ii) all authorized CFD No. 70 Bonds have already been issued or the Council has covenanted that it shall not issue any additional CFD No. 80 Bonds (except refunding bonds) to be supported by the Facilities Special Tax.

Further notwithstanding the above, under no circumstances shall the Facilities Special Tax levied against any Assessor’s Parcel of Residential Property for which a Certificate of Occupancy has been issued for private residential use be increased as a consequence of delinquency or default by the owner of any other Assessor’s Parcel within CFD No. 81 by more than ten percent above the amount that would have been levied in that Fiscal Year had there never been any such delinquencies or defaults. To the extent that the levy of the Facilities Special Tax on Residential Property is limited by the provision in the previous sentence, the levy of the Facilities Special Tax on each Assessor’s Parcel of Non-Residential Property shall continue in equal percentages up to 100% of the applicable Maximum Facilities Special Tax.
II. SERVICES SPECIAL TAXES FOR MAINTENANCE OF PARK, PARKWAYS, AND OPEN SPACE

<table>
<thead>
<tr>
<th>Land Use Class</th>
<th>Unit</th>
<th>Maximum Annual Tax Rate FY 2017-2018</th>
<th>Actual Tax Rate FY 2017-2018</th>
<th>Tax Amount FY 2017-2018</th>
</tr>
</thead>
<tbody>
<tr>
<td>1 – Final Residential Subdivision</td>
<td>Unit</td>
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<td>$545.00</td>
<td>$109,000</td>
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<td>5 – Non-Residential Property</td>
<td>Acre</td>
<td>7,222.00</td>
<td>5,180.00</td>
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</tbody>
</table>

$109,000

Commencing July 1, 2017, and each July 1 thereafter, the Maximum Special Tax rates for Special Tax B for Residential Property, and Non-Residential Property shall be increased by two percent (2%).

Method of Apportionment of Special Tax B

Commencing with Fiscal Year 2015-2016 and for each following Fiscal Year, the CFD Administrator shall determine the Special Tax Requirement for Services and shall provide for the levy of the Services Special Tax until the total Services Special Tax levy equals the Special Tax Requirement for Services. The Services Special Tax shall be levied each Fiscal Year as follows:

First: The Services Special Tax shall be levied Proportionately each Fiscal Year on each Assessor’s Parcel of Developed Property at up to 100% of the applicable Assigned Services Special Tax as needed to satisfy the Special Tax Requirement for Services;

Second: If additional monies are needed to satisfy the Special Tax Requirement for Services after the first step has been completed, then the levy of the Services Special Tax on each Assessor’s Parcel of Developed Property shall be increased in equal percentages from the Assigned Services Special Tax up to the Maximum Services Special Tax for each such Assessor’s parcel.
ACTION REPORT
July 25, 2017

FROM: Department of Management Services
SUBJECT: Public Hearing to Establish Fiscal Year 2017-2018 Assessment Rates for Landscape Maintenance Districts and Local Lighting Maintenance District

RECOMMENDATION:

1. Adopt Resolution No. 2017-____, of the City Council of the City of Fontana, California, Confirming a Diagram and Assessment, and Levying the Assessment for Landscape Maintenance District No. 1 (‘‘LMD #1’’ throughout the City) for Fiscal Year 2017-2018.

2. Adopt Resolution No. 2017-____, of the City Council of the City of Fontana, California, Confirming a Diagram and Assessment, and Levying the Assessment for Landscape Maintenance District No. 2 (‘‘LMD #2’’ Village of Heritage) for Fiscal Year 2017-2018.

3. Adopt Resolution No. 2017-____, of the City Council of the City of Fontana, California, Confirming a Diagram and Assessment, and Levying the Assessment for Landscape Maintenance District No. 3 (‘‘LMD #3’’ Hunter’s Ridge) for Fiscal Year 2017-2018.

4. Adopt Resolution No. 2017-____, of the City Council of the City of Fontana, California, Confirming a Diagram and Assessment, and Levying the Assessment for Landscape Maintenance District No. 3-1 (‘‘LMD #3-1’’ Empire Center) for Fiscal Year 2017-2018.

5. Adopt Resolution No. 2017-____, of the City Council of the City of Fontana, California, Confirming a Diagram and Assessment, and Levying the Assessment for Local Lighting Maintenance District No. 3 (‘‘LLMD #3’’ Hunter’s Ridge) for Fiscal Year 2017-2018.

COUNCIL GOALS:

* To practice sound fiscal management by fully funding liabilities and reserves.
* To practice sound fiscal management by developing long-term funding and debt management plans.
* To preserve the local environment for generations to come and to create a healthy economic and environmental future by promoting programs that encourage reducing Green House gas emissions.

DISCUSSION:

On June 13, 2017, City Council adopted Resolutions 2017-019 through 2017-023,
inclusive, declaring its intention to levy and collect assessments for Fiscal Year 2017-2018 and setting July 25, 2017, for the public hearing to receive public comment pursuant to the Landscape and Lighting Act of 1972. The annual assessment process for the landscape and lighting assessment districts must be completed before August 10, 2017, in order to place the assessments on the County tax rolls.

The Fiscal Year 2017-2018 proposed assessment rates are as follows:

- **LMD # 1** – the proposed rates for FY 2017-2018 for residential units range from $77.76 to $495.92 per unit, the commercial and industrial areas range from $117.24 to $613.77 per acre. The proposed rates are the same as the prior year rates.

- **LMD # 2 (Village of Heritage)** – the proposed rate for FY 2017-2018 for residential units is $473.47 per unit, an increase from the prior year of 2% ($9.29 per unit).

- **LMD # 3 (Hunter’s Ridge)** – the proposed rate for FY 2017-2018 for residential units is $500.00 per unit, the same as the prior year rate.

- **LMD # 3-1 (Empire Center)** – the proposed rate for FY 2017-2018 for commercial property is $1,000 per acre, the same as the prior year rate.

- **LLMD # 3 (Hunter’s Ridge)** – the proposed rate for FY 2017-2018 for residential property is $22.00 per unit, the same as the prior year rate.

It is projected that the proposed rates will be sufficient to fund the estimated maintenance costs for Fiscal Year 2017-2018.

The City’s assessments for all districts have been reviewed in light of the passage of Proposition 218. The recommended actions comply with the provisions of this proposition.

The City Treasurer has reviewed and supports this action.

**FISCAL IMPACT:**

The proposed assessment rates for Fiscal Year 2017-2018 are unchanged from the prior year except for LMD # 2 which will increase by 2% ($9.29 per unit) to $473.47 for the residential rate. The proposed assessment rates for Fiscal Year 2017-2018 are projected to generate approximately $4.0 million.

**MOTION:**

Approve staff recommendation.

SUBMITTED BY: REVIEWED BY:
APPROVED BY:

Kenneth R. Hunt  
City Manager

ATTACHMENTS:

<table>
<thead>
<tr>
<th>Description</th>
<th>Type:</th>
</tr>
</thead>
<tbody>
<tr>
<td>Resolution Authorizing Levy for Landscape Maintenance District No. 1</td>
<td>Resolution</td>
</tr>
<tr>
<td>Resolution Authorizing Levy for Landscape Maintenance District No. 2</td>
<td>Resolution</td>
</tr>
<tr>
<td>Resolution Authorizing Levy for Landscape Maintenance District No. 3</td>
<td>Resolution</td>
</tr>
<tr>
<td>Resolution Authorizing Levy for Landscape Maintenance District No. 3-1</td>
<td>Resolution</td>
</tr>
<tr>
<td>Resolution Authorizing Levy for Local Lighting Maintenance District No. 3</td>
<td>Resolution</td>
</tr>
</tbody>
</table>

ITEM: PH-A
RESOLUTION NO. 2017-


WHEREAS, on June 13, 2017, the City Council of the City of Fontana, (the “City Council”) adopted Resolution 2017-019 initiating proceedings for the levy and collection of assessments for Fiscal Year 2017-2018 for Landscape Maintenance District No. 1 (“LMD #1”) pursuant to the provisions of the Landscaping and Lighting Act of 1972, Division 15 of the Streets and Highways Code of the State of California (the “Act”), for the maintenance of landscaped areas; and

WHEREAS, the City Council has ordered the filing of an Engineer’s Report with the City Clerk, a report pursuant to law for the City Council’s consideration, and subsequently thereto the City Council adopted its Resolution of Intention (Resolution No. 2017-019) approving the Engineer’s Report and declaring the intention of the City Council to order the levy and collection of assessments to pay the costs and expenses of maintaining the landscaped areas in the District for the fiscal year commencing July 1, 2017, and ending June 30, 2018, and

WHEREAS, in November, 1996, the voters of the State of California passed Proposition 218 which added Articles XIIIC and XIIIID to the California Constitution requiring, among other things, new procedures for the approval of the levying of assessments against real property; and

WHEREAS, Article XIIIID of the California Constitution requires that assessments comply with stated procedural and approval provisions by July 1, 1997, unless an assessment district meets certain exemptions as set forth in Section 5 of the Article, which exemptions include the following:

“(a) any assessment imposed exclusively to finance the capital costs or maintenance and operation expenses for sidewalks, streets, sewers, water, flood control, drainage system or vector control.”

