

RESOLUTION NO. PC 2026-_____

A RESOLUTION OF THE PLANNING COMMISSION OF THE CITY OF FONTANA APPROVING, PURSUANT TO A CATEGORICAL EXEMPTION IN ACCORDANCE WITH CEQA GUIDELINES SECTION 15332, TENTATIVE TRACT MAP NO. 25-0003 (TTM NO. 20839) TO SUBDIVIDE 3.5 ACRES INTO FORTY-SIX (46) PARCELS FOR RESIDENTIAL DEVELOPMENT, DESIGN REVIEW NO. 25-0020 FOR SITE AND ARCHITECTURAL REVIEW OF 46 RESIDENTIAL UNITS WITHIN 23 DUPLEX BUILDINGS AND ASSOCIATED SITE IMPROVEMENTS, AND RECOMMENDING APPROVAL TO THE CITY COUNCIL FOR AN AFFORDABLE HOUSING DENSITY BONUS AGREEMENT TOGETHER WITH RELATED COVENANTS, CONDITIONS & RESTRICTIONS PROVIDING FOR A MINIMUM OF TWO (2) AFFORDABLE UNITS PER THE STATE DENSITY BONUS LAW, ON APPROXIMATELY 3.5 ACRES LOCATED AT 14907 S. HIGHLAND AVENUE IDENTIFIED AS ASSESSOR PARCEL NUMBER 0228-021-07.

WHEREAS, 14907 S. Highland Avenue, also identified as Assessor Parcel Number (“APN”) 0228-021-07 (“Project Site”) was annexed from San Bernardino County into the City of Fontana on November 2, 1973; and

WHEREAS, on July 8, 2025, the City of Fontana (City”) received an application from Monte Vista Homes (“Applicant”), for a Tentative Tract Map (“TTM No. 25-0003 (20839)”) to subdivide 3.5 acres into forty-six (46) parcels, and a Design Review (“DRP No. 25-0020”) along with an SB 330 application, seeking approval to construct 46 residential units within 23 duplex buildings at the Project Site (“Project”); and

WHEREAS, the Project Site has a General Plan Land Use designation of Medium Density Residential (R-M) and is located within the Medium Density (R-2) zoning district, which allows such projects; and

WHEREAS, the Applicant desires to utilize the State Density Bonus Law (California Government Code Sections 65915-65918) which permits a density bonus to exceed the density limit of the Zoning Code with the provision of affordable units; and

WHEREAS, the Applicant is providing two (2) very low-income affordable units as part of the Project. Pursuant to State Density Bonus Law, the Applicant is entitled to a 20 percent density bonus, which permits an additional eight (8) dwelling units, resulting in a total of 48 units and the Applicant is proposing 46 units inclusive of the two (2) very low-income affordable units; and

WHEREAS, the Applicant has requested waivers of development standards pursuant to California Government Code Section 65915, including waivers of the minimum lot size, average lot size, lot width, lot depth, lot coverage, front setbacks, side setbacks, rear setbacks, and setback variations, pursuant to California Government Code Sections 65915-65918; and

WHEREAS, the Applicant has requested the following incentives/concessions, pursuant to California Government Code Section 65915: allowance of vinyl fencing in lieu of block walls between the lots; and

WHEREAS, these incentives/concessions result in identifiable and actual cost reductions, will not have a specific adverse impact on health and safety or on any real property listed in the California Register of Historical Resources, and is not contrary to state or federal law; and

WHEREAS, pursuant to the California Environmental Quality Act (CEQA), the Project is categorically exempt pursuant to Section 15332 (Class 32, Infill Development) and Section No. 3.22 of the 2019 Local Guidelines for Implementing the California Environmental Quality Act; and

WHEREAS, the City wishes to protect and preserve the quality of life throughout the City through effective land use and planning; and

WHEREAS, the project was originally scheduled for public hearing before the City of Fontana Planning Commission ("Planning Commission") on August 4, 2026 and at that time was continued to the August 18, 2026 Planning Commission meeting at the request of the Applicant; and

WHEREAS, on August 18, 2026, a duly noticed public hearing on TTM No. 25-0003 (TTM No. 20839), DRP No. 25-0020, and the Affordable Housing Density Bonus Agreement, Declaration of Covenants, Conditions & Restrictions attached hereto as **Exhibit "A"**, was held by the Planning Commission to consider testimony and evidence presented by the Applicant, City Staff, and other interested parties; and

WHEREAS, the Conditions of Approval are attached hereto as **Exhibit "B"** for TTM No. 25-0003 (TTM No. 20839), and **Exhibit "C"** for DRP No. 25-0020; and

WHEREAS, all of the notices required by statute and the Fontana Municipal Code ("FMC") have been given as required; and

WHEREAS, the owners of property within 660 feet of the Project Site were notified via public hearing notice mailer prior to the public hearing; a notice of the public hearing was published in the San Bernardino Sun newspaper on July 25, 2026, and a notice of the public hearing was simultaneously displayed at City Hall and at the Project Site; and

WHEREAS, the Planning Commission carefully considered all information pertaining to the Project, including the staff report, findings, and all of the information, evidence, and testimony presented at its public hearing on August 18, 2026; and

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

NOW, THEREFORE, the Planning Commission RESOLVES as follows:

Section 1. Recitals. The above recitals are true, correct and incorporated herein by reference.

Section 2. CEQA. The Planning Commission hereby determines that the Project is categorically exempt pursuant to Section No. 15332 (Infill Development) of the California Environmental Quality Act and Section No. 3.22 (Categorical Exemption) of the 2019 Local Guidelines for Implementing the California Environmental Quality Act (CEQA). The Project site meets the CEQA requirements of In-fill: (1) the Project is consistent with the R-M designation of the General Plan land use designation, and the R-2 Zone district regulations; (2) The Project Site is less than five (5) acres, (3) The Project Site is not within any known sensitive or threatened habitat area; (4) The Project will not have any significant effects related to traffic, noise, air quality, or water quality; and (5) There are adequate public services for the development of the residential project. The Planning Commission further determines that none of the exceptions in CEQA Guidelines Section 15300.2 apply to the Project. The Planning Commission further directs Staff to file a Notice of Exemption pursuant to this Finding.

Section 3. The Planning Commission hereby makes the following findings for the density bonus pursuant to Section No. 30-344 of the City of Fontana Zoning and Development Code:

Finding No. 1: **As required by state law, the City shall grant a density bonus in accordance with Government Code §§ 65915 through 65918.**

Finding of Fact: The Applicant has requested a density bonus of eight (8) units for a total project size of 48 units, with two (2) units restricted for very low-income households, which qualifies the Project for a density bonus. The Applicant's request is in accordance with Government Code §§ 65915 through 65918.

Finding No. 2: **As required by state law, the City shall grant an incentive or concession in accordance with Government Code §§ 65915 through 65918, unless the City makes any of the findings in Government Code §65915(d)(1)(A) through (C).**

Finding of Fact: The Applicant has included the following waivers: reduction of lot

dimensions, building setbacks and required setback variations, lot coverage, required landscape, mechanical equipment screening, and patio setbacks. As provided by the State Density Bonus Law, the Applicant is also selecting as concessions: relief from the provision of block walls between lots and instead using vinyl fencing (block walls are used for the area adjacent to the common area such as the driveway and roadways) along with reduction of required project amenities.

Finding No. 3: **The granting of a concession or incentive shall not be interpreted, in and of itself, to require a general plan amendment, zoning change, or other discretionary approval.**

Finding of Fact: The incentives, concessions and waivers granted to the Applicant do not require a general plan amendment, zoning change, or other discretionary approval.

Finding No. 4: **This division does not limit or require the provision of direct financial incentives for the housing development, including the provision of publicly owned land, by the City or the waiver of fees or dedication requirements.**

Finding of Fact: The Project does not limit or require the provision of direct financial incentives for the housing development by the City or the waiver of fees or dedication requirements.

Section 4. Tentative Tract Map Findings. The Planning Commission hereby makes the following findings for Tentative Tract Map No. 25-0003 (TTM No. 20839) pursuant to Section 30-293 of the Fontana Zoning and Development code, and in accordance with Section No. 26-55(e) "Processing of application", of the Fontana Municipal Code:

Finding No. 1: **The proposed map is consistent with the city's general plan and any applicable specific plan.**

Findings of Fact: TTM No. 25-0003 (TTM No. 20839) is consistent with the General Plan Land Use designation for the Project Site, which is Medium Density Residential (R-M). The tentative tract map proposes a 46-unit subdivision map to facilitate the construction of a 46-unit residential development within 23 duplex buildings, which is permitted under the land use designation. The Project Site is not within a specific plan.

The Applicant is utilizing the State Density Bonus Law which includes a provision for additional residential units based on the number of affordable units provided. Two (2) very low affordable

units are provided for the Project which allows an increase of 20% more units than what is permitted by the Zoning Code. State Law allows up to forty-eight (48) units for this Project, the Applicant is proposing forty-six (46) units. The Project Site is not within a specific plan.

Finding No. 2: The design or improvements of the proposed subdivision are consistent with the general plan and any applicable specific plan.

Findings of Fact: The General Plan Land Use designation is Medium Density Residential (R-M). This Land Use District allows for attached single-family residential development. The State Law allows for an additional density increase as stated in the Finding of Fact No. 1 above. The project complies with State Density Bonus Law and the General Plan, more specifically, those of Goal 2 (General Plan 15.34) that call for creating “connected neighborhoods”. Improvements include public sewer, public storm drain, streets, gutters, sidewalks, drainage, and grading to provide a safe and well-designed development. Furthermore, the project also promotes Goal 7, which calls for the development of high-quality development by providing a range of attractive and comfortable housing types, an interconnected, walkable neighborhood, and integrating the project into the existing street grid. The Project Site is not within a specific plan.

Finding No. 3: The site is physically suitable for the type and density of development proposed.

Findings of Fact: The Project Site, of approximately 3.5 gross acres, is adequate in size to accommodate the residential development. The Project Site is vacant and relatively flat. The existing topography is conducive for the Project.

Finding No. 4: The design of the subdivision or the proposed improvements are not likely to cause substantial environmental damage or substantially and avoidably injure fish or wildlife or their habitat.

Findings of Fact: The design of the subdivision and the proposed improvements comply with the City of Fontana’s Municipal code requirements, conditions of approval (attached hereto), and will not have any impact on the environment or substantial or avoidable injury to fish, wildlife, or their habitat. The Project Site is in an area that has been previously disturbed by human activity and is surrounded by development and would not support sensitive wildlife.

The previously adopted FEIR (SCH No. 2016021099) for the 2015-2035 General Plan adequately identified the impacts associated with the Project. Based on the information contained in the FEIR, the Project would not have a significant effect on the environment. The use is consistent with the Land Use Designation and the Zoning and Development Code. The design of the subdivision map will not cause substantial environmental damage or will not substantially and avoidably injure fish or wildlife or their habitat.

Finding No. 5: The design of the subdivision or type of improvements will not cause serious public health problems.

Findings of Fact: The proposed design of TTM No. 25-0003 (TTM No. 20839) will not cause public health problems. The development will comply with the Zoning and Development Code and General Plan. Improvements include connection to the public sewer and public storm drain systems, modifications to the existing sidewalks, and drainage and grading improvements to ensure a safe and well-designed Project. These enhancements will promote the public health, safety, and welfare of the surrounding community and are designed so that the Project will not create conditions that could cause serious public health problems. Therefore, this Project shall promote public health, safety, and welfare of the surrounding community and will not cause public health problems.

Finding No. 6: The design of the subdivision or the type of improvement will not conflict with easements acquired by the public at large for access through or use of property within the proposed subdivision.

Findings of Fact: The design of TTM No. 25-0003 (TTM No. 20839) and associated public improvements will not conflict with access easements acquired by the public. Access to and from the Project Site would be provided from a driveway on San Sevaine Road.

Section 5. Design Review Findings. The Planning Commission hereby makes the following findings for DRP No. 25-0020 in accordance with Section No. 30-120, "Findings for approval" of the Fontana Zoning and Development Code:

Finding No. 1: The proposal is consistent with the general plan, Zoning and Development Code, and any applicable specific plan.

Findings of Fact: The Project is consistent with the General Plan Land Use designation of Medium Density Residential (R-M), and the Medium Density Residential (R-2) zoning district. The Project complies with

all applicable standards of the General Plan and Zoning and Development Code as provided with waivers and concessions by State Density Bonus Law. The Project includes the development of 46 units within 23 duplex buildings on 3.46 acres. There are two (2) affordable housing units integrated into the site with the same floor plans and lot design as the market rate units. The Project will be appropriate and compatible with the surrounding residential land uses of detached single-family and multi-family dwellings. The variations to the building face, varying roof lines and building height from 29'2" to 33 feet high will make the Project architecturally pleasing and consistent with the surrounding area.

The Project has attractive architecture and landscaping. The architectural features include a Spanish style with key design features such as decorative metal fixtures, pot shelves, shutters and decorative lighting. Landscaping is incorporated to ensure that the lots meet the Zoning Code requirement for adequate trees, shrubs, and groundcover.

Finding No. 2: The proposal meets or exceeds the criteria contained in Chapter 30 and will result in an appropriate, safe, and desirable development promoting the public health, safety, and welfare of the community.

Findings of Fact: The Project will incorporate site improvements which include new landscaping, parking, lighting, fencing, curb, gutter, and sidewalks. The Project consists of the construction of 46 units within 23 duplexes on approximately 3.5 gross acres. The development will be built pursuant to all applicable buildings, zoning and fire codes, in addition to the Conditions of Approval attached hereto as Exhibits B, and C and referenced herein.

The site has been designed with access to and from the Project Site provided from a driveway on San Sevaine Avenue. The Project includes improvements along San Sevaine Avenue. The Project has high quality architectural design, appropriate screening from the public right-of-way and will be an appropriate and desirable development. Therefore, the Project promotes public health, safety, and welfare of the occupants and surrounding community. The site improvements have been reviewed by the City of Fontana Fire, Building and Safety, and Engineering Departments.

Finding No. 3: The proposal is in its design, and appearance is aesthetically and architecturally pleasing resulting in a safe, well-designed facility while enhancing the character of the surrounding

neighborhood.

Findings of Fact: The attached single-family residential Project has been designed to enhance and complement the surrounding neighborhood. The architectural theme for the Project proposes “Spanish” and “Farmhouse” styles. The result is a high-quality architectural design appropriate and desirable for the surrounding neighborhood. The development will enhance the character of the surrounding neighborhood through appropriate attention to aesthetics and design.

Architectural relief utilized for the buildings will feature smooth stucco coated exterior, metal elements, decorative lighting, varied roof lines, and other features appropriate to the style. The use of colors and materials adds architectural diversity to each building. The site improvements have been reviewed by the City of Fontana Fire, Building and Safety, and Engineering Departments and found to meet the requirements for all applicable building code, zoning, and fire code standards.

Finding No. 4: The site improvements are appropriate and will result in a safe, well-designed facility.

Findings of Fact: The site improvements for the Project complies with the City of Fontana Zoning and Development Code. Improvements including sidewalks, fencing, drainage, and grading, which will provide a safe and well-designed neighborhood.

The Project Site improvements have been reviewed by the Fire, Building and Safety, and Engineering Departments. During the project review process, changes were made to the plans to ensure that the Project is well-designed. Street lighting and on-site lighting have been included to provide ample visibility at night. Landscaping has been incorporated to create an attractive atmosphere along adjacent parcels.

Section 6. Approvals. Based on the foregoing, the Planning Commission hereby approves

- A. TTM No. 25-0003, and DRP No. 25-0020 subject to the Findings and Conditions of Approval attached hereto as “**Exhibit B**” for TTM No. 25-0003, “**Exhibit C**” for DRP No. 25-0020, and incorporated herein by this reference.
- B. Based on the foregoing, the Planning Commission hereby grants the density bonus pursuant to Section 30-344 of the Zoning and Development Code and recommends that the Fontana City Council adopts a resolution approving

the Affordable Housing Density Bonus Agreement and the Declaration of Covenants, Conditions and Restrictions substantially in the form and substance as determined by the City in its reasonable discretion as attached hereto as **Exhibit “A”** and incorporated herein by this reference.

Section 7. Resolution Regarding Custodian of Record: The documents and materials that constitute the record of proceedings on which this Resolution has been based are located at the Planning Department, 8353 Sierra Avenue, Fontana, CA 92335. This information is provided in compliance with Public Resources Code section 21081.6.

Section 8. Certification. The Secretary of the Planning Commission shall certify to the adoption of this Resolution.

Section 9. Effective Date. This Resolution shall become effective immediately upon its adoption.

Section 10. Severability. If any provision of this Resolution or the application of any such provision to any person or circumstance is held invalid, such invalidity shall not affect other provisions or applications of this Resolution that can be given effect without the invalid provision or application.

PASSED, APPROVED, AND ADOPTED by the Planning Commission of the City of Fontana, California, at a regular meeting held on this 18th day of August 2026.

City of Fontana

Joseph Armendarez, Chair

ATTEST:

I, Torrie Lozano, Secretary of the Planning Commission of the City of Fontana, California, do hereby certify that the foregoing resolution was duly and regularly adopted by the Planning Commission at a regular meeting thereof, held on the 18th day of August 2026, by the following vote, to-wit:

AYES:

NOES:

ABSENT:

ABSTAIN:

Torrie Lozano, Secretary

EXHIBIT “A”
Affordable Housing Density Bonus Agreement and
Declaration of Covenants, Conditions and Restrictions

RECORDING REQUESTED BY AND
WHEN RECORDED MAIL TO:

City of Fontana
Office of the City Clerk
8353 Sierra Avenue
Fontana, CA 92335

Attn: Germaine Key, City Clerk

This document is exempt from the payment
of a recording fee pursuant to Government
Code Sections 27383 and 6103

APN: 0228-021-07

**AFFORDABLE HOUSING DENSITY BONUS AGREEMENT AND
DECLARATION OF COVENANTS, CONDITIONS & RESTRICTIONS**

14907 South Highland Avenue, Fontana, California 92336

**Master Case No. 25-0051 / Tentative Tract Map 20839 (TTM No. 25-0003) /
Design Review Project No. 25-0020**

[PURSUANT TO DIVISION 25 OF FONTANA MUNICIPAL CODE]

This Affordable Housing Density Bonus Agreement and Declaration of Covenants, Conditions & Restrictions (the "Agreement") is entered into as of this ____ day of _____, 2026 by and between the CITY OF FONTANA, a California municipal corporation ("City"), and MV HBC, LLC, a California limited liability company ("Owner") as follows:

RECITALS

Owner is the owner of certain real property located within the City of Fontana, County of San Bernardino, State of California, commonly known as 14907 South Highland Avenue in Fontana, California (the "Property"). Property is legally described in Exhibit "A" attached hereto and incorporated herein by reference; and

Division 25 of the Fontana Municipal Code (the "Density Bonus Division") provides a density bonus and other incentives to multifamily residential and mixed-use development projects of five (5) or more units that require a share of all newly constructed dwelling units be developed, offered to and sold or rented to very low, low or moderate income households at an affordable housing cost; and

On _____, 2026 the City of Fontana ("City"), a public body corporate and politic, by and through its Planning Commission, approved Master Case No. 25-0051 / Tentative Tract Map 20839 (TTM No. 25-0003) and Design Review Project No. 25-0020 (collectively, the

“Permit”) and issued Conditions of Approval (“Conditions”); and

Subject to compliance with the Conditions, the Permit approves the construction of a residential project with forty-six (46) residential units on the Property (“Residential Development”), comprised of a base density of forty (40) residential units and a density bonus of six (6) residential units (though the Property is entitled to a density bonus of up to eight (8) units); and

Pursuant to the Density Bonus Division, two (2) of the residential units in the Residential Development are required to be restricted for sale or rent to eligible Very Low-Income Households at Affordable Housing Cost (the “Affordable Units”); and

Pursuant to Section 30-342 of the Density Bonus Division, and in compliance with the Conditions, Owner and City desire to enter into this Agreement regarding the construction, operation, maintenance and sale or rental of a specified number of housing units in the Residential Development exclusively to Income-Eligible Households at an Affordable Housing Cost.

NOW, THEREFORE, in consideration of the mutual covenants and provisions contained herein, City and Owner (collectively, the "Parties") agree as follows:

AGREEMENT

1. Recitals. The Recitals set forth above are true and accurate, and incorporated herein.
2. Division 25 – Density Bonus. Chapter 30, Article II, Division 25 of the Fontana Municipal Code are incorporated into this Agreement.
3. Definitions. All defined terms, as indicated by initial capitalization, shall have the meanings set forth this Agreement, as follows:
 - (a) “Adjusted for Household Size Appropriate for the Unit” means a household of one person in the case of a studio unit, two persons in the case of a one-bedroom unit, three persons in the case of a two-bedroom unit, four persons in the case of a three-bedroom unit, and five persons in the case of a four-bedroom unit.
 - (b) “Affordable Housing Cost” means for very low households the product of thirty (30) percent times fifty (50) percent of the San Bernardino County Area Median Income Adjusted for Household Size Appropriate for the Unit. The Affordable Housing Cost shall comply with the requirements of California Health and Safety Code Section 50052.5(b)(2) and limits published by the California Department of Housing and Community Development.
 - (c) "Affordable Rent" means a gross monthly rent that does not exceed thirty (30) percent of fifty (50) percent of the San Bernardino County Area Median Income, Adjusted for Household Size Appropriate for the Unit. The Affordable Rent shall comply with the requirements of California Health and Safety Code Section 50053 and limits published by the California Department of Housing and Community Development.

