

City of Fontana

8437 Sierra Avenue
Fontana, CA 92335



Regular Agenda

Next Reso. No. HA 2026-002

Tuesday, May 12, 2026

2:00 PM

Steelworker's Auditorium

Housing Authority

*Peter A. Garcia - Chairperson
John B. Roberts - Vice Chairperson
Jesus "Jesse" Sandoval - Authority Member
Phillip Cothran - Authority Member
Acquanetta Warren - Authority Member
Janet Koehler-Brooks - City Treasurer
Germaine Key - Authority Secretary*

Welcome to the Meeting!

Welcome to the City of Fontana meeting. Meetings are held at the Steelworker's Auditorium 8437 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 of 1990 (42 USC § 12132), the Steelworker's Auditorium is wheelchair accessible, and a portable microphone is available. Upon request, this agenda will be made available in appropriate alternative forms to persons with disabilities, as required by Section 12132 of the Americans with Disabilities Act of 1990. Any person with a disability who requires accommodation to participate in a meeting should direct such a request to the City Clerk's Office at (909) 350-7602 at least 48 hours before the meeting, if possible. 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 at the City Clerk's Office.

The City of Fontana is committed to ensuring a safe and secure environment for its residents to engage with the government. No oversized bags or backpacks (size limit of 14"x14"x6") will be allowed inside the Steelworker's Auditorium. All bags are subject to search. Face masks are prohibited in the Steelworker's Auditorium, but clear masks will be provided upon request to accommodate individuals with medical needs, ensuring their safety and well-being. Before entering the Steelworker's Auditorium, you may be subject to a metal detector screening. The City Manager retains the discretion to grant any exemptions. Fontana aims to provide safe buildings for our community members, employees, and visitors.

CALL TO ORDER/ROLL CALL:

- A. Call the Meeting to Order**

PUBLIC COMMUNICATIONS:

This is an opportunity for citizens to speak to the members of the meeting for up to 3 minutes on items not on the Agenda, but within the Authority jurisdiction. The Authority 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 they are voted on, unless a member requests a specific item be removed from the Consent Calendar for discussion.

- A. Approval of Minutes** [26-1006](#)

Approve the minutes of the March 24, 2026, Regular Housing Authority Meeting.

Attachments: [Attachment No. 1- Housing Authority Meeting Minutes 03-24-2026.pdf](#)

B. Third Amendment to the Disposition and Development Agreement between the City of Fontana, Fontana Housing Authority and Fontana Courtplace I Housing Partners, L.P. [26-1007](#)

Acting as the City Council and the Housing Authority Board of Directors, jointly adopt **Resolution No. 2026-030 and Resolution No. HA 2026-002** entitled: "A JOINT RESOLUTION OF THE CITY COUNCIL OF THE CITY OF FONTANA, CALIFORNIA AND THE HOUSING AUTHORITY OF THE CITY OF FONTANA, APPROVING, PURSUANT TO A PREVIOUSLY ADOPTED MITIGATED NEGATIVE DECLARATION AND MITIGATION, MONITORING, AND REPORTING PROGRAM, A THIRD AMENDMENT TO THE DISPOSITION AND DEVELOPMENT AGREEMENT BETWEEN THE FONTANA HOUSING AUTHORITY, CITY OF FONTANA AND FONTANA COURTPLACE I HOUSING PARTNERS, L.P.; AND DIRECTING STAFF TO FILE A NOTICE OF DETERMINATION.

Attachments: [Attachment No. 1- Joint Resolution Approving Third Amendment to Courtplace DDA-c1-c1.docx](#)
[Attachment No. 2 - Third Amendment to Courtplace DDA BBK Clean-c1.docx](#)
[Attachment No. 3- 3rd Amd Updated Exhibit D - Preliminary Project Budget-c1.pdf](#)

EXECUTIVE DIRECTOR'S COMMUNICATIONS:

A. Executive Director's Communications

ELECTED OFFICIALS COMMUNICATIONS/COMMITTEE REPORTS:

A. Elected Officials Communications/Committee Reports

ADJOURNMENT:

A. Adjournment

Adjourn to the next Regular Housing Authority Meeting at 2:00 p.m. in the Steelworkers' Auditorium located at 8437 Sierra Avenue, Fontana, California.



City of Fontana

8437 Sierra Avenue
Fontana, CA 92335

Action Report

Housing Authority

File #: 26-1006

Agenda #: A.

Agenda Date: 5/12/2026

Category: Consent Calendar

FROM:

City Clerk

SUBJECT:

Approval of Minutes

RECOMMENDATION:

Approve the minutes of the March 24, 2026, Regular Housing Authority Meeting.

COUNCIL GOALS:

- Create and maintain a dynamic team by supporting the decisions of the majority once made.
- Create and maintain a dynamic team by communicating Goals and Objectives to all commissions and employees.

DISCUSSION:

The Housing Authority Board will consider approval of the minutes of the March 24, 2026, Regular Housing Authority meeting. The draft minutes are attached to this report for the Board's review and approval.

FISCAL IMPACT:

None.

MOTION:

Approve staff recommendation.