“(b) any assessment imposed pursuant to a petition signed by the persons owning all of the parcels subject to the assessment at the time the assessment is initially imposed;” and

WHEREAS, LMD #1 assessments proposed for Fiscal Year 2017-2018 are exempt from Proposition 218 because the assessments generate revenue for the operation and maintenance of streets and highways, all expenditures thereunder qualifying as street maintenance as defined by the State of California; and
WHEREAS, the adoption of this Resolution, among other things, is required in order to levy the proposed assessments for Fiscal Year 2017-2018 for LMD #1.

NOW, THEREFORE, BE IT RESOLVED, determined, and ordered by the City Council of the City of Fontana, California, as follows:

SECTION 1. Following notice duly given by publication, the City Council has held a public hearing regarding the levy of the proposed assessment within the District for the fiscal year commencing July 1, 2017, and ending June 30, 2018, to pay for the costs and expenses of maintaining and servicing the public landscaped improvements installed and constructed within the District. All interested persons were afforded the opportunity to hear and be heard regarding protests, and objections have been considered by the City Council.

SECTION 2. The City Council hereby confirms the diagram and assessment set forth in the Engineer's Report for Fiscal Year 2017-2018 and orders the maintenance and servicing of the public landscaped improvements installed and constructed in the District in the City of Fontana.

SECTION 3. The adoption of this resolution constitutes the levy of an assessment for the fiscal year commencing July 1, 2017, and ending June 30, 2018.

SECTION 4. The maintenance and servicing of the public landscaped areas shall be performed pursuant to law and the County Auditor of San Bernardino shall enter on the County Assessment Roll opposite each lot or parcel of land the amount of the assessment and such assessment shall then be collected at the same time and in the same manner as the County taxes are collected. After collection by the County, the net amount of the assessments shall be paid to the City Treasurer.

SECTION 5. The City Treasurer shall deposit all moneys representing assessments collected by the County to the credit of a special fund known as Landscape Maintenance District No. 1, City of Fontana.

SECTION 6. The City Clerk is hereby authorized and directed to file the assessment with the County Auditor, together with a certified copy of this Resolution upon its adoption.

SECTION 7. A certified copy of the assessment diagram shall be filed in the office of the City Clerk and open for public inspection.
Resolution No. 2017-

APPROVED AND ADOPTED this 25th day of July, 2017.

READ AND APPROVED AS TO LEGAL FORM:

________________________________________
City Attorney

I, Tonia Lewis, City Clerk of the City of Fontana, and Ex-Officio Clerk of the City Council, do hereby certify that the foregoing resolution is the actual resolution duly and regularly adopted by the City Council at a regular meeting on the 25th day of July, 2017, by the following vote to wit:

AYES:
NOES:
ABSENT:

________________________________________
City Clerk of the City of Fontana

________________________________________
Mayor of the City of Fontana

ATTEST:

________________________________________
City Clerk
RESOLUTION NO. 2017-


WHEREAS, on June 13, 2017, the City Council of the City of Fontana, (the “City Council”) adopted Resolution 2017-020 initiating proceedings for the levy and collection of assessments for Fiscal Year 2017-2018 for Landscape Maintenance District No. 2 (“LMD #2”) pursuant to the provisions of the Landscaping and Lighting Act of 1972, Division 15 of the Streets and Highways Code of the State of California (the “Act”), for the maintenance of landscaped areas; and

WHEREAS, the City Council has ordered the filing of an Engineer’s Report with the City Clerk, a report pursuant to law for the City Council’s consideration, and subsequently thereto the City Council adopted its Resolution of Intention (Resolution No. 2017-020) approving the Engineer’s Report and declaring the intention of the City Council to order the levy and collection of assessments to pay the costs and expenses of maintaining the landscaped areas in the District for the fiscal year commencing July 1, 2017, and ending June 30, 2018; and

WHEREAS, in November, 1996, the voters of the State of California passed Proposition 218 which added Articles XIIIC and XIIIID to the California Constitution requiring, among other things, new procedures for the approval of the levying of assessments against real property; and

WHEREAS, Article XIIIID of the California Constitution requires that assessments comply with stated procedural and approval provisions by July 1, 1997, unless an assessment district meets certain exemptions as set forth in Section 5 of the Article, which exemptions include the following:

“(a) any assessment imposed exclusively to finance the capital costs or maintenance and operation expenses for sidewalks, streets, sewers, water, flood control, drainage system or vector control.”

“(b) any assessment imposed pursuant to a petition signed by the persons owning all of the parcels subject to the assessment at the time the assessment is initially imposed;” and

WHEREAS, LMD #2 assessments proposed for Fiscal Year 2017-2018 are exempt from Proposition 218 because the assessments generate revenue for the operation and maintenance of streets and highways, all expenditures thereunder qualifying as street maintenance as defined by the State of California; and
WHEREAS, LMD #2 assessments are further exempt from proposition 218 because they were approved previously by property owner consent pursuant to a petition signed by the persons owning all of the parcels subject to the assessment at the time the assessment was initially imposed; and

WHEREAS, the adoption of this Resolution, among other things, is required in order to levy the proposed assessments for Fiscal Year 2017-2018 for LMD #2.

NOW, THEREFORE, BE IT RESOLVED, determined, and ordered by the City Council of the City of Fontana, California, as follows:

SECTION 1. Following notice duly given by publication, the City Council has held a public hearing regarding the levy of the proposed assessment within the District for the fiscal year commencing July 1, 2017, and ending June 30, 2018, to pay for the costs and expenses of maintaining and servicing the public landscaped improvements installed and constructed within the District. All interested persons were afforded the opportunity to hear and be heard regarding protests, and objections have been considered by the City Council.

SECTION 2. The City Council hereby confirms the diagram and assessment set forth in the Engineer's Report for Fiscal Year 2017-2018 and orders the maintenance and servicing of the public landscaped improvements installed and constructed in the District in the City of Fontana.

SECTION 3. The adoption of this resolution constitutes the levy of an assessment for the fiscal year commencing July 1, 2017, and ending June 30, 2018.

SECTION 4. The maintenance and servicing of the public landscaped areas shall be performed pursuant to law and the County Auditor of San Bernardino shall enter on the County Assessment Roll opposite each lot or parcel of land the amount of the assessment and such assessment shall then be collected at the same time and in the same manner as the County taxes are collected. After collection by the County, the net amount of the assessments shall be paid to the City Treasurer.

SECTION 5. The City Treasurer shall deposit all moneys representing assessments collected by the County to the credit of a special fund known as Landscape Maintenance District No. 2, City of Fontana.

SECTION 6. The City Clerk is hereby authorized and directed to file the assessment with the County Auditor, together with a certified copy of this Resolution upon its adoption.

SECTION 7. A certified copy of the assessment diagram shall be filed in the office of the City Clerk and open for public inspection.
APPROVED AND ADOPTED this 25th day of July, 2017.

READ AND APPROVED AS TO LEGAL FORM:

______________________________
City Attorney

I, Tonia Lewis, City Clerk of the City of Fontana, and Ex-Officio Clerk of the City Council, do hereby certify that the foregoing resolution is the actual resolution duly and regularly adopted by the City Council at a regular meeting on the 25th day of July, 2017, by the following vote to wit:

AYES: 
NOES: 
ABSENT: 

______________________________
City Clerk of the City of Fontana

______________________________
Mayor of the City of Fontana

ATTEST:

______________________________
City Clerk
RESOLUTION NO. 2017-


WHEREAS, on June 13, 2017, the City Council of the City of Fontana, (the “City Council”) adopted Resolution 2017-021 initiating proceedings for the levy and collection of assessments for Fiscal Year 2017-2018 for Landscape Maintenance District No. 3 ("LMD #3") pursuant to the provisions of the Landscaping and Lighting Act of 1972, Division 15 of the Streets and Highways Code of the State of California (the “Act”), for the maintenance of landscaped areas; and

WHEREAS, the City Council has ordered the filing of an Engineer’s Report with the City Clerk, a report pursuant to law for the City Council’s consideration, and subsequently thereto the City Council adopted its Resolution of Intention (Resolution No. 2017-021) approving the Engineer’s Report and declaring the intention of the City Council to order the levy and collection of assessments to pay the costs and expenses of maintaining the landscaped areas in the District for the fiscal year commencing July 1, 2017, and ending June 30, 2018; and

WHEREAS, in November, 1996, the voters of the State of California passed Proposition 218 which added Articles XIIIC and XIIIID to the California Constitution requiring, among other things, new procedures for the approval of the levying of assessments against real property; and

WHEREAS, Article XIIIID of the California Constitution requires that assessments comply with stated procedural and approval provisions by July 1, 1997, unless an assessment district meets certain exemptions as set forth in Section 5 of the Article, which exemptions include the following:

“(a) any assessment imposed exclusively to finance the capital costs or maintenance and operation expenses for sidewalks, streets, sewers, water, flood control, drainage system or vector control.”

“(b) any assessment imposed pursuant to a petition signed by the persons owning all of the parcels subject to the assessment at the time the assessment is initially imposed;” and

WHEREAS, LMD #3 assessments proposed for Fiscal Year 2017-2018 are exempt from Proposition 218 because the assessments generate revenue for the operation and maintenance of streets and highways, all expenditures thereunder qualifying as street maintenance as defined by the State of California; and
WHEREAS, LMD #3 assessments are further exempt from proposition 218 because they were approved previously by property owner consent pursuant to a petition signed by the persons owning all of the parcels subject to the assessment at the time the assessment was initially imposed; and

WHEREAS, the adoption of this Resolution, among other things, is required in order to levy the proposed assessments for Fiscal Year 2017-2018 for LMD #3.