(d) “Affordable Unit” means a dwelling unit that will be offered exclusively to an Income Eligible Household at an Affordable Housing Cost or Affordable Rent pursuant to this Agreement.

(e) “Area Median Income” or “AMI” means the median income for San Bernardino County, as Adjusted for Household Size and as defined, and periodically adjusted and published by the State of California Department of Housing and Community Development pursuant to California Health and Safety Code Section 50093(c) and if such agency is no longer publishing such information, then such successor publication as determined by City.

(f) “Division 25” means Chapter 30, Article II, Division 25 of the Fontana Municipal Code, as it currently exists on the date this Agreement is executed.

(g) “Director” means City’s Housing Manager, or his or her designee.

(h) “HCD” means the State of California Department of Housing and Community Development.

(i) “Income Eligible Household” means a Very Low-Income Household.

(j) “Market Rate Units” means those dwelling units in the Residential Development on the Property that are not Affordable Units.

(k) “Owner” means the person or entity defined as “Owner” in the introductory paragraph of this Agreement, and includes all successors and assigns of that person or entity.

(l) “Property” shall have the meaning defined in Recital “A”.

(m) “Residential Development” means the 46 residential units developed on the Property.

(n) “Utility Allowance” means an amount designated and updated annually by the Housing Authority of the County of San Bernardino as a reasonable estimate of the cost of utilities for an Income Eligible Household. The Utility Allowances in effect as of the date of this Agreement are set forth in Exhibit “E” to this Agreement. In recognition of energy efficiency measures included in the Affordable Units, Owner shall have the option to commission an energy audit and projection of utility costs (“Utility Cost Analysis”) from an independent third-party energy consultant jointly selected by Owner and City, and to use the results of this Utility Cost Analysis as the basis to determine this “Utility Allowance”.

(o) “Very Low Income Households” has the meaning defined in Section 50105 of the California Health and Safety Code, and generally includes households whose gross income is equal to fifty percent (50%) or less of the Area Median Income for San Bernardino County.

4. Affordable Units.

(a) Owner hereby agrees that the following two (2) units in the Residential Development shall be designated as the Affordable Units:

Lot	Address	Income Level	# Bedrooms
11	TBD	Very Low	Three (3) bedrooms
37	TBD	Very Low	Three (3) bedrooms

(b) The location of Affordable Units is depicted on Exhibit "B" attached hereto and incorporated herein by this reference. The location of the Affordable Units shall not be changed without the prior written approval of the Director.

(c) The construction of the Affordable Units shall comply with the Permit, the Conditions, and the requirements set forth in Exhibit "B" attached hereto and incorporated herein by reference.

(d) The quality of materials, included features, and amenities offered provided to the Affordable Units shall be comparable to the Market Rate Units.

(e) The Affordable Units shall be completed and ready for occupancy before the base density for the Property is exceeded. Developer acknowledges and agrees that the City shall not be required to issue a certificate of occupancy (or its equivalent) for more than forty (40) total units unless and until the Affordable Units are completed and obtain a certificate of occupancy (or its equivalent).

(f) Prior to issuance of a certificate of occupancy (or its equivalent) for the Residential Development the Parties shall execute an amendment to this Agreement or other appropriate instrument that ensures that the requirements of this Agreement are properly recorded against each Affordable Unit and memorializes Owner's obligation to provide the Affordable Units on a rental or for-sale basis, as further set forth in Section 6, below.

5. Term. This Agreement shall begin on the date it is fully executed by City and Owner and shall expire upon the earlier of: (1) fifty-five (55) years (if offered as rental units for the entire period) from issuance of a certificate of occupancy (or equivalent) for the Affordable Units, or (2) if Owner makes the election provided for in Section 6(d), forty-five (45) years from the date that all the Affordable Units have been sold by Owner to Very Low Income Households in accordance with this Agreement. Upon the sale of units to Very Low Income Households in accordance with this Agreement, Owner and City shall cooperate to record a release of Owner's obligations under this Agreement, provided that the obligations set forth in this Agreement continue to encumber the Affordable Units, but this Agreement shall remain in effect as a restriction on the ownership, use, and subsequent transfer of the Affordable Units.

6. Affordability Covenants: Income Limits, Calculation of Affordable Sales Price and Affordable Rents.

(a) The Parties agree that the affordability covenants set forth in this Agreement shall comply with and are subject to California Government Code Section 65915. During the Term of this Agreement, the Affordable Units shall be sold or rented to Very Low Income Households in accordance with this Section 6. The Parties acknowledge and agree that Owner is permitted to sell, transfer, or assign full or partial ownership of all of the Affordable Units, in conjunction with a bulk sale, transfer, or assignment of full or partial ownership of all of the Market Rate Units, to a third-party other than Owner, provided that Owner's successor is bound by the terms of this Agreement through a written assignment and assumption agreement, as required by Section 21(c), below.

(b) Income Eligibility. The applicable income limits for Income Eligible Households, adjusted for household size, are published annually by HCD. Current income limits for 2026 are shown in Exhibit "C". The Owner shall have the sole obligation to obtain from HCD's website the applicable income limits.

(c) Affordable Rental Covenant. Except as set forth in sub-paragraph (d), the Affordable Units shall be rented to Income Eligible Households for an Affordable Rent. Owner shall calculate rents for Affordable Units as defined in Exhibit "D" and provide written notice to the City at least sixty (60) days prior to imposing any rent increase. In no case shall Affordable Rent exceed the amount allowable by California Health and Safety Code 50053(b)(1) and related HCD regulations.

(d) Election to Sell Affordable Units. Subject to compliance with California Government Code Section 65915, Owner shall have the right to elect to sell the Affordable Units for an Affordable Housing Cost to individual Income Eligible Households, subject to City's review and approval rights under Section 6(d)(iv) of this Agreement. Owner shall sell the Affordable Units to individual Income Eligible Households for an Affordable Housing Cost, in accordance with this sub-paragraph (d) of this Section 6, and Owner shall not rent the Affordable Units as provided for in sub-paragraph (c).

(i) Owner shall offer all Affordable Units either (i) for sale to individual Income Eligible Households at an Affordable Housing Cost, with an Affordable Sales Price calculated as defined in Exhibit "E", or (ii) for rent to individual Income Eligible Households at an Affordable Rent calculated as defined in Exhibit "D".

(ii) Each Affordable Unit shall be initially sold or rented to and occupied by an Income Eligible Household for the duration of this Agreement. If an Affordable Unit is not purchased by an Income Eligible Household within 180 days after the issuance of a certificate of occupancy for the Affordable Unit, then Owner may propose a sale to a qualified nonprofit housing corporation in accordance with the requirements of California Government Code Section 65915(c)(2)(A)(ii), and City shall have the right to approve the proposed sale, which approval shall not be unreasonably withheld. Owner must provide the City with at least forty five (45) days to review and approve the proposed transfer documents, including but not limited to the provisions

for equity sharing required by law.

(iii) Unless the sale is to a qualified nonprofit housing corporation pursuant to sub-paragraph (ii), above, and Government Code section 65915(c)(2)(A)(ii), the Affordable Units sold to Income Eligible Households shall be subject to a Purchase Affordability Agreement, recorded against the Affordable Unit, substantially in the form of Exhibit "F," and each Income Eligible Household purchasing an Affordable Unit shall execute a "City Promissory Note" for the amount of the City's "initial subsidy of the Affordable Unit, as required by California Government Code Section 65915(c)(2), which shall be secured by a "City Deed of Trust."

(iv) City shall have the right to review and approve the terms for sale of an Affordable Unit to determine compliance with the obligations of this Agreement. Owner shall provide City with at least forty five (45) days written notice of the proposed terms of the sale, including but not limited to the proposed purchase price, the Affordable Housing Cost, the down payment requirements, the terms of any financing, including a first lien deed of trust, and any other terms and conditions of the purchase and sale agreement which the City may reasonably request.

(v) Prior to the sale of an Affordable Unit, the Income Eligible Household purchasing the Affordable Unit must execute the Purchase Affordability Agreement, the City Promissory Note and City Deed of Trust, as required therein, in a form subject to the City's final review and written approval.

(vi) Owner acknowledges and agrees that it shall not rent any Affordable Units if it elects to sell the Affordable Units as provided for herein.

(e) ANY RENTAL OR SALE OF AN AFFORDABLE UNIT IN VIOLATION OF THIS AGREEMENT OR THE REQUIREMENTS OF CALIFORNIA GOVERNMENT CODE SECTION 65915 IS VOID AND SHALL BE SUBJECT TO ALL RIGHTS AND REMEDIES PROVIDED FOR IN THIS AGREEMENT OR AVAILABLE AT LAW OR EQUITY.

7. Marketing Plan and Tenant Selection Procedures for Affordable Units. Prior to the commencement of marketing of the Market Rate Units, Owner shall prepare and submit to the Director for the City's Housing Department, or other designee of the City Manager, a plan and procedures for marketing activities ("Marketing Plan"), application processing, and selection of eligible households for the Affordable Units ("Selection Procedures"). The Marketing Plan and Selection Procedures shall comply with the following minimum requirements:

(a) Owner shall post the availability of the Affordable Units online at the City's Housing Department page and at any other affiliated, City-maintained sites requested by the City.

(b) Owner shall publish notices of the availability of Affordable Units in newspapers circulated widely in the City of Fontana, including newspapers that reach minority communities. At least one notice shall be published in a Spanish language newspaper of general circulation.

(c) Owner shall notify City in writing of the availability of the Affordable Units at least thirty (30) days prior to the desired start date of the marketing period.

(d) Owner shall maintain an on-line sign-up list for prospective applicants to register interest in Affordable Units and will publicize a deadline for accepting applications.

(e) At least seven (7) days prior to the application deadline, Owner will create a randomized list of prospective applicants and reach out to prospective applicants in the order of the randomized list to request additional application information in support of eligibility review.

(f) Upon completion of eligibility review by Owner, Owner will provide City a list of eligible applicants prioritized in the order of the randomized list. City shall review, comment, approve or disapprove applicants within ten (10) business days of receipt.

8. City Referrals. City may refer to Owner person(s) or households who meet the eligibility requirements set forth in this Agreement. Owner agrees to accept and consider City referrals for Affordable Units whose applications are submitted by City to Owner, so long as such applications are from bona-fide Income Eligible Households. In the event that a City referral is rejected, Owner shall deliver to City written notice stating the reasons therefor within five (5) days following receipt by Owner of the application

9. Ineligible Occupants of Affordable Units. The following individuals, by virtue of their position or relationship, are ineligible to rent or purchase an Affordable Unit:

(a) All employees and officials of the City or its agencies, authorities, or commission who have, by virtue of their position, policy-making authority or influence over the implementation of the affordable housing program, as well as the immediate relatives of such employees or officials, including spouse, children, parents, grandparents, brother, sister, father-in-law, mother-in-law, son-in-law, daughter-in-law, aunt, uncle, niece, nephew, sister in-law and brother-in-law.

(b) Owner or any principal, employee, affiliate, or agent of Owner, and the immediate relatives of any member, employee, or principal of Owner, or any Owner successors and assignees, including spouse, children, parents, grandparents, brother, sister, father-in-law, mother-in-law, son-in-law, daughter-in-law, aunt, uncle, niece, nephew, sister in-law and brother-in-law.

10. Income Qualification & On-going Monitoring; Occupants of Affordable Units

(a) Owner shall take reasonable steps to certify the income level of prospective occupants of an Affordable Unit, at the time of the initial application. Furthermore, in the case of a rental of an Affordable Unit, the households (or tenants) shall annually recertify income during the duration of occupying the Affordable Unit. The Owner may request an income certification from the proposed occupant of the Affordable Unit and provide proof of income verification in the following methods, as applicable:

- (i) Paystubs for the preceding 3-month period from date of application;
- (ii) Federal income tax return for the most recent tax year;
- (iii) Income and job address verification from the applicant's employer;
- (iv) Other forms of income verification (e.g., certification from the

- Social Security Administration); and
- (v) Alternative form of income verification, subject to approval by the Director.

(b) Owner shall apply the same terms and conditions to applicants for Affordable Units as are applied to all other applicants, except as otherwise required to comply with this Agreement (i.e., rent levels, occupancy restrictions, and income requirements) and/or government subsidy programs. Discrimination based on subsidies received by the prospective tenant is prohibited.

(c) In the case of a rental of an Affordable Unit, Owner shall audit occupants of Affordable Units annually thereafter, as follows:

- (i) Tenants of Affordable Units shall provide income verification documentation similar to that listed in subsection (a) above, and proof of occupancy (i.e., copy of utility statement, car registration, tax filing);
- (ii) Owners of Affordable Units shall provide proof of occupancy (i.e., copy of utility statement, car registration; tax filing).

11. Changes in Household Income: Occupants of Affordable Units for Rent.

(a) In the case of a rental of an Affordable Unit:

(i) If the income of a tenant occupying an Affordable Unit decreases below the category for which the tenant originally qualified, the tenant shall continue to have the right to reside in the Affordable Unit, provided the tenant pays the rent and performs his/her other obligations to the Owner.

(ii) If after moving into an Affordable Unit, and during the annual audit of the tenant's income, it is determined that the tenant's income exceeds the income limit for that unit, the tenant may remain in the unit as long as the tenant's income does not exceed 80% of Area Median Income adjusted for household size, in accordance with the definition of "lower income households" in California Health and Safety Code § 50079.5 ("Low Income Limits"). In that event, the applicable rent for the Affordable Unit shall be increased to 30% of their audited gross household income, less an Utility Allowance.

(iii) If after moving into an Affordable Unit the tenant's income eventually exceeds the Low Income Limit, the tenant shall be given one year's notice to vacate the unit. If, during the one-year notice period, the tenant's income changes to qualify as an Income Eligible Household, the notice of termination shall be rescinded.

(b) So long as the Owner complies with the procedures set forth in this section, Owner shall not be in violation of this Agreement due to a tenant's income eventually exceeding the income limit for the Affordable Unit occupied by that tenant.

(c) This section shall not apply if the Affordable Units are sold to Income Eligible Households pursuant to Section 6(d) of this Agreement.

12. No Sublease. No Affordable Unit may be sublet without the written permission of both Owner and City. The City shall not grant permission to lease, rent, or sublet the unit if the prospective occupant is determined to not be an Income Eligible Household.

13. Lease Agreement. Any lease agreement between Owner or its agent and the tenant of any Affordable Unit must include a copy of this Agreement. A fully executed copy of each lease agreement for an Affordable Unit shall be delivered to City within ten (10) days after the date of its execution. Lease agreements shall be for a minimum of twelve (12) months, and tenants shall provide annual income re-verification as requested by Owner or City.

14. City's Right to Inspect Units and Documents. In the case of a rental of an Affordable Unit, the City may inspect the Affordable Units (subject to the tenant's privacy rights) and any documents or records relating thereto, at any reasonable time to determine Owner's compliance with this Agreement.

15. Maintenance of Affordable Units. In the case of a rental of an Affordable Unit, Owner shall (a) maintain and operate all Affordable Units so as to provide decent, safe and sanitary housing consistent with federal housing quality standards in the Code of Federal Regulations 24 CFR Section 5.703; (b) make any required repairs or provide any required cleanup and (c) provide the Affordable Units with the same levels of services and maintenance as are provided to the other dwelling units on the Property. Upon the sale of an Affordable Unit to an Income Eligible Household, maintenance responsibility of the Affordable Unit shall become the responsibility of the new owner, to be enforced through the provisions of the associated Home Owners Association (HOA), City Code Enforcement process or other method available to the City.

16. Administration Fee. Owner agrees to pay such fees and deposits as the City Council may adopt by resolution over time pursuant to Section 30-342 of Chapter 30, Article II, Division 25 to offset the administrative cost of performing the duties and responsibilities described in this Agreement.

17. Incentives, Concessions and Waivers. This Agreement is made in connection with the Residential Development receiving incentives, concessions, and waivers pursuant to the Conditions approved by the City's Planning Commission. In the event of a breach of the obligations hereunder, Owner agrees and acknowledges that such breach constitutes a violation of the Conditions and may entitle the City to legal or equitable remedies.

18. Federal and State Laws. Notwithstanding the above provisions, nothing contained herein shall require Owner or City to do anything contrary to or refrain from doing anything required by Federal and State laws and regulations promulgated thereunder applicable to the construction, management, maintenance, and rental of low and moderate-income housing units in the City of Fontana.

19. Prohibition Against Discrimination. Owner shall not discriminate against any tenant or potential tenant on the basis of race, religious creed, color, national origin, ancestry, physical

disability, mental disability, medical condition, genetic information, marital status, sex, gender, gender identity, gender expression, age, sexual orientation, or military and veteran status. Owner further agrees to take affirmative action to ensure that no such person is discriminated against for any of the above-mentioned reasons.

20. Indemnification. Owner shall defend, indemnify and hold harmless the City of Fontana and its officers, agents, employees, representatives, and volunteers (individually an “Indemnified Party” and collectively, “Indemnified Parties”) from and against any loss, liability, claim or judgment arising from or relating in any manner to this Agreement. Owner shall not be required to indemnify and hold harmless an Indemnified Party for liability attributable to the willful misconduct or gross negligence of the Indemnified Party, provided such willful misconduct or gross negligence is determined by agreement between the parties or by the findings of a court of competent jurisdiction. In instances where an Indemnified Party is shown to have engaged in willful misconduct or been grossly negligent and where the Indemnified Party’s willful misconduct or gross negligence accounts for only a percentage of the liability involved, the obligation of Owner will be for that entire portion or percentage of liability not attributable to the willful misconduct or gross negligence of the Indemnified Party. In such an instance, the Indemnified Party will be obligated to reimburse Owner for any and all expenses incurred prior to the agreement of the parties or determination by a court of competent jurisdiction.

21. Recording; Successors and Assigns; Bulk Sale, Transfer or Assignment of Affordable Units.

(a) This Agreement shall be recorded in the Official Records for San Bernardino (the “Official Records”) against the Property prior to recordation of a final map or, if no final map, prior to issuance of a building permit, and shall only be subject to matters of public record that City agrees to in writing. Owner agrees that it shall obtain a preliminary title report or, if the City requests, a condition of title guarantee, at Owner's sole cost and expense, that reflects this Agreement is recorded in a priority satisfactory to the City. In the event any other instrument is recorded with priority over this Agreement, Owner agrees that the City may withhold a certificate of occupancy for the Residential Development until a subordination agreement satisfactory to the City is executed and recorded in the Official Records. Notwithstanding the foregoing, if (i) Owner obtains financing that would be conducive to the development of the Affordable Units (“Project Financing”) and (ii) the lender of the Project Financing (the “Lender”) requests a reasonable subordination agreement then, within forty five (45) days’ written request from Owner, the City will execute a recordable subordination agreement on a form reasonably acceptable to the City which subordinates the City’s foreclosure right under this Agreement to the rights and privileges of the Lender under the Project Financing loan documents provided that in no event shall such subordination provide for or result in the loss of affordable units, violate state law, or interfere with the provisions or restrictions concerning the Affordable Units and their management—and provided further that such subordination agreement shall expressly provide that, in the event of foreclosure, the lender will assume Owner’s obligations with respect to providing the Affordable Units. In no event shall the City be obligated to execute a subordination nor shall a subordination agreement apply to the Property which (as determined in ~~it’s~~ the City’s reasonable discretion) it deems (i) will extinguish, nullify or otherwise adversely affect the obligations imposed by this

Agreement with respect to the Affordable Units or (ii) a subterfuge to circumvent the obligations imposed by this Agreement with respect to the Affordable Units.

(b) This Agreement shall be binding upon and inure to the benefit of City and Owner, and their respective successors, owners and assigns. City reserves the right to designate another public agency to perform City's obligations or to exercise City's rights and options under this Agreement.

(c) If Owner seeks to sell, transfer or assign the rights in the Residential Development, in full or in part, including any of the Affordable Units, or any rights and obligations in this Agreement, Owner and the proposed transferee shall execute and deliver to City an express written assignment and assumption agreement, with express assumption of Owner's obligations under this Agreement. The proposed assignment and assumption agreement shall be provided to City with at least thirty (30) days to review and approve or disapprove, provided that the approval shall not be unreasonably withheld, conditioned or delayed.

(d) The assignment and assumption agreement required by sub-paragraph (c) shall include a specific acknowledgment by the buyer, transferee or other assignee that the Affordable Units will be sold or provided as rental units in accordance with the obligations set forth in this Agreement. Notwithstanding anything to the contrary herein, this section does not authorize the sale of the Affordable Units to individual homeowners, but only refers to a sale of the Property to an owner who will sell or operate and lease the Affordable Units as rentals in accordance with this Agreement.

(e) The fully executed assignment and assumption agreement shall be recorded in the Official Records of San Bernardino County concurrently with any deed or conveyance of the Affordable Units.

(f) Any sale, transfer, or assignment made in violation of this Agreement shall be null and void, and City shall have the right to pursue any right or remedy at law or in equity to enforce the provisions of the restriction against unpermitted sales, transfers, or assignments

22. Burden to Run with Property. The covenants and conditions contained herein shall run with and burden the Property for the Term of the Agreement. Owner shall expressly make the conditions and covenants in this Agreement a part of any deed or other instrument conveying an interest in the Property.