City of Fontana

8437 Sierra Avenue
Fontana, CA 92335



Minutes

Tuesday, March 24, 2026

2:00 PM

Steelworker's Auditorium

Housing Authority

*Peter A. Garcia - Chairperson
John B. Roberts - Vice Chairperson
Jesus "Jesse" Sandoval - Authority Member
Phillip Cothran - Authority Member
Acquanetta Warren - Authority Member
Janet Koehler-Brooks - City Treasurer
Germaine Key - Authority Secretary*

CALL TO ORDER/ROLL CALL:

A. Call the Meeting to Order

A Regular Meeting of the Fontana Housing Authority was held in the Steelworkers' Auditorium, 8437 Sierra Avenue, Fontana, CA 92335, on Tuesday, March 24, 2026.

Chairperson Garcia called the meeting to order at 2:03 p.m.

ROLL CALL:

PRESENT: Chairperson Garcia, Vice-Chairperson Roberts, Authority Members Sandoval, and Warren.

City Treasurer Koehler-Brooks and Authority Secretary Key were also in attendance.

ABSENT: Authority Member Cothran

PUBLIC COMMUNICATIONS:

A. Public Communications

No public communications were received.

CONSENT CALENDAR:

ACTION: Motion was made by Vice Chairperson Roberts, seconded by Authority Member Sandoval, and passed unanimously by a vote of 4-0 to approve Consent Calendar Items "A-B." The motion carried by the following vote: **AYES:** Warren, Garcia, Roberts, and Sandoval; **NOES:** None; **ABSTAIN:** None; **ABSENT:** Cothran

A. Approval of Minutes 26-0893

Approve the minutes of the February 24, 2026, Regular Housing Authority Meeting.

**B. Resolution of the Fontana Housing Authority Approving a Grant of 26-0895
a Permanent Nonexclusive Utility Easement to Southern California
Edison Company and Amendment to Lease with Sierra Housing
Partners LP.**

Adopt **Resolution HA 2026-001**, of the Fontana Housing Authority Authorizing a Grant of a Permanent Nonexclusive Utility Easement to Southern California Edison Company and Amendment to Lease with Sierra Housing Partners LP.

EXECUTIVE DIRECTOR'S COMMUNICATIONS:

A. Executive Director's Communications

No Executive Director's Communications were received.

ELECTED OFFICIALS COMMUNICATIONS/COMMITTEE REPORTS:

A. Elected Officials Communications/Committee Reports

No Elected Officials Communications were received.

ADJOURNMENT:

A. Adjournment

Chairperson Garcia adjourned the meeting at 2:59 p.m.

Peter Garcia
Chairperson

THE FOREGOING MINUTES WERE ADOPTED AND APPROVED BY THE FONTANA HOUSING AUTHORITY ON MAY 12, 2026.

Germaine Key
Authority Secretary



City of Fontana

8437 Sierra Avenue
Fontana, CA 92335

Action Report

Housing Authority

File #: 26-1007

Agenda #: B.

Agenda Date: 5/12/2026

Category: Consent Calendar

FROM:

Housing

SUBJECT:

Third Amendment to the Disposition and Development Agreement between the City of Fontana, Fontana Housing Authority and Fontana Courtplace I Housing Partners, L.P.

RECOMMENDATION:

Acting as the City Council and the Housing Authority Board of Directors, jointly adopt **Resolution No. 2026-030 and Resolution No. HA 2026-002** entitled: "A JOINT RESOLUTION OF THE CITY COUNCIL OF THE CITY OF FONTANA, CALIFORNIA AND THE HOUSING AUTHORITY OF THE CITY OF FONTANA, APPROVING, PURSUANT TO A PREVIOUSLY ADOPTED MITIGATED NEGATIVE DECLARATION AND MITIGATION, MONITORING, AND REPORTING PROGRAM, A THIRD AMENDMENT TO THE DISPOSITION AND DEVELOPMENT AGREEMENT BETWEEN THE FONTANA HOUSING AUTHORITY, CITY OF FONTANA AND FONTANA COURTPLACE I HOUSING PARTNERS, L.P.; AND DIRECTING STAFF TO FILE A NOTICE OF DETERMINATION.

COUNCIL GOALS:

- Provide a diverse range of housing types and levels of affordability while addressing homelessness in the community by construction of affordable high-quality multi-family housing.

DISCUSSION:

The City of Fontana and the Fontana Housing Authority (collectively, the "City") entered into a Disposition and Development Agreement ("DDA") with Fontana Courtplace I Housing Partners, L.P. ("Fontana Courtplace") on November 15, 2023, for the development of a 50-unit affordable family-apartment housing project. The project is located on 1.94 acres of unimproved land on Sierra Avenue, between Santa Ana Avenue to the north and Jurupa Avenue to the south. The DDA was subsequently amended on February 1, 2025 ("First DDA Amendment") and on August 1, 2025 ("Second DDA Amendment"). This third amendment reflects the current status of the project and the necessary adjustments to facilitate its financing and development.

Since August 1, 2025, Fontana Courtplace has been awarded 9% Tax Credits from CTCAC, rather than the 4% contemplated in the Second DDA Amendment, which reduces the City subordinate loan requirement by \$1,800,000.