NOW, THEREFORE, BE IT RESOLVED, determined, and ordered by the City Council of the City of Fontana, California, as follows:

SECTION 1. Following notice duly given by publication, the City Council has held a public hearing regarding the levy of the proposed assessment within the District for the fiscal year commencing July 1, 2017, and ending June 30, 2018, to pay for the costs and expenses of maintaining and servicing the public landscaped improvements installed and constructed within the District. All interested persons were afforded the opportunity to hear and be heard regarding protests, and objections have been considered by the City Council.

SECTION 2. The City Council hereby confirms the diagram and assessment set forth in the Engineer's Report for Fiscal Year 2017-2018 and orders the maintenance and servicing of the public landscaped improvements installed and constructed in the District in the City of Fontana.

SECTION 3. The adoption of this resolution constitutes the levy of an assessment for the fiscal year commencing July 1, 2017, and ending June 30, 2018.

SECTION 4. The maintenance and servicing of the public landscaped areas shall be performed pursuant to law and the County Auditor of San Bernardino shall enter on the County Assessment Roll opposite each lot or parcel of land the amount of the assessment and such assessment shall then be collected at the same time and in the same manner as the County taxes are collected. After collection by the County, the net amount of the assessments shall be paid to the City Treasurer.

SECTION 5. The City Treasurer shall deposit all moneys representing assessments collected by the County to the credit of a special fund known as Landscape Maintenance District No. 3, City of Fontana.

SECTION 6. The City Clerk is hereby authorized and directed to file the assessment with the County Auditor, together with a certified copy of this Resolution upon its adoption.

SECTION 7. A certified copy of the assessment diagram shall be filed in the office of the City Clerk and open for public inspection.
APPROVED AND ADOPTED this 25th day of July, 2017.

READ AND APPROVED AS TO LEGAL FORM:

______________________________
City Attorney

I, Tonia Lewis, City Clerk of the City of Fontana, and Ex-Officio Clerk of the City Council, do hereby certify that the foregoing resolution is the actual resolution duly and regularly adopted by the City Council at a regular meeting on the 25th day of July, 2017, by the following vote to wit:

AYES:
NOES:
ABSENT:

______________________________
City Clerk of the City of Fontana

______________________________
Mayor of the City of Fontana

ATTEST:

______________________________
City Clerk
RESOLUTION NO. 2017-


WHEREAS, on June 13, 2017, the City Council of the City of Fontana, (the “City Council”) adopted Resolution 2017-022 initiating proceedings for the levy and collection of assessments for Fiscal Year 2017-2018 for Landscape Maintenance District No. 3-1 (“LMD #3-1”) pursuant to the provisions of the Landscaping and Lighting Act of 1972, Division 15 of the Streets and Highways Code of the State of California (the “Act”), for the maintenance of landscaped areas; and

WHEREAS, the City Council has ordered the filing of an Engineer’s Report with the City Clerk, a report pursuant to law for the City Council’s consideration, and subsequently thereto the City Council adopted its Resolution of Intention (Resolution No. 2017-022) approving the Engineer’s Report and declaring the intention of the City Council to order the levy and collection of assessments to pay the costs and expenses of maintaining the landscaped areas in the District for the fiscal year commencing July 1, 2017, and ending June 30, 2018; and

WHEREAS, in November, 1996, the voters of the State of California passed Proposition 218 which added Articles XIIIC and XIIIID to the California Constitution requiring, among other things, new procedures for the approval of the levying of assessments against real property; and

WHEREAS, Article XIIIID of the California Constitution requires that assessments comply with stated procedural and approval provisions by July 1, 1997, unless an assessment district meets certain exemptions as set forth in Section 5 of the Article, which exemptions include the following:

“(a) any assessment imposed exclusively to finance the capital costs or maintenance and operation expenses for sidewalks, streets, sewers, water, flood control, drainage system or vector control.”

“(b) any assessment imposed pursuant to a petition signed by the persons owning all of the parcels subject to the assessment at the time the assessment is initially imposed;” and

WHEREAS, LMD #3-1 assessments proposed for Fiscal Year 2017-2018 are exempt from Proposition 218 because the assessments generate revenue for the operation and maintenance of streets and highways, all expenditures thereunder qualifying as street maintenance as defined by the State of California; and
WHEREAS, LMD #3-1 assessments are further exempt from proposition 218 because they were approved previously by property owner consent pursuant to a petition signed by the persons owning all of the parcels subject to the assessment at the time the assessment was initially imposed; and

WHEREAS, the adoption of this Resolution, among other things, is required in order to levy the proposed assessments for Fiscal Year 2017-2018 for LMD #3-1.

NOW, THEREFORE, BE IT RESOLVED, determined, and ordered by the City Council of the City of Fontana, California, as follows:

SECTION 1. Following notice duly given by publication, the City Council has held a public hearing regarding the levy of the proposed assessment within the District for the fiscal year commencing July 1, 2017, and ending June 30, 2018, to pay for the costs and expenses of maintaining and servicing the public landscaped improvements installed and constructed within the District. All interested persons were afforded the opportunity to hear and be heard regarding protests, and objections have been considered by the City Council.

SECTION 2. The City Council hereby confirms the diagram and assessment set forth in the Engineer’s Report for Fiscal Year 2017-2018 and orders the maintenance and servicing of the public landscaped improvements installed and constructed in the District in the City of Fontana.

SECTION 3. The adoption of this resolution constitutes the levy of an assessment for the fiscal year commencing July 1, 2017, and ending June 30, 2018.

SECTION 4. The maintenance and servicing of the public landscaped areas shall be performed pursuant to law and the County Auditor of San Bernardino shall enter on the County Assessment Roll opposite each lot or parcel of land the amount of the assessment and such assessment shall then be collected at the same time and in the same manner as the County taxes are collected. After collection by the County, the net amount of the assessments shall be paid to the City Treasurer.

SECTION 5. The City Treasurer shall deposit all moneys representing assessments collected by the County to the credit of a special fund known as Landscape Maintenance District No. 3-1, City of Fontana.

SECTION 6. The City Clerk is hereby authorized and directed to file the assessment with the County Auditor, together with a certified copy of this Resolution upon its adoption.

SECTION 7. A certified copy of the assessment diagram shall be filed in the office of the City Clerk and open for public inspection.
APPROVED AND ADOPTED this 25th day of July, 2017.

READ AND APPROVED AS TO LEGAL FORM:

____________________________________
City Attorney

I, Tonia Lewis, City Clerk of the City of Fontana, and Ex-Officio Clerk of the City Council, do hereby certify that the foregoing resolution is the actual resolution duly and regularly adopted by the City Council at a regular meeting on the 25th day of July, 2017, by the following vote to wit:

AYES: 
NOES: 
ABSENT: 

____________________________________
City Clerk of the City of Fontana

____________________________________
Mayor of the City of Fontana

ATTEST:

____________________________________
City Clerk
RESOLUTION NO. 2017-


WHEREAS, on June 13, 2017, the City Council of the City of Fontana, (the “City Council”) adopted Resolution 2017-023 initiating proceedings for the levy and collection of assessments for Fiscal Year 2017-2018 for Local Lighting Maintenance District No. 3 ("LLMD #3") pursuant to the provisions of the Landscaping and Lighting Act of 1972, Division 15 of the Streets and Highways Code of the State of California (the “Act”), for the maintenance of landscaped areas; and

WHEREAS, the City Council has ordered the filing of an Engineer’s Report with the City Clerk, a report pursuant to law for the City Council’s consideration, and subsequently thereto the City Council adopted its Resolution of Intention (Resolution No. 2017-023) approving the Engineer’s Report and declaring the intention of the City Council to order the levy and collection of assessments to pay the costs and expenses of maintaining the landscaped areas in the District for the fiscal year commencing July 1, 2017, and ending June 30, 2018; and

WHEREAS, in November, 1996, the voters of the State of California passed Proposition 218 which added Articles XIIIC and XIII D to the California Constitution requiring, among other things, new procedures for the approval of the levying of assessments against real property; and

WHEREAS, Article XIIID of the California Constitution requires that assessments comply with stated procedural and approval provisions by July 1, 1997, unless an assessment district meets certain exemptions as set forth in Section 5 of the Article, which exemptions include the following:

“(a) any assessment imposed exclusively to finance the capital costs or maintenance and operation expenses for sidewalks, streets, sewers, water, flood control, drainage system or vector control.”

“(b) any assessment imposed pursuant to a petition signed by the persons owning all of the parcels subject to the assessment at the time the assessment is initially imposed;” and

WHEREAS, LLMD #3 assessments proposed for Fiscal Year 2017-2018 are exempt from Proposition 218 because the assessments generate revenue for the operation and maintenance of streets and highways, all expenditures thereunder qualifying as street maintenance as defined by the State of California; and
WHEREAS, LLMD #3 assessments are further exempt from proposition 218 because they were approved previously by property owner consent pursuant to a petition signed by the persons owning all of the parcels subject to the assessment at the time the assessment was initially imposed; and

WHEREAS, the adoption of this Resolution, among other things, is required in order to levy the proposed assessments for Fiscal Year 2017-2018 for LLMD #3.