23. Notices. All notices required herein shall be sent by certified mail, return receipt requested or express delivery service with a delivery receipt and shall be deemed to be effective on the date received or the date delivery was refused as indicated on the return receipt, as follows.

To Owner: MV HBC, LLC
 Attn: Steve Landis
 5625 Land View Court
 Rancho Cucamonga, CA 91737

To City: City of Fontana
Attn: Housing Manager
8353 Sierra Avenue
Fontana, CA 92335

The parties may subsequently change addresses by providing written notice of the change in address to the other parties in accordance with this Section 23.

24. Governing Law. The laws of the State of California shall govern this Agreement. Any legal action brought under this Agreement must be instituted in the Superior Court of the County of San Bernardino, State of California, in an appropriate municipal court in that County, or in the Federal District Court in the Central District of California.

25. Default. Failure or delay by either party to perform any term or provision of this Agreement, which is not cured within thirty (30) days after receipt of notice from the other party, constitutes a default under this Agreement; provided, however, that the defaulting party shall be given an additional reasonable amount of time (not to exceed ninety (90) days) to complete the cure if a cure cannot be completed with the thirty (30) day period. Notwithstanding the previous sentence, except in the instance of Owner's gross negligence or willful misconduct, if completion of the cure requires eviction of a tenant of an Affordable Unit, the ninety (90) day limit shall not apply, so long as Owner has commenced the unlawful detainer action within thirty (30) days after receipt of notice from the City, and Owner diligently prosecutes the unlawful detainer action to completion. The party who so fails or delays must immediately commence to cure, correct or remedy such failure or delay, and shall complete such cure, correction or remedy with due diligence. The injured party shall give written notice of default to the party in default specifying the default complained of by the injured party. Except as required to protect against further damages, the injured party may not initiate proceedings against the party in default until thirty (30) days (or such additional time as may be authorized by this Section 25) after giving such notice. Failure or delay in giving such notice shall not constitute a waiver of any default, nor shall it change the time of default.

26. Non-Waiver. Failure to exercise any right City may have or be entitled to, in the event of default hereunder shall not constitute a waiver of such right or any other right in the event of a subsequent default.

27. Further Assurances and Recordation. Owner shall execute any further documents consistent with the terms of this Agreement, including documents in recordable form and do such further acts as may be necessary, desirable or proper as City shall from time to time find necessary or appropriate to effectuate its purpose in entering this Agreement.

28. Entire Agreement. The text herein, consisting of fourteen (14) pages and five (5) exhibits, constitutes the entire agreement between the parties. Each party to this Agreement acknowledges that no representations, inducements, promises or agreements, orally or otherwise, have been made by any party, or anyone acting on behalf of any party, which are not embodied herein, and that any other agreement, statement or promise not contained in this Agreement shall

not be valid or binding. This Agreement may be amended only by written instrument signed by both City and Owner.

(signatures on next page)

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

CITY OF FONTANA, a municipal corporation

By: _____

<<NAME>>

<<TITLE>>

Dated: _____, 2026

APPROVED AS TO FORM:

MV HBC, LLC a California
limited liability company

ATTEST:

By: _____

Steve Landis

Managing Member

By: _____

<<NAME>>

<<TITLE>>

Dated: _____, 2026

Dated: _____, 2026

Attachments:

Exhibit "A" – Legal Description

Exhibit "B" – Location of Affordable Units and Construction Requirements

Exhibit "C" – Income Limits

Exhibit "D" – Calculation of Affordable Rents

Exhibit "E" – Utility Allowances Schedule

EXHIBIT "A"

LEGAL DESCRIPTION OF REAL PROPERTY

For APN/Parcel ID(s): 0228-021-07

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

The West 1/2 of the Northwest 1/4 of the Northwest 1/4 of the Northeast 1/4 of Section 35, Township 1 North, Range 6 West, San Bernardino Base and Meridian, in the County of San Bernardino, State of California, according to the Official Plat thereof.

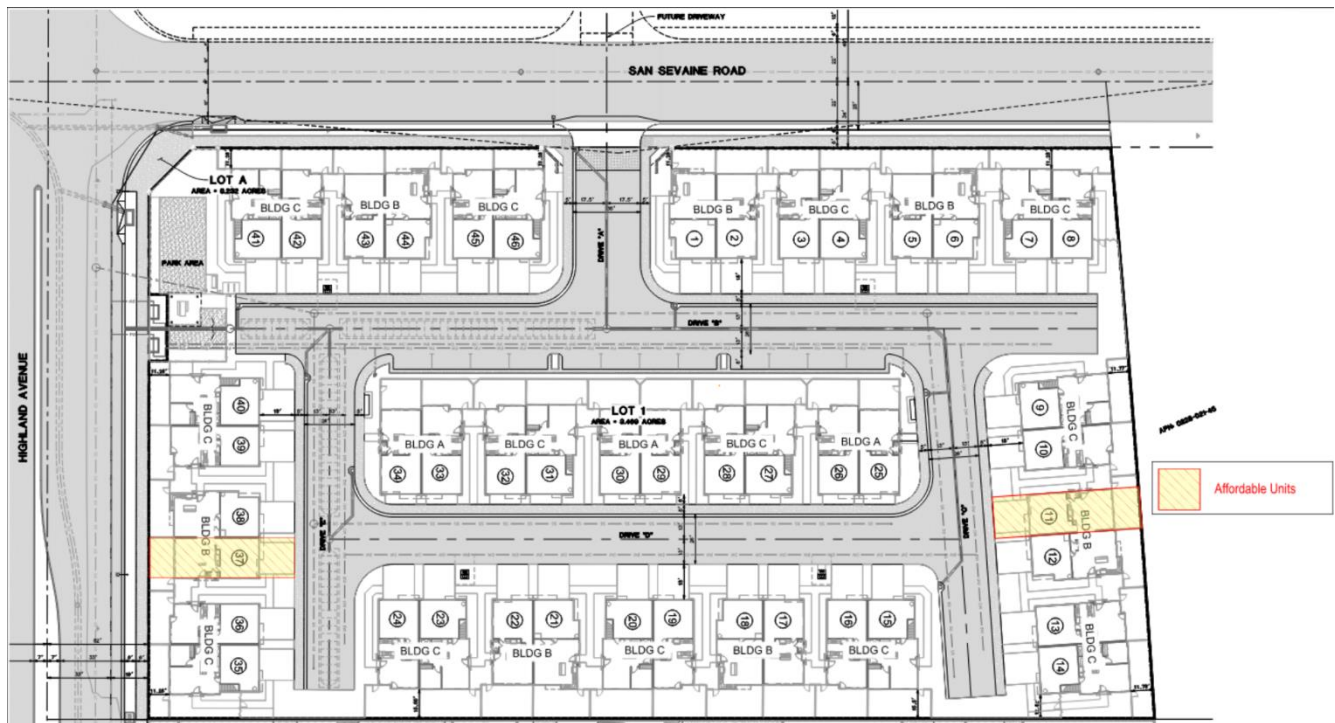
Except those portions conveyed to the State of California, by deed recorded December 21, 1973 in [Book 8333, Page 289](#), Official Records and by deed recorded December 13, 1995, as Instrument No. [19950425553](#) of Official Records.

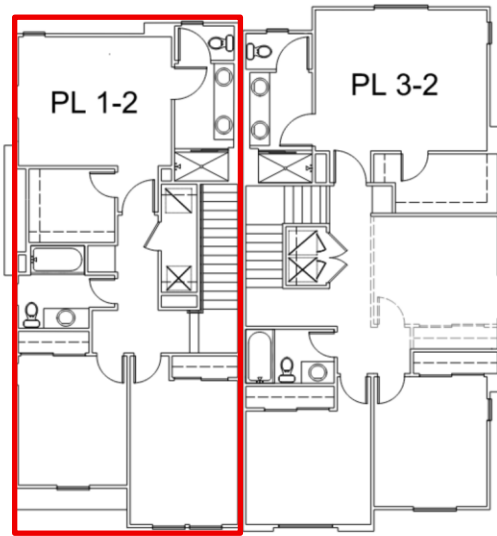
EXHIBIT “B”

LOCATION OF AFFORDABLE UNITS AND CONSTRUCTION REQUIREMENTS

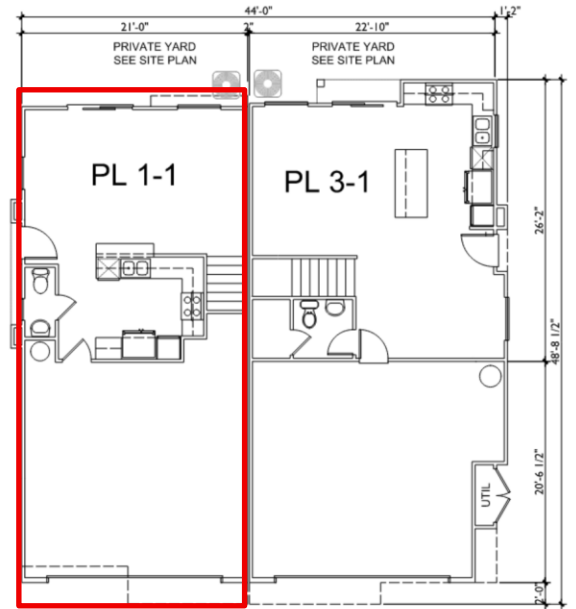
The Affordable Units are identified in the table below. The Lot Number corresponds to the location of the dwelling units shown in the site plan which follows this page. Approved house plans and elevations for the Affordable Units are included in the following pages.

Lot	Address	Income Level	# Bedrooms
11	TBD	Very Low	Three (3) bedrooms
37	TBD	Very Low	Three (3) bedrooms

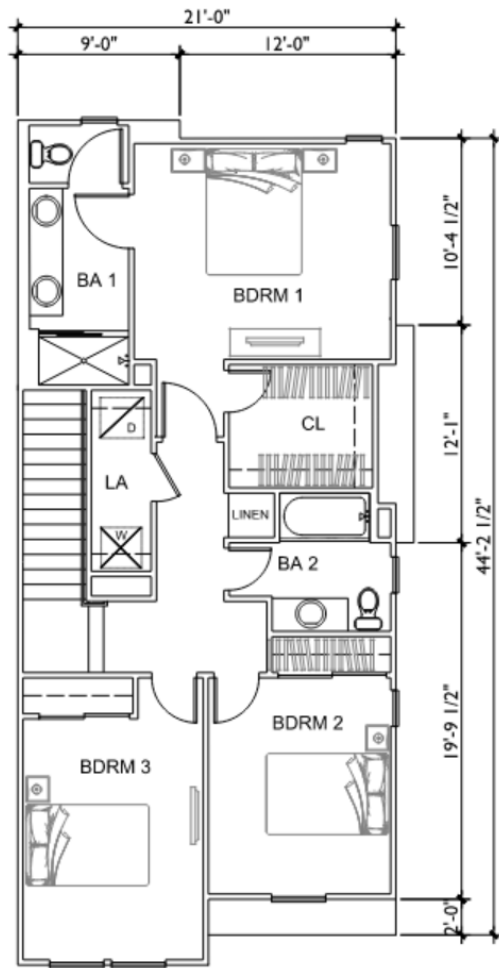




SECOND FLOOR PLAN

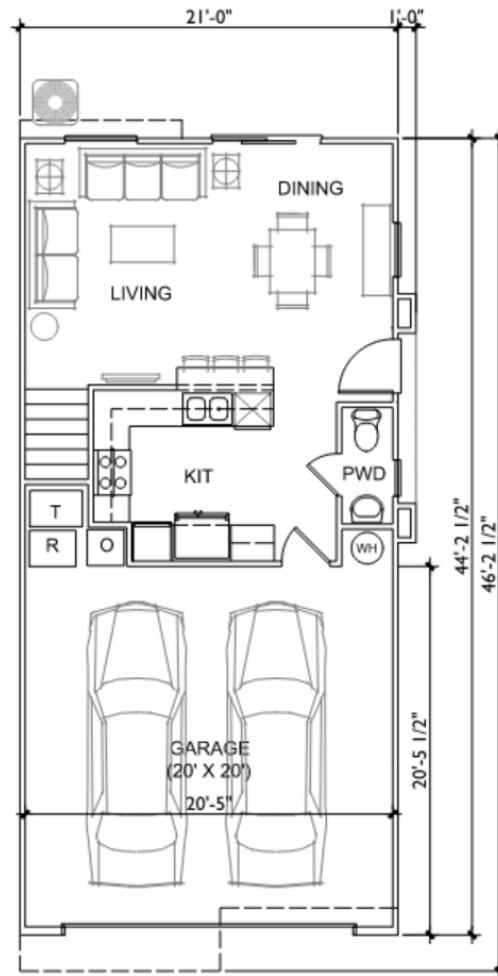


FIRST FLOOR PLAN



Second Floor Plan

PLAN 1
Total Livable



First Floor Plan

1,385 s.f.

EXHIBIT “C” -- INCOME LIMITS

As of June 23, 2026

Visit <https://www.hcd.ca.gov/grants-and-funding/income-limits/state-and-federal-income-rent-and-loan-value-limits>
and click on “Official State Income Limits” for the most current version of this document.

Number of Persons in Household:		1	2	3	4	5	6	7	8
San Bernardino County Area Median Income: \$106,500	Acutely Low	11200	12800	14400	16000	17300	18550	19850	21100
	Extremely Low	25850	29550	33250	36900	39900	44360	50040	55720
	Very Low Income	43050	49200	55350	61500	66450	71350	76300	81200
	Low Income	68900	78750	88600	98400	106300	114150	122050	129900
	Median Income	74550	85200	95850	106500	115000	123550	132050	140600
	Moderate Income	89450	102250	115000	127800	138000	148250	158450	168700

Note: Highlighted row indicates the income limit for an eligible very low income household, adjusted for household size. Other figures are only provided for reference to the HCD income limit table .

EXHIBIT “D” -- Calculation of Affordable Rents

“Affordable Rent” means a rent for an Affordable Unit that, when added to the Utility Allowance does not exceed the Affordable Housing Cost for a Very Low-Income Household, Adjusted for Household Size Appropriate for the Unit, as shown in the following example:

Line	Description	Value	Value Type	Notes
A	Number of Bedrooms in Affordable Unit:	3	bedrooms	Fixed Input, as per Exhibit B
B	Adjusted for Household Size Appropriate for the Unit:	4	person household	Fixed Input, as per Agreement
C	Income Eligible Household Type:	Very Low Income		Fixed Input, as per Agreement
D	Income Limit for Income Eligible Housing, Adjusted for Household Size:	\$51,250	annual gross household income	From Exhibit C
E	Affordable Housing Cost:	30%	of annual gross household income	Fixed Input, as per Agreement
F	Annual Housing Cost:	\$15,375	per year	Calculation; D x E
G	Monthly Housing Cost:	\$1,281.25	per month	Calculation; F / 12 month
H	Monthly Utility Allowance:	\$250.00	per month	From Exhibit F or optional Utility Cost Analysis. (estimate)
I	Maximum Monthly Affordable Rent:	\$1,031.25	per month	Calculation; G - H

Note: Line “D” and Line “H” shall be updated based on values in effect at the time that Affordable Rent is set, and shall be verified and updated at the time of every lease signing.

If a tenant is a participant in a tenant-based rental assistance program, including the Housing Choice Voucher Program (“HCVP”), commonly known as Section 8, or other income-based rental subsidy program, contract rent limits applicable to such programs (e.g. HCVP payment standards) shall apply.

EXHIBIT “E”
UTILITY ALLOWANCE SCHEDULE (October 1, 2025)

Visit <https://hacsb.com/current-landlord-information/>
and click on “Utility Allowances” for the most current version of this document.


Housing Choice Voucher Program

Allowances for
Tenant-Furnished Utilities
and Other Services

U.S. Department of Housing
and Urban Development
Office of Public and Indian Housing

Locality San Bernardino County	Age mixed	Unit Type Apartment	Date (mm/dd/yyyy) 10/1/2025
-----------------------------------	--------------	-------------------------------	--------------------------------

Utility or Service		Monthly Dollar Allowances							
		0 BR	1 BR	2 BR	3 BR	4 BR	5 BR	6 BR	
Heating	a. Natural Gas	27	31	34	38	41	45	48	
	b. Bottle Gas	65	75	82	92	99	109	115	
	c. Electric	32	40	53	63	74	84	95	
Cooking	a. Natural Gas	5	6	8	11	13	15	16	
	b. Bottle Gas	12	15	19	27	31	36	39	
	c. Electric	13	16	23	32	44	52	61	
Other Electric		51	60	83	107	131	159	180	
Air Conditioning		27	33	50	69	85	100	133	
Water Heating	a. Natural Gas	10	12	18	24	30	37	40	
	b. Bottle Gas	24	29	44	58	73	90	96	
	c. Electric	31	36	52	67	82	98	112	
Water		54	56	73	99	125	151	171	
Sewer		45	45	45	45	45	45	45	
Trash Collection		31	31	31	31	31	31	31	
Range/Microwave		7	7	7	7	7	7	7	
Refrigerator		5	5	5	5	5	5	5	
Other - specify		0	0	0	0	0	0	0	

Actual Family Allowances to be used by the family to compute allowance. Complete below for the actual unit rented.		Utility or Service	Monthly Cost
Name of Family		Heating	
		Cooking	
		Other Electric	
Address of Use		Air Conditioning	
		Water Heating	
		Water	
		Sewer	
		Trash Collection	
		Range/Microwave	
Number of Bedrooms		Refrigerator	
		Other	
		Total	\$

Spreadsheet based on form HUD-52667 (4/2023).

Previous editions are obsolete

ref. Handbook 7420.8

Any individual, company, corporation, government agency or organization using these utility allowances shall indemnify, defend, and hold harmless the Housing Authority of the County of San Bernardino, its officers, officials, employees, and volunteers from and against any and all liability, claims, damage, cost, expenses, awards, fines, judgments, and attorney fees (including, without limitation, costs, attorney fees, expert witness fees, and other expenses of litigation) of every nature arising out of or in connection with the use of these utility allowances under any circumstances.

Form of
Purchaser Affordability Agreement

OFFICIAL BUSINESS

Document entitled to free recording per
Govt. Code Sections 27383 and 27388.1.

Recording Requested by and When
Recorded Mail To:

City of Fontana
Office of the City Clerk
8353 Sierra Avenue
Fontana, CA 92335

Attn: Germaine Key, City Clerk

APN: _____

Space Above Line for Recorder's Use

PURCHASER AFFORDABILITY AGREEMENT

(Very-Low Income Density Bonus Unit)
AFFORDABLE HOUSING AGREEMENT

INCLUDES LIMITATIONS ON RESALE AND ACCUMULATION OF EQUITY, AND OPTION TO
PURCHASE UPON DEFAULT

This Purchaser Affordability Agreement (as amended, modified or restated from time to time, the "Agreement") is entered into as of this XX day of Month, 20XX by and between the CITY OF FONTANA, a public body corporate and politic ("City"), and BORROWER NAME, VESTING ("Owner"), as follows:

RECITALS

A. Owner is the owner of residential unit and related rights located within the City of Fontana, County of San Bernardino, State of California, as more fully described as set forth in Exhibit A attached hereto and made a part hereof (the "Residence"). The Residence is part of the residential development generally known as _____ (the property, improvements and rights related thereto are referred to as the "Project") which was developed by _____, (the "Developer"); and

B. On _____, the City of Fontana ("City"), a public body corporate and politic, by and through its Planning Commission, approved Master Case No. _____ (collectively, the "Permit") and issued Conditions of Approval ("Conditions") requiring that Developer enter into that certain AFFORDABLE HOUSING DENSITY BONUS AGREEMENT AND DECLARATION OF COVENANTS, CONDITIONS & RESTRICTIONS (as amended, modified and restated from time to time, the "Master Affordable Housing Agreement") dated _____ and recorded on ____ as Instrument No. ____ in the Official Records of San Bernardino County ("Official Records"); and

C. The Master Affordable Housing Agreement and this Agreement are intended to promote the development and access of affordable housing in the City; and

D. The Residence is one of the affordable condominium units restricted for very low income households pursuant to the Master Affordable Housing Agreement to help alleviate the affordable housing shortage in City (the “Restricted Units”) and its sale is limited to the sale to an Eligible Household at an Affordable Sales Price as such terms are defined in the Master Affordable Housing Agreement; and

E. The purpose of this Agreement is to place certain use restrictions and resale restrictions on the Owner as the purchaser of the Residence and the Residence in compliance with the Permit; and

F. Owner confirms that without the conditions required by the Permit, the Residence would not have been available for sale at its current price and Owner would not have been able to afford the purchase of the Residence.

NOW, THEREFORE, in consideration of the mutual covenants and provisions contained herein, the parties agree as follows:

AGREEMENT

1. Recitals. The Recitals set forth above are true and accurate, and incorporated herein.
2. Definitions. All defined terms, as indicated by initial capitalization, shall have the meanings set forth in the laws and regulations referred to in the Permit, except as expressly indicated otherwise. For purposes of this Agreement, the terms listed below shall have the meanings thereafter specified:

“Administrator” means the Housing Manager of the City, or his or her designee.

“Affordable Housing Cost” has the meaning set forth in HSC Section 50052.5, and refers to the Total Housing Costs paid by an Eligible Household, which shall not exceed a specified fraction of the Eligible Household's gross monthly income, adjusted for Household Size Appropriate for the Unit. For purposes of this Agreement, the Affordable Housing Cost for Eligible Households shall comply with HSC Section 50052.5 for Very Low Income Households and shall not exceed thirty percent (30%) of fifty percent (50%) of the San Bernardino County area median income, and the limits published by the California Department of Housing and Community Development.