This Third DDA Amendment changes the DDA to accommodate the project's financing and development needs and introduces the following changes:

- City Subordinate Loan (Section 2 & 3): The definition and purpose of the City Subordinate Loan are amended to specify a total principal amount of \$8,737,692.16 in gap financing to account for the Tax Credits and maintain \$2,800,000.00 in acquisition financing.
- Funding Sources (Section 4): The amendment details the specific funding sources for the City's loan, which include:
 - Federal HOME (FY 2018-23 + PI) Funds: \$2,700,000.00
 - Affordable Housing Trust Fund (Development Impact Fees): \$3,337,692.16
 - General Funds: \$2,700,000.00
- Preliminary Project Budget (Section 5): The existing Preliminary Project Budget (Exhibit D) is replaced with a new budget attached as Schedule 1.
- Regulatory Agreement (Section 6): The Regulatory Agreement (Exhibit L) is amended to reinsert all references to "Affordable Rent for 40% of Median Income Tenants" and establish a new, specific unit mix for the affordable units as follows:
 - 5 units for families at 30% of Median Income (0 one-bedroom, 3 two-bedroom, 2 three-bedroom).
 - 10 units for families at 40% of Median Income (2 one-bedroom, 6 two-bedroom, and 2 three-bedroom).
 - 15 units for families at 50% of Median Income (3 one-bedroom, 10 two-bedroom, and 2 three-bedroom).
 - 19 units for families at 60% of Median Income (2 one-bedroom, 10 two-bedroom, and 7 three-bedroom).
 - Maintain one manager's unit (two-bedroom).

CALIFORNIA ENVIRONMENTAL QUALITY ACT (CEQA)

Pursuant to the California Environmental Quality Act (Pub. Res. Code §§ 21000, et seq.) (CEQA), and the State CEQA Guidelines (14 Cal. Code Regs. §§ 15000, et seq.) the City determined that a Mitigated Negative Declaration ("MND") be prepared in order to analyze all potential adverse environmental impacts of proposed multi-level residential affordable apartment buildings with associated green space, community gathering areas, vehicle parking, landscaping, and security fencing on approximately 4.8-acres of land ("Courtplace Project"). The City prepared and adopted the Courtplace Project MND for the Courtplace Project on November 1, 2022 (SCH#: 2022100111) and approved a Mitigation Monitoring and Reporting Program for the Project. Under the MND, the Property and the Project are Phase 1 of the Courtplace Project.

Pursuant to CEQA, when taking subsequent discretionary action in furtherance of a project for which

an MND has been adopted, the lead agency is required to review any changed circumstances to determine whether any of the circumstances under the Public Resources Code section 21166 and State CEQA Guidelines section 15162 require additional environmental review. Staff evaluated this Resolution approving the Third DDA Amendment in light of the standards for subsequent environmental review outlined in Public Resources Code section 21166, State CEQA Guidelines section 15162 and City of Fontana's 2019 Local Guidelines for Implementing CEQA.

In connection with this Resolution approving the Third DDA Amendment and the City Council's and Authority Board's review of the Courtplace Project MND, staff recommends that the City Council and the Authority Board independently review all the prior environmental documentation prepared for the Courtplace Project, exercise their independent judgment, and make the determination that the Courtplace Project MND fully analyzed and with the adoption of the Mitigation and Monitoring Reporting Program, mitigated all potentially significant environmental impacts, if any, that would result from the Resolution approving the Third DDA Amendment, and therefore, no subsequent EIR or mitigated negative declaration is required.

FISCAL IMPACT:

The fiscal impact is the City Subordinate Loan that will be amended to specify a total principal amount of \$8,737,692.16 in gap financing and maintain \$2,800,000.00 in acquisition financing. The funding for the loan will be partially provided by the City's General Funds (\$2,700,000.00).

MOTION:

Approve Staff recommendation.

**CITY COUNCIL RESOLUTION NO. 2026-030
FONTANA HOUSING AUTHORITY RESOLUTION NO. 2026-002**

A JOINT RESOLUTION OF THE CITY COUNCIL OF THE CITY OF FONTANA, CALIFORNIA, AND THE HOUSING AUTHORITY OF THE CITY OF FONTANA, APPROVING, PURSUANT TO A PREVIOUSLY ADOPTED MITIGATED NEGATIVE DECLARATION AND MITIGATION, MONITORING, AND REPORTING PROGRAM, A THIRD AMENDMENT TO THE DISPOSITION AND DEVELOPMENT AGREEMENT BETWEEN THE FONTANA HOUSING AUTHORITY, CITY OF FONTANA, AND FONTANA COURTPACE I HOUSING PARTNERS, L.P.; AND DIRECTING STAFF TO FILE A NOTICE OF DETERMINATION

WHEREAS, the City of Fontana (“City”) owns certain real property consisting of 1.94 acres of unimproved land located on Sierra Avenue, between Santa Ana Avenue to the north and Jurupa Avenue to the south (“Property”); and

WHEREAS, the City has no use for the Property and desires to sell it to Fontana Courtplace I Housing Partners, L.P., a California limited partnership (“Purchaser”) for the construction of a 50 unit affordable family-apartment housing project (“Project”); and

WHEREAS, Purchaser, the City, and the Fontana Housing Authority (“Authority”) negotiated a disposition and development agreement (“DDA”) under which the City agreed, subject to the terms and conditions provided therein, to convey the Property to Purchaser for the construction of the Project; and