NOW, THEREFORE, BE IT RESOLVED, determined, and ordered by the City Council of the City of Fontana, California, as follows:

SECTION 1. Following notice duly given by publication, the City Council has held a public hearing regarding the levy of the proposed assessment within the District for the fiscal year commencing July 1, 2017, and ending June 30, 2018, to pay for the costs and expenses of maintaining and servicing the public landscaped improvements installed and constructed within the District. All interested persons were afforded the opportunity to hear and be heard regarding protests, and objections have been considered by the City Council.

SECTION 2. The City Council hereby confirms the diagram and assessment set forth in the Engineer’s Report for Fiscal Year 2017-2018 and orders the maintenance and servicing of the public landscaped improvements installed and constructed in the District in the City of Fontana.

SECTION 3. The adoption of this resolution constitutes the levy of an assessment for the fiscal year commencing July 1, 2017, and ending June 30, 2018.

SECTION 4. The maintenance and servicing of the public landscaped areas shall be performed pursuant to law and the County Auditor of San Bernardino shall enter on the County Assessment Roll opposite each lot or parcel of land the amount of the assessment and such assessment shall then be collected at the same time and in the same manner as the County taxes are collected. After collection by the County, the net amount of the assessments shall be paid to the City Treasurer.

SECTION 5. The City Treasurer shall deposit all moneys representing assessments collected by the County to the credit of a special fund known as Local Lighting Maintenance District No. 3, City of Fontana.

SECTION 6. The City Clerk is hereby authorized and directed to file the assessment with the County Auditor, together with a certified copy of this Resolution upon its adoption.

SECTION 7. A certified copy of the assessment diagram shall be filed in the office of the City Clerk and open for public inspection.
APPROVED AND ADOPTED this 25th day of July, 2017

READ AND APPROVED AS TO LEGAL FORM:

______________________________
City Attorney

I, Tonia Lewis, City Clerk of the City of Fontana, and Ex-Officio Clerk of the City Council, do hereby certify that the foregoing resolution is the actual resolution duly and regularly adopted by the City Council at a regular meeting on the 25th day of July, 2017, by the following vote to wit:

AYES:
NOES:
ABSENT:

______________________________
City Clerk of the City of Fontana

______________________________
Mayor of the City of Fontana

ATTEST:

______________________________
City Clerk
ACTION REPORT
July 25, 2017

FROM: Department of Administrative Services
SUBJECT: 2nd Public Hearing – Regarding the Draft City Council Election District Maps

RECOMMENDATION:
That the Mayor and City Council;

1. Conduct a Public Hearing; and

2. Receive public input and comments regarding the proposed City-Council election district maps.

3. Discussion and possible action regarding the proposed City Council districts.

COUNCIL GOALS:
* To increase citizen involvement by seeking community input.
* To increase citizen involvement by informing the public about issues, program and accomplishments.
* To preserve the local environment for generations to come and to create a healthy economic and environmental future by promoting programs that encourage reducing Green House gas emissions.

DISCUSSION:
On August 31st, 2016 the City of Fontana received a letter from an attorney (Kevin Shenkman) requesting a voluntary change to the City of Fontana’s current at-large election system. The letter alleges that the City’s current at-large voting process violates the California Voting Rights Act (CVRA). The CVRA is a state law that has been used over the past few years to cause cities and other local agencies to move to “by-district” elections. Under “by-district” elections, the city is split into multiple electoral districts. City Councilmembers are required to live within his/her district and are elected exclusively from voters located within that district.

To facilitate the implementation of district-based elections, Governor Brown recently signed AB 2220. That legislation allows for the establishment of a district-based election system, including an elective mayor, through the adoption of an ordinance by the Fontana City Council. California Elections Code section 10010 requires a total of five public hearings before a proposal to establish district boundaries for a by-district electoral system is approved.

To begin the process for establishment of district-based elections, on February 14th the Mayor and City Council adopted a Resolution of Intention. That Resolution
resolved to create four (4) election districts within the City of Fontana – and established that the Mayor will continue to be elected “at-large” – beginning with the November, 2018 election.

The City Council has also approved a tentative timeline for conducting a public process to solicit public input and testimony on proposed by-district electoral plans – prior to adopting any such plan.

On February 28th the Mayor and City Council approved - by resolution - a set of criteria to be used to guide the establishment of election districts. The proposed election districts criteria included the following;

a) Each Council District would contain a nearly equal number of inhabitants.

b) Council District borders would be drawn in a manner that complies with the Federal Voting Rights Act.

c) Council districts would consist of contiguous territory in as compact form as possible.

d) Council districts would respect “communities of interest” as much as possible.

e) Council district borders would follow visible natural and man-made geographical and topographical features as much as possible.

f) District borders would respect the previous choices of city voters by avoiding the creation of head-to-head contests between Councilmembers previously elected by the voters of the City (insofar as this does not conflict with Federal or State Law).

g) In establishing the boundaries of the districts, the City Council would also consider geography and cohesiveness, contiguity, integrity, and compactness of territory.

The next step(s) in the process of creating election districts – as established by the California Elections Code – called for the City Council to hold two Public Hearings (completed on March 28th and April 25th). Those hearings were for the expressed purpose of soliciting public input and comments on the composition of the proposed election districts (i.e. how the public believes the districts should be drawn).

Comments received at the public hearings completed on March 28th and on April 25th, along with the criteria previously approved by the City Council, provided a guide for NDC to use in the drafting of election districts for the City of Fontana.

At the City Council Workshop on Tuesday May 9th, NDC presented the draft election district maps prepared for the City of Fontana. On Tuesday, June 13th a
second City Council Workshop was conducted to review and discuss the draft election district maps. Following the Workshop on June 13th the Mayor and City Council selected three (3) election district maps - for review and comment as part of the public review process (please see attached maps). All three of the selected maps are legally compliant with the elections code and are consistent with the Council adopted criteria for drafting the election districts.

The draft election district maps selected by the Mayor and City Council were placed on the City of Fontana’s web page – for public review – on Wednesday, June 14th.

State law requires that the Mayor and City Council conduct two public hearings on the proposed City Council election district maps. Those hearings are for the expressed purpose of soliciting public input and comments on the proposed election district maps. The City Council held the first required public hearing on Tuesday, June 27th. Tonight’s public hearing is the 2nd required public hearing, at which the Mayor and City Council will receive input and comments from the public.

A fifth (and final) public hearing will also be held to receive comments regarding the Ordinance that formally moves the City of Fontana to City Council “by-district” elections (the Mayor will continue to be elected on a city-wide basis).

**FISCAL IMPACT:**
None.

**MOTION:**
Approve staff recommendation.

**SUBMITTED BY:**

David R. Edgar  
Deputy City Manager

**APPROVED BY:**

Kenneth R. Hunt  
City Manager

**ATTACHMENTS:**

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**ITEM: PH-B**
ACTION REPORT
July 25, 2017

FROM: Development Services

SUBJECT: Hearing on a Proposed Resolution of Necessity Declaring that the Acquisition of a Fee Interest in Portions of Certain Real Property by Eminent Domain are Necessary for Street Infrastructure Improvements to Duncan Canyon Road between Citrus Avenue and Cypress Avenue

RECOMMENDATION:

1. Conduct a public hearing to consider the adoption of a proposed resolution of necessity, including providing all interested parties of the affected property, their attorneys or their representatives an opportunity to be heard on the issues relevant to the resolution of necessity; and

2. Make the following findings as hereinafter described in this report:
   (I) The public interest and necessity require the proposed project.
   (II) The project is planned or located in a manner that will be most compatible with the greatest public good and the least private injury.
   (III) The real property to be acquired is necessary for the project.
   (IV) Offers of just compensation per section 7267.2 of the Government Code were not made because the property owners could not be located and are most likely deceased. The only indicated ownership for the property goes back to 1890 and for over 125 years, ownership of the property has not changed; and

3. Adopt Resolution No. 2017-___, Resolution of Necessity by the City Council of the City of Fontana, declaring the acquisition of a fee interest in portions of certain real property located in the City of Fontana, San Bernardino County, California, by eminent domain, more particularly described as Assessor Parcel Numbers: 0239-081-35, 0239-081-38 and 0239-081-31, are necessary for street widening and related public infrastructure improvements to Duncan Canyon Road (between Citrus Avenue and Cypress Avenue), in the City of Fontana, San Bernardino County, California.

COUNCIL GOALS:

* To promote economic development by pursuing business retention, expansion and attraction.
* To invest in the city's infrastructure (streets, sewers, parks, etc.) by providing for the development of new infrastructure.
DISCUSSION:

Developer, North Fontana Investment Co. LLC, has submitted, and on November 8, 2016 the City of Fontana approved, applications for development of Tentative Tracts Nos. 19960, 19961, and 19962 on that certain real property owned by developer located in the Arboretum Specific Plan. On December 13, 2016, the City Council approved Specific Plan Amendment No. 15-001, General Plan Amendment No. 15-003, Ordinance Nos. 1752 and 1753, and adopted Resolution No. 2016-097 and 2016-098 thereby approving Tentative Tract Maps 19960, 19961, 19962 to facilitate the project. To facilitate the orderly development of the proposed uses on the Developer Property, a specific condition of said Tentative Tract Nos. 19960, 19961, and 19962 required the developer to construct street, sewer, and related right-of-way improvements referred to as “Citrus Avenue, Casa Grande Avenue, Cypress Avenue and Duncan Canyon Road” on the Tentative Maps (the “Off-site Improvements”).