“Affordable Sales Price” means the price of the Initial Sale such that the Total Housing Costs paid by an Eligible Household does not exceed the Affordable Housing Cost, which is \$__, in effect as of the date of this Agreement.

“Appraised Value” means the fair market value of the Residence determined by an appraisal dated as of MONTH DAY, YEAR, commissioned by the First Lender.

“Area Median Income” or “AMI” means the median income for San Bernardino County, as adjusted for family size and as defined, and periodically adjusted by HCD and published by HCD pursuant to HSC Section 50093(c) and if such agency is no longer publishing such information then such successor publication as determined by City.

“City Deed of Trust” shall mean a deed of trust from Owner to City securing the City Loan and City Promissory Note, which shall be in a form as set forth in Exhibit B and subject to City’s consent and written approval.

“City Loan” shall mean a loan from the City to Owner in the form of the Initial Subsidy. The City Loan is not a direct payment from City to Owner, but rather reflects the amount of the

Resolution No. PC 2026-_____

Initial Subsidy, and is used to determine the City's share of Net Appreciation, pursuant to the equity share requirements of California Government Code section 65915. The City Loan shall be evidenced by the City Promissory Note and secured by the City Deed of Trust recorded against the Designated Unit.

"City Promissory Note" shall mean a promissory note from Owner to City evidencing the City Loan, which shall be in a form as set forth in Exhibit C and subject to City's consent and written approval.

"Eligible Household" shall mean the Owner who is a Very Low Income Household that is eligible to purchase the Residence.

"First Lender" means LENDER NAME (i.e., Eligible Household's First Trust Deed Mortgage lender).

"HCD" means the California Department of Housing and Community Development.

"Household Size Appropriate for the Unit" means the actual size of the household with at least a minimum of one person per bedroom.

"HSC" means the California Health and Safety Code.

"Initial Sale" means the sale of the Designated Unit by the Developer to an Eligible Household at the Affordable Sales Price in accordance with the Density Bonus Law.

"Initial Subsidy" means the assistance provided by City to the Owner in the amount of ____ Dollars (\$____) to purchase the Residence for the Affordable Sales Price, defined to be equal to the fair market value of the home at the time of initial sale minus the initial sale price to the Eligible Household as established by the Affordable Sales Price, plus the amount of any downpayment assistance or mortgage assistance. If, upon resale, the market value is lower than the initial market value, then the value at the time of the resale shall be used as the initial market value.

"Net Appreciation" is defined in Section 10.

"Owner" means the person or entity defined as such in the introductory paragraph of this Agreement and includes all successors and assigns of that person or entity.

"Permitted Transfer" is defined in Section 7.

"Project" shall have the meaning defined in Recital A.

"Residence" shall have the meaning defined in Recital A.

"Term" is defined in Section 3.

"Total Housing Costs" mean the total monthly or annual recurring expenses required of a household to obtain shelter, and includes the mortgage payment (principal and interest, based on

a thirty-year term), utilities, homeowner's association dues, homeowner's insurance, property taxes, mortgage insurance, cost of parking amenities, and any other related assessments.

"Transfer" is defined in Section 7.

"Very Low Income Household" means a household with; an annual income for a household which does not exceed 50 percent of the AMI as specified by HSC Section 50105.

3. Term. This Agreement shall commence as of the date of this Agreement and expire on the closing of a Transfer of the Residence in accordance with the provisions of this Agreement and the payment of all amounts due and owing to the City, including the City's share of any Net Appreciation pursuant to Section 10 below. Notwithstanding the foregoing, except as provided in Section 25 hereof, a foreclosure of either the First Lender's deed of trust, or the foreclosure of any other secured lender's deed of trust that is secured by the Residence, shall not constitute a Transfer for purposes of terminating the Agreement.

4. Notices. All notices required herein shall be sent by certified mail, return receipt requested or express delivery service with a delivery receipt and shall be deemed to be effective as date received or the date delivery was refused as indicated on the return receipt, as follows:

If to Owner:	BORROWER NAME STREET ADDRESS CITY/AREA, CA ZIP
If to City:	City of Fontana Housing Department Attn: Housing Director 8353 Sierra Avenue Fontana, CA 92335

The parties may subsequently change addresses by providing written notice of the change in address to the other parties in accordance with Section 4.

5. Owner Representations and Warranties and Related Covenants. Owner represents and warrants and covenants to the City as of the date hereof and (unless otherwise set forth) so long as Owner maintains an ownership interest in or control over the Residence that:

(a) the financial and other information previously provided in order to qualify to purchase the Residence was true and correct as of the date first written above and upon request Owner shall provide updated financial information including but not limited to copies of income tax returns and supporting information, bank statements and pay stubs of Owner and any other occupants of the Residence;

(b) as of the date hereof, Owner does not own any other residential property and has not owned any residential property for a period of three years prior to the date of this Agreement;

(c) for as long as Owner is the owner of the Residence, Owner shall occupy the Residence as the Owner's principal place of residence continuously during the entire 12 months of each calendar year;

(d) Owner has a Household Size Appropriate for the Unit which is being purchased;

(e) Owner shall not lease the Residence, except as permitted under Section 6;

(f) Owner shall provide documentation evidencing compliance with the occupancy requirement specified in this section as such documentation may be requested by the City or the City's agent;

(g) Owner shall pay all taxes, usage fees, charges, assessments and any similar fee, charge or expense which is or may become a lien or encumbrance on the Residence before they become delinquent regardless of whether such payment is due to a public agency or private party, including real estate taxes, special assessments, homeowner association fees and charges, or charges related to an easement or covenants conditions and restrictions affecting the Residence;

(h) Owner shall not allow others to encumber the Residence, including but not limited to allowing deeds of trust, mortgages, other liens to secure the payment of money, easements, or other restrictions, without written approval of the City;

(i) Owner shall comply with the covenants creating or governing the condominium or planned unit development, the by-laws and regulations of the condominium or planned unit development, and constituent documents, provided they are not inconsistent with the provisions of this Agreement; and

(j) Owner shall promptly notify the City if any event or circumstance occurs which has a material effect on the Owner's use or ownership of the Residence or the condition or value of the Residence.

6. Leasing of the Residence. The Owner shall not lease the Residence. The term "lease" shall include, but is not limited to, directly or indirectly, with or without payment, voluntarily, involuntarily or by operation of law or otherwise allowing anyone other than the Owner and its Eligible Household as approved by the City to occupy all or any substantial part of the Residence. However, the Owner may have short-term (not more than thirty (30) days) visitors or guests stay at the Residence, provided the Owner is not allowing such visitors or guests as part of a commercial enterprise or business and such visitors or guests are not permitted as part of a rental agreement. Any lease of the Residence in violation of this Agreement shall constitute a default by the Owner hereunder. In addition to any other rights available to the City at law or equity:

(a) The Owner shall be responsible for taking all actions required to terminate any lease entered into, within thirty (30) days after the City has notified Owner to terminate the lease. Owner shall be solely responsible for all costs, expenses, suits, and any other liabilities arising from or related to such lease termination;

(b) The City may require the sale of the Residence to an Eligible Household approved by the City.

7. Transfer of the Residence. There shall be no Transfer of the Residence except in accordance with the provisions of this Agreement.

(a) Subject to the provisions of Section 7(b), a "Transfer" means any transfer (directly or indirectly, with or without payment, voluntarily, involuntarily or by operation of law or otherwise) of the ownership, title, or possessory interest in or to all or any substantial part of the Residence. Transfer of the Residence includes, without limitation, a purchase and sale, gift, hypothecation, pledge, or lease of all or any part of the Residence or entering into an agreement to do any of such actions. If Owner is a corporation, partnership, limited liability company, or other legal entity, the direct or indirect transfer of ownership or management control of the entity, voluntarily, involuntarily, by operation of law or otherwise, shall also constitute a Transfer.

(b) The following shall each constitute a "Permitted Transfer" under this Agreement: (i) where there are two or more persons who constitute the Owner and they are joint tenants or tenants in common and the transfer of the Residence to the surviving joint tenant(s) or tenant(s) in common occurs by devise, descent or operation of the law, on the death of a joint tenant or a tenant in common and the remaining Owner continues to occupy the Residence as his/her primary residence throughout the term of this Agreement; (ii) where the spouse/former spouse of the Owner becomes the owner of the Residence and the successor spouse/former spouse continues to occupy the Residence as his/her primary residence throughout term of this Agreement; (iii) to the children, grandchildren, parents, or grandparents, as defined in California Revenue and Taxation Code Sec 63.1, if the transferee (a) continues to occupy the Residence as their primary residence throughout the term of this Agreement and (b) is qualified under the income qualifications set forth in this Agreement at the time of such transfer; (iv) to the children, grandchildren, parents, or grandparents, as defined in California Revenue and Taxation Code Sec 63.1, of the Owner, if the transfer is due to the death or permanent disability of the Owner and the transferee continues to occupy the Residence as their primary residence throughout the term of this Agreement; or (v) to an inter vivos trust in which the Owner is and remains the beneficiary and continues to occupy the Residence as his/her primary residence throughout term of this Agreement. If there is a Permitted Transfer of the Residence, Owner shall within not less than five (5) days after the City's request, provide the City with complete copies of all documents and agreements relating to the proposed and actual transaction at no cost to the City.

Leases of the Residence shall not constitute a Permitted Transfer and shall be covered in Section 6 above.

8. Notice of Intended Transfer. In the event the Owner intends to Transfer or vacate the Residence, the Owner shall promptly notify the City in writing of such intent. The written notice shall be given in accordance with Section 4 of this Agreement at least ninety (90) days prior to the actual date of the proposed Transfer or vacation of the Residence. The notice from the Owner shall be sent by certified mail, return receipt requested. If the Owner intends to Transfer the Residence the Owner shall provide a copy of the agreements for the proposed Transfer of the Residence, including any purchase and sale agreements and information regarding the purchase price, whether the proposed purchaser intends to occupy the Residence as its permanent residence and whether the proposed purchaser qualifies as an Eligible Household. Owner shall certify that all information and materials provided to the City are true and complete and does not omit any material information regarding the proposed Transfer.

9. City Purchase Option. Before the Owner can Transfer the Residence, the Owner agrees that the City shall have the option, but not the obligation, to purchase the Residence for an amount equal to the fair market value of the Residence (the "Option"). Fair market value may be established by mutual agreement between the parties but if they cannot reach an agreement within 30 days, either party may require the fair market value to be determined in accordance with Section 12 below. If the City decides to exercise its Option to purchase the Residence, it shall, within thirty (30) days of receipt of the notice

specified in Section 8 above, notify the Owner in accordance with Section 4 that it chooses to exercise the Option. If the City exercises the Option, it shall purchase the Residence within sixty (60) days of the date it receives the notice specified in Section 8 above. If the City exercises the Option, Owner agrees that it shall deliver fee title to the Residence to City at the close of escrow for such purchase free of all monetary liens or encumbrances, options to purchase or lease or occupancy rights, and subject only to nonmonetary encumbrances common for other units in the Project. The provisions of Section 10 below shall apply to the payment of the purchase price, and therefore any Net Appreciation resulting from the purchase price will be allocated to the City as provided in Section 10. The City may, instead of purchasing the Residence itself, assign its right to purchase the Residence to a person who meets the criteria established by the City or to a governmental or nonprofit organization that is devoted to developing or preserving low-income housing.

10. Equity-Sharing Agreement. The Master Affordable Housing Agreement evidences a valuable consideration given by the City which has allowed the Owner to purchase the Residence at the Affordable Sales Price. In connection with Owner's purchase of the Designated Unit, Owner agreed to the City Loan and the City Promissory Note, which are secured by the City Deed of Trust. Owner agrees to share the appreciation in the value of the Residence with the City if there is a Transfer of the Residence during the term of this Agreement. Notwithstanding anything to the contrary contained in this Agreement, if there is a Transfer of the Residence by the Owner during the term of this Agreement, the Owner shall pay the City the portion of the "Net Appreciation," in accordance with the requirements of sub-paragraph (c)(2) of California Government Code Section 65915. Net Appreciation shall be determined by the City as follows:

- a) Net Appreciation shall constitute the funds remaining from the sales proceeds obtained from the Transfer of the Residence after subtracting the Approved Deductions, as defined below. If the City determines that the Transfer is not the result of an arms-length transaction, the City may order an appraisal of the Residence, in which case the City may use the appraised value of the residence to calculate the Net Appreciation.
- b) "Approved Deductions": The sales proceeds from the sale of the Residence shall be reduced by
 - i. Repayment of the First Lender's loan, to the extent consistent with City's prior written approval of the First Lender's loan;
 - ii. Reasonable closing and escrow costs directly related to the Transfer and actually paid by Owner;
 - iii. Reasonable brokerage commissions paid in connection with the Transfer to the duly licensed real estate brokers pursuant to written brokerage agreements with the Owner and/or buyer, to the extent actually paid by the Owner or buyer;
 - iv. To the extent not previously recovered by Owner, (a) any amounts actually paid by Owner (and not borrowed) as part of the purchase price for the Residence at the Initial Sale and (b) the cost of capital improvements made to the Residence at Owner's cost (and not borrowed) as approved by the City (collectively "Owner's Investment"); and
 - v. Repayment of the City Loan. If there are insufficient sales proceeds from the sale of the Residence to repay the Owner's Investment in the Residence and the City Loan,

then the sales proceeds shall first be used to repay the Owner's Investment in the Residence with the balance of the sales proceeds used to repay the City Loan. Following the repayment of the Owner's Investment, if there are insufficient sales proceeds to fully repay the City Loan, the remaining unpaid balance of the Loan shall be forgiven by the City.

c) Notwithstanding the foregoing, if First Lender has acquired the Residence through a foreclosure, then upon sale to a third party not affiliated with First Lender, First Lender shall apply the sales proceeds in accordance with Subsection 10(b). However, prior to making any distributions of sales proceeds to pay the City Loan, First Lender may recoup any principal, interests and/or costs related to First Lender's loan to Borrower that was not recouped by First Lender through the foreclosure process.

d) Owner shall reasonably cooperate with the City in making its determination of Net Appreciation including obtaining and providing the City copies of all documents and information related to the Transfer and its closing.

The City's share of any Net Appreciation shall be equal to the proportion of (i) the initial principal amount of the City Loan and all increases in the principal amount of the City Loan, bears to (ii) the Appraised Value of the Residence when acquired by the Owner, which shall constitute City's Proportion of the Net Appreciation.

Net Appreciation shall be divided between the Borrower and the City as follows: (i) the City shall receive an amount equal to the City's Proportion of the Net Appreciation and (ii) the balance shall be allocated to Borrower.

Example:

- The initial Appraised Value of the Residence when acquired by the Owner is \$500,000.
- The Affordable Sales Price is \$150,000.
- The City Loan amount is \$350,000.
- The City's share of any Net Appreciation is equal to 70% (the proportion to which the initial principal amount of the Loan bears to the original Appraised Value of the Residence when acquired by the Owner).
 - Calculation of City share of Net Appreciation:
 - $\$350,000 / \$500,000 = 70\%$
- If the total Net Appreciation is \$100,000, the Owner will receive \$30,000 and the City will receive \$70,000.

11. Ineligible Purchasers. The following individuals, by virtue of their position or relationship, shall be ineligible to purchase the Restricted Unit (each an "Ineligible Purchaser"): (i) All employees and officials of the City or their respective agencies, authorities, commission, employees, agents, consultants, officers, or elected or appointed officials who have, by virtue of their position, policy-making authority or influence over the implementation of this Agreement, the density bonus or inclusionary housing program, as well as the immediate relatives of such employees or officials, including spouse, children, step-children, parents, step-parents, grandparents, brother, sister, father-in-law, mother-in-law, son-in-law, daughter-in-law, aunt, uncle, niece, nephew, sister in-law, brother-in-

law and domestic partner, provided however if the Project is not receiving funding from any public sources then this clause (i) shall not be applicable (public sources funding shall include project acquisition, construction or permanent loan funding or commitments, but shall not include tax credits or first time home buyer down payment assistance); and (ii) original Developer and any successor Developer and assignees, owners, partners, managers, property managers, and their respective employees, agents, consultants, as well as the spouses, lineal descendants or immediate relatives of such parties, including spouses, children, step-children, parents, step-parents, grandparents, brother, sister, father-in-law, mother-in-law, son-in-law, daughter-in-law, aunt, uncle, niece, nephew, sister in-law and brother-in-law, and domestic partner.

The provisions of this section are intended to be liberally construed to prevent favoritism and conflicts of interests in the purchasing of Restricted Units.

The purchase of the Residence by any Ineligible Purchaser shall be a violation of this Agreement and the City may, in addition to any other remedies available under or arising this Agreement or under applicable laws, elect in its sole discretion without cost, expense or other liability arising therefrom, to (i) terminate the sale of the Residence to Owner; and/or (ii) purchase the Residence from Owner at the purchase price paid therefore which Owner shall deliver the Residence and title thereto to City free and clear of (i) any liens or encumbrances by or through Owner; (ii) any occupancy; and (iii) any rights thereto.

Owner represents and warrants that it is not an Ineligible Purchaser and an Ineligible Purchaser is not directly or indirectly involved as a purchaser of the Residence, and (ii) agrees that in the event of a breach of this representation the remedies set forth in this section may be exercised against Owner and the Residence.

12. Fair Market Value. If it is necessary to determine the fair market value of the Residence, it shall be determined by a real estate appraiser selected by the City. The appraiser shall have been previously approved by the Federal National Mortgage Association or the Federal Housing Administration and placed on their list of approved single family housing appraisers. If possible, the appraisal shall be based upon properties sold in the market during the three-month period prior to the date of the notice of Transfer, and the appraisal shall not consider the affordability restrictions. The cost of the appraisal shall be initially borne by City. If Owner agrees with the value determined by the City appraiser upon a sale, the cost of the appraisal shall be divided equally between the City and the Owner with Owner's share being paid as an Approved Deduction. If Owner does not agree with the City value determined in its appraisal, Owner may provide written notice to City stating its objections to the City appraisal. Owner's notification must be provided to City within fifteen (15) days of City's delivery of the appraisal to Owner. Thereafter, Owner may order its own appraisal no later than fifteen (15) following Owner's notification to City. Any appraisal selected by Owner must meet the requirements of this Section 12. If Owner elects to order its own appraisal, upon completion of the Owner's appraisal, the values determined by the City appraisal and the Owner's appraisal shall be averaged. The average of the two appraisals shall constitute the fair market value of the Residence. In the instance of two appraisals, each party shall bear the cost of their respective appraisals. If Owner fails to order its appraisal within the time required by this Section 12, the value determined by the City appraisal shall constitute the fair market value of the Residence. Alternatively, the City at its discretion may elect to establish the fair market value of the Residence by mutual agreement with Owner in lieu of an appraisal, although the City is not obligated to do so.

13. Restrictions on Foreclosure Proceeds. If a creditor acquires title to the Residence through a

deed in lieu of foreclosure, a trustee's deed upon sale, or otherwise, any proceeds due to the Owner shall first be applied to repay the unpaid balance of the Loan. Any remaining funds shall be characterized as Net Appreciation and shall be allocated in accordance with Section 10.

14. Superiority of Agreement. The Owner covenants that he or she has not, and will not, execute any other agreement with provisions contradictory to or in opposition to the provisions hereof, and that, in any event, this Agreement is controlling as to the rights and obligations between and among the Owner, the City and their respective successors.

15. Maintenance of Units. Owner shall maintain the Residence in compliance with all applicable laws and shall keep the Residence free from any accumulation of debris or waste materials.

16. Costs and Expenses/Collection of Amounts Due.

(a) Except as expressly provided to the contrary in this Agreement, Owner agrees to repay any costs or expenses incurred by the City in connection with the review and response to any request for consent or approval by Owner related to this Agreement and in connection with monitoring compliance by Owner with the provisions of this Agreement.

(b) In the event that there are outstanding costs or expenses or other amounts due with regard to this Agreement or arising therefrom, the City may deduct such sums from amounts due to Owner in connection with any Transfer or exercise of any option to purchase the Residence described in this Agreement.

17. Federal and State Laws. Owner shall comply with all applicable laws relating to the Residence. Notwithstanding the above provisions, nothing contained herein shall require Owner or City to do anything contrary to or refrain from doing anything required by Federal and State laws and regulations promulgated thereunder applicable to the construction, and management, maintenance of lower income housing units in the County of San Bernardino.

18. Reserved.

19. Indemnification. The City and each of their elected and appointed officers, officials, representatives, employees, and agents are hereinafter collectively referred to as "Public Agencies". Owner agrees to indemnify, defend (with counsel approved by City), and hold harmless the Public Agencies from and against any and all liability, demands, damages, claims, causes of action, fees (including reasonable attorneys' fees and costs and expert witness fees), and expenses, including, but not limited to, claims for bodily injury, property damage, and death (hereinafter collectively referred to as "Liabilities"), that arise (whether by negligence, willful act or otherwise) out of, pertain to, or relate to this Agreement, the services and/or materials provided pursuant to this Agreement or the Residence. Owner shall not be required to indemnify, defend, and hold harmless the Public Agencies from any Liabilities that arise from the sole negligence or willful misconduct of the Public Agencies, Public Agencies' officers or employees who are directly responsible to the Public Agencies, to the extent required by law.

Owner agrees that no officer, directors, employee, commission member, or agent or representative of the City shall have any personal liability with regard to this Agreement except for individuals who have knowingly taken illegal actions with regard to this Agreement.

20. Successors and Assigns. This Agreement shall be binding upon and inure to the benefit of City and Owner, and their respective successors, owners and assigns. City reserves the right to designate another public entity to perform City's obligations or to exercise City's rights and options under this

Agreement.

21. Burden to Run with Property. The covenants and conditions contained herein shall run with and burden the Residence for the Term of this Agreement unless the Residence is acquired by City. Owner shall expressly make the conditions and covenants in this Agreement a part of any deed or other instrument conveying an interest in the Residence. In the event of any damage or destruction of the Residence these covenants shall continue to apply to any replacement or successor improvements.

In amplification and not in restriction of the provisions set forth hereinabove, it is intended and agreed that City and its successors and assigns shall be deemed the beneficiary of the terms and provisions of this Agreement and of the restrictions and covenants running with the land for and in its own right and for the purposes of protecting the interests of the community and other parties, public or private, in whose favor and for whose benefit the covenants running with the land have been provided. Each covenant of Owner, shall, without regard to technical classification and designation, inure to the benefit of the successors, transferees and assigns of City for the entire period during which such covenants shall be in force and effect, and shall be binding upon the successors, transferees and assigns of Owner, whether by merger, consolidation, sale, transfer, liquidation, by operation of law, or otherwise. Each covenant in favor of City is for the benefit of the real property owned by City in the area surrounding the Site. The covenants herein running with the land shall also be equitable servitudes upon the Site and each part thereof and shall bind each and every person having any interest in the Site or part thereof, whether such interest is fee, easement, leasehold, beneficial or otherwise, and each successor or assign of such person having any such interest in the Site or part thereof. City shall have the right if any of the covenants set forth in this Agreement which are provided for its benefit are breached, to exercise all rights and remedies and to maintain any actions or suits at law or in equity or other proper proceedings to enforce the curing of such breach to which it may be entitled, which may include without limitations pursuing one or any number of the following remedies, injunctive relief (the parties hereto acknowledge that monetary damages will not be an adequate remedy), specific performance of any of the covenants contained in this Agreement,. Except for City, the covenants and restrictions contained in this Agreement shall not benefit or be enforceable by any owner of any other real property or any person or entity having any interest in any such other real property.

22. Default. Failure or delay by either party to perform any term or provision of this Agreement, which is not cured within thirty (30) days after receipt of notice from the other party, constitutes a default under this Agreement. The party who so fails or delays must immediately commence to cure, correct or remedy such failure or delay, and shall complete such cure, correction or remedy with due diligence. The injured party shall give written notice of default to the party in default specifying the default complained of by the injured party. Except as required to protect against further damages, the injured party may not initiate proceedings against the party in default until thirty (30) days after giving such notice. Failure or delay in giving such notice shall not constitute a waiver of any default, nor shall it change the time of default.

23. Remedies.

(a) Any Owner who rents (including subleasing) a Residence in violation of the provisions of this Agreement shall pay to City an amount equal to the rents received by such individual.

(b) City shall have the right, if any of the covenants set forth in this Agreement are breached, to exercise all rights and remedies and to maintain any actions or suits at law or in equity or other proper proceedings to enforce the curing of such breach to which it may be entitled, which may

include without limitations pursuing one or any number of the following remedies: injunctive relief (the parties hereto acknowledge that monetary damages will not be an adequate remedy), specific performance of any of the covenants contained in this Agreement, or remedies available under the City Promissory Note or City Deed of Trust.

(c) Owner agrees that in addition to any other remedies available to the City under applicable laws, the Term of this Agreement shall be extended a day for every day or partial day from the date any notice of default or non-compliance is given to Owner until such default has been cured. The City is hereby authorized by Owner to record in the Official Records for the Residence a document which confirms any extension of the Term.

24. Purchase Option Upon Default.

(a) Purchase Option: Notwithstanding, and in addition to, the remedies provided the City in this Agreement, the Owner hereby grants to the City, the option to purchase the Residence as provided in this section. This option to purchase is given in consideration of the economic benefits received by the Owner resulting from ownership of the Residence made possible by the City requiring the Developer to sell the Residence to the Owner at an Affordable Sales Price. Pursuant to the requirements of FNMA, notwithstanding anything to the contrary contained herein, the option to purchase pursuant to this Section 24 must be exercised by the City within ninety (90) days of receiving written notification of the Owner default or the property foreclosure.

(b) Exercise of Option: The option to purchase pursuant to this Section 24 may be exercised upon a default under this Agreement or upon default of the City Loan, City Promissory Note, City Deed of Trust, or under any promissory note, deed of trust or any other lien, recorded against the Residence. The City shall exercise the option by providing written notice to Owner, upon which the parties shall attempt to mutually agree upon the fair market value of the Residence ("Notice of Exercise of Option"). If they cannot agree upon a fair market value within 10 days after the City has given the Notice of Exercise of Option to Owner, the City may proceed under Section 12 to determine fair market value. After fair market value has been determined, the City may within thirty (30) days after fair market value has been determined elect to proceed with the purchase option (the "Purchase Option Notice to Proceed"). If Owner has given City the notice address of the lender that provided the loan to Owner for Owner's purchase of the Residence, City shall also notify such lender (the "First Lender"). Not later than ninety (90) days after the City has given Purchase Option Notice to Proceed, the City and Owner shall close escrow for the purchase the Residence. Such time period shall be extended if Owner does not cooperate in such purchase. The City may designate a third party to purchase the Residence. Any Net Appreciation resulting from the purchase price will be allocated as provided in Section 10. Upon the closing of this purchase option, Owner shall be required deliver the Residence and title thereto to City free and clear of (i) any liens or encumbrances by or through Owner; (ii) any occupancy; and (iii) any rights thereto.

25. FHA AND FNMA COMPLIANCE. NOTWITHSTANDING ANYTHING TO THE CONTRARY CONTAINED IN THIS AGREEMENT, THIS AGREEMENT SHALL AUTOMATICALLY TERMINATE AND BE OF NO FURTHER FORCE AND EFFECT UPON FORECLOSURE, DEED-IN-LIEU OF FORECLOSURE OR IF THE MORTGAGE IS ASSIGNED TO THE SECRETARY OF HOUSING OF ANY FEDERAL HOUSING ADMINISTRATION OR FNMA INSURED OR GUARANTEED MORTGAGE WHICH IS SECURED BY A LIEN ON THE RESIDENCE (COLLECTIVELY, A "FORECLOSURE TRANSFER").

26. Governing Law/Venue. The laws of the State of California shall govern this Agreement.

Resolution No. PC 2026-_____

Any legal action brought under this Agreement must be instituted in the Superior Court of the County of San Bernardino, State of California, in an appropriate municipal court in that County, or in Federal District Court in the Central District of California.

27. Owner Reporting. Owner shall be required to provide certifications and information to the City upon request including but not limited to: (i) certification that Owner has been and is occupying the Residence as its primary residence; (ii) that Owner continues to meet the requirements to be an Eligible Household under the City's then applicable standards; (iii) that Owner is not in default of any of its obligations under this Agreement. Owner upon demand shall provide to the City, at no cost to the City, information requested to prove Owner's compliance with the provisions of this Agreement including but not limited to copies of Owner's income tax returns and all amendments thereto, Owner's driver's license or other identification and those of other occupants of the Residence; voter registration information for Owner and other occupants of the Residence, copies of any notices of violations of laws. The City shall be allowed access to the Residence upon three (30 days prior notice.

28. City's Right to Inspect Residence. The City may inspect the Residence and any documents or records relating thereto, at any reasonable time to determine Owner's compliance with this Agreement.

29. Request for Notice of Foreclosure. Owner shall immediately notify the City of any event of default or foreclosure under any agreement, covenant, restriction, deed of trust, mortgage or other agreement or lien covering the Residence. The City may record a request notices of default under Section 2924b of the Civil Code of California. The City is not obligated to cure any such default but any amounts expended or incurred by the City in connection with curing any such defaults shall be repaid to the City within five (5) days after demand.

30. Insurance and Condemnation Adjustments. The City may but is not obligated to participate in a settlement and claims adjustment discussion with regard to insurance or condemnation payments and may negotiate and settle claim amounts and related disputes on behalf of Owner. Owner shall advise the City in writing of any insurance or condemnation related events within not less than ten (10) days after their occurrence.

31. Entire Agreement. The text herein and all Exhibits attached hereto and exhibits and agreements referenced herein constitute the entire agreement between the parties. Each party to this Agreement acknowledges that no representations, inducements, promises or agreements, orally or otherwise, have been made by any party, or anyone acting on behalf of any party, which are not embodied herein, and that any other agreement, statement or promise not contained in this Agreement shall not be valid or binding. This Agreement may be amended only by written instrument signed by both City and Owner.

32. Non-Waiver/Amendments. Failure to exercise any right City may have or be entitled to, in the event of default hereunder shall not constitute a waiver of such right or any other right in the event of a subsequent default. This Agreement may be amended only by written instrument signed by both the City and Owner.

33. Further Assurances and Recordation. Owner shall execute any further documents consistent with the terms of this Agreement, including documents in recordable form and do such further acts as may be necessary, desirable or proper as City shall from time to time find necessary or appropriate to effectuate its purpose in entering this Agreement.

34. Limitation on Accumulation of Equity. OWNER HEREBY ACKNOWLEDGES AND AGREES THAT THIS AGREEMENT CONTAINS RESTRICTIONS THAT REQUIRES OWNER TO SHARE A PORTION OF THE APPRECIATION IN THE RESIDENCE, AND THAT THE RESTRICTIONS WILL LIMIT THE OWNER'S SHARE OF ACCUMULATED EQUITY.

Owner's Initials

35. Interpretation. The provisions of this document shall be liberally construed to effectuate its purpose. Whenever the context requires, all words used in the singular will be construed to have been used in the plural, and vice versa, and each gender will include any other gender. The headings or captions of the paragraphs of this Agreement are for convenience only and do not define or limit any terms or provisions. Time is of the essence in the performance of this Agreement by Owner. Each party has been represented by counsel in the negotiation of this Agreement, and it shall not be interpreted in favor of or against any party on account of relative responsibilities in drafting. As used in this Agreement, the word "includes or "including" means including without limitation, the word "or" is not exclusive and the words "herein," "hereof," "hereto" and hereunder refer to this Agreement as a whole. Unless the context otherwise requires, references herein: (i) to articles, paragraphs, sections and exhibits mean the articles, paragraphs, sections and exhibits which are part of this Agreement, (ii) to an agreement, instrument or other document means such agreement, instrument or other document as amended, supplemented and modified from time to time to the extent permitted by the provisions thereof and by this Agreement and (iii) to a statute means such statute as amended from time to time and includes any successor legislation thereto. This Agreement is made solely for the benefit of the City and Owner and their respective permitted successors and assigns, and no other person or entity shall have or acquire any rights under this Agreement unless expressly stated to the contrary in this Agreement.

36. Further Assurances. Owner shall execute any further documents consistent with the terms of this Agreement, including documents in recordable form and do such further acts as may be necessary, desirable or proper as the City shall from time to time find necessary or appropriate to effectuate its purpose in entering this Agreement.

37. Costs. Owner shall pay all costs and expenses (including prevailing party attorneys' fees) incurred to comply with its obligations arising from this Agreement and by the City incurred thereby and arising from this Agreement, including the review of any requests for approvals made by Owner.

38. Accuracy of information. Owner represents and warrants that any information provided to the City, now or in the future, shall be true and correct in all material respects and shall not omit any material information.

39. Estoppel Certificate. Within ten (10) days after written request therefor has been made by City, Owner shall deliver to the requesting party a certificate stating that (i) there are no defaults under this Agreement which have not been cured, (ii) to the best of Owner's knowledge there are no events or circumstances which with the passage of time, notice or both would constitute a default under this Agreement, (iii) this Agreement has not been modified (or if it has been modified copies of such amendments shall be attached to the certificate) and is in full force and effect, (iv) Owner is in good standing and duly authorized to perform its obligations under this Agreement, and (v) the rights and obligations of owner under this Agreement have not been assigned or transferred, voluntarily, by operation of law or otherwise (or if any such transfer has occurred copies of all documents related thereto shall be attached to the certificate).

Resolution No. PC 2026-_____

40. Exhibits. Each Exhibit mentioned in this Agreement is attached hereto and incorporated herein by this reference as follows:

Exhibit “A” Legal Description of Residence

41. Execution in Counterparts. The parties may execute this document in two or more counterparts; each counterpart shall be deemed an original instrument as against any party who has executed it.

(Signature Page to Follow)

Resolution No. PC 2026-_____

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

CITY:

a public body corporate and politic
By: _____

OWNER(s):

By: _____

Name: _____

By: _____

Name: _____

Resolution No. PC 2026-_____

STATE OF CALIFORNIA)
) SS.
COUNTY OF _____)

On _____, 20____, before me _____, Notary Public,

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

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

WITNESS my hand and official seal.

Signature _____

STATE OF CALIFORNIA)
) SS.
COUNTY OF _____)

On _____, 20____, before me _____, Notary Public,

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

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

WITNESS my hand and official seal.

Resolution No. PC 2026-_____

Signature_____

EXHIBIT “A”

LEGAL DESCRIPTION OF PROPERTY

Address: STREET ADDRESS APN:

INSERT:

FULL LEGAL DESCRIPTION AT TIME OF SALE TO AFFORDABLE BUYER:

EXHIBIT "B"

FORM OF DEED OF TRUST

**EXEMPT FROM RECORDING FEES
PURSUANT TO GOVERNMENT CODE §§
27383, 6103[_____]**

Recording Requested By:

When Recorded Mail To:
[_____]

**DEED OF TRUST
([_____])**

THIS DEED OF TRUST is dated as of the ___ day of _____, 202_, among [_____] ("Trustor"), whose address is [_____] [_____] ("Trustee"), and the [_____] ("Beneficiary"), whose address is [_____].

TRUSTOR HEREBY irrevocably grants, transfers, and assigns to Trustee, in trust, with power of sale, all that property in the City of [_____] County of [_____] State of California, described as ("Property"):

(See Legal Description - Exhibit "A")

FOR THE PURPOSE OF SECURING:

(1) The timely performance of the Affordable Housing Density Bonus Agreement and Declaration of covenants, Conditions and Restrictions ("Master Covenant"), and the Homebuyer Promissory Note ("City Note"), of even date herewith, the [Purchaser Affordability Agreement] of even date herewith ("Purchaser Affordability Agreement"), between the Beneficiary and the Trustor, and any renewals, extensions, modifications or amendments to the Agreement by the Trustor and each and every covenant set forth herein (collectively, the Master Covenant, City Note, and Purchaser Affordability Agreement are referred to as the "Secured Obligations"); and

(2) The performance of each agreement contained in this Deed of Trust.

A. TO PROTECT THE SECURITY OF THIS DEED OF TRUST, TRUSTOR AGREES:

1. Defense of Security. To appear in and defend any action or proceeding purporting to affect the security of this Deed of Trust or the rights or powers of Beneficiary or Trustee; and to pay all costs and expenses, including cost of evidence of title and attorneys' fees in a reasonable sum, in any such action or proceeding in which Beneficiary or Trustee may appear, and in any suit brought by Beneficiary to foreclose on this Deed of Trust.

2. Payment of Liens and Taxes. To pay prior to delinquency, all taxes and assessments affecting the Property, including assessments on appurtenant water stock, all encumbrances, charges, and liens, with interest, on the Property or any part of the Property, which appear to be prior or superior to this Deed of Trust, and all costs, fees, and expenses of this Deed of Trust. If Trustor fails to make any payment or to do any act as provided in this Deed of Trust, and such failure continues for more than thirty (30) business days after written notice is delivered to Trustor, then Beneficiary or Trustee may (but is not obligated to) make the payment or do the act in the required manner and to the extent deemed necessary by Beneficiary or Trustee to protect the security of this Deed of Trust. The performance by Beneficiary or Trustee of such an act shall not release Trustor from any obligation under this Deed of Trust. Beneficiary or Trustee

Resolution No. PC 2026-_____

shall also have the following related rights and powers: subject to the rights of tenants, to enter upon the Property for the foregoing purposes; to appear in and defend any action or proceeding purporting to affect the security of this Deed of Trust or the rights or powers of Beneficiary or Trustee; to pay, purchase, contest, or compromise any encumbrance, charge, or lien that in the judgment of either appears to be prior or superior to this Deed of Trust; to employ counsel; and to pay necessary expenses and costs, including reasonable attorneys' fees.

3. Reimbursement of Costs. To pay within thirty (30) business days of written demand all sums expended by Beneficiary or Trustee pursuant to this Deed of Trust, with interest from date of expenditure at the amount allowed by law in effect at the date of this Deed of Trust, and to pay any reasonable amount demanded by Beneficiary (up to the maximum allowed by law at the time of the demand) for any statement regarding the obligation secured by this Deed of Trust.

4. Use. That it will not permit or suffer the use of any of the Property for any purpose other than the use for which the same was intended at the time this Deed of Trust was executed.

5. Incorporation of Agreement. That the Secured Obligations are incorporated herein by reference and made a part of this Deed of Trust.

6. Performance of Other Obligations. To perform, in a timely manner, each agreement and covenant set forth in the Secured Obligations and any other covenants or obligation by and between Trustor on any and all notes, loans and deeds of trust that are senior and/or junior to this Deed of Trust. A default in any of these obligations, beyond any applicable cure period, shall constitute a default under this Deed of Trust.

B. THE PARTIES AGREE THAT:

7. Waiver of Late Payments. By accepting payment of any sum secured by this Deed of Trust after its due date, Beneficiary does not waive its right either to require prompt payment when due of all other sums so secured or to declare default for failure to pay any indebtedness secured by this Deed of Trust.

8. Full Reconveyance. Upon expiration of the term of the Secured Obligations and written request of Beneficiary, and payment of Trustee's fees and charges, Trustee shall reconvey, without warranty, the Property then subject to this Deed of Trust. The recitals in the reconveyance shall be conclusive proof of the truthfulness of the recitals. The grantee in the reconveyance may be described as "the person or persons legally entitled thereto."

9. Assignment of Rents. As additional security, Trustor hereby gives to and confers upon Beneficiary the right, power, and authority during the continuance of this Deed of Trust, to collect the rents, issues, and profits of the Property, but reserves the right, during any period that a default by Trustor does not exist in payment of any indebtedness secured by this Deed of Trust or in the performance of any agreement under this Deed of Trust, to collect and retain these rents, issues, and profits as they become due and payable. Upon any such default beyond any applicable cure period, Beneficiary may, upon written notice to Trustor and without regard to the adequacy of the security for the indebtedness secured by this Deed of Trust, either personally or by agent or court-appointed receiver, do the following while such default remains uncured: enter upon and take possession of the Property or any part of the Property; sue for or otherwise collect all rents, issues, and profits, including those past due and unpaid; and apply these rents, issues, and profits, less costs and expenses of operation and collection (including reasonable attorneys' fees), upon any indebtedness secured by this Deed of Trust, in any order determined by Beneficiary. The exercise of the foregoing rights by Beneficiary shall not cure or waive any default or notice of default under this Deed of Trust or invalidate any act done pursuant to such a notice.

10. Default and Foreclosure. Upon default under the Secured Obligations, subject to any applicable notice and cure rights contained in the Agreement, or in the performance of any obligation under this Deed of Trust beyond any applicable cure period, Beneficiary may declare all obligations secured by this Deed of Trust immediately due and payable by delivering to Trustee a written declaration of default and demand for sale and a written notice of default and election to sell the Property. Trustee shall cause the notice of default and election to sell to be recorded. After the required time period has lapsed following the recordation of the notice of default, and after notice of sale has been given as required by law, Trustee, without demand on Trustor, shall sell the Property at the time and place specified in the notice of sale, either as a whole or in separate parcels, and in any order determined by Trustee, at public auction to the highest bidder for cash in lawful money of the United States, payable at the time of sale. Trustee may postpone sale of all or any portion of the Property by public announcement at the time and place of sale, and from time to time thereafter may postpone the sale by public announcement at the time fixed by the preceding postponement. Trustee shall deliver to the purchaser at the auction its deed conveying the Property sold, but without any covenant or warranty, express or implied. The recital in the deed of any matter or fact shall be conclusive proof of the truthfulness of the recital. Any person, including Trustor, Trustee, or Beneficiary, may purchase at the sale. After deducting all costs, fees, and expenses of Trustee and Beneficiary under this paragraph, including costs of procuring evidence of title incurred in connection with sale, Trustee shall apply the proceeds of sale to payment of: all sums expended under the terms of this Deed of Trust, not then repaid, with accrued interest at the amount allowed by law in effect at the date of this Deed of Trust; all other sums then secured by this Deed of Trust; and the remainder, if any, to the person or persons legally entitled to the remaining proceeds.

12. General Provisions, Successors and Assigns. This Deed of Trust applies to, inures to the benefit of, and binds all parties to this Deed of Trust and their heirs, legatees, devisees, administrators, executors, successors, and assigns. Upon the sale or transfer of the Property, the transferee shall execute and deliver to the Beneficiary an express written assumption of all of Trustor's obligations under this Deed of Trust on a form reasonably acceptable to Beneficiary. Upon assignment and assumption by a successor entity, Trustor shall be released from all prospective liability and responsibility under the terms of this Deed of Trust. The term "Beneficiary" shall mean the [____], and its successors and assigns. In this Deed of Trust, whenever the context so requires, the masculine gender includes the feminine and/or neuter, and the singular number includes the plural.

