

# City of Fontana

8353 Sierra Avenue  
Fontana, CA 92335



## Regular Agenda

Next Reso. No. SA 2025-001

Tuesday, June 10, 2025

2:00 PM

Grover W. Taylor Council Chambers

## Successor Agency

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

### **Welcome to the Meeting!**

Welcome to the City of Fontana meeting. Meetings are held at the Grover W. Taylor Council Chambers 8353 Sierra Avenue Fontana, CA 92335. To address the Council, please fill out a card located at the entrance to the right indicating your desire to speak on either a specific agenda item or under Public Communications and give it to the City Clerk. Your name will be called when it is your turn to speak. In compliance with Americans with Disabilities Act of 1990 (42 USC § 12132), the Council Chambers is wheelchair accessible, and a portable microphone is available. Upon request, this agenda will be made available in appropriate alternative forms to persons with disabilities, as required by Section 12132 of the Americans with Disabilities Act of 1990. Any person with a disability who requires accommodation to participate in a meeting should direct such a request to the City Clerk's Office at (909) 350-7602 at least 48 hours before the meeting, if possible. Any public record, relating to an open session agenda item, that is distributed within 72 hours prior to the meeting is available for public inspection at the City Clerk's Office.

Para traducción en Español, comuníquese con la oficina, "City Clerk" al (909) 350-7602.

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

### **CALL TO ORDER/ROLL CALL:**

#### **A. Call the Meeting to Order**

### **PUBLIC COMMUNICATIONS:**

This is an opportunity for citizens to speak to the members of the meeting for up to 3 minutes on items not on the Agenda, but within the Agency's jurisdiction. The Agency is prohibited by law from discussing or taking immediate action on non-agendized items.

#### **A. Public Communications**

### **CONSENT CALENDAR:**

All matters listed under CONSENT CALENDAR will be enacted by one motion in the form listed below - there will be no separate discussion on these items prior to the time they are voted on, unless a member requests a specific item be removed from the Consent Calendar for discussion.

#### **A. Approval of Minutes**

[25-0307](#)

Approve the minutes of the May 13, 2025, Successor Agency meeting.

**Attachments:** [Successor Agency Meeting Minutes 05-13-2025.pdf](#)

**B. Acknowledgement of Assigned Owner Participation Agreement Payments and Acceptance of Potential Reduction in Borrowing Costs [25-0306](#)**

Approve and authorize the execution of the Acknowledgement of Successor Agency

**Attachments:** [Attachment No. 1 - .docx](#)

**EXECUTIVE DIRECTOR'S COMMUNICATIONS:**

**A. Executive Director's Communications**

**ELECTED OFFICIALS COMMUNICATIONS/COMMITTEE REPORTS:**

**A. Elected Officials Communications/Committee Reports**

**ADJOURNMENT:**

**A. Adjournment**

Adjourn to the next Regular Successor Agency Meeting at 2:00 p.m. in the Grover W. Taylor Council Chambers located at 8353 Sierra Avenue, Fontana, California.



# City of Fontana

8353 Sierra Avenue  
Fontana, CA 92335

## Action Report

### Successor Agency

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**File #:** 25-0307

**Agenda #:** A.

**Agenda Date:** 6/10/2025

**Category:** Consent Calendar

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**FROM:**

City Clerk

**SUBJECT:**

Approval of Minutes

**RECOMMENDATION:**

Approve the minutes of the May 13, 2025, Successor Agency meeting.

**COUNCIL GOALS:**

- Create and maintain a dynamic team by promoting stability and predictability by providing consistent policy direction.
- Create and maintain a dynamic team by communicating Goals and Objectives to all commissions and employees.

**DISCUSSION:**

The Successor Agency will consider approval of the minutes of the May 13, 2025, regular Successor Agency meeting. The draft minutes are attached to this report for Agency review and approval.

**FISCAL IMPACT:**

None.

**MOTION:**

Approve staff recommendation.