In order to construct Duncan Canyon Road acquisition of a 10 foot strip of Duncan Canyon Road that extends between Citrus Avenue and Cypress Avenue, along the southerly border of parcels 0239-081-35, 0239-081-38 and 0239-181-31 is necessary.

In the year 1890 this 10 foot strip was granted in fee to 39 property owners. According to a litigation guarantee obtained by the City, there has been no transfer of ownership of the property for over 125 years. Because the property owners could not be located and are more than 125 years old and certainly deceased, notices of the hearing were not prepared and mailed in accordance with Section 1245.235 of the California Code of Civil Procedure. No heirs have come forward to claim the 10 foot strip of land. If the council adopts the resolution of necessity to acquire this 10 foot strip, the City may file an action in eminent domain and apply to the court for an order for publication and posting in a newspaper of general circulation to give persons with an interest in the property actual notice of the proceeding.

This project filed a Notice of Determination on November 9, 2016, in compliance with CEQA.

HEARING AND REQUIRED FINDINGS:

The action requested of the City Council at the conclusion of this Hearing concerns the acquisition of real property from the property owners listed below:

Rights of Way

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

- The public interest and necessity require the proposed project.
- The project is planned or located in the manner that will be most compatible with the greatest public good and the least private injury.
- The real property to be acquired is necessary for the project.
- Because the property owners are more than 125 years old and certainly deceased, offers of just compensation could not be made.

The above four required findings are addressed as follows:

1. **The Public Interest and Necessity Require the Proposed Project.**

The proposed improvements to Duncan Canyon Road will consist of a four-lane roadway, two lanes of travel way in both directions. This provides the level of service as needed by the future traffic demand. This street improvement project will include the widening of Duncan Canyon Road, the construction of a raised median and the installation of streetlights and traffic signals at Citrus Avenue and Sierra Avenue. Completing these improvements on Duncan Canyon Road will help to accommodate the increase in vehicular traffic in North Fontana.

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

This project will provide needed roadway improvements to address current transportation needs. With the construction of these improvements Duncan Canyon Road will be a link to the neighboring communities and will help facilitate the ongoing development in North Fontana. The proposed improvements will be constructed within the ultimate right of way of Duncan Canyon Road and will be a continuation of the existing improvements at Citrus Avenue. Construction schedules will be arranged to minimize, as much as possible, nuisance of noise, dust and other construction activities to nearby residents and the traveling public. Notification of street closures and alternate route alternatives will be provided in advance to all residents in close proximity of the project. All efforts will be made to pursue project completion as quickly as possible once work is begun. In addition, the City will
acquire the needed right-of-way subject to any existing utility easements.

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

Duncan Canyon Road has been designated a primary highway on the circulation element of the City’s General Plan. The existing right of way does not permit the development of Duncan Canyon Road to a primary highway without acquiring additional right of way.

4. **The Offers of Just Compensation Were Not Made to the Property Owners.**

An appraisal was prepared by Riggs & Riggs, Inc. to establish the fair market value of the real property the City is seeking to acquire. However, the property owners as named in a Litigation Guarantee obtained by the City from First American Title Company could not be located because they are more than 125 years old, and certainly deceased. Although no property owner could be located, the City may use its powers of eminent domain to condemn the property to ensure that access and the fee interests needed are available to meet the critical time frames associated with the development of the project.

**FISCAL IMPACT:**
The Developer, North Fontana Investment Company, LLC will fund all costs for acquisition of the property.

**MOTION:**
Approve staff recommendation.

**SUBMITTED BY:**

[Signature]
Debbie M. Brazill
Deputy City Manager

**APPROVED BY:**

[Signature]
Kenneth R. Hunt
City Manager

**ATTACHMENTS:**

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RESOLUTION NO. 2017-___

A RESOLUTION OF NECESSITY BY THE CITY COUNCIL OF THE CITY OF FONTANA, DECLARING THAT THE ACQUISITION OF A FEE INTEREST IN PORTIONS OF CERTAIN REAL PROPERTY LOCATED IN THE CITY OF FONTANA, SAN BERNARDINO COUNTY, CALIFORNIA, MORE PARTICULARLY DESCRIBED AS ASSESSOR PARCEL NUMBERS 0239-081-35, 0239-081-38 AND 0239-081-31 BY EMINENT DOMAIN, ARE NECESSARY FOR STREET WIDENING AND RELATED PUBLIC INFRASTRUCTURE IMPROVEMENTS TO DUNCAN CANYON ROAD (BETWEEN CITRUS AVENUE AND CYPRESS AVENUE), IN THE CITY OF FONTANA, SAN BERNARDINO COUNTY, CALIFORNIA.

WHEREAS, the City of Fontana (the “City”) proposes to acquire fee interests in portions of certain real property located in the City of Fontana, San Bernardino County, California, more particularly described as Assessor Parcel Numbers 0239-081-35, 0239-081-38 and 0239-081-31, for street widening and related public infrastructure improvements to Duncan Canyon Road (between Citrus Avenue and Cypress Avenue), in the City of Fontana, San Bernardino County, California, pursuant to the authority granted to it by section 37350.5 of the California Government Code and sections 1240.010, 1240.020 1240.030 of the California Code of Civil Procedure; and

WHEREAS, pursuant to section 1245.235 of the California Code of Civil Procedure, the City scheduled a public hearing for Tuesday, July 25, 2017, at 7:00 p.m., at Fontana City Hall, Grover W. Taylor Council Chambers, 8353 Sierra Avenue, Fontana, California. No notice of the hearing was issued pursuant to section 1245.235 of the California Code of Civil Procedure because no names and addresses appear on the last equalized assessment roll for the property to be acquired; and

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

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

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

Section 2. Public Use. The public use for which the real property is to be acquired is for street widening and related public infrastructure improvements to Duncan Canyon Road (between Citrus Avenue and Cypress Avenue), in the City of Fontana, San Bernardino County, California. Section 37350.5 of the California
Government Code authorizes the City to acquire by eminent domain real property necessary for such purposes.

Section 3. Description of Property. Attached and marked as Exhibit A is the legal definition, legal description and plat map of the interests to be acquired by the City, which describe the general location and extent of the property to be acquired with sufficient detail for reasonable identification.

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

(a) The public interest and necessity require the proposed project;

(b) The proposed project is planned or located in the manner that will be most compatible with the greatest public good and least private injury;

(c) The real property described in Exhibit A is necessary for the proposed project; and

(d) The offers required by section 7267.2 of the California Government Code were not made because the property owners could not be located. The only indicated ownership of the property goes back to 1890 and for over 125 years there has been no transfer of ownership.

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

Section 6. More Necessary Public Use. Some or all of the real property to be acquired is subject to easements and rights-of-way appropriated to existing public uses. To the extent that the herein described use or uses will unreasonably interfere with or impair the continuance of the public use as it now exists or may reasonably be expected to exist in the future, the City finds and determines that the herein described use or uses are more necessary than said existing public use. Counsel for the City is authorized to acquire the real property appropriated to such existing public use(s) pursuant to section 1240.610 of the California Code of Civil Procedure. Staff is further authorized to make such improvements to the real property being acquired that it determines is reasonably necessary to mitigate any adverse impact upon the existing public use.
Section 7. Further Activities. Counsel for the City is hereby authorized to file legal proceedings necessary to acquire the hereinabove described real property in the name of and on behalf of the City by eminent domain, and counsel is authorized to file legal proceedings necessary to acquire the hereinabove described real property in the name of and on behalf of the City by eminent domain, and counsel is authorized to institute and prosecute such legal proceedings as may be required in connection therewith. Legal counsel is further authorized to take such steps as may be authorized and required by law, and to make such security deposits as may be required by order of court, to permit the City to take possession of and use said real property at the earliest possible time. Counsel is further authorized to correct any errors or to make or agree to non-material changes in the legal description of the real property that are deemed necessary for the conduct of the condemnation action or other proceedings or transaction required to acquire the subject real property. Counsel is further authorized to reduce or modify the extent of the interests or property to be acquired so as to reduce the compensation payable in the action where such change would not substantially impair the construction and operation for the project for what the real property is being acquired.

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

APPROVED AND ADOPTED this 25th day of July, 2017.