13. Substitution of Trustees. Beneficiary, or any successor in ownership of any obligations secured by this Deed of Trust, may from time to time, by written instrument, substitute a successor or successors to any Trustee named in or acting under this Deed of Trust. The substitution instrument shall contain the name of the original Trustor, Trustee, and Beneficiary under this Deed of Trust, the book and page where this Deed is recorded, and the name and address of the new Trustee. When executed by Beneficiary and duly acknowledged and recorded in the office of the recorder of the

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county or counties where the Property is situated, the substitution instrument shall be conclusive proof of proper substitution of the successor Trustee or Trustees. Any successor Trustee or Trustees shall, without conveyance from the Trustee predecessor, succeed to all its title, estate, rights, powers, and duties.

14. Cumulative Powers and Remedies. The powers and remedies conferred in this Deed of Trust are concurrent and cumulative to all other rights and remedies provided in this Deed of Trust or given by law. These powers and remedies may be exercised singly, successively, or together, and as often as deemed necessary.

15. Conclusiveness of Recitals. The recitals contained in any reconveyance, trustee's deed, or any other instrument executed by the Trustee from time to time under the authority of this Deed of Trust or in the exercise of its powers or the performance of its duties under this Deed of Trust, shall be conclusive evidence of their truth, whether stated as specific and particular facts, or in general statements or conclusions absent manifest error. Further, the recitals shall be binding and conclusive upon the Trustor, its heirs, executors, administrators, successors, and assigns, and all other persons.

16. Attorneys' Fees. If any action is brought for the foreclosure of this Deed of Trust or for the enforcement of any provision of this Deed of Trust (whether or not suit is filed), Trustor agrees to pay all costs and expenses of Beneficiary and Trustee, including reasonable attorneys' fees; and these sums shall be secured by this Deed of Trust. The prevailing party in any litigation, including but not limited to arbitration, writ petitions, complaints, and/or actions for declaratory relief, brought to enforce, interpret or reform the provisions of this Deed of Trust shall be entitled to reasonable attorneys' and experts' fees, costs and out-of-pocket expenses (whether or not considered recoverable "costs" under applicable statute) incurred in such litigation.

17. Request for Notices of Default and Sale. In accordance with Section 2924b of the California Civil Code, request is hereby made that a copy of any Notice of Default and a copy of any Notice of Sale under that Deed of Trust executed by the Trustor concerning this Property be mailed to:

[_____

_____]

NOTICE: A copy of any notice of default and of any notice of sale will be sent only to the address contained in this recorded request. If your address changes, a new request must be recorded.

18. Inspections. Trustor shall permit Beneficiary and its agents or representatives, to inspect the Property at any and all reasonable times, upon at least 48 hours advance notice to Trustor. Inspections shall be scheduled and conducted so as not to interfere with the tenants' use and enjoyment of the Property.

19. Hazardous Materials Defined. For purposes of this Deed of Trust, "Hazardous Materials" means and includes any flammable, explosive, or radioactive materials or hazardous, toxic or dangerous wastes, substances or related materials or any other chemicals, materials or substances, exposure to which is prohibited, limited or regulated by any federal, state, county, regional or local authority or which, even if not so regulated, may or could pose a hazard to the health and safety of the occupants of the Property or of property adjacent to the Property, including, but not limited to, asbestos, PCBs, petroleum products and byproducts, substances defined or listed as "hazardous substances" or "toxic substances" or similarly identified in, pursuant to, or for purposes of, the California Solid Waste Management, Resource Recovery and Recycling Act (California Government Code Section 66700 et seq.), the Comprehensive Environmental Response, Compensation, and Liability Act, as amended (42 U.S.C. Section 9601, et seq.), the Hazardous Materials Transportation Act (49 U.S.C. Section 1801, et seq.), the Resource Conservation and Recovery act (42 U.S.C. Section 6901, et seq.), Section 25117 or Section 25316 of the California Health & Safety Code; and any so-called "Superfund" or "Superlien" law, or any other federal, state or local statute, law, ordinance, code, rule, regulation, order or decree regulating, relating to or imposing liability or standards of conduct concerning any hazardous, toxic or dangerous waste, substance or material; or any substances or mixture regulated under the Toxic Substance Control Act of 1976, as now

or hereafter amended (15 U.S.C. Section 2601 et seq.); and any “toxic pollutant” under the Clean Water Act, as now or hereafter amended (33 U.S.C. Section 1251 et seq.); and any hazardous air pollutant under the Clean Air Act, as now or hereafter amended (42 U.S.C. Section 7901 et seq.). Notwithstanding the above, the term “Hazardous Materials” shall not include small amounts of chemicals, cleaning agents and the like commonly employed in routine household uses in a manner typical of occupants in other similar residential properties provided they are used in compliance with applicable laws. The term “Hazardous Materials Laws” means any federal, state or local law, code, statute, ordinance, rule, regulation, rule of common law or guideline relating to Hazardous Materials now or hereafter enacted or promulgated (collectively, and including, without limitation, any such laws which require notice of the use, presence, storage, generation, disposal or release of any Hazardous Materials to be provided to any party).

20. Trustor’s Hazardous Materials Representations and Warranties and Indemnity. In addition to the general and specific representations, covenants and warranties set forth in the Deed of Trust or otherwise, Trustor represents, covenants and warrants, with respect to Hazardous Materials, as follows:

(a) As of the date hereof, neither Trustor nor, to the knowledge of Trustor, any other person, has ever caused or permitted any Hazardous Materials to be manufactured, placed, held, located or disposed of on, under or at the Property or any part thereof, and neither the Property nor any part thereof, or to Trustor’s knowledge, any property adjacent thereto, has ever been used (whether by the Trustor or, to the knowledge of the Trustor, by any other person) as a manufacturing site, dump site or storage site (whether permanent or temporary) for any Hazardous Materials;

(b) Trustor hereby agrees to indemnify Beneficiary, its officers, employees, contractors and agents, and hold Beneficiary, its officers, employees, contractors and agents harmless from and against any and all losses, liabilities, damages (excluding special, punitive, consequential or exemplary damages and any diminution in value provided, however, that none of the foregoing shall be excluded in the event that any of the foregoing are actually payable by Beneficiary to a third party), injuries, costs, expenses and claims of any and every kind whatsoever paid, incurred or suffered by, or asserted against Beneficiary, its officers, employees, contractors and agents for, with respect to, or as a direct or indirect result of, the presence or use, generation, storage, release, threatened release or disposal of Hazardous Materials on or under the Property or the escape, seepage, leakage, spillage, discharge, emission or release of any Hazardous Materials from the Property (including, without limitation, any losses, liabilities, damages, injuries, costs, expenses or claims asserted or arising under CERCLA, any so-called “Superfund” or “Superlien” law, or any other federal, state or local statute, law, ordinance, code, rule, regulation, order or decree regulating, relating to or imposing liability or standards of conduct concerning any Hazardous Materials) regardless of whether or not caused by or within the control of Trustor, except to the extent arising as a result of the negligence or willful misconduct of Beneficiary.

(c) As of the date hereof, Trustor has not received any written notice of (i) the happening of any event involving the use, spillage, discharge, or cleanup of any Hazardous Materials (“Hazardous Discharge”) affecting Trustor or the Property or (ii) any complaint, order, citation or notice with regard to air emissions, water discharges, noise emissions or any other environmental, health or safety matter affecting Trustor or the Property (“Environmental Complaint”) from any person or entity, including, without limitation, the United States Environmental Protection Agency (“EPA”). If Trustor receives any such notice after the date hereof, then Trustor will give, within thirty (30) business days thereafter, oral and written notice of same to Beneficiary.

(d) Without limitation of Beneficiary’s rights under this Deed of Trust, Beneficiary shall have the right, but not the obligation, subject to the rights of tenants and upon reasonable prior notice, to enter onto the Property or to take such other actions as it deems necessary or advisable to clean up, remove, resolve or minimize the impact of, or otherwise deal with, any such Hazardous Materials or Environmental Complaint upon its receipt of any notice from any person or entity, including without limitation, the EPA, asserting the existence of any Hazardous Materials or an Environmental Complaint on or pertaining to the Property which, if true, could result in an order, suit or other action against Trustor affecting any part of the Property by any governmental agency or otherwise which, in the sole opinion of Beneficiary, could jeopardize its security under this Deed of Trust. All reasonable costs and expenses incurred by Beneficiary in the exercise of any such rights shall be secured by this Deed of Trust and shall be payable by Trustor within thirty (30) business days upon written demand together with interest thereon at a rate equal to the highest rate payable by law.

(e) The foregoing representation, covenants, indemnities and warranties shall be continuing and shall be true and correct for the period from the date hereof to the release of this Deed of Trust (whether by satisfaction of the obligations secured hereby or foreclosure or action in lieu thereof), and these representations, covenants, indemnities and warranties shall survive such release.

21. Authority to Sign. All individuals signing this Deed of Trust for a party which is a corporation, limited liability company, partnership or other legal entity, or signing under a power of attorney, or as a trustee, guardian, conservator, or in any other legal capacity, covenant to the Beneficiary that they have the necessary capacity and authority to act for, sign and bind the respective entity or principal on whose behalf they are signing.

TRUSTOR:

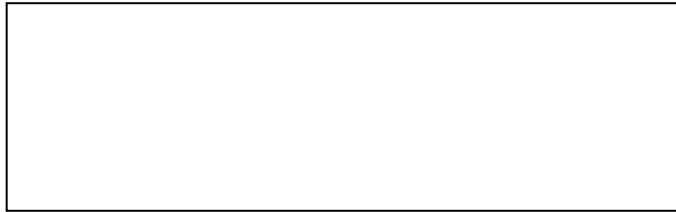
[_____]

By:_____

Print Name:_____

Its:_____

ACKNOWLEDGMENT



State of California)
)
County of _____)

On _____, 2024, before me, _____, notary public, personally appeared _____ who proved to me on the basis of satisfactory evidence to be the person(s) whose name(s) is/are subscribed to the within instrument and acknowledged to me that he/she/they executed the same in his/her/their authorized capacity(ies), and that by his/her/their signature(s) on the instrument the person(s), or the entity upon behalf of which the person(s) acted, executed the instrument.

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

WITNESS my hand and official seal.

Signature _____

(Seal)

Exhibit “A”

Legal Description

That certain real property located in the City of [_____], County of [_____], State of California more particularly described as follows:

[to be attached]

EXHIBIT C
FORM OF PROMISSORY NOTE

**HOMEBUYER
PROMISSORY NOTE**

**NOTICE TO BORROWER
THIS DOCUMENT CONTAINS PROVISIONS
RESTRICTING ASSUMPTIONS AND IS SECURED BY
A SECOND DEED OF TRUST ON RESIDENTIAL PROPERTY**

Loan No. _____

\$ _____, 20 _____

FOR _____ VALUE _____ RECEIVED, _____ the undersigned, _____ (the "Borrower") hereby promises to pay to the order of **CITY OF FONTANA, a California municipal corporation** ("Lender") at the following address: **8353 Sierra Avenue Fontana, CA 92335, Attn: Housing Manager** or at such other place as the holder may from time to time designate by written notice to Borrower, in lawful money of the United States, the sum of _____ Dollars (\$ _____) with simple interest at the rate of percent per annum on the unpaid principal balance from the date of this Note, until paid. The obligation of the Borrower with respect to this Note is secured by that certain City Deed of Trust No. _____ (the "Deed of Trust"), and executed by the Borrower concurrently herewith.

1. **Borrower's Obligation.** This Note evidences the obligation of the Borrower to the Lender for the repayment of the initial subsidy of the Affordable Unit (the "Property"), as required by California Government Code Section 65915(c)(2) which shall be secured by a "City Deed of Trust" for that certain real property, which has the address of _____
(Street) (City)
California, _____ more fully described in Exhibit A of the Deed of Trust.
(Zip Code)
2. **Borrower(s) Acknowledge(s) and Agrees:** that the Loan secured by this Note is subject to the terms, conditions, and restrictions of the State of California Affordable Housing Density Bonus Law as codified in Government Code section 65915 et seq. which are hereby incorporated by reference.
3. **Repayment of Loan Principal and Interest.** No periodic payments are required hereunder. Borrower agrees to pay the unpaid principal balance, unpaid accrued interest, and any other amounts due under this Note upon the earlier of:
 - (a) Upon sale, transfer, lease, or encumbrance of all or any interest in the Property without Lender's prior written consent, except for a transfer permitted in Paragraph 4; or
 - (b) Upon Borrower's failure to occupy the Property as Borrower's principal place of residence during the term of the Loan.
4. **Permitted Transfers.**

The Loan is assumable under the following limited circumstances:

- (a) The transfer of the Property to the surviving joint tenant by devise, descent or operation of the law, on the death of a joint tenant.
 - (b) A transfer of the Property where the spouse becomes an owner of the property;
 - (c) A transfer of the Property resulting from a decree of dissolution of marriage, legal separation or from an incidental property settlement agreement by which the spouse becomes an owner of the Property.
 - (d) A transfer to an inter vivo trust in which the Borrower is and remains the beneficiary and occupant of the property.
5. **Acceleration of Payment.** The principal amount of this loan, together with any then outstanding accrued interest thereon shall become immediately due and payable, at the option of the holder and without demand or notice, upon the occurrence of any of the following events:
- (a) In the event of a default under the terms of this Note or the Deed of Trust;
 - (b) In the event that the Borrower shall cease to occupy the Property as Borrower's principal place of residence during the first five year; or
 - (c) In the event of any sale, transfer, lease, or encumbrance of the Property without Lender's prior written consent in violation of Paragraph 4 of this Note.
6. **Effect of Due-on Sale Clause.** Failure of the holder to exercise the option to accelerate payment as provided in Paragraph 5 of this Note will not constitute waiver of the right to exercise this option in the event of subsequent cause for acceleration. Failure by Borrower to occupy the Property as Borrower's principal place of residence shall be considered an on-going event of default under this Note.
7. **Place and Manner of Payment.** All amounts due and payable under this Note are payable at the principal office of the Lender set forth above, or at such other place or places as the Lender may designate to the Borrower in writing from time-to-time.
8. **Application of Payments.** All payments received on account of this Note shall be first applied to accrued interest, if any, and the remainder shall be applied to the reduction of principal.
9. **Attorney's Fees.** The Borrower hereby agrees to pay all costs and expenses, including reasonable attorney's fees, which may be incurred by the Lender in the enforcement of this Note.
10. **Default and Acceleration.** All covenants, conditions and agreements contained in the Deed of Trust are hereby made a part of this Note. The Borrower agrees that the unpaid balance of the then principal amount of this Note, together with all accrued interest thereon and charges owing, shall, at the option of the Lender or, if so provided in this Note and Deed of Trust executed by the Borrower, shall automatically, become immediately due and payable, and thereafter until paid bear interest at the rate of **8%** per annum, upon the failure of the Borrower to make any payment hereunder as and when due; upon the failure of the Borrower to perform or observe any other term or provision of this Note, or upon the occurrence of any event (whether termed default, event of default or similar term) which under the terms of the Deed of Trust, shall entitle the Lender to exercise rights or remedies thereunder.

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11. **Notices.** Except as may be otherwise specified herein, any approval, notice, direction, consent, request or other action by the Lender shall be in writing and must be communicated to the Borrower at the address of the Property, or at such other place or places as the Borrower shall designate to the Lender in writing, from time to time, for the receipt of communications from the Lender. Mailed notices shall be deemed delivered and received five (5) working days after deposit in the United States mails in accordance with this provision
12. **Prepayment Policy:** Borrower may prepay this Note at any time without penalty.
13. **Governing Law.** This Note shall be construed in accordance with and be governed by the laws of the State of California.
14. **Severability.** If any provision of this Note shall be invalid, illegal or unenforceable, the validity, legality and enforceability of the remaining provisions hereof shall not in any way be affected or impaired thereby.
15. **No Waiver by the Lender.** No waiver of any breach, default or failure of condition under the terms of the Note or Deed of Trust shall thereby be implied from any failure of the Lender to take, or any delay by the Lender in taking action with respect to such breach, default or failure or from any previous waiver of any similar or unrelated breach, default or failure; and a waiver of any term of the Note, Deed of Trust, or any of the obligations secured thereby must be made in writing and shall be limited to the express written terms of such waiver.
16. **Successors and Assigns.** The promises and agreements herein contained shall bind and inure to the benefit of, as applicable, the respective heirs, executors, administrators, successors and assigns of the parties.

Executed as of the date set forth above at _____, California
City

Borrower

Borrower

Mailing Address for Notices:

Exhibit “B”



PROJECT: Master Case No. 25-0051
Tentative Tract Map No. 25-0003
(TTM No. 20839)

DATE: August 18, 2026

LOCATION: 14907 S. Highland Avenue (APN: 0228-021-07)

PLANNING DEPARTMENT:

1. The rights and privileges granted by this project shall not become effective, nor shall the applicant commence the use for which this project is granted, until both of the following have occurred:
 - a. All of the improvements, construction, alteration and other work set forth in this project have been completed and have been accepted by the City, as evidenced by the City's issuance of a Certificate of Occupancy or other document evidencing the City's final inspection and acceptance of the work; and
 - b. All Conditions of Approval imposed on this project have been fulfilled.
2. This Tentative Tract Map (TTM No. 20839) shall become null and void two (2) years from the date of approval as specified in Section 30-297 of the Zoning and Development Code unless it has been extended as provided for in Section 26-58 of the Fontana Municipal Code.
3. The applicant shall defend, indemnify, and hold harmless the City of Fontana or its agents, officers, and employees from any claim, action or proceeding against the City of Fontana or its agents, officers, or employees to attack, set aside, void, or annul an approval of the Planning Commission and/or City Council concerning this subdivision, which action is brought within the time period provided for in Government Code Section 66499.37. The City of Fontana shall promptly notify the applicant of any claim, action, or proceeding and the City of Fontana shall cooperate in the defense. The applicant shall defend, indemnify, protect and hold harmless the City of Fontana or its agents, officers, attorneys and employees from any and all actual or alleged claims, actions or proceedings against the City of Fontana or its agents, officers, attorneys or employees to attack, set aside, void, annul or seek monetary damages arising out of any challenge to the applicant's proposed project or to any approvals of the Planning Commission and/or City Council concerning this project, including but not limited to actions challenging CEQA actions, permits, variances, plot plans, design plans, maps, licenses,

and amendments. The City of Fontana shall promptly notify the applicant of any claim, action, or proceeding and the City of Fontana shall cooperate in the defense.

In the event of any such third-party action or proceeding, the City shall have the right to retain its own separate legal counsel to defend the interests of the City. The applicant shall be responsible for reimbursing the City for such legal fees and costs, in their entirety, including actual attorneys' fees, which may be incurred by the City in defense of such action or proceeding. This indemnification shall also include, but not be limited to, damages, fees and/or costs awarded against the City, if any, and cost of suit, attorneys' fees, and other costs, liabilities and expenses incurred in connection with such claim, action, or proceeding whether incurred by applicant, the City and/or any parties bringing such forth.

The City of Fontana and the applicant acknowledge that the City would not have approved this project if the City were to be liable to applicant in damages under or with respect to all or any part of this application or this condition of approval. Accordingly, applicant shall not sue the City for damages or monetary relief for any matter arising from or related to this condition of approval. Applicant's sole and exclusive remedy shall be limited to declaratory/injunctive relief, mandate, and/or specific performance.

4. Tentative Tract Map No. 25-0003 (TTM No. 20839) shall comply with all applicable development standards of Chapter 26 (Subdivisions), Chapter 30 (Zoning and Development, and the Subdivision Map Act.
5. The applicant shall post a publicly visible sign on the project site with the telephone number and 24-hour point of contact for dust, noise and construction complaints. The 24-hour point of contact shall be available 24 hours a day, 7 days a week and have authority to commit additional assets to control dust, or respond to construction complaints after hours, on weekends and on holidays. Construction shall be limited to 7:00 am to 6:00 pm on weekdays, 8:00 am to 5:00 pm on Saturdays, and no construction on Sundays and Holidays.
6. Historic Archaeological Resources
 - a. Upon discovery of any tribal cultural or archaeological resources, the Applicant shall immediately cease construction activities in the proximate area of the discovery until the resource has been evaluated and appropriate measures have been determined. All tribal cultural and archaeological resources unearthed during construction activities shall be evaluated by a qualified archaeologist and tribal monitor/consultant. If the resources are Native American in origin, the Applicant shall coordinate consultation with interested tribes (those identified through correspondence with area tribes) and the landowner to determine the treatment and curation of the resources. In most cases, the interested tribes will request preservation in place or recovery of the resource for educational purposes. Work may continue on other parts of the project while evaluation of the resources takes place.
 - b. Preservation in place shall be the preferred manner of treatment; however, the final determination of treatment and curation of any tribal cultural or archaeological resource shall be made through consultation among the Applicant, landowner and

the interested tribes. In the even that no interested tribe is identified, any tribal or archaeological resources shall be preserved in place. If preservation in place is not feasible, treatment of resource may include archaeological data recovery excavation to recover the resource, followed by laboratory processing and analysis. All tribal cultural resources shall be returned to the respective interested tribe(s). All historic archaeological resources not of Native American origin shall be curated at a public, non-profit institution with a demonstrated research interest in the resources, provided that such institution agrees to accept the resource. If no institution accepts the archaeological resource, it shall be offered to the respective interested tribe, local school or a historical society in the area for educational purposes.