# City of Fontana

8353 Sierra Avenue  
Fontana, CA 92335



## Minutes

**Tuesday, May 13, 2025**

**2:00 PM**

**Grover W. Taylor Council Chambers**

## **Successor Agency**

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

## **CALL TO ORDER/ROLL CALL:**

### **A. 2:00 P.M. Call To Order/Roll Call:**

The Regular Meeting of the Fontana Successor Agency was held in the Grover W. Taylor Council Chambers, 8353 Sierra Avenue, Fontana, CA 92335, on Tuesday, May 13, 2025.

Chairperson Cothran called the meeting to order at 2:06 p.m.

## **ROLL CALL:**

**PRESENT:** Chair Cothran, Vice-Chair Garcia, Agency Members Roberts, Sandoval and Warren.

**ABSENT:** None

City Treasurer Janet Koehler-Brooks and Agency Secretary Germaine Key were also in attendance.

## **PUBLIC COMMUNICATIONS:**

### **A. Public Communications**

No public communications were received.

## **CONSENT CALENDAR:**

**ACTION:** Motion was made by Agency Member Roberts, seconded by Vice-Chair Garcia, and passed unanimously by a vote of 5-0 to approve Consent Calendar Items "A-B." The motion carried by the following vote: **AYES:** Warren, Garcia, Cothran, Roberts, and Sandoval; **NOES:** None; **ABSTAIN:** None; **ABSENT:** None

### **A. Approval of Minutes 25-0248**

Approve the minutes of the March 25, 2025, Successor Agency meeting.

### **B. Ten-Ninety, Ltd. - First Quarter Statement of Development Costs - 25-0182 January 1, 2025, through March 31, 2025.**

Approve the Reimbursement of Ten-Ninety, Ltd., 2024 First Quarter Statement of Development Costs, in the amount of \$0.00 (Jurupa Hills Redevelopment Project).

## **EXECUTIVE DIRECTOR'S COMMUNICATIONS:**

### **A. Executive Director's Communications**

No Executive Director's Communications were received.

## **ELECTED OFFICIALS COMMUNICATIONS/COMMITTEE REPORTS:**

### **A. Elected Officials Communications/Committee Reports**

No Elected Officials Communications were received.

## **ADJOURNMENT:**

### **A. Adjournment**

Chairperson Cothran adjourned the meeting at 3:04 p.m.

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Phillip Cothran  
Chairperson

THE FOREGOING MINUTES WERE ADOPTED AND APPROVED BY THE FONTANA  
SUCCESSOR AGENCY ON JUNE 10, 2025.

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Germaine Key  
Agency Secretary



# City of Fontana

8353 Sierra Avenue  
Fontana, CA 92335

## Action Report

### Successor Agency

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**File #:** 25-0306

**Agenda #:** B.

**Agenda Date:** 6/10/2025

**Category:** Consent Calendar

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**FROM:**

Finance

**SUBJECT:**

Acknowledgement of Assigned Owner Participation Agreement Payments and Acceptance of Potential Reduction in Borrowing Costs

**RECOMMENDATION:**

Approve and authorize the execution of the Acknowledgement of Successor Agency

**COUNCIL GOALS:**

- Invest in the City's infrastructure (streets, sewers, parks, etc.) by providing for the development of new infrastructure.

**DISCUSSION:**

The City and the former Fontana Redevelopment Agency entered into an Owner Participation Agreement (as amended from time to time) and various supplemental agreements (together, the "OPA") with Ten-Ninety, Ltd. (the "Participating Owner"). The OPA, among other things, granted to the Participating Owner a right to receive certain tax increment revenues from the Jurupa Hills Redevelopment Project (the "Participating Owner's Share of Tax Increment"). The Participating Owner assigned its right to receive portions of the Participating Owner's Share of Tax Increment to third parties, including to Fontana OPA Holdings LLC (such portion of the Participating Owner's Share of Tax Increment is referred to as the "Assigned OPA Payments").