READ AND APPROVED AS TO LEGAL FORM:

_______________________________________
City Attorney

CERTIFICATION

I, Tonia Lewis, City Clerk of the City of Fontana, California, and Ex-Officio Clerk of the City Council, do hereby certify that the foregoing resolution is the actual resolution duly and regularly adopted by the City Council at a regular meeting thereof, held on the 25th day of July, 2017, by the following vote to wit:

AYES:

NOES:

ABSENT:

ABSTAINED:
City Clerk of the City of Fontana

Mayor of the City of Fontana

ATTEST

City Clerk

(SEAL)
Legal Definition of Property to be Acquired

"Fee," also known as fee simple or fee simple absolute, grants to City of Fontana, absolute ownership of the portion of property being acquired.
EXHIBIT “A”
LEGAL DESCRIPTION
DUNCAN CANYON ROAD

THE FOLLOWING DESCRIBED REAL PROPERTY IS Situated IN THE CITY OF FONTANA, COUNTY
OF SAN BERNARDINO, STATE OF CALIFORNIA, BEING A Portion OF GOVERNMENT LOT 4 OF
SECTION 18, TOWNSHIP 1 NORTH, RANGE 5 WEST, SAN BERNARDINO MERIDIAN, ACCORDING TO
THE OFFICIAL GOVERNMENT PLAT THEREOF, BEING MORE PARTICULARLY DESCRIBED AS
FOLLOWS:

COMMENCING AT THE SOUTHWEST CORNER OF SAID SECTION 18, SAID CORNER ALSO BEING THE
POINT OF INTERSECTION OF THE CENTERLINE OF DUNCAN CANYON ROAD AND CITRUS AVENUE,
AS SHOWN ON RECORD OF SURVEY No. 15-001 FILED IN BOOK 155 PAGE 62 OF RECORD OF
SURVEY, IN THE OFFICE OF THE COUNTY RECORDER OF SAID COUNTY;

THENCE, ALONG THE SOUTHERLY LINE OF SAID SECTION 18, NORTH 89°32'57" EAST 30.01 FEET, TO
THE POINT OF BEGINNING, SAID POINT ALSO BEING ON THE EASTERLY RIGHT-OF-WAY LINE OF
SAID CITRUS AVENUE;

THENCE, CONTINUING ALONG SAID SOUTHERLY SECTION LINE, NORTH 89°32'57" EAST 1288.88
FEET;

THENCE, LEAVING SAID SOUTHERLY SECTION LINE, NORTH 00°26'46" EAST 10.00 FEET TO A POINT
ON A LINE THAT IS PARALLEL WITH AND 10.00 FEET NORTHERLY, MEASURED AT RIGHT ANGLES,
FROM SAID SOUTHERLY SECTION LINE;

THENCE, ALONG SAID PARALLEL LINE, SOUTH 89°32'57" WEST 1288.85 TO A POINT ON SAID
EASTERLY RIGHT-OF-WAY LINE;

THENCE, LEAVING SAID PARALLEL LINE AND ALONG SAID RIGHT-OF-WAY LINE, SOUTH 00°35'53"
WEST 10.00 FEET, TO THE POINT OF BEGINNING.

CONTAINING 12,888 SQUARE FEET, MORE OR LESS.

SEE EXHIBIT “B” SKETCH TO ACCOMPANY LEGAL DESCRIPTION AND BY THIS REFERENCE MADE
A PART OF.

THE ABOVE DESCRIPTION WAS PREPARED UNDER MY DIRECTION.

[Signature]

DATE

ANTHONY HARO
P.L.S. No. 7635
EXPIRATION DATE: 12/31/2018
JN: 156-2352
Regular City Council Meeting - July 25, 2017

EXHIBIT "B"

PLAT
ACTION REPORT
July 25, 2017

FROM: Development Services

SUBJECT: Adoption of a Resolution Regarding Existing Outdoor Automotive Lifts/Hoists

RECOMMENDATION:
Adopt Resolution No. 2017-_____ adopting a policy regarding existing outdoor automotive lifts/hoists.

COUNCIL GOALS:
* To create a team by communicating Goals and Objectives to all sectors of the community.
* To operate in a businesslike manner by ensuring that the public debate is based on accurate information.
* To promote economic development by being business friendly at all levels of operation.

DISCUSSION:
On May 15, 2017 the City Council held a workshop meeting regarding various Code Compliance issues. One of the topics discussed was how to deal with existing businesses who were utilizing outdoor automotive lifts/hoists. The suggestion by Council was to perhaps exempt businesses that were operating and using outdoor lifts prior to 2008. The City Council directed staff to research the issue and bring back the findings in a couple of months for review.

In order to exempt (or grandfather-in) a business from an existing Municipal Code requirement it must be determined whether the business was operating in compliance with the Municipal Code at the time the outdoor lift was installed.

The current Municipal Code prohibits automotive work to be conducted outside of an enclosed building. However, staff researched various iterations of the Municipal Code going back to 1968 and found the following language (pertinent sections of the code are attached):

1968 – 1991: All business, service, storage or processing in the C-4 zone shall be conducted wholly within a completely enclosed building, except the following: …hoists for servicing of automobiles.

1991: Hydraulic hoists for Automobile Service Stations "must be enclosed entirely within a building". For Auto/truck dealers: “Automobile repair work shall be done in a completely enclosed building or outdoor area enclosed by a solid block wall of sufficient height to adequately screen the work area from view.
No outdoor hoists shall be permitted without screening”.

1999 – Present: Automobile/vehicle repair or service shall not be permitted outside an enclosed Building.

Staff has conducted research on the businesses that were cited for outdoor lifts and discovered that out of the 10 businesses cited for utilizing outdoor lifts, records indicate that six (6) of the establishments have been operating since the 1950’s and 1960’s, when the Municipal Code appeared to permit outdoor hoists.

The remaining 4 businesses either have a specific condition of approval prohibiting outdoor repair, did not have an entitlement for automotive repair, or did not begin business until sometime after 1991 when the Municipal Code appears to restrict outdoor hoists.

CONCLUSION:

It would be staff’s recommendation that any automotive establishment with an outdoor lift that started its business sometime between 1968 (or sooner) up to 1991 would be “grandfathered-in” and considered “legal non-conforming” and be permitted to keep the outdoor lift on its property. However, per the Municipal Code, if the business is changed or expanded, the legal nonconformity would have to go away and the site brought up to code.

Therefore staff recommends adoption of a resolution outlining the policy for outdoor automotive lifts/hoists as outlined above.

FISCAL IMPACT:
There is no fiscal impact resulting from this policy.

MOTION:
Approve staff recommendation.

SUBMITTED BY:

[Signature]
Debbie M. Brazill
Deputy City Manager

APPROVED BY:
ATTACHMENTS:

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<td>1999 Development Code Excerpt</td>
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ITEM: NB-A
RESOLUTION NO. 2017-

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF FONTANA ADOPTING A POLICY REGARDING EXISTING OUTDOOR AUTOMOTIVE LIFTS/HOISTS

WHEREAS, there are several existing automotive businesses operating in the City that utilize outdoor lifts/hoists; and

WHEREAS, several of these existing automotive businesses have been in operation since the 1950’s and 1960’s;

WHEREAS, currently the City of Fontana Municipal Code prohibits outdoor automotive work as all automotive work must be conducted within an enclosed building; and

WHEREAS, past versions of the City of Fontana Municipal Code, primarily those editions adopted prior to 1991, appear to permit the utilization of outdoor lifts/hoists; and

NOW THEREFORE, be it resolved, determined, and ordered by the City Council of the City of Fontana, as follows:

Section 1. Effective immediately, any automotive business that utilizes an outdoor lift/hoist which was lawfully installed prior to January 1, 1991 shall be “grandfathered-in” and shall be permitted to operate the automotive lift/hoist.

Section 2. A change in use or expansion of the business shall require the removal of the automotive lift/hoist and the site shall be brought into compliance with current standards pursuant to the requirements of Chapter 30, Article II, Division 15 of the Municipal Code regarding Nonconforming Uses and Structures.

APPROVED AND ADOPTED this 25th day of July, 2017.

READ AND APPROVED AS TO LEGAL FORM:

______________________________
City Attorney

Page 1 of 2
I, Tonia Lewis, City Clerk of the City of Fontana, do hereby certify that the foregoing resolution is the actual resolution duly and regularly adopted by the City Council at a regular meeting on the 25th day of July, 2017, by the following vote to-wit:

AYES:  
NOES:  
ABSENT:  
ABSTAIN:

_____________________________
Clerk of the City of Fontana

_____________________________
Mayor of the City of Fontana

ATTEST:

_____________________________
City Clerk
c. Boxing arena.
d. Games of skill and science.
e. Golf, driving range, miniature, pitch and putt.
f. Penny arcade.
g. Skating rink, roller or ice.

(18) Accessory buildings and uses customarily incident to any of the uses listed in subsections (1) through (17) of this section, when located on the same lot.

(19) Additional uses enumerated in article XI of this chapter, when a conditional use permit is granted by the planning commission pursuant to the provisions of that article.

(Code 1968, § 33-76)

Sec. 30-579. Conditions to use.

(a) All business, service, storage or processing in the C-4 zone shall be conducted wholly within a completely enclosed building, except the following: automobile parking, offstreet loading, gasoline pump islands, permitted amusement establishments, hoists for servicing of automobiles, nursery stock, public utility structures, used car lots, equipment rental, trailer sales and rentals and other uses specifically approved by the planning commission.

(b) All goods produced on the premises, whether primary or incidental, shall be sold at retail and only on the premises where produced.

(c) Design approval shall be required as provided in article X of this chapter.

(Code 1968, § 33-77)

Sec. 30-580. Height and yard requirements.

Height and yard requirements in the C-4 zone shall be the same as in the C-3 zone.

(Code 1968, § 33-78)

Sec. 30-581. Signs.

Sign requirements in the C-4 zone shall be the same as in the C-3 zone.

(Code 1968, § 33-79)

Sec. 30-582. Parking.

For requirements as to automobile parking and loading in the C-4 zone, see article XIII of this chapter.

(Code 1968, § 33-80)

Secs. 30-583–30-605. Reserved.

DIVISION 16. M-1 LIGHT INDUSTRIAL ZONE

Sec. 30-606. Description and purpose.

The M-1 zone permits most compounding, assembly or treatment of articles or materials, with the exception of heavy manufacturing and the processing of raw materials.

(Code 1968, § 33-94)

Sec. 30-607. Applicability.

