

CITY OF ONTARIO

Agenda Report
July 7, 2026

SECTION:
PUBLIC HEARINGS

Department: Housing
Prepared By: Albert Ramirez
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Prepared By: Albert Ramirez
Staff Member Presenting: Helen McAlary,
Executive Director Community Life and Culture
Reviewed By: Albert Ramirez, Lacey A
Rightmer, Kelly Zackmann
Approved By: 

Submitted To: Council/OHA
Approved: _____
Continued To: _____
Denied: _____
Item No: 16

SUBJECT: A RESOLUTION DECLARING CITY-OWNED PROPERTY LOCATED AT 801 S. MOUNTAIN AVENUE (ASSESSOR'S PARCEL NO. 1011-382-09) AND 1045 W. MISSION BOULEVARD (ASSESSOR'S PARCEL NO. 1011-382-65) AS EXEMPT SURPLUS LAND FOR AFFORDABLE HOUSING DEVELOPMENT

RECOMMENDATION: That the Housing Authority adopt a Resolution declaring the two properties located at 801 S. Mountain, identified with Assessor's Parcel No. 1011-382-09 and 1045 W. Mission Boulevard, identified with Assessor's Parcel No. 1011-382-65, as Exempt Surplus Land pursuant to Government Code Section 54221 (f) (1)(F).

THE FOLLOWING COUNCIL GOALS ARE BEING ACHIEVED:

Pursue City's Goals and Objectives by Working with Other Governmental Agencies

Focus Resources in Ontario's Commercial and Residential Neighborhoods

Invest in the Growth and Evolution of the City's Economy

FISCAL IMPACT: There is no direct fiscal impact associated with this action. Adoption of the Resolution will allow the City to proceed with the process of developing affordable housing on the properties.

BACKGROUND & ANALYSIS: The Ontario Housing Authority ("OHA") owns approximately 1.28 acres of real property located at 801 S. Mountain, identified with Assessor's Parcel No. 1011-382-09, and 1045 W. Mission Boulevard, identified with Assessor's Parcel No. 1011-382-65, described and depicted in Exhibit "A" of the attached Resolution ("Properties"). Previously, three small commercial businesses occupied the Properties and a deteriorated motel that had become a nuisance to the surrounding area due to recurring illegal activity and frequent safety concerns. The site's condition negatively affected the area, posing challenges with lighting, safety, and neighborhood quality. OHA acquired the properties with the intent of facilitating future affordable housing development.

The Surplus Land Act ("SLA") (California Government Code Section 54220 et. seq.) establishes

procedures that local agencies must follow before they sell or transfer public property that is no longer needed for government use. Under SLA, local agencies must formally classify public property as either "surplus land" or "exempt surplus land" and create written findings to support the classification.

New State legislation (AB 1486, effective January 1, 2020) strengthened the requirements of the Surplus Land Act by prioritizing the availability of surplus land for affordable housing development and other public uses. However, some properties qualify as exempt surplus land and are not subject to the notice, solicitation, and negotiation requirements otherwise required under the Act.

After review, Staff has determined that the Properties qualify as Exempt Surplus Land pursuant to Government Code Section 54221 (f)(1)(F). This exemption is applicable because a housing authority owns the Properties and they are designated for affordable housing development.

The proposed project will be a 100% affordable rental housing development that will provide long-term housing opportunities for low- and moderate-income households within the City. To ensure long-term affordability, the project will include a recorded affordability covenant requiring the units to remain affordable for at least 55 years, consistent with State funding requirements.

The Properties do not sit in any areas that would prevent qualifying for the exemption, including coastal zones, land adjacent to a historical unit of the State Parks System, land listed on or determined eligible for the National Register of Historic Places, or land located within the Lake Tahoe region.

Declaring the Properties as Exempt Surplus Land will allow OHA to move forward with facilitating affordable housing development at the Properties, supporting the City's housing goals and OHA's mission to expand housing opportunities and promote housing stability for low-income households.

Staff recommends the adoption of the Resolution, allowing the affordable housing project to move forward under State law.