Fontana OPA Holdings LLC now desires to assign its right to receive the Assigned OPA Payments to California Public Finance Authority, a joint exercise of powers authority ("CalPFA"). CalPFA proposes to finance the purchase price for the Assigned OPA Payments by issuing its Tax Increment Revenue Bonds (the "CalPFA Bonds"), which CalPFA Bonds will be secured by the Assigned OPA Payments. Fontana OPA Holdings LLC and CalPFA have indicated to the Successor Agency that one or more specified debt service reserve funds (each, a "Reserve Fund") will be established to serve as a payment reserve for the CalPFA Bonds.

The Successor Agency to the Fontana Redevelopment Agency prepares a recognized obligation payments schedule ("ROPS") each year pursuant to the redevelopment dissolution laws, and includes the Participating Owner's Share of Tax Increment payments on each annual ROPS. The issuance of the CalPFA Bonds by CalPFA and the assignment of the Assigned OPA Payments by Fontana OPA Holdings LLC to CalPFA to secure payment of the CalPFA Bonds will not change the Successor Agency's payment obligation under the OPA and will not change the amount of the Participating Owner's Share of Tax Increment that the Successor Agency will request on each ROPS.



In order to issue the CalPFA Bonds, CalPFA must show that the CalPFA Bonds have a public benefit, specifically, that the issuance of the CalPFA Bonds will assist in the reduction of local borrowing costs. To accomplish this public benefit, CalPFA and Fontana OPA Holdings LLC propose that any amounts remaining in certain CalPFA Bond reserve accounts when the CalPFA Bonds are paid in full (anticipated to occur in 2033) (referred to as the "Reduction in Borrower Costs Amount") will be paid to the Successor Agency in order to reduce the Successor Agency's borrowing costs under the OPA.

CalPFA and Fontana OPA Holdings LLC have requested that the Successor Agency sign the acknowledgement [attached hereto as Attachment A] in which the Successor Agency (1) acknowledges that, if the Reduction in Borrowing Costs Amount is transferred to the Successor Agency, CalPFA, by issuing the CalPFA Bonds and purchasing the Assigned OPA Payments with the proceeds thereof, will have assisted the Successor Agency in reducing its borrowing costs under the OPA, and (2) agrees to accept a payment of the Reduction in Borrowing Costs Amount from CalPFA.

Additionally, the acknowledgement:

- Recognizes that Fontana OPA Holdings LLC is entitled to receive 33.33% of the funds payable to the Participating Owner under the OPA, net of applicable expenses, as the Assigned OPA Payments.
- Acknowledges that CalPFA is issuing Series 2025 A, B, and C Tax Increment Revenue Bonds, the proceeds of which will be used to purchase the Assigned OPA Payments.
- Notes that the Successor Agency is not making any representation or warranty regarding the accuracy of financial projections provided by the CalPFA or the Fiscal Agent.
- Accepts the provision that, upon full repayment of the bonds or the September 1, 2033 sunset date, residual funds from the reserve accounts (excluding the Extraordinary Costs Fund) will be transferred to the Successor Agency, thereby reducing borrowing costs as permitted under California Government Code.

#### **FISCAL IMPACT:**

The financial impact associated with the approval of this item is approximately \$1.2 million which the financial consultants of Fontana OPA Holdings LLC currently estimate as the Reduction in Borrowing Costs Amount to be received by the Successor Agency. The Reduction in Borrowing Costs Amount is expected as a one-time payment in 2033 after the CalPFA Bonds fully mature and will be dependent upon the timely payment of the CalPFA Bonds through their final maturity. According to the Successor Agency legal advisors, the payment may be used either to pay Successor Agency enforceable obligations or transferred to the County for payment to the various taxing agencies, including the City, like other property tax collections. All legal and advisory costs of the Successor Agency will be paid from proceeds of the CalPFA Bonds.

#### **MOTION:**

Approve staff's recommendation.

## **ACKNOWLEDGEMENT OF SUCCESOR AGENCY**

This Acknowledgement of Successor Agency is delivered by the Successor Agency to the Fontana Redevelopment Agency (the “Successor Agency”).