The regulations contained in this division shall apply in the M-1 light industrial zone unless otherwise provided in this chapter.

(Code 1968, § 33-95)

Sec. 30-608. Permitted uses.

The following uses are permitted in the M-1 zone:

1. Living quarters used by watchmen or custodians of industrially used property.

2. The following uses when conducted wholly within a completely enclosed building or within an area enclosed on all sides with a wall or fence not less than six feet in height as required by the planning commission:
   a. Building material sales yard, including the sale of rock, sand, gravel and the like as an incidental part of the main business, but excluding concrete batching and mixing on the premises.
   b. Contractor's equipment storage yard or plant, or rental of equipment commonly used by contractors.
   c. Draying, freighting or trucking yard or terminal.
   d. Feed and fuel yard.
   e. Gas storage yard for local distribution only.
Sec. 30-1126. Matrix identifying specific uses in commercial and office zones.

(a) In the commercial and office zones established in this chapter, the following uses, indicated by the letter “C,” are deemed as conditional uses and are regulated by the provisions in this article. The letters “NP” signify those uses which are not permitted in the applicable zones.

(b) Residential uses are expressly prohibited in any C-1, C-2, C-3, C-4 or A-P zone or property designated for commercial use by the general plan.

<table>
<thead>
<tr>
<th>Conditional Use</th>
<th>Specific Criteria Found in Section 30-1127</th>
<th>C-1</th>
<th>C-2</th>
<th>C-3</th>
<th>C-4</th>
<th>A-P</th>
<th>P</th>
</tr>
</thead>
<tbody>
<tr>
<td>Adult businesses</td>
<td>(1)</td>
<td>NP</td>
<td>NP</td>
<td>NP</td>
<td>C</td>
<td>NP</td>
<td>NP</td>
</tr>
<tr>
<td>Amusement facilities, including miniature golf, batting cages, fun zones, etc.</td>
<td>(2)</td>
<td>NP</td>
<td>NP</td>
<td>NP</td>
<td>C</td>
<td>NP</td>
<td>NP</td>
</tr>
<tr>
<td>Animal hospitals</td>
<td>(3)</td>
<td>C</td>
<td>C</td>
<td>C</td>
<td>C</td>
<td>C</td>
<td>NP</td>
</tr>
<tr>
<td>Arcades</td>
<td>(4)</td>
<td>NP</td>
<td>NP</td>
<td>NP</td>
<td>C</td>
<td>NP</td>
<td>NP</td>
</tr>
<tr>
<td>Automobile and truck dealers, new and used, exceeding no more than one-ton capacity</td>
<td>(5)</td>
<td>NP</td>
<td>NP</td>
<td>C</td>
<td>C</td>
<td>NP</td>
<td>NP</td>
</tr>
<tr>
<td>Automobile and truck repairs including the sale and installation of parts and accessories (i.e., tire shops, muffler shops, transmission shops, etc.), includes the repair of trucks in excess of one-ton capacity</td>
<td>(6)</td>
<td>NP</td>
<td>NP</td>
<td>C</td>
<td>C</td>
<td>NP</td>
<td>NP</td>
</tr>
<tr>
<td>Automobile gasoline/service stations</td>
<td>(7)</td>
<td>C</td>
<td>C</td>
<td>C</td>
<td>C</td>
<td>NP</td>
<td>NP</td>
</tr>
<tr>
<td>Bars, taverns</td>
<td>(22)</td>
<td>NP</td>
<td>NP</td>
<td>C</td>
<td>C</td>
<td>C</td>
<td>NP</td>
</tr>
<tr>
<td>Carwashes</td>
<td>(8)</td>
<td>NP</td>
<td>C</td>
<td>C</td>
<td>C</td>
<td>NP</td>
<td>NP</td>
</tr>
<tr>
<td>Churches</td>
<td>(9)</td>
<td>C</td>
<td>C</td>
<td>C</td>
<td>C</td>
<td>C</td>
<td>NP</td>
</tr>
<tr>
<td>Clubs, private or public, such as YMCA, YWCA, Elk, Moose, etc.</td>
<td>(10)</td>
<td>NP</td>
<td>C</td>
<td>C</td>
<td>C</td>
<td>C</td>
<td>NP</td>
</tr>
<tr>
<td>Colleges and universities</td>
<td>(11)</td>
<td>NP</td>
<td>C</td>
<td>C</td>
<td>C</td>
<td>C</td>
<td>NP</td>
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<tr>
<td>Convalescent hospitals</td>
<td></td>
<td>NP</td>
<td>C</td>
<td>C</td>
<td>C</td>
<td>C</td>
<td>NP</td>
</tr>
<tr>
<td>Convenience markets</td>
<td>(12)</td>
<td>C</td>
<td>C</td>
<td>C</td>
<td>C</td>
<td>NP</td>
<td>NP</td>
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<tr>
<td>Day care centers</td>
<td>(13)</td>
<td>C</td>
<td>C</td>
<td>C</td>
<td>C</td>
<td>C</td>
<td>NP</td>
</tr>
<tr>
<td>Drive-in theaters</td>
<td>(14)</td>
<td>NP</td>
<td>NP</td>
<td>NP</td>
<td>C</td>
<td>NP</td>
<td>NP</td>
</tr>
<tr>
<td>Drive-through restaurants; i.e., fast food restaurants</td>
<td>(15)</td>
<td>C</td>
<td>C</td>
<td>C</td>
<td>C</td>
<td>NP</td>
<td>NP</td>
</tr>
<tr>
<td>Equipment rental/sales yards</td>
<td>(16)</td>
<td>NP</td>
<td>NP</td>
<td>NP</td>
<td>C</td>
<td>NP</td>
<td>NP</td>
</tr>
<tr>
<td>Fast-food restaurants</td>
<td></td>
<td>C</td>
<td>C</td>
<td>C</td>
<td>C</td>
<td>NP</td>
<td>NP</td>
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<tr>
<td>Hospitals, including convalescent, psychiatric, drug and alcohol treatment</td>
<td>(17)</td>
<td>C</td>
<td>C</td>
<td>C</td>
<td>C</td>
<td>C</td>
<td>NP</td>
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<tr>
<td>Minimarkets (see convenience markets)</td>
<td>(18)</td>
<td>NP</td>
<td>NP</td>
<td>NP</td>
<td>C</td>
<td>NP</td>
<td>NP</td>
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<tr>
<td>Ministorage</td>
<td>(19)</td>
<td>C</td>
<td>C</td>
<td>C</td>
<td>C</td>
<td>C</td>
<td>NP</td>
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### Conditional Use

<table>
<thead>
<tr>
<th>Specific Criteria Found in Section 30-1127</th>
<th>C-1</th>
<th>C-2</th>
<th>C-3</th>
<th>C-4</th>
<th>A-P</th>
<th>P</th>
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<tbody>
<tr>
<td>Motels</td>
<td>(20)</td>
<td>NP</td>
<td>NP</td>
<td>NP</td>
<td>C</td>
<td>NP</td>
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<tr>
<td>Motorcycle sales and service</td>
<td>(21)</td>
<td>NP</td>
<td>NP</td>
<td>C</td>
<td>C</td>
<td>NP</td>
</tr>
<tr>
<td>Nightclubs, taverns, bars</td>
<td>(22)</td>
<td>C</td>
<td>C</td>
<td>C</td>
<td>C</td>
<td>C</td>
</tr>
<tr>
<td>Parks, public</td>
<td>(23)</td>
<td>C</td>
<td>C</td>
<td>C</td>
<td>C</td>
<td>C</td>
</tr>
<tr>
<td>Public utility structures</td>
<td>(24)</td>
<td>C</td>
<td>C</td>
<td>C</td>
<td>C</td>
<td>C</td>
</tr>
<tr>
<td>Schools, colleges and universities, trade, pre-school, K through 12</td>
<td>(26)</td>
<td>NP</td>
<td>C</td>
<td>C</td>
<td>C</td>
<td>C</td>
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<tr>
<td>Shopping centers</td>
<td>(27)</td>
<td>C</td>
<td>C</td>
<td>C</td>
<td>C</td>
<td>C</td>
</tr>
<tr>
<td>Temporary buildings (office trailers)</td>
<td>(28)</td>
<td>C</td>
<td>C</td>
<td>C</td>
<td>C</td>
<td>C</td>
</tr>
<tr>
<td>Truck sales (in excess of one-ton capacity)</td>
<td>(29)</td>
<td>NP</td>
<td>NP</td>
<td>C</td>
<td>C</td>
<td>NP</td>
</tr>
</tbody>
</table>

(Code 1968, § 33-142.15; Ord. No. 1039, § 1, 12-3-91)
b. **Criteria.** All animal hospitals shall be required to mitigate noise from barking dogs and other animals. No outdoor dog runs or kennels shall be permitted. Animal hospitals shall not serve as an animal shelter for any city, county or organization.

(4) **Arcades.**

a. **Definition.** For purposes of this subsection, the term "arcade" means any establishment containing four or more video or electronic amusement devices. This definition shall not apply to facilities such as bowling alleys, restaurants, skating rinks, retail outlets, etc., where the arcade is not the primary use.

b. **Criteria.** In the consideration of a request for an arcade, the planning commission shall consider, but not be limited to, the need for adult supervision, hours of operation, proximity to schools and other community uses, compatibility with the surrounding neighborhood and businesses, noise attenuation, bicycle facilities and interior waiting areas.