WHEREAS, on October 24, 2023, the City Council: (1) determined that the Property qualified as “exempt surplus land” under the Surplus Land Act pursuant to Government Code section 54221(f)(1)(A); (2) declared the City’s intent to sell the Property to Purchaser in accordance with the DDA; and (3) set a public hearing for November 14, 2023, to consider any protests to the City’s conveyance of the Property. Following a public hearing held on November 14, 2023, the City Council and the Authority’s Board of Directors (“Authority Board”) approved the DDA and authorized the City Manager and the Authority’s Executive Director to execute the same. Collectively, the foregoing satisfied the City’s Surplus Land Act and Government Code section 37420 *et seq.* obligations in connection with its disposition of the Property for the Project; and

WHEREAS, the DDA contemplates that the Project’s financing will come from multiple funding sources, including equity raised by the sale of federal (and, if applicable, state) low income tax credits (“Tax Credits”), a senior loan issued from a reputable intuitional lender, a loan from the City to Partnership consisting of \$6,037,692.16 in gap financing and \$2,800,000.00 in acquisition financing (“City Subordinate Loan”), and a loan from the Authority to Partnership consisting of \$5,262,307.84 in gap financing (“Authority Subordinate Loan”); and

WHEREAS, under the DDA, the City’s obligations to convey the Property to Partnership and fund the City Subordinate Loan, and the Authority’s obligation to fund the

Authority Subordinate Loan, are subject to numerous conditions precedent, including the Project receiving a Tax Credit allocation from the California Tax Credit Allocation Committee (“CTCAC”); and

WHEREAS, affordable housing projects throughout California compete for a limited amount of Tax Credits. Obtaining a Tax Credit allocation from CTCAC is competitive and projects are often unsuccessful; and

WHEREAS, when the DDA was approved, Purchaser maintains that the Project was competitive based on previous projects that received Tax Credit allocations from CTCAC. Competition has since increased, and the Project did not receive a Tax Credit allocation in CTCAC’s most recent funding round (2024 Round 2); and

WHEREAS, Purchaser, the City, and the Authority desired to increase the Project’s competitiveness for a Tax Credit allocation from CTCAC. Among the ways to do so was increasing the amount of financial assistance provided to the Project; and

WHEREAS, with the above in mind, the City agreed to increase the City Subordinate Loan’s gap financing amount by \$2,000,000.00, for a new gap financing loan amount consisting of \$8,037,692.16; and

WHEREAS, on February 1, 2025, the Authority, the City, and Purchaser negotiated the first amendment to the DDA to memorialize the terms and conditions governing the increased City Subordinate Loan amount and clarified the deadline by which Purchaser must obtain a Tax Credit allocation from CTCAC; and

WHEREAS, on August 1, 2025, the Authority, the City, and Purchaser negotiated a second amendment to the DDA (“Second DDA Amendment”) which, among other things, increased the amount of the City Subordinate Loan to \$10,837,692.16 in gap financing and \$2,800,000 in acquisition financing; provided for the right to apply for additional rounds of 4% tax credits; amended the unit mix; and granted the City Manager the authority to approve future changes to the unit mix; and

WHEREAS, since August 1, 2025, Purchaser has been awarded 9% Tax Credits from CTCAC, rather than the 4% originally contemplated in the Second DDA Amendment; and

WHEREAS, the Authority, the City, and Purchaser have negotiated a third amendment to the DDA (“Third DDA Amendment”) which, decreases the amount of the City Subordinate Loan to \$8,737,692.16 in gap financing to account for the 9% Tax Credit Purchaser recently received, and amends the unit mix; and

WHEREAS, pursuant to the California Environmental Quality Act (Pub. Res. Code §§ 21000 et seq.) (“CEQA”), and the State CEQA Guidelines (14 Cal. Code Regs. §§ 15000 et seq.) the City determined that a Mitigated Negative Declaration (“MND”) be prepared in order to analyze all potential adverse environmental impacts of proposed multi-level residential affordable apartment buildings with associated green space,

community gathering areas, vehicle parking, landscaping, and security fencing on the approximately 4.8-acres of land (“Courtplace Project”); and

WHEREAS, the City prepared and adopted the Courtplace Project MND for the Courtplace Project on November 1, 2022 (SCH #: 2022100111) and approved a Mitigation Monitoring and Reporting Program for the Project. Under the MND, the Property and the Project are Phase I of the Courtplace Project; and

WHEREAS, pursuant to CEQA, when taking subsequent discretionary actions in furtherance of a project for which an MND has been adopted, the lead agency is required to review any changed circumstances to determine whether any of the circumstances under Public Resources Code section 21166 and State CEQA Guidelines section 15162 require additional environmental review; and

WHEREAS, staff evaluated this Resolution approving the Third DDA Amendment in light of the standards for subsequent environmental review outlined in Public Resources Code section 21166, State CEQA Guidelines section 15162 and City of Fontana’s 2019 Local Guidelines for Implementing CEQA; and

WHEREAS, in connection with this Resolution approving the Third DDA Amendment and the City Council’s and the Authority Board’s review of the Courtplace Project MND, the City Council and the Authority Board have independently reviewed all the prior environmental documentation prepared for the Courtplace Project, and have exercised their independent judgment in making the determination that the Courtplace Project MND fully analyzed and mitigated, all potentially significant environmental impacts, if any, that would result from the Resolution approving the Third DDA Amendment, and therefore, no subsequent EIR or mitigated negative declaration is required; and

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

NOW, THEREFORE, THE CITY COUNCIL OF THE CITY OF FONTANA, CALIFORNIA, AND THE HOUSING AUTHORITY OF THE CITY FONTANA DO HEREBY RESOLVE AS FOLLOWS:

Section 1. Incorporation of Recitals. The foregoing recitals are true and correct and are incorporated herein and made an operative part of this Resolution.