- c. Archaeological and Native American monitoring and excavation during construction projects shall be consistent with current professional standards. Applicant shall take reasonable care to avoid any unnecessary disturbance of physical modification to, or separation of human remains and associated funerary objects. Principal personnel shall meet the Secretary of the Interior standards for archaeology and have a minimum of 10 years' experience as a principal investigator working with Native American archaeological sites in southern California. A qualified archaeologist shall be responsible for ensuring that all other personnel are appropriately trained and qualified.

7. The construction contractor will use the following source controls at all times:

- a. Construction shall be limited to 7:00 am to 6:00 pm on weekdays, 8:00 am to 5:00 pm on Saturdays, and no construction on Sundays and Holidays unless it is approved by the building inspector for cases that are considered urgently necessary as defined in Section 18-63(b)(7) of the Fontana City Code.
- b. For all noise-producing equipment, use types and models that have the lowest horsepower and the lowest noise generating potential practical for their intended use.
- c. The construction contractor will ensure that all construction equipment, fixed or mobile, is properly operating (tuned-up) and lubricated, and that mufflers are working adequately.
- d. Have only necessary equipment onsite.
- e. Use manually adjustable or ambient-sensitive backup alarms. When working adjacent to residential use(s), the construction contractor will also use the following path controls, except where not physically feasible, when necessary:
 - i. Install portable noise barriers, including solid structures and noise blankets, between the active noise sources and the nearest noise receivers.
 - ii. Temporarily enclose localized and stationary noise sources.

8. All Conditions of Approval contained herein shall be incorporated into all applicable final

construction plans and a copy of these conditions shall be placed on a sheet in the final building and grading plans prior to issuance of any building or grading permits.

9. The approval of this Project is expressly conditioned upon the City Council's adoption of a resolution approving the Affordable Housing Density Bonus Agreement and the Declaration of Covenants, Conditions, and Restrictions ("CC&Rs"), substantially in the form and substance as determined by the City in its reasonable discretion as attached hereto as Exhibit A and incorporated herein by this reference. No rights or entitlements granted by the Planning Commission shall become effective unless and until the City Council adopts the required resolution approving the aforementioned Affordable Housing Density Bonus Agreement and the Declaration of Covenants, Conditions, and Restrictions.

BUILDING AND SAFETY DEPARTMENT:

10. The applicant shall design the project to show compliance with the latest adopted edition of the following codes as applicable:
 - a. California Building Code
 - b. California Residential Code
 - c. California Electrical Code
 - d. California Mechanical Code
 - e. California Plumbing Code
 - f. California Energy Code
 - g. California Fire Code
 - h. California Green Building Standards Code
 - i. City of Fontana Ordinance.
 - j. Disabled access for the site and building must be in accordance to the State of CA and ADA regulations.
11. The applicant shall verify that any temporary building, trailer, commercial coach, etc. installed and/or used in connection with a construction project complies with FMC Chapter 5 Article XIV.
12. The applicant shall verify that all perimeter/boundary walls are designed and constructed so that the outer/exterior face of the wall is as close as possible to the lot line. In any case, the outer/exterior face of the wall shall be within two (2) inches of the lot line. Distances greater than two (2) inches may be approved prior to construction by the Building Official on a case-by-case basis for extenuating circumstances.
13. The applicant shall verify that all lot lines, easement lines, etc. will be located and/or relocated in such a manner as to not cause any existing structure to become non-conforming with the requirements of the latest adopted edition of the Building Code, or

Resolution No. PC 2026-_____

any other applicable law, ordinance, or code.

14. The applicant shall have the tract or parcel map recorded prior to the issuance of the final Certificate of Occupancy.
15. The applicant shall verify that all exterior lighting shall be oriented, directed, and/or shielded as much as possible so that direct illumination does not infringe onto adjoining properties.

PRIOR TO ISSUANCE OF BUILDING/CONSTRUCTION PERMITS

16. The following items (as applicable) shall be completed by the applicant and submitted to Building & Safety prior to the issuance of building permits for this project:
 - a. Precise grading plans shall be approved
 - b. Rough grading shall be completed
 - c. Compaction certification shall be completed
 - d. Pad elevation certification shall be completed
 - e. Rough grade inspection shall be signed off by a City Building Inspector
17. When the Entitlement Review is approved submit complete construction drawings including structural calculations to Building and Safety for plan review in accordance with the current edition of the CA Building and Fire Codes including all local ordinances and standards.

ENGINEERING DEPARTMENT – LAND DEVELOPMENT DIVISION

18. The Project shall be served by the City's sanitary sewer system, all sewer facilities shall be constructed in accordance with the City Standards. Main trunk sewer line shall be in accordance with master sanitary sewer plan or as approved by the City Engineer.
19. The Applicant shall obtain design and plan approval from all utility providers having jurisdiction over the on-site and off-site utilities. Completion of all undergrounding of on-site and off-site utilities is required by Section 27-52 of the City Municipal Code and in accordance with plans and specifications approved by the City Engineer.
20. The Applicant shall maintain all improvements and utilities within the public right-of-way, including street sweeping, prior to issuance of final certificate of occupancy by the City.

PRIOR TO ISSUANCE OF GRADING PERMIT

21. The Applicant shall submit engineered Rough Grading Plans and obtain full approval. Rough Grading Plans shall conform to the California Building Code, the California Non-Residential Code, Fontana Municipal Code, and Fontana Standard Plans and Specifications.
22. The Applicant shall submit engineered Precise Grading Plans and obtain full approval. Precise Grading Plans shall conform to the California Building Code, the California Non-Residential Code, Fontana Municipal Code, and Fontana Standard Plans and

Specifications. Rough Grading Pad Certification is required to be submitted to the Engineering Department prior to precise grading permit issuance.

23. The Applicant shall submit and gain approval of a complete Water Quality Management Plan report in accordance with the County of San Bernardino Technical Guidance Document and latest template.
24. The Applicant shall submit and gain approval of a final drainage study prepared in accordance with the County of San Bernardino Hydrology Manual and Fontana Master Plan of Drainage.

PRIOR TO MAP RECORDATION

25. Applicant shall provide a Subdivision Improvement Agreement, with accompanying security. The agreement shall be executed on City-provided forms.
26. If a CFD is required for the project the Applicant shall submit a Community Facility District (CFD) maintenance map that meets Engineering requirements for size and format as required for the development showing the CFD boundary and maintenance requirements, obtain approval of the map and complete the first public hearing for formation of the CFD.

PRIOR TO ISSUANCE OF ANY OTHER CONSTRUCTION PERMITS

27. The Applicant shall record All map's, right-of-way dedications, vacations, easements, agreements as required for the development.
28. The Applicant shall submit engineered improvement plans and obtain full approval. All required public improvements, including but not limited to streets, storm drainage systems, sewers, streetlights, striping, signs, landscape, and any required traffic control and/or detour plans. For a full list of traffic requirements, refer to the Traffic Division's conditions of approval. All plans shall conform to City Standards and Specifications, and as approved by the City Engineer.
29. The Applicant/Engineer of Record shall submit a conforming copy of the recorded Memorandum of Agreement for the Water Quality Management Plan and Storm Water Best Management Practices transfer.

PRIOR TO ISSUANCE OF FINAL CERTIFICATE OF OCCUPANCY

30. Complete all public improvements required of the project. Underground utilities required of the project. Ensure streetlights are energized and operating properly.
31. The Applicant/Engineer to provide the City of Fontana with As Built/Record Drawings for all public improvement plans. The Applicant/Developer shall provide a copy of the streetlight electric bill.
32. Slurry seal roads affected by the development as directed by the inspector. Slurry seal

limits may extend past the project frontage to address existing striping/pavement markings that conflict with new striping/pavement markings, repair trenches, and other areas as determined by the inspector.

33. The Surveyor of Record shall provide centerline ties to the City of Fontana reflecting proper setting of all survey monuments within the project limits and MCN25-0051/TTM 20839 July 6th, 2026, replace any existing survey monuments damaged or removed during construction.
34. The Surveyor of Record shall set survey monuments as required by the map and corner records must be recorded with the County. The Surveyor of Record shall notify the City in writing that monuments have been set in accordance with the recorded subdivision map and he/she has been paid in full for doing so.
35. All sewers shall be video inspected by applicant/contractor. Sewer video shall include clean-out connection, clean-out to lateral segment, lateral, and main line. Contractor performing the video inspection must have a NASSCO PACP, LACP, and MACP certification. Applicant shall provide a copy of the video on DVD or flash drive to inspection staff with an accompanying full report. Videos to be inspected and approved by City Inspector. If removal and replacement of any utility is required, a subsequent video of the repair will be required.
36. All storm drains shall be video inspected by applicant/contractor. Storm drain video shall include main lines and laterals. Applicant shall provide a copy of the video on DVD or flash drive to inspection staff. Videos to be inspected and approved by City Inspector. If removal and replacement of any utility is required, a subsequent video of the repair will be required.
37. The WQMP Certification for BMP Completion and Final WQMP must be submitted to the City Project Engineer.
38. The Engineer of Record shall submit a Final Grade Certification to the City Project Engineer for any building which a Certificate of Occupancy is requested.
39. Any existing street improvements damaged during construction shall be removed and replaced in kind to the current City Standards and Specifications, to the satisfaction of the City Engineer.

ENGINEERING DEPARTMENT – TRAFFIC DIVISION

40. Project ingress and egress locations and restrictions shall be as follows, with additional or lesser restrictions being necessitated subject to changes in the site plan and approval of the City Engineer:
 - a. The Project may have a single ingress/egress point along San Sevaine Road which may allow for full access (i.e., left- and right-turning inbound and outbound) movements.

41. Left-turn ingress and/or egress at all access locations may be restricted in the future due to traffic operational or safety concerns. Alternatives to such restrictions may be considered, subject to approval of the City Engineer.
42. At no time shall the design and gating of Project driveways require vehicles to reverse into a travel lane in the public Right-of-Way in order to depart or turn around. This requirement may be excluded if the gate is manned with personnel who may permit an errant driver to enter the site in order to turn around and depart.
43. Stopping sight distance must be shown to meet the required standards both horizontally and vertically at all ingress/egress locations including consideration for walls, landscaping, grading, and vegetation. Sight distances shall comply with current AASHTO requirements.
44. The site plan shall identify the on-site vehicular traffic flow patterns and circulation, on-site signing and striping, and any restricted, reserved, or other pre-designated parking areas.
45. The location of bicycle parking shall be depicted on the site plan. The number of bicycle parking spaces shall be determined in compliance with the City of Fontana Zoning and Development Code. Bicycle parking shall comply with the Association of Pedestrian and Bicycle Professionals' (APBP) bicycle parking design guidance. In the event that the Fontana Zoning and Development Code and the APBP guidance differ, the Fontana Zoning and Development Code requirements shall prevail.
46. The site plan shall identify all pedestrian access ways and traffic crossings. Crossings shall be clearly marked, lighted, and identified throughout the interior of the project. Pedestrian walkways shall have sufficient pathway lighting.
47. The site plan shall identify the Americans With Disabilities Act (ADA) compliant path(s) of travel to/from the public right of way and from all ADA accessible parking spaces.

PRIOR TO ISSUANCE OF CONSTRUCTION PERMITS

48. The Applicant shall submit and obtain full approval of street improvement plans, subject to the approval of the City Engineer, for all roadway improvements adjacent to the Project site.
49. The Applicant shall submit and obtain full approval of signing and striping plans, subject to the approval of the City Engineer, for all areas of roadway improvements included in the street improvement plans.

PRIOR TO ISSUANCE OF ANY CERTIFICATE OF OCCUPANCY

50. The Applicant shall construct the approved roadway improvements adjacent to the Project site.
51. The Applicant shall install the approved signing and striping plans as part of the street improvements.

SAN BERNARDINO COUNTY FIRE DEPARTMENT

52. Jurisdiction: The above referenced project is under the jurisdiction of the Fontana fire Protection District (herein "Fire Department"). Prior to any construction occurring on any parcel, the applicant shall contact the Fire Department for verification of current fire protection requirements. All new construction shall comply with the current California Fire Code requirements and all applicable statutes, codes, ordinances, and standards of the Fire Department.
53. Fire Access Road Width: Prior to map recordation, all fire access roadways shall be designed to meet the requirements for this development and shall be approved by the Fire Department. All buildings shall have access provided by approved roads, alleys, and private drives with a minimum twenty-six (26) foot unobstructed width and vertically to fourteen (14) feet six (6) inches in height. Buildings three (3) stories in height or more shall have a minimum access of thirty (30) feet unobstructed width and vertically to fourteen (14) feet six (6) inches in height. California Fire Code Chapter 5 & SBCoFD Standard A-1.
54. Turnaround: An approved turnaround shall be provided at the end of each roadway one hundred and fifty (150) feet or more in length. Cul-de-sac length shall not exceed six hundred (600) feet; all roadways shall not exceed a 12% grade and have a minimum of nineteen (19) foot inside radius and forty-five (45) foot outside radius for all turns. California Fire Code Chapter 5 & SBCoFD Standard A-1.
55. Fire Lanes: The applicant shall submit a site plan to the Fire Department for review and approval of all proposed signage and striping for all fire access roadways. All curbs adjacent to fire lanes shall be painted red and "No Parking, Fire Lane" signs shall be installed on public and private roads in accordance with approved standards. SBCoFD Standard A-2.
56. Water System Residential: Prior to map recordation or lot line adjustment, all water supply systems shall be designed to meet the required fire flow for this development and shall be approved by the Fire Department. The required fire flow shall be determined by using Appendix B of the California Fire Code. A minimum of one new six (6) inch fire hydrant assembly with two (2) two and one half (2 1/2) inch and one (1) four (4) inch outlet (4"x2.5"x2.5") shall be provided. All fire hydrants shall be spaced no more than six hundred (600) feet apart as measured along vehicular travel-ways. California Fire Code Chapter 5 & SBCoFD Standard W-2. The Fire Flow for this project shall be: 1,500 GPM for a two-hour duration at 20 psi residual operating pressure.
57. Hydrant Marking: Blue reflective pavement markers indicating fire hydrant locations shall be installed as specified by the Fire Department. SBCoFD Standard W-2.
58. Water Improvement Plan: The applicant shall submit "Water Improvement Plans" to Fontana Fire Prevention. W.I.P. to include site plan, existing & proposed PUBLIC fire hydrant locations, building construction type, square foot details of the largest building, total square foot of ALL floors in a multifloored building, square foot size of entire site,

and description of what is being constructed/occupancy type. Once approved by Fire Department, applicant will provide stamped/approved W.I.P to water purveyor for their construction needs. ON-SITE PRIVATE FIRE WATER SUPPLY SHALL BE INSPECTED AND IN WORKING CONDITION PRIOR TO PLACING COMBUSTIBLE MATERIALS ON THE JOBSITE. California Fire Code Chapter 5.

59. Combustible Protection: Prior to combustibles being placed on the project site an approved paved roadway providing fire access and fire hydrants providing an acceptable fire flow shall be installed. California Fire Code Chapter 5.
60. Fire Sprinkler-NFPA #13D: An automatic life safety fire sprinkler system complying with NFPA 13D and Fire Department standards is required. A fire sprinkler contractor shall submit three (3) sets of detailed plans with hydraulic calculations and manufacturer specification sheets to the Fire Department for approval. The required fees shall be paid at the time of plan submittal. California Fire Code Chapter 9 & SBCoFD Standard F-2.
61. Fire Extinguishers: Hand portable fire extinguishers are required. The location, type, and cabinet design shall be approved by the Fire Department. California Fire Code Chapter 9.
62. Residential Addressing: The street address shall be installed on the building with numbers that are a minimum of four (4) inches in height and with a one half ($\frac{1}{2}$) inch stroke. The address shall be visible from the street. During the hours of darkness, the numbers shall be internally and electrically illuminated with a low voltage power source. Numbers shall contrast with their background and be legible from the street. Where the building is fifty (50) feet or more from the roadway, additional contrasting four (4) inch numbers shall be displayed at the property access entrances. California Fire Code Chapter 5 & SBCoFD Standard B-1
63. Key Box: An approved Fire Department key box is required. The key box shall be provided with a tamper switch and shall be monitored by a Fire Department approved central monitoring service. California Fire Code Chapter 5 & SBCoFD Standard A-4
64. Security Gates: In commercial, industrial, and multi-family complexes, all swing gates shall have an approved fire department Knox Lock. Where an automatic electric security gate is used, an approved Fire Department override switch is required. California Fire Code Chapter 5 & SBCoFD Standard A-3
65. San Bernardino County Fire Standards/Codes: Items not directly called out on these Conditions of Approval, shall also adhere to currently adopted San Bernardino County Fire Standards, California Fire Code, & NFPA.

END OF CONDITIONS OF APPROVAL

Exhibit “C”



PROJECT: Master Case No. 25-0051
Design Review Project No. 25-0020

DATE: August 18, 2026

LOCATION: 14907 S. Highland Avenue (APN: 0228-021-07)

PLANNING DEPARTMENT:

1. The rights and privileges granted by this project shall not become effective, nor shall the Applicant commence the use for which this project is granted, until both of the following have occurred:
 - A. All of the improvements, construction, alteration and other work set forth in this project have been completed and have been accepted by the City, as evidenced by the City's issuance of a Certificate of Occupancy or other document evidencing the City's final inspection and acceptance of the work; and
 - B. All other Conditions of Approval imposed by this project have been fulfilled.
 - C. All of the improvements, construction, alteration, and other work set forth in this project have been completed and have been accepted by the City, as evidenced by the City's final inspection and acceptance of the work.
2. This Design Review shall become null and void two (2) years from the date of approval, unless the appropriate permits have been obtained and construction, defined as permit obtainment, commencement of construction of the primary building on site, and successful completion of the first Building and Safety Department inspection, has commenced within this period.
3. The Applicant shall defend, indemnify, protect and hold harmless the City of Fontana and its agents, officers, attorneys and employees from any and all actual or alleged claims, actions or proceedings against the City of Fontana or its agents, officers, attorneys or employees to attack, set aside, void, annul or seek monetary damages arising out of any challenge to the Applicant's proposed project or to any approvals of the Planning Commission and/or City Council concerning this project, including but not limited to actions challenging CEQA actions, permits, variances, plot plans, design plans, maps, licenses, and amendments. The City of Fontana shall promptly notify the Applicant of any claim, action, or proceeding and the City of Fontana shall cooperate in the defense.
4. In the event of any such third-party action or proceeding, the City shall have the right to

retain legal counsel. The Applicant shall be responsible and reimburse the City for such legal fees and costs, in their entirety, including actual attorneys' fees, which may be incurred by the City in defense of such action or proceeding. This indemnification shall also include, but not be limited to, damages, fees and/or costs awarded against the City, if any, and cost of suit, attorneys' fees, and other costs, liabilities and expenses incurred in connection with such claim, action, or proceeding whether incurred by Applicant, the City and/or any parties bringing such forth.

5. The City of Fontana and the Applicant acknowledge that the City would not have approved this project if the City were to be liable to Applicant in damages under or with respect to all or any part of this application or this condition of approval. Accordingly, Applicant shall not sue the City for damages or monetary relief for any matter arising from or related to this condition of approval. Applicant's sole and exclusive remedy shall be limited to declaratory/injunctive relief, mandate, and/or specific performance.
6. Prior to the construction of any modifications, all structural and aesthetic changes to the project design must be requested and approved in writing by the Director of Planning or his/her designee. Major structural and aesthetic changes exceeding the codified parameters of administrative policy shall be presented to the Planning Commission for approval. Changes made without approval as stated herein, will prevent the occupancy of the structure until corrections are approved in writing by all appropriate staff.
7. The Director of Planning, or his/her designee, shall have the authority to approve minor architectural changes, including but not limited to window treatments, color combinations, façade treatments, and architectural relief. Any questions on the interpretation of this provision, or changes not clearly within the scope of this authorization shall be submitted to the Planning Commission for consideration as a revision to the Design Review
8. Any foam treatment used for architecture treatments and/or projections located on the first floor (under 14 feet) shall be encased in concrete or similar durable material a minimum of ½ inch thick, or as otherwise determined by the Director of Planning.
9. If solar panel systems are installed on the roof of any residential structure, the installation shall be on top or above the approved roof tile. If a solar panel system is flush-mounted to the roof, matching roof tiles shall be replaced immediately upon removal of the solar panels.
10. This project shall comply with all applicable provisions, regulations and development standards of the Fontana Zoning and Development Code.
11. The Applicant shall post a publicly visible sign on the project site with the telephone number and 24-hour point of contact for dust, noise, and construction complaints. The 24-hour point of contact shall be available 24 hours a day, 7 days a week and have authority to commit additional assets to control dust, or respond to construction complaints after hours, on weekends and on holidays. Construction shall be limited to 7:00am to 6:00pm on weekdays, 8:00am to 5:00pm on Saturdays, and no construction on Sundays and Holidays.

12. After the fifteen (15) day appeal period, the Applicant shall remove the notice of Filing sign from the project site. The Applicant may request a refund of the \$300 sign deposit. The request shall be submitted to the Planning Department.