(5) **Automobile and truck dealers, new and used, excluding trucks of one ton or less in capacity.**

a. **Definition.** For purposes of this subsection, the term "automobile and truck dealer" means a facility which sells automobiles and trucks of one ton or less in capacity, both new and used, and includes the repairing of such automobiles and trucks. Trucks of more than one ton in capacity shall not be included in this term.

b. **Criteria.** Automobile and truck dealers, both new and used, shall strive to create a pleasing appearance along the street frontage by use of landscaping, berms, decorative concrete block, etc. Any automobile repair work shall be done in a completely enclosed building or outdoor area enclosed by a solid block wall of sufficient height to adequately screen the work area from view. No outdoor hoists shall be permitted without screening.

(6) **Automobile and truck repairing, including trucks of one ton in capacity or more.**

a. **Definition.** For purposes of this subsection, the term "automobile and truck repairing" means a facility which provides repair service to such vehicles, and includes tire shops, muffler shops, transmission shops, upholstery and accessory shops. The term includes the repair of trucks more than one ton in capacity.

b. **Criteria.** Automobile and truck repair shops and facilities shall be designed so that the negative visual impact caused by service bays and garages can be minimized or mitigated. The following design techniques may be used to achieve this goal:

1. **Building orientation.** Placement of buildings so that service bays and garage areas are oriented away from the street.
2. **Landscaping.** Use of dense landscaping to screen service bays and garage areas from the street.
3. **Berms.** Construction of berms sufficient in height to effectively screen service areas from the street.
4. **Building setbacks.** Providing adequate setbacks so that buildings are located as far away from the street as practical.
5. **Noise control.** Control of outside loudspeakers so as to minimize noise.

(7) **Automobile gasoline/service station.**

a. **Definition.** For purposes of this subsection, the term "automobile service station" means a facility whose primary function is to provide repair service to motor vehicles and dispensing of motor fuels. Convenience markets which dispense gasoline are regulated.
by subsection (12) of this section and shall not be considered as automobile service stations.

b. Criteria. Automobile service stations shall comply with the following provisions in addition to zone requirements and conditions imposed in a conditional use permit:

1. Location. The site shall be located on a major or secondary highway.

2. Lot area. The minimum site area shall be 20,000 square feet, with a minimum width of 150 feet and a minimum depth of 125 feet.

   
i. The service station building shall be set back a minimum of 40 feet from all street property lines and 20 feet from all interior property lines.
   
ii. All gasoline pumps and pump islands upon which they are placed shall be set back a minimum of 25 feet from all street property lines.
   
iii. Canopies may project up to ten feet into the setback described in subsection ii of this subsection.

4. Access. No more than two accessways may be allowed to any street; however, two accessways may not be appropriate because of traffic considerations. The city engineer may recommend a reduction or elimination of accessways to protect pedestrian and vehicular traffic.

5. Repair and servicing areas. All hydraulic hoists and pits and all lubrication, greasing, automobile washing and polishing and repair equipment must be enclosed entirely within a building.

6. Parking. Parking requirements shall be provided in accordance with article XIII of this chapter. No vehicle shall be parked on the premises other than vehicles of those persons attending to business on the site. Vehicles being serviced for customers, vehicles of employees and service vehicles will be permitted, but limited to passenger-type automobiles, including light commercial vehicles of up to 6,000 pounds unladen weight. No outdoor storage of inoperative vehicles or vehicles under repair shall be permitted on the site.

7. Outside operation. Operations outside permanent structures shall be limited to the dispensing of gasoline, oil, water and air and changing tires. There shall be no outside storage or display of tires, banners or other products and accessories.

8. Trash areas. All service stations shall maintain an enclosed trash area. Such area shall be within a main structure or enclosed on three sides by a solid wall and sight-obscuring gate a minimum of five feet in height. Provisions for adequate vehicular accesses to and from such areas for collection of refuse shall be provided.

9. Landscaping. Landscaping shall be provided pursuant to the city landscape requirements. In no case shall there be less than a 15-foot landscaped setback, as measured from the property line, adjacent to a street.

10. Utility trailers. Utility trailers for sale or rent shall not be stored on an automobile service station site.

11. Walls. A decorative block wall six feet in height shall be erected on all interior property lines, the wall to be reduced three feet in height within any required front yard setback area or corner cutback area.

12. Retail sales. A maximum of 300 square feet of retail floor area shall be permitted for the sale of food,
(5) **Hardware.**

a. The business shall comply with the provisions for outdoor display outlined in section 30-204(6).

(6) **Outdoor display of materials or goods for sale or rent (vehicles, equipment, appliance store, garden supply, or building materials).**

a. A building shall be provided on the same parcel or on an adjacent parcel associated with the same business.

b. All display materials, including vehicles, shall be set back five feet from any landscaped area and shall not be located on required parking areas.

c. The entire area used for display purposes shall be surfaced with asphalt or an equally serviceable hard pavement surface. The surface shall be maintained in good condition.

d. Display of equipment or materials, with the exception of vehicles for sale or rent, shall be screened by a visually solid masonry wall of minimum height six feet or as otherwise determined through the design review process. The planning commission may determine through the design review process that the subject use requires a solid masonry wall higher than six feet.

f. Outdoor display areas shall be maintained in a neat and orderly condition.

(7) **Plant nursery.** The business shall comply with the provisions for outdoor display outlined in section 30-204(6).

(8) **Tire shop.** The business shall comply with the provisions for outdoor display outlined in section 30-204(6).

(9) **Trailer and mobile home sales and rental.** Trailers and mobile homes parked in sales or rental yards may be used for purposes incidental to their sale or rental, including office and showroom facilities, and may include display or retail sales of trailer equipment, hardware or accessories.

(10) **Wholesale / retail stores and distributors.** All activities shall occur within a completely enclosed building, and/or fenced or screened in areas.

(11) **Metal storage containers.** Metal storage containers may be allowed for temporary storage subject to planning commission review and approval.

(12) **Automobile/vehicle repair or service shall not be permitted outside an enclosed building.**

(13) **Mini warehouses.** Only permitted if commercial retail or office development is located in front of the facility. Only the commercial retail or office development shall be visible from a public street. Outdoor storage may be approved by the planning commission on a case-by-case basis and shall only include currently registered vehicles, trailers, and/or vessels in an operating condition.

(14) **Tattoo establishments.** Tattoo establishments shall comply with the following provisions:

a. No person less than 18 years of age shall be tattooed without parental consent. The operator shall obtain proof of age before the tattoo procedure is done.

b. Hours of operation shall be Monday through Thursday 12:00 noon to 10:00 p.m. and Friday through Sunday 12:00 noon to 12:00 midnight.

c. It shall be unlawful for any person to tattoo another person except at a tattoo establishment which has a current tattoo establishment permit issued by the city.

d. Any person desiring a tattoo establishment permit shall make written application for a permit on forms provided by the business license administrator. The application shall include the applicant's full name, ad-
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dress, telephone number, location of the proposed tattoo establishment and such other information as the administrator requires to enforce the provisions of this ordinance.

e. An annual inspection fee, an amount to be established by the city council, shall be collected by the business license administrator at the time the permit is issued.

f. The tattoo establishment permit and all regulations of the city shall be posted at all times in a conspicuous place in the tattoo establishment.

g. Tattoo establishment permits may be suspended by the community development director for failure of the holder to comply with the requirements of this article. Whenever the city finds unsanitary or other conditions in the operation of a tattoo establishment which, in its judgment, constitute a substantial hazard to the public health, the city may issue a written notice to the permit holder citing such condition, specifying the corrective action to be taken, and specifying the time period within which such action shall be taken. If deemed a substantial hazard to the public health, such order shall state that the permit is immediately suspended and all tattoo operations are to be immediately discontinued. Any person to whom such an order is issued shall comply immediately, but upon written petition to the city, shall be afforded a hearing within five days.

h. Any person whose permit has been suspended may, at any time, make application for a re-inspection for the purpose of reinstatement of the permit. Within five business days following the receipt of a written request, the health authority shall make a re-inspection. If the applicant is complying with the requirements of this article, the permit shall be reinstated.

i. For serious or repeated violations of any of the requirements of this article, or for interference with the city in the performance of its duties, the permit may be permanently revoked after an opportunity for a hearing has been provided by the city. Prior to such action, the city shall notify the permit holder in writing, stating the reasons for which the permit is subject to revocation and advising that the permit shall be permanently revoked at the end of ten days following service of such notice, unless a request for a hearing is filed by the city, by the permit holder, within such ten-day period. A permit may be suspended for cause pending its revocation or a hearing on the revocation. Appeal from the action of the city may be made to the city council of the City of Fontana.

j. Tattoo establishments shall comply with all county environmental health services requirements.

k. Tattoo designs displaying profanity or nudity shall not be displayed in open viewing where minors are present or may otherwise view the display.

l. Tattoo establishments shall not provide service to patrons who appear to be intoxicated.

(Ord. No. 1278, § 3, 4-6-99; Ord. No. 1359, § 4, 10-2-01; Ord. No. 1390, § 3, 1-21-03; Ord. No. 1397, § 3, 3-4-03)

Sec. 30-205. Conditional use regulations.

All uses marked with a "C" in Table 30-202A must comply with the conditional use permit procedural requirements outlined in article II, division 7 of this chapter. In addition, certain conditional uses must comply with the specific development and operational standards outlined below.