Section 2. CEQA Findings. The City Council and the Authority Board have reviewed and considered the Courtplace Project MND and the Mitigation, Monitoring, and Reporting Program, pursuant State CEQA Guidelines Sections 15162 and 15164 along with the City of Fontana’s 2019 Local Guidelines for Implementing CEQA, and have independently determined that the Courtplace Project MND fully analyzed and with the adoption of the Mitigation and Monitoring Reporting Program, mitigated all potentially significant environmental impacts, if any, that would result from this Resolution approving

the Third DDA Amendment, and therefore, no subsequent EIR or mitigated negative declaration is required.

Section 3. Approval. The City Council and the Authority Board hereby approve the Third DDA Amendment attached hereto as Exhibit “A” and incorporated herein by reference. The City Council and the Authority Board authorize the City Manager and the Executive Director, respectively, in consultation with the City Attorney, to take all necessary actions to effectuate the execution of the Third DDA Amendment, and make any minor revisions to the documents necessary to effectuate the intent of the parties.

Section 4. Notice of Exemption. Staff is hereby directed to prepare, execute and file with the San Bernardino County Clerk a Notice of Determination within five working days of the approval of this Resolution.

Section 5. Custodian of Documents. The custodian of documents constituting the record of proceedings for this matter is the City Clerk. The documents constituting the record of proceedings are located at City Hall at 8353 Sierra Avenue, Fontana, CA 92335.

Section 6. Severability. If any provision of this Resolution is held invalid by a court of competent jurisdiction, the remainder of this Resolution shall not be affected by such invalidity, and the provisions of this Resolution are severable.

Section 7. Effective Date. This Resolution is effective immediately upon adoption. The Third DDA Amendment takes effect as provided therein.

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

APPROVED AND ADOPTED this 12th day of May 2026.

READ AND APPROVED AS TO LEGAL FORM:

City Attorney
Authority Special Counsel

I, Germaine Key, City Clerk of the City of Fontana, and Ex-Officio Clerk of the City Council and Secretary of the Fontana Housing Authority, do hereby certify that the foregoing resolution is the actual resolution duly and regularly adopted by the City Council and Fontana Housing Authority at a regular meeting on the 12th day of May 2026, by the following vote to wit:

AYES:

NOES:

ABSENT:

ABSTAIN:

City Clerk of the City of Fontana
Secretary of the Fontana Housing Authority

Mayor of the City of Fontana

Chairperson of the Fontana Housing Authority

ATTEST:

City Clerk
Secretary of the Fontana Housing Authority

EXHIBIT "A"

THIRD DDA AMENDMENT

THIRD AMENDMENT TO DISPOSITION AND DEVELOPMENT AGREEMENT

This Third Amendment to Disposition and Development Agreement (the "Amendment"), is made and entered into as of May 12, 2026, by and between Fontana Housing Authority, a public body, corporate and politic (the "Authority"), the City of Fontana, California, a municipal corporation (the "City"), and Fontana Courtplace I Housing Partners, L.P., a California limited partnership. (the "Partnership"). The Authority, the City, and the Partnership are collectively the "Parties." The Parties have entered into this Amendment with reference to the following:

R E C I T A L S:

A. WHEREAS, the Parties entered into that certain Disposition and Development Agreement dated November 15, 2023 (the "2023 DDA"), as amended by that certain First Amendment to Disposition and Development Agreement dated as February 1, 2025 (the "First Amendment"), as further amended by that certain Second Amendment to Disposition and Development Agreement dated as of August 1, 2025 (the "Second Amendment," and collectively with the 2023 DDA and the First Amendment, the "Original Agreement"); and

B. WHEREAS, the Parties desire to amend the Original Agreement as set forth in this Amendment.

A G R E E M E N T:

1. Original Agreement. Except as amended hereby, the Original Agreement remains unmodified and in full force and effect. Capitalized terms not otherwise defined herein shall have the meanings set forth in the Original Agreement.

2. City Subordinate Loan. The definition of "City Subordinate Loan" in Section 1.1.13 of the 2023 DDA, as amended by the First Amendment and further amended by the Second Amendment, is hereby deleted in its entirety and replaced with the following:

"1.1.13 "City Subordinate Loan" means the loan to be made to the Partnership pursuant to Section 11.5 consisting of Eight Million Seven Hundred Thirty Seven Thousand Six Hundred Ninety Two Dollars and Sixteen Cents (\$8,737,692.16) in gap financing and Two Million Eight Hundred Thousand Dollars (\$2,800,000.00) in acquisition financing."