### **RECITALS**

The Fontana Redevelopment Agency Owner Participation Agreement, dated as of September 7, 1982, by and among the City of Fontana (the “City”), the Fontana Redevelopment Agency (the “Redevelopment Agency”) and Ten-Ninety, Ltd. (the “Participating Owner”), as amended, including by Amendment No. 3 to Fontana Redevelopment Agency Owner Participation Agreement and Composite Fontana Redevelopment Agency Owner Participation Agreement, dated as of January 1, 1992, by and among the City, the Redevelopment Agency and the Participating Owner (as so amended, the “OPA”), sets forth certain rights and obligations of the City, the Successor Agency, as successor to the dissolved Fontana Redevelopment Agency, and the Participating Owner with respect to the Southridge Village development within the City, the Jurupa Hills Redevelopment Project and certain tax increment, assessment and other revenues generated within the Jurupa Hills Redevelopment Project Area. Capitalized undefined terms used herein have the meanings ascribed thereto in the OPA.

### **CALIFORNIA PUBLIC FINANCE AUTHORITY BONDS**

Representatives of the California Public Finance Authority (the “Authority”) have informed the Successor Agency of the following:

(a) Fontana OPA Holdings LLC is, pursuant to the Fiscal Agent Agreement and the written instructions delivered to the Fiscal Agent pursuant thereto, entitled to receive 33.33% of the funds received by the Fiscal Agent and otherwise payable to the Participating Owner, after deducting therefrom 33.33% of the Participating Owner’s partnership expenses determined by the Participating Owner and submitted to the Fiscal Agent in good faith from time to time (such payments, the “Assigned OPA Payments”).

(b) The Authority is, on the date hereof, issuing its California Public Finance Authority Tax Increment Revenue Bonds (Fontana Jurupa Hills Project Area), Series 2025 A, Series 2025 B and Series 2025 C (collectively, the “Bonds”), proceeds of which are being applied to the purchase of the Assigned OPA Payments. The Bonds are being issued pursuant to the Indenture of Trust, dated as of [June 1], 2025 (the “Indenture”), by and between the Authority and Western Alliance Trust Company, N.A. (the “Trustee”), and Article 4 of Chapter 5 of Division 7 of Title 1 of the California Government Code (the “Act”).

(c) Pursuant to the Act, the California Legislature found and declared, among other things, that it is the intent of the Legislature to assist in the reduction of local borrowing costs and promote greater use of existing and new financial instruments and mechanisms, such as bond pooling by local agencies.

(d) The Indenture provides (i) that the Indenture is satisfied and discharged upon the earlier of (A) payment in full of the Bonds and all other costs payable thereunder,

and (B) September 1, 2033, and (ii) that, upon discharge and satisfaction of the Indenture, the Trustee shall (A) sell all investments held in the funds and accounts established under the Indenture, and (B) pay to or upon the order of the Successor Agency all money then held by it in the Series A Reserve Fund, the Series B Reserve Fund and such other funds and accounts, except the Extraordinary Costs Fund, that are not required for the payment of the principal of and interest on the Bonds (the “Reduction in Borrowing Costs Amount”). The Reduction in Borrowing Costs Amount is projected to be approximately \$[1,200,000].

The Successor Agency does not by this Acknowledgement of Successor Agency make any representation or warranty as to the accuracy or completeness of such information so provided to the Successor Agency.

### **ACKNOWLEDGEMENT**

The Successor Agency acknowledges that, if the Reduction in Borrowing Costs Amount is transferred to the Successor Agency, the Authority, by issuing the Bonds and purchasing the Assigned OPA Payments with the proceeds thereof, will have assisted the Successor Agency in reducing its borrowing costs under the OPA. The Successor Agency agrees to accept a payment of the Reduction in Borrowing Costs Amount from the Authority.

Dated: \_\_\_\_\_, 2025

### **SUCCESSOR AGENCY TO THE FONTANA REDEVELOPMENT AGENCY**

By: \_\_\_\_\_

Name:

Title: