



City of Rialto

Legislation Details (With Text)

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Title: Request City Council to Approve a Reimbursement Agreement by and between the City of Rialto and Lewis-Hillwood Rialto Company, LLC for the cost of the preparation and processing of an amendment to the Renaissance Specific Plan for a Maximum Cost of \$532,140. (ACTION)

Sponsors:

Indexes:

Code sections:

Attachments: 1. Original Land Use Map.pdf, 2. Revised Land Use Map.pdf, 3. LHR Reimbursement Agreement.pdf, 4. Conflict of Interest Form 9-1-22.pdf

Date	Ver.	Action By	Action	Result
9/27/2022	1	City Council		

For City Council Meeting [September 27, 2022]

TO: Honorable Mayor and City Council

APPROVAL: Marcus Fuller, City Manager

FROM: Kathy Brann, Economic Development Manager

Request City Council to Approve a Reimbursement Agreement by and between the City of Rialto and Lewis-Hillwood Rialto Company, LLC for the cost of the preparation and processing of an amendment to the Renaissance Specific Plan for a Maximum Cost of \$532,140.
(ACTION)

BACKGROUND:

In 2010, the City Council approved the Renaissance Specific Plan (“RSP”), a master plan project located on and around the site of the former Rialto Municipal Airport and encompassing 1,445 acres of land. Subsequent to its adoption, there have been two (2) amendments to the RSP relating to specific projects. The City of Rialto (“City”) and Lewis-Hillwood Rialto Company, LLC (LHR), are parties to a purchase and sale agreement pursuant to which the City granted LHR an option to purchase all or a portion of certain real property that formerly comprised the Rialto Municipal Airport.

The original land use plan for the RSP is included as **Attachment 1**. The revised and current land use plan for the RSP is included as **Attachment 2**. As shown on the original land use plan, the easterly extension of Miro Way had an alignment that curved perpendicular to the intersection with Ayala Drive. The City previously established formal rights-of-way for Miro Way consistent with this alignment, and certain public utilities have already been installed within this alignment. The original land use map also envisioned Business Center and Employment land uses within the area of the RSP located easterly of Linden Avenue and southerly of Lieske Drive.

Figure 1 below shows the original land use plan for the area of the RSP located easterly of Linden Avenue and southerly of Lieske Drive.

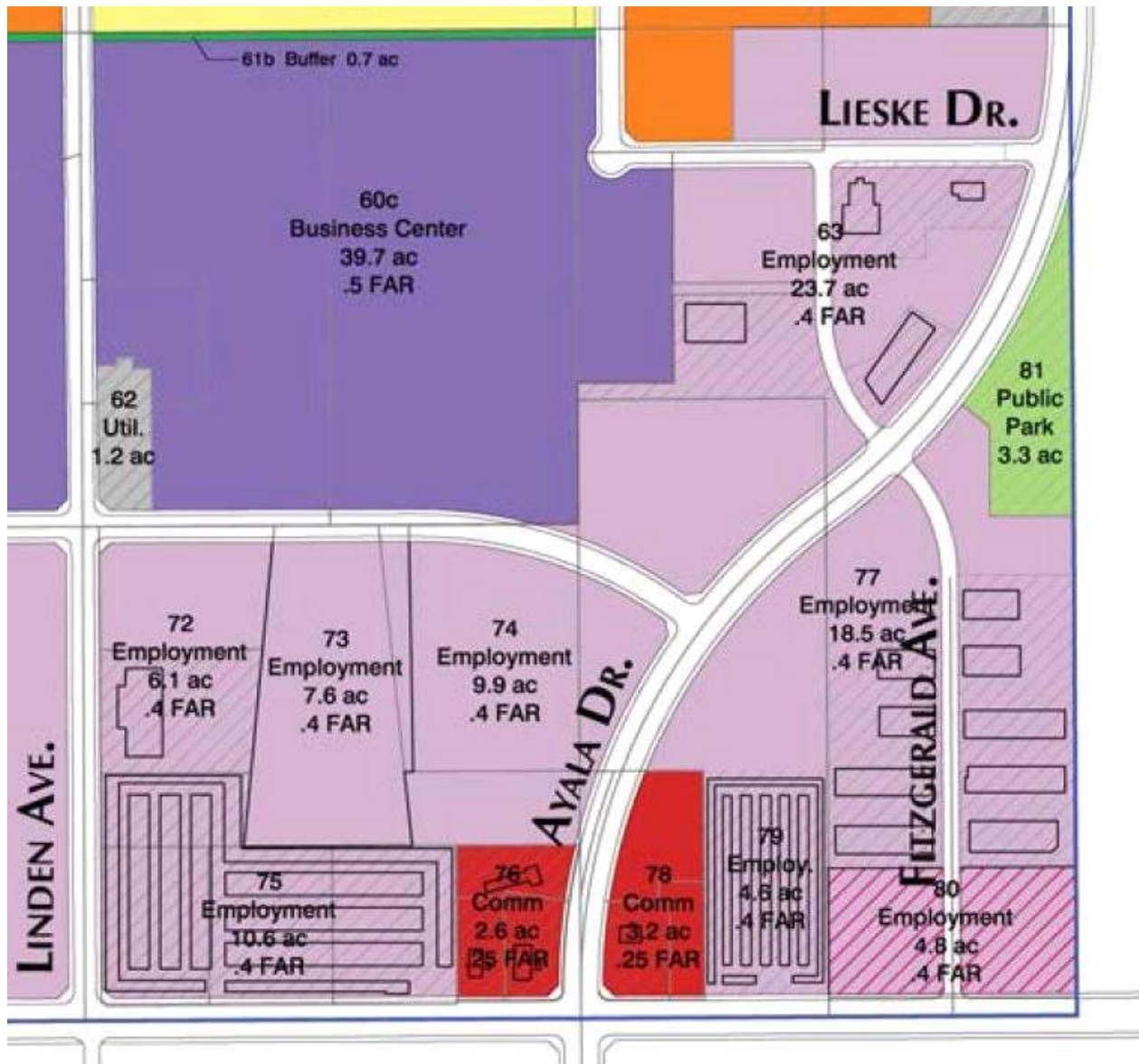


Figure 1

Figure 2 below shows the revised and current land use plan for the area of the RSP located easterly of Linden Avenue and southerly of Lieske Drive.

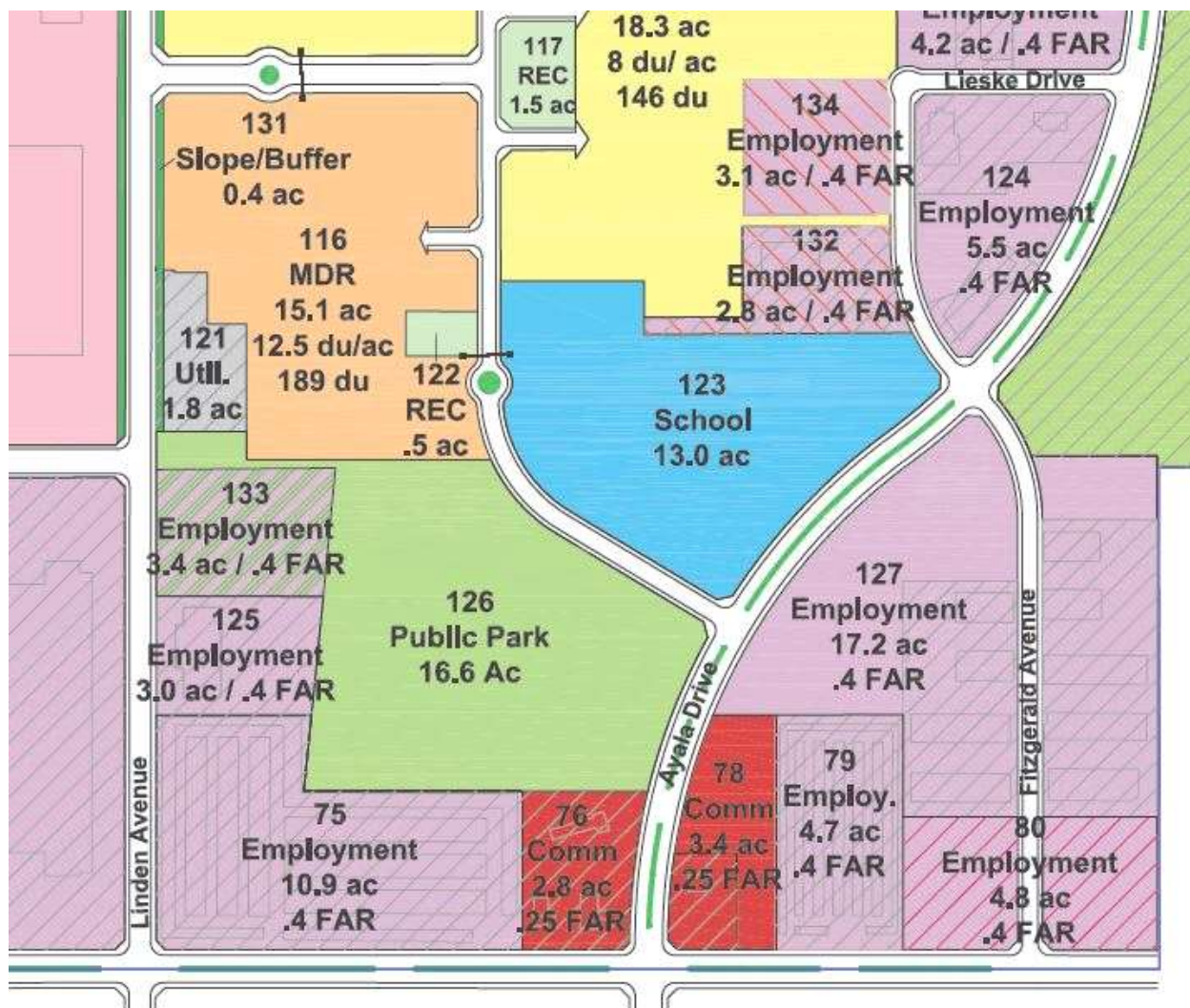


Figure 2

As shown on the revised and current land use plan, the easterly extension of Miro Way to Ayala Drive has been revised, and land uses to support a public park and future school site were incorporated into the area of the RSP located easterly of Linden Avenue and southerly of Lieske Drive.

As a result of the evolving land use needs of the market, the City and LHR intend to process a further amendment to the RSP (the "Amendment") to revise the land use plan of the RSP within the area generally located easterly of Linden Avenue and southerly of Lieske Drive to revert to the land uses previously specified in the original land use plan for the RSP.

More importantly, the City has had several discussions with Rialto Unified School District (RUSD) regarding their plans for construction of future schools to address increasing enrollment, and the need therefore to reserve a school site for a future school within the RSP. As a result of these discussions, Staff is advised that RUSD's enrollment is declining, and that RUSD has no plans to construct new school sites. On that basis, there is no longer a need to reserve a school site for RUSD's future acquisition of the property and construction of a school site within the RSP.

Moreover, construction of a future public park on the west side of Ayala Drive as shown on the current land use plan, separated away from the existing Jerry Eaves Park located on the east side of

Ayala Drive, may not be the most effective use of land.

Reverting the land use plan to its original land use plan in the focused area of the RSP will also utilize the already established rights-of-way for Miro Way and avoid any need to relocate existing public utilities that were subsequently installed in that right-of-way.

ANALYSIS/DISCUSSION:

To facilitate the timely preparation and processing of the Amendment, LHR contracted with Kimley Horn Associates (“KHA Contract”) for the work related to the Amendment, including the specific plan amendment, the administrative draft supplemental environmental impact report, the draft supplemental environmental impact report, the final supplemental environmental impact report, and related work and tasks (the “Work”).

Subject to the terms and conditions set forth in the Reimbursement Agreement, by and between the City and LHR (the “Reimbursement Agreement”), LHR shall be responsible for preparing (or causing to be prepared) the Amendment as described in the KHA Contract and the City will reimburse LHR the costs for the performance of the Work. The City’s maximum obligation is a Maximum Cost of \$532,140. A budget for the services subject to the reimbursement by the City, is set forth below:

Item Subject to Reimbursement	Estimated Reimbursable Costs
Kimley Horn Associates – Amendment (Specific Plan Amendment, Administrative Draft SEIR, Draft SEIR, Final SEIR and related work)	\$443,450
Total	\$443,450

The City shall have the right to review and approve or disapprove any and all change orders under the KHA Contract that cumulatively or individually, results in an increase in the contract price of twenty percent (20%) or more. The City Manager (“City’s Designee”) shall have authority to approve change orders on behalf of the City; provided that City shall have no obligation to pay or reimburse LHR for work performed under change orders cumulatively exceeding Eighty-Eight Thousand Six Hundred Ninety Dollars (\$88,690), without prior approval of the City Council. The City’s total obligation under this Agreement is limited to Five Hundred Thirty-Two Thousand One Hundred Forty Dollars (\$532,140), without prior approval of the City Council.

LHR shall provide the City with copies of all reports and design documents produced by LHR or any of its contractors and/or consultants in connection with the Amendment. LHR shall notify the City of, and allow the City to participate in, all meetings related to the Amendment. The final completion of the Amendment shall be subject to the approval of the City’s Designee.

A reimbursement agreement with LHR has been prepared and is recommended for approval; a copy is included as **Attachment 3**. A conflict of interest disclosure form is included as **Attachment 4**.

ENVIRONMENTAL IMPACT:

The City’s approval of the Reimbursement Agreement is an administrative or fiscal action by the legislative body and it will not result in any direct or indirect physical change in the environment (Section 15378(b) of the California Environmental Quality Act Guidelines). The Amendment will require compliance with the California Environmental Quality Act, and appropriate environmental analysis and public review will be completed as part of that process.

GENERAL PLAN CONSISTENCY:

The City of Rialto has identified several goals and objectives within the City’s General Plan through which the City looks to improve the community.

Goal 2-22: Promote commercial and/or industrial development that is well designed, people-oriented, environmentally sustainable, sensitive to the needs of the visitor or resident, and functionally

efficient for its purpose.

Goal 3-1: Strengthen and diversify the economic base and employment opportunities and maintain a positive business environment.

LEGAL REVIEW:

The City Attorney has reviewed and recommends approval of the staff report and Reimbursement Agreement.

FINANCIAL IMPACT:

Sufficient funds are budgeted and available in the Airport Escrow Fund, Account No. 300-500-4267-3001-130703-05.

RECOMMENDATION:

Staff recommends that the City Council approve the Reimbursement Agreement by and between the City of Rialto and Lewis-Hillwood Rialto Company, LLC for the cost of the preparation and processing of an amendment to the Renaissance Specific Plan for a Maximum Cost of \$532,140.