13. Historic Archaeological Resources

- A. Upon discovery of any tribal cultural or archaeological resources, the Applicant shall immediately cease construction activities in the proximate area of the discovery until the resource has been evaluated and appropriate measures have been determined. All tribal cultural and archaeological resources unearthed during construction activities shall be evaluated by a qualified archaeologist and tribal monitor/consultant. If the resources are Native American in origin, the Applicant shall coordinate consultation with interested tribes (those identified through correspondence with area tribes) and the landowner to determine the treatment and curation of the resources. In most cases, the interested tribes will request preservation in place or recovery of the resource for educational purposes. Work may continue on other parts of the project while evaluation of the resources takes place.

- B. Preservation in place shall be the preferred manner of treatment; however, the final determination of treatment and curation of any tribal cultural or archaeological resource shall be made through consultation among the Applicant, landowner and the interested tribes. In the even that no interested tribe is identified, any tribal or archaeological resources shall be preserved in place. If preservation in place is not feasible, treatment of resource may include archaeological data recovery excavation to recover the resource, followed by laboratory processing and analysis. All tribal cultural resources shall be returned to the respective interested tribe(s). All historic archaeological resources not of Native American origin shall be curated at a public, non-profit institution with a demonstrated research interest in the resources, provided that such institution agrees to accept the resource. If no institution accepts the archaeological resource, it shall be offered to the respective interested tribe, local school or a historical society in the area for educational purposes.

- C. Archaeological and Native American monitoring and excavation during construction projects shall be consistent with current professional standards. Applicant shall take reasonable care to avoid any unnecessary disturbance of physical modification to, or separation of human remains and associated funerary objects. Principal personnel shall meet the Secretary of the Interior standards for archaeology and have a minimum of 10 years' experience as a principal investigator working with Native American archaeological sites in southern California. A qualified archaeologist shall be responsible for ensuring that all other personnel are appropriately trained and qualified.

14. The approval of this Project is expressly conditioned upon the City Council's adoption of a resolution approving the Affordable Housing Density Bonus Agreement and the Declaration of Covenants, Conditions, and Restrictions ("CC&Rs"), substantially in the form and substance as determined by the City in its reasonable discretion as attached hereto as Exhibit A and incorporated herein by this reference. No rights or entitlements

granted by the Planning Commission shall become effective unless and until the City Council adopts the required resolution approving the aforementioned Affordable Housing Density Bonus Agreement and the Declaration of Covenants, Conditions, and Restrictions.

15. The construction contractor will use the following source controls at all times:
 - A. Construction shall be limited to 7:00 am to 6:00 pm on weekdays, 8:00 am to 5:00 pm on Saturdays, and no construction on Sundays and Holidays unless it is approved by the building inspector for cases that are considered urgently necessary as defined in Section 18-63(b)(7) of the Fontana City Code.
 - B. For all noise-producing equipment, use types and models that have the lowest horsepower and the lowest noise generating potential practical for their intended use.
 - C. The construction contractor will ensure that all construction equipment, fixed or mobile, is properly operating (tuned-up) and lubricated, and that mufflers are working adequately.
 - D. Have only necessary equipment onsite.
 - E. Use manually adjustable or ambient-sensitive backup alarms. When working adjacent to residential use(s), the construction contractor will also use the following path controls, except where not physically feasible, when necessary:
 - i. Install portable noise barriers, including solid structures and noise blankets, between the active noise sources and the nearest noise receivers.
 - ii. Temporarily enclose localized and stationary noise sources.
16. This project shall comply with all applicable provisions, regulations and development standards of the Fontana Municipal Code.
17. Applicant shall pay all applicable service fees pursuant to the Fontana Municipal Code.
18. All signs shall be reviewed under a separate Design Review Sign application. This includes, but is not limited to, building signs, monument signs, pylon signs, etc.
19. Color combinations and color schemes for commercial buildings approved under a Design Review Permit application shall not be modified or changed without prior approval from the original approving body by a revision to the original application. Minor hue color changes may be approved by the Director of Planning. The Director of Planning shall have the authority to refer minor hue color changes to the Planning Commission for consideration under a revision to the original application if deemed necessary. Appeals shall follow provisions of the Municipal Code.
20. All garage doors shall be metal, sectional roll-up and have windows.
21. The following electrical outlets and garage door opener shall be provided in all garages:
 - A. One automatic garage door opener shall be installed for the double garage door.
 - B. At least one duplex receptacle shall be installed within the garage.

22. Wall-mounted decorative lighting fixtures shall be provided at the front porch area as and on each side of the garage door. Wall-mounted decorative lighting fixtures shall be a minimum height of 18 inches.
23. All new block walls visible from public view shall be constructed of decorative block and capped with a prefabricated block cap. New block walls not visible from public view may be constructed of CMU block with a masonry cap.
24. No solid masonry wall shall exceed nine-foot in height as measured from top of ground (finish grade) when used in combination with a retaining wall unless otherwise specified for this project.
25. Recreational amenities shall be constructed of materials and equipment similar to those used in public parks, or as approved by the Director of Planning. Refer to the City of Fontana Park Design Standards, accessible at the City's website under the Planning Department under Landscape Services.
26. All proposed playground at a minimum must, conform to the California Code of Regulations; Title 22 Social Security, Division 4 Environmental Health, Chapter 22 Safety Regulations for Playgrounds. In addition to the above, all materials and methods must meet the following standards: Consumer Product Safety Commission "Handbook for Public Playground Safety" current version, ASTM F1487 "Standard Consumer Safety Performance Specification for Playground Equipment for Public Use" current version, ASTM F-1292, "Specification for Impact Attenuation of Surface Systems Under and Around Playground Equipment" current version, and CFR Part 1191 "Americans with Disabilities Act Disability Accessibility Guidelines for Buildings and Facilities Section 15.6 Play Areas". Playground must include a shade structure, or a standalone shade structure must be provided per the City's Park Design Standards.
27. All fire back flows (DDC/DACA) shall be painted green or earth tone color.
28. Placement, location and screening of utilities of any kind which cannot be installed underground and must be placed above ground for function and safety reasons require approval by the Director of Planning.
29. Any utility easements shall be landscaped and shall be maintained as provided in the easement document.

PRIOR TO ISSUANCE OF BUILDING/GRADING PERMIT

30. All Conditions of Approval contained herein shall be incorporated into all applicable final construction plans and a copy of these conditions shall be placed on a sheet in the final building or grading plans prior to issuance of any building or grading permits.
31. The applicant/developer/property owner shall provide clustered and/or individual mailbox(es) for the delivery of mail to future residents of the development. The location shall be convenient for the residents and not block the line-of-sight for pedestrians or vehicle traffic.

32. The mailboxes shall be made of durable material and shall be installed in a manner that is resistant to vandalism and meets the requirements of the Post Office. The Post Office currently approves freestanding mailboxes that are F-series and wall mounted boxes that are 4C series. The developer is responsible for contacting the Post Office for the type and location of the mailboxes within their development. Any replacements of the mailboxes subsequent to the original installation shall be the responsibility of the developer, each individual homeowner and/or the homeowners association, and the Post Office.

PRIOR TO ISSUANCE OF CERTIFICATE OF OCCUPANCY

33. Development fees and Planning Department final inspection fees shall be paid prior to Certificate of Occupancy.
34. Prior to final Certificate of Occupancy, the developer shall provide the City with certificate of compliance and a playground inspection report from a certified playground inspector

ENGINEERING DEPARTMENT – LAND DEVELOPMENT DIVISION

35. The Project shall be served by the City's sanitary sewer system, all sewer facilities shall be constructed in accordance with the City Standards. Main trunk sewer line shall be in accordance with master sanitary sewer plan or as approved by the City Engineer.
36. The Applicant shall obtain design and plan approval from all utility providers having jurisdiction over the on-site and off-site utilities. Completion of all undergrounding of on-site and off-site utilities is required by Section 27-52 of the City Municipal Code and in accordance with plans and specifications approved by the City Engineer.
37. The Applicant shall maintain all improvements and utilities within the public right-of-way, including street sweeping, prior to issuance of final certificate of occupancy by the City.

PRIOR TO ISSUANCE OF GRADING PERMIT

38. The Applicant shall submit engineered Rough Grading Plans and obtain full approval. Rough Grading Plans shall conform to the California Building Code, the California Non-Residential Code, Fontana Municipal Code, and Fontana Standard Plans and Specifications.
39. The Applicant shall submit engineered Precise Grading Plans and obtain full approval. Precise Grading Plans shall conform to the California Building Code, the California Non-Residential Code, Fontana Municipal Code, and Fontana Standard Plans and Specifications. Rough Grading Pad Certification is required to be submitted to the Engineering Department prior to precise grading permit issuance.
40. The Applicant shall submit and gain approval of a complete Water Quality Management Plan report in accordance with the County of San Bernardino Technical Guidance Document and latest template.

41. The Applicant shall submit and gain approval of a final drainage study prepared in accordance with the County of San Bernardino Hydrology Manual and Fontana Master Plan of Drainage.

PRIOR TO ISSUANCE OF ANY OTHER CONSTRUCTION PERMITS

42. The Applicant shall record All map's, right-of-way dedications, vacations, easements, agreements as required for the development.
43. The Applicant shall submit engineered improvement plans and obtain full approval. All required public improvements, including but not limited to streets, storm drainage systems, sewers, streetlights, striping, signs, landscape, and any required traffic control and/or detour plans. For a full list of traffic requirements, refer to the Traffic Division's conditions of approval. All plans shall conform to City Standards and Specifications, and as approved by the City Engineer.
44. The Applicant/Engineer of Record shall submit a conforming copy of the recorded Memorandum of Agreement for the Water Quality Management Plan and Storm Water Best Management Practices transfer.

PRIOR TO ISSUANCE OF FINAL CERTIFICATE OF OCCUPANCY

45. Complete all public improvements required of the project. Underground utilities required of the project. Ensure streetlights are energized and operating properly.
46. The Applicant/Engineer to provide the City of Fontana with As Built/Record Drawings for all public improvement plans. The Applicant/Developer shall provide a copy of the streetlight electric bill.
47. Slurry seal roads affected by the development as directed by the inspector. Slurry seal limits may extend past the project frontage to address existing striping/pavement markings that conflict with new striping/pavement markings, repair trenches, and other areas as determined by the inspector.
48. The Surveyor of Record shall provide centerline ties to the City of Fontana reflecting proper setting of all survey monuments within the project limits and MCN25-0051/TTM 20839 July 6th, 2026, replace any existing survey monuments damaged or removed during construction.
49. The Surveyor of Record shall set survey monuments as required by the map and corner records must be recorded with the County. The Surveyor of Record shall notify the City in writing that monuments have been set in accordance with the recorded subdivision map and he/she has been paid in full for doing so.
50. All sewers shall be video inspected by applicant/contractor. Sewer video shall include clean-out connection, clean-out to lateral segment, lateral, and main line. Contractor

performing the video inspection must have a NASSCO PACP, LACP, and MACP certification. Applicant shall provide a copy of the video on DVD or flash drive to inspection staff with an accompanying full report. Videos to be inspected and approved by City Inspector. If removal and replacement of any utility is required, a subsequent video of the repair will be required.

51. All storm drains shall be video inspected by applicant/contractor. Storm drain video shall include main lines and laterals. Applicant shall provide a copy of the video on DVD or flash drive to inspection staff. Videos to be inspected and approved by City Inspector. If removal and replacement of any utility is required, a subsequent video of the repair will be required.
52. The WQMP Certification for BMP Completion and Final WQMP must be submitted to the City Project Engineer.
53. The Engineer of Record shall submit a Final Grade Certification to the City Project Engineer for any building which a Certificate of Occupancy is requested.
54. Any existing street improvements damaged during construction shall be removed and replaced in kind to the current City Standards and Specifications, to the satisfaction of the City Engineer.

ENGINEERING DEPARTMENT – TRAFFIC DIVISION

55. Project ingress and egress locations and restrictions shall be as follows, with additional or lesser restrictions being necessitated subject to changes in the site plan and approval of the City Engineer:
 - a. The Project may have a single ingress/egress point along San Sevaire Road which may allow for full access (i.e., left- and right-turning inbound and outbound) movements.
56. Left-turn ingress and/or egress at all access locations may be restricted in the future due to traffic operational or safety concerns. Alternatives to such restrictions may be considered, subject to approval of the City Engineer.
57. At no time shall the design and gating of Project driveways require vehicles to reverse into a travel lane in the public Right-of-Way in order to depart or turn around. This requirement may be excluded if the gate is manned with personnel who may permit an errant driver to enter the site in order to turn around and depart.
58. Stopping sight distance must be shown to meet the required standards both horizontally and vertically at all ingress/egress locations including consideration for walls, landscaping, grading, and vegetation. Sight distances shall comply with current AASHTO requirements.
59. The site plan shall identify the on-site vehicular traffic flow patterns and circulation, on-site signing and striping, and any restricted, reserved, or other pre-designated parking areas.

60. The location of bicycle parking shall be depicted on the site plan. The number of bicycle parking spaces shall be determined in compliance with the City of Fontana Zoning and Development Code. Bicycle parking shall comply with the Association of Pedestrian and Bicycle Professionals' (APBP) bicycle parking design guidance. In the event that the Fontana Zoning and Development Code and the APBP guidance differ, the Fontana Zoning and Development Code requirements shall prevail.
61. The site plan shall identify all pedestrian access ways and traffic crossings. Crossings shall be clearly marked, lighted, and identified throughout the interior of the project. Pedestrian walkways shall have sufficient pathway lighting.
62. The site plan shall identify the Americans With Disabilities Act (ADA) compliant path(s) of travel to/from the public right of way and from all ADA accessible parking spaces.

PRIOR TO ISSUANCE OF CONSTRUCTION PERMITS

63. The Applicant shall submit and obtain full approval of street improvement plans, subject to the approval of the City Engineer, for all roadway improvements adjacent to the Project site.
64. The Applicant shall submit and obtain full approval of signing and striping plans, subject to the approval of the City Engineer, for all areas of roadway improvements included in the street improvement plans.

PRIOR TO ISSUANCE OF ANY CERTIFICATE OF OCCUPANCY

65. The Applicant shall construct the approved roadway improvements adjacent to the Project site.
66. The Applicant shall install the approved signing and striping plans as part of the street improvements.

BUILDING AND SAFETY DEPARTMENT:

67. The applicant shall design the project to show compliance with the latest adopted edition of the following codes as applicable:
 - a. California Building Code
 - b. California Residential Code
 - c. California Electrical Code
 - d. California Mechanical Code
 - e. California Plumbing Code
 - f. California Energy Code
 - g. California Fire Code
 - h. California Green Building Standards Code
 - i. City of Fontana Ordinance.
 - j. Disabled access for the site and building must be in accordance to the State of CA

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and ADA regulations.

68. The applicant shall verify that any temporary building, trailer, commercial coach, etc. installed and/or used in connection with a construction project complies with FMC Chapter 5 Article XIV.
69. The applicant shall verify that all perimeter/boundary walls are designed and constructed so that the outer/exterior face of the wall is as close as possible to the lot line. In any case, the outer/exterior face of the wall shall be within two (2) inches of the lot line. Distances greater than two (2) inches may be approved prior to construction by the Building Official on a case by case basis for extenuating circumstances.
70. The applicant shall verify that all lot lines, easement lines, etc. will be located and/or relocated in such a manner as to not cause any existing structure to become non-conforming with the requirements of the latest adopted edition of the Building Code, or any other applicable law, ordinance, or code.
71. The applicant shall have the tract or parcel map recorded prior to the issuance of any Final Certificate of Occupancy.
72. The applicant shall verify that all exterior lighting shall be oriented, directed, and/or shielded as much as possible so that direct illumination does not infringe onto adjoining properties.

PRIOR TO ISSUANCE OF BUILDING/CONSTRUCTION PERMITS

73. The following items (as applicable) shall be completed by the applicant and submitted to Building & Safety prior to the issuance of building permits for this project:
 - a. Precise grading plans shall be approved
 - b. Rough grading shall be completed
 - c. Compaction certification shall be completed
 - d. Pad elevation certification shall be completed
 - e. Rough grade inspection shall be signed off by a City Building Inspector
74. The applicant shall combine the existing parcels into a single parcel, or a lot line adjustment shall be done so that the proposed structure(s) does not cross any lot line and complies with all requirements of the California Building Code, prior to any building permits being issued. Prior to any building permits being issued, the Final Tract Map shall be completed in a manner so that the proposed structure(s) does not cross any lot line and complies with all requirements of the California Building Code.

SAN BERNARDINO COUNTY FIRE DEPARTMENT

75. Jurisdiction: The above referenced project is under the jurisdiction of the Fontana fire Protection District (herein "Fire Department"). Prior to any construction occurring on any parcel, the applicant shall contact the Fire Department for verification of current fire protection requirements. All new construction shall comply with the current California Fire

Code requirements and all applicable statutes, codes, ordinances, and standards of the Fire Department.

76. Fire Access Road Width: Prior to map recordation, all fire access roadways shall be designed to meet the requirements for this development and shall be approved by the Fire Department. All buildings shall have access provided by approved roads, alleys, and private drives with a minimum twenty-six (26) foot unobstructed width and vertically to fourteen (14) feet six (6) inches in height. Buildings three (3) stories in height or more shall have a minimum access of thirty (30) feet unobstructed width and vertically to fourteen (14) feet six (6) inches in height. California Fire Code Chapter 5 & SBCoFD Standard A-1.
77. Turnaround: An approved turnaround shall be provided at the end of each roadway one hundred and fifty (150) feet or more in length. Cul-de-sac length shall not exceed six hundred (600) feet; all roadways shall not exceed a 12% grade and have a minimum of nineteen (19) foot inside radius and forty-five (45) foot outside radius for all turns. California Fire Code Chapter 5 & SBCoFD Standard A-1.
78. Fire Lanes: The applicant shall submit a site plan to the Fire Department for review and approval of all proposed signage and striping for all fire access roadways. All curbs adjacent to fire lanes shall be painted red and "No Parking, Fire Lane" signs shall be installed on public and private roads in accordance with approved standards. SBCoFD Standard A-2.
79. Water System Residential: Prior to map recordation or lot line adjustment, all water supply systems shall be designed to meet the required fire flow for this development and shall be approved by the Fire Department. The required fire flow shall be determined by using Appendix B of the California Fire Code. A minimum of one new six (6) inch fire hydrant assembly with two (2) two and one half (2 1/2) inch and one (1) four (4) inch outlet (4"x2.5"x2.5") shall be provided. All fire hydrants shall be spaced no more than six hundred (600) feet apart as measured along vehicular travel-ways. California Fire Code Chapter 5 & SBCoFD Standard W-2. The Fire Flow for this project shall be: 1,500 GPM for a two-hour duration at 20 psi residual operating pressure.
80. Hydrant Marking: Blue reflective pavement markers indicating fire hydrant locations shall be installed as specified by the Fire Department. SBCoFD Standard W-2.
81. Water Improvement Plan: The applicant shall submit "Water Improvement Plans" to Fontana Fire Prevention. W.I.P. to include site plan, existing & proposed PUBLIC fire hydrant locations, building construction type, square foot details of the largest building, total square foot of ALL floors in a multifloored building, square foot size of entire site, and description of what is being constructed/occupancy type. Once approved by Fire Department, applicant will provide stamped/approved W.I.P to water purveyor for their construction needs. ON-SITE PRIVATE FIRE WATER SUPPLY SHALL BE INSPECTED AND IN WORKING CONDITION PRIOR TO PLACING COMBUSTIBLE MATERIALS ON THE JOBSITE. California Fire Code Chapter 5.
82. Combustible Protection: Prior to combustibles being placed on the project site an approved

paved roadway providing fire access and fire hydrants providing an acceptable fire flow shall be installed. California Fire Code Chapter 5.

83. Fire Sprinkler-NFPA #13D: An automatic life safety fire sprinkler system complying with NFPA 13D and Fire Department standards is required. A fire sprinkler contractor shall submit three (3) sets of detailed plans with hydraulic calculations and manufacturer specification sheets to the Fire Department for approval. The required fees shall be paid at the time of plan submittal. California Fire Code Chapter 9 & SBCoFD Standard F-2.
84. Fire Extinguishers: Hand portable fire extinguishers are required. The location, type, and cabinet design shall be approved by the Fire Department. California Fire Code Chapter 9.
85. Residential Addressing: The street address shall be installed on the building with numbers that are a minimum of four (4) inches in height and with a one half (½) inch stroke. The address shall be visible from the street. During the hours of darkness, the numbers shall be internally and electrically illuminated with a low voltage power source. Numbers shall contrast with their background and be legible from the street. Where the building is fifty (50) feet or more from the roadway, additional contrasting four (4) inch numbers shall be displayed at the property access entrances. California Fire Code Chapter 5 & SBCoFD Standard B-1
86. Key Box: An approved Fire Department key box is required. The key box shall be provided with a tamper switch and shall be monitored by a Fire Department approved central monitoring service. California Fire Code Chapter 5 & SBCoFD Standard A-4
87. Security Gates: In commercial, industrial, and multi-family complexes, all swing gates shall have an approved fire department Knox Lock. Where an automatic electric security gate is used, an approved Fire Department override switch is required. California Fire Code Chapter 5 & SBCoFD Standard A-3
88. San Bernardino County Fire Standards/Codes: Items not directly called out on these Conditions of Approval, shall also adhere to currently adopted San Bernardino County Fire Standards, California Fire Code, & NFPA.

END OF CONDITIONS OF APPROVAL