3. City Loan Amount and Purpose. Section 11.5 of the 2023 DDA, as amended by the First Amendment and the Second Amendment, is hereby deleted in its entirety and is replaced with the following:

"11.5 City Loan Amount and Purpose. Subject to the terms and conditions of this Agreement, City agrees to loan to Partnership, the City Subordinate Loan in the principal amount of Eight Million Seven Hundred Thirty Seven Thousand Six Hundred Ninety Two Dollars and Sixteen Cents (\$8,737,692.16) in gap financing and Two Million Eight Hundred Thousand Dollars (\$2,800,000.00) land loan which City Subordinate Loan shall close (i.e., the City Subordinate Loan Deed of Trust shall record in the Official Records and the undisbursed gap financing portion of the City Subordinate Loan shall, subject to Section 15, be disbursed to the Construction Lender) concurrently with the Construction Loan Closing (the "City Subordinate Loan Closing").

4. City Loan Note, and Deed of Trust. Section 11.6 of the 2023 DDA, as amended by the First Amendment and as further amended by the Second Amendment, is hereby deleted in its entirety and is replaced with the following:

“11.6 City Loan Note, and Deed of Trust.

11.6.1 The City Subordinate Loan shall be evidenced by the City Subordinate Loan Note and shall be secured by the City Subordinate Loan Deed of Trust.

11.6.2 Funding Sources. The City has identified the following funding sources to be applied to this Project:

(A) Federal HOME (FY 2018-23 + PI) Funds: \$2,700,000.00;

(B) Affordable Housing Trust Fund (Development Impact Fees): \$3,337,692.16; and

(C) General Funds: \$2,700,000.00.”

5. Exhibit D; Preliminary Project Budget. The Preliminary Project Budget attached as Exhibit D to the 2023 DDA, as amended by the First Amendment and as further amended by the Second Amendment, is hereby deleted in its entirety and replaced with the budget attached hereto as Schedule 1.

6. Exhibit L; Regulatory Agreement. The Regulatory Agreement attached as Exhibit L to the 2023 DDA, as amended by the Second Amendment, is hereby amended as follows;

(a) Section 8.1.3 – “Affordable Rent for 40% of Median Income Tenants” is hereby reinserted.

(b) Section 8.1.12 – “40% of Median Income Tenants” is hereby reinserted.

(c) Section 8.2.1 is hereby deleted in its entirety and replaced with the following:

“8.2.1 Affordable Unit Mix (City Units). As hereinafter more particularly provided, Developer shall use the Property and the Improvements as multi-family rental housing and ancillary purposes as follows:

A. 5 of the Units shall be leased to families who are 30% of Median Income Tenants at Affordable Rent for 30% of Median Income Tenants, of which 0 of said units shall be a one-bedroom unit, 3 shall be two-bedroom units, and 2 shall be three-bedroom units;

B. 10 of the Units shall be leased to families who are 40% of Median Income Tenants at Affordable Rent for 40% of Median Income Tenants, of which 2 of said units shall be a one-bedroom unit, 6 shall be two-bedroom units, and 2 shall be three-bedroom units;

C. 15 of the Units shall be leased to families who are 50% of Median Income Tenants at Affordable Rent for 50% of Median Income Tenants, of which 3 of said units shall be a one-bedroom unit, 10 shall be two-bedroom units, and 2 shall be three-bedroom units;;

D. 19 of the Units shall be leased to families who are 60% of Median Income Tenants at Affordable Rent for 60% of Median Income Tenants, of which 2 of said units shall be a one-bedroom unit, 10 shall be two-bedroom units, and 7 shall be three-bedroom units; and

E. one manager's unit which shall be a two-bedroom unit.”

7. Applicable Law. This Amendment shall be construed and enforced in accordance with the laws of the State of California.

8. Counterparts. This Amendment may be executed in several counterparts, each of which shall be deemed to be an original copy and all of which together shall constitute one agreement binding on all Parties hereto, notwithstanding that all the Parties shall not have signed the same counterpart.

9. Severability of Provisions. Each provision of this Amendment shall be considered severable, and if for any reason any provision which is not essential to the effectuation of the basic purposes of this Amendment is determined to be invalid and contrary to any existing or future law, such invalidity shall not impair the operation of or affect those provisions of this Amendment which are valid.

10. Amendment Binding. This Amendment shall be binding upon and inure to the benefit of the heirs, executors, administrators, legal representatives and permitted successors and assigns of the Parties hereto. Except as amended hereby, the Original Agreement remains unchanged and in full force and effect and the Parties hereto hereby ratify and reaffirm the terms of the Original Agreement as amended hereby.

11. Effective Date. This Amendment is dated May 12, 2026, for reference purposes only. This Amendment shall not become effective until the date on which all of the following are true: (a) this Amendment is approved and executed by the appropriate authorities of the Partnership; (b) following all legally required notices and hearings, this Amendment is approved by the City Council and the Authority Board; and (c) this Amendment is executed by the City Manager and the Executive Director.

(signatures begin on following page)

IN WITNESS WHEREOF, the Parties have duly executed this Amendment by their duly authorized signatories effective on or as of the date written at the commencement of this Amendment.

AUTHORITY:

FONTANA HOUSING AUTHORITY,
a public body, corporate and politic

By: _____
Matthew C. Ballantyne, Executive Director

Attest By:

By: _____
Germaine Key, Authority Clerk

CITY

CITY OF FONTANA, CA
a California municipal corporation

By: _____
Matthew C. Ballantyne, City Manager

Attest By:

By: _____
Germaine Key, City Clerk

Approved as to form:

Best, Best & Krieger, LLP

By: _____
Ruben Duran, Esq.
City Attorney

(signatures continue on following page)

PARTNERSHIP

FONTANA COURTPLACE I HOUSING PARTNERS, L.P.,
a California limited partnership

By: Related/Fontana Courtplace I Development Co., LLC,
a California limited liability company,
its administrative general partner

By: _____
Ann Silverberg, Authorized Signatory

By: FFAH V Fontana Courtplace I, LLC,
a California limited liability company,
its managing general partner

By: Foundation for Affordable Housing V, Inc.,
a California nonprofit public benefit corporation,
its managing general partner

By: _____
Melissa Vincent, Vice President

By: LBI Southridge Fontana LLC,
a California limited liability company, its co-general partner

By: LaBarge Industries, LLC,
a Delaware limited liability company,
its sole member

By: _____
Josh LaBarge, President

Schedule 1

Exhibit D – Preliminary Project Budget

(begins on next page)

EXHIBIT "D"
PRELIMINARY PROJECT BUDGET

	50 units Budget
ACQUISITION COSTS	
Purchase Price	\$ 2,800,000
Other Acquisition Costs	\$ -
TOTAL ACQUISITION COSTS	\$ 2,800,000
PROFESSIONAL FEES	
Architecture & Engineering	\$ 2,400,000
Other Professional / Consulting	\$ 600,000
TOTAL PROFESSIONAL FEES	\$ 3,000,000
FEES AND PERMITS	
City/County Fees and Permits	\$ 1,650,000
Utility Fees/Costs	\$ 850,000
TOTAL FEES AND PERMITS	\$ 2,500,000
CONSTRUCTION COSTS	
Offsite Improvements	\$ 1,166,344
Site Improvements	\$ 4,485,019
Residential Structures (Community Building Included)	\$ 11,335,877
Contractor Contingency	\$ 379,659
General Conditions	\$ 1,586,521
Contractor Profit	\$ 947,671
Contractor Insurance	\$ 56,860
Construction Bond Premiums	\$ 189,534
Construction Contingency	\$ 1,007,375
Construction Management	\$ 200,000
TOTAL CONSTRUCTION COSTS	\$ 21,354,860
FINANCING COSTS	
Gap Loan Costs	\$ 25,000
Construction Loan Costs	\$ 150,000
Construction Loan Fees	\$ 156,000
Construction Period Interest	\$ 677,000
Post-Construction Interest	\$ 345,000
Permanent Loan Costs	\$ 50,000
TCAC Fees	\$ 132,000
Misc. Finance Costs	\$ 50,000
TOTAL FINANCING COSTS	\$ 1,585,000
OTHER COSTS	
Furnishings, Fixtures & Equipment	\$ 300,000
Marketing Costs	\$ 185,000
Legal Fees	\$ 300,000
Soft Cost Contingency	\$ 100,000
Accounting / Audit / Insurance	\$ 515,000
Developer Fees	\$ 2,500,000
Other Costs / Reserves	\$ 155,725
Market Study	\$ 19,500
TOTAL OTHER COSTS	\$ 4,075,225
TOTAL DEVELOPMENT COSTS	\$ 35,315,085

EXHIBIT "D"
PRELIMINARY OPERATING EXPENSES

	50 Units Budget
RENTING	
Advertising	\$ 450
Misc. Renting	\$ 1,250
TOTAL RENTING	\$ 1,700
ADMINISTRATION	
Office	\$ 1,300
Legal	\$ 1,600
Audit	\$ 15,000
Telephone/Computer	\$ 12,600
Tenant Relations	\$ 800
Misc. Administrative	\$ 4,500
TOTAL ADMINISTRATION	\$ 35,800
MANAGEMENT FEE	
Contract Management	\$ 43,800
TOTAL MANAGEMENT	\$ 43,800
OPERATING	
Electricity	\$ 10,750
Water	\$ 46,500
Rubbish Removal	\$ 19,500
TOTAL OPERATING	\$ 76,750
MAINTENANCE	
Security	\$ 1,700
Grounds	\$ 14,000
Repairs	\$ 3,500
Misc. Maintenance	\$ 12,900
TOTAL MAINTENANCE	\$ 32,100
SALARIES AND BENEFITS	
Office Salaries	\$ 47,250
Maintenance Salaries	\$ 58,240
Payroll Taxes and Benefits	\$ 30,160
TOTAL SALARIES AND BENEFITS	\$ 135,650
TAXES AND INSURANCE	
Real Estate Taxes	\$ 2,500
Insurance	\$ 82,500
TOTAL TAXES AND INSURANCE	\$ 85,000
RESERVES AND OTHER EXPENSES	
Replacement Reserves	\$ 15,000
Social Programs	\$ 22,800
TOTAL RESERVES AND OTHER COSTS	\$ 37,800
TOTAL OPERATING EXPENSES	\$ 448,600

EXHIBIT "D"
SOURCES AND USES OF FUNDS

Construction Sources and Uses

Construction Sources	
Construction Loan	\$ 15,451,961
GP Equity	\$ 100
Tax Credit Equity	\$ 1,622,299
Residual Receipts Loan (Fontana Housing Authority)	\$ 5,262,308
Residual Receipts Loan (City of Fontana)	\$ 8,737,692
Land Acquisition Loan (City of Fontana)	\$ 2,800,000
Deferred Developer Fee	\$ 1,250,000
Deferred Operating Deficit Reserve	\$ 155,725
Deferred TCAC Monitoring Fees	\$ 35,000
Total Construction Sources	\$ 35,315,085
Construction Uses	
Total Development Cost	\$ 35,315,085
Amount Over/(Under)	\$ -

Permanent Sources and Uses

Permanent Sources	
Tax Credit Equity	\$ 16,222,985
GP Equity	\$ 100
Permanent Financing	\$ 2,292,000
Residual Receipts Loan (Fontana Housing Authority)	\$ 5,262,308
Residual Receipts Loan (City of Fontana)	\$ 8,737,692
Land Acquisition Loan (City of Fontana)	\$ 2,800,000
Total Permanent Sources	\$ 35,315,085
Uses	
Total Development Cost	\$ 35,315,085
Amount Over/(Under)	\$ -

EXHIBIT "D"
15 YEAR CASH FLOW PROJECTIONS

Year	1	2	3	4	5	6	7	8	9	10	11	12	13	14	15
INCOME															
Gross Rental Income	688,848	709,513	730,799	752,723	775,304	798,564	822,521	847,196	872,612	898,790	925,754	953,527	982,133	1,011,597	1,041,944
Laundry Income	3,600	3,708	3,819	3,934	4,052	4,173	4,299	4,428	4,560	4,697	4,838	4,983	5,133	5,287	5,445
Vacancy @ 5.0%	(34,622)	(35,661)	(36,731)	(37,833)	(38,968)	(40,137)	(41,341)	(42,581)	(43,859)	(45,174)	(46,530)	(47,925)	(49,363)	(50,844)	(52,369)
EFFECTIVE GROSS INCOME	657,826	677,560	697,887	718,824	740,389	762,600	785,478	809,043	833,314	858,313	884,063	910,584	937,902	966,039	995,020
EXPENSES															
Administrative	(35,800)	(36,874)	(37,980)	(39,120)	(40,293)	(41,502)	(42,747)	(44,029)	(45,350)	(46,711)	(48,112)	(49,556)	(51,042)	(52,574)	(54,151)
Management Fee	(43,800)	(45,114)	(46,467)	(47,861)	(49,297)	(50,776)	(52,299)	(53,868)	(55,485)	(57,149)	(58,864)	(60,629)	(62,448)	(64,322)	(66,251)
Operating	(76,750)	(79,053)	(81,424)	(83,867)	(86,383)	(88,974)	(91,644)	(94,393)	(97,225)	(100,141)	(103,146)	(106,240)	(109,427)	(112,710)	(116,091)
Maintenance	(32,100)	(33,063)	(34,055)	(35,077)	(36,129)	(37,213)	(38,329)	(39,479)	(40,663)	(41,883)	(43,140)	(44,434)	(45,767)	(47,140)	(48,554)
Salaries	(135,650)	(139,720)	(143,911)	(148,228)	(152,675)	(157,256)	(161,973)	(166,832)	(171,837)	(176,992)	(182,302)	(187,771)	(193,404)	(199,207)	(205,183)
Taxes (escalated at 2.00%)	(2,500)	(2,550)	(2,601)	(2,653)	(2,706)	(2,760)	(2,815)	(2,872)	(2,929)	(2,988)	(3,047)	(3,108)	(3,171)	(3,234)	(3,299)
Insurance	(82,500)	(84,975)	(87,524)	(90,150)	(92,854)	(95,640)	(98,509)	(101,465)	(104,509)	(107,644)	(110,873)	(114,199)	(117,625)	(121,154)	(124,789)
Renting	(1,700)	(1,751)	(1,804)	(1,858)	(1,913)	(1,971)	(2,030)	(2,091)	(2,154)	(2,218)	(2,285)	(2,353)	(2,424)	(2,497)	(2,571)
Social Programs	(22,800)	(23,484)	(24,189)	(24,914)	(25,662)	(26,431)	(27,224)	(28,041)	(28,882)	(29,749)	(30,641)	(31,561)	(32,507)	(33,483)	(34,487)
Replacement Reserves	(15,000)	(15,000)	(15,000)	(15,000)	(15,000)	(16,500)	(16,500)	(16,500)	(16,500)	(16,500)	(18,150)	(18,150)	(18,150)	(18,150)	(18,150)
TOTAL OPERATING EXPENSES	(448,600)	(461,583)	(474,955)	(488,728)	(502,913)	(519,023)	(534,071)	(549,570)	(565,534)	(581,975)	(600,560)	(618,002)	(635,966)	(654,469)	(673,526)
NET OPERATING INCOME	209,226	215,977	222,932	230,096	237,476	243,577	251,407	259,472	267,780	276,338	283,503	292,583	301,936	311,570	321,494