



City of Rialto

Legislation Text

File #: 17-1112, **Version:** 1

For the City Council Meeting [December 12, 2017]

TO: Honorable Mayor and City Council

APPROVAL: Michael E. Story, City Administrator

FROM: Robb Steel, Assistant CA/Development Services Director

Request City Council to Conduct a Public Hearing Approving **Resolution No. 7258** for the Draft Environmental Impact Report (Environmental Assessment Review 2017-0072) and **Resolution No. 7259** for Specific Plan 2017-0001, commonly known as the Pepper Avenue Specific Plan (Master Case 2017-0042).

(ACTION) (POWERPOINT)

BACKGROUND:

Location



The site is located east of Eucalyptus Avenue, south of the 210 Freeway, west of Meridian Avenue and north of Walnut Avenue. Pepper Avenue bisects the Project into two east and west halves.

Developer Initiated Specific Plan and Pepper Avenue Extension

On September 20, 2006, Mr. Everett Hughes filed the original Pepper Avenue Specific Plan for a 112-acre master planned community consisting of residential and commercial development. Mr. Everett Hughes withdrew the project in 2007.

Thereafter, the City independently completed the task of securing environmental clearance and Federal permits to initiate construction of the roadway extension. The City completed the Pepper Avenue roadway extension in 2014. The San Bernardino County Transportation Authority is currently

constructing the on-and off-ramps to Pepper Avenue from the 210 Freeway with completion tentatively scheduled for the first quarter of 2018.

City Initiated Specific Plan

A specific plan is a tool to implement the general plan. It establishes a link between policies of the general plan and individual development proposals in a defined area. A specific plan may encompass a large area or an area as small as a single acre.

On February 25, 2014, the City Council approved a Professional Service Agreement with KTG Y for preparation of the Pepper Avenue Specific Plan. Preparation of the Specific Plan and Environmental Impact Report began in March 2014.

Stakeholder Meeting

On April 7, 2014, a stakeholder meeting took place. Input from the stakeholder meeting served as the basis to create conceptual development scenarios for the area.

Conceptual Plan Development

In July 2014, a Development Opportunity study was prepared for the project to evaluate the market feasibility of developing retail, Business Park, hotel, residential, and rental development for the Specific Plan.

Community Workshops and Meetings

On September 8, 2014, community members voted on the conceptual development and design of the plan at a workshop. A summary of the workshop and the corresponding votes is included as an attachment to this report.

On April 3, 2017, the City held a community meeting to discuss the completed specific plan and the DEIR. Community members expressed their overall support for the plan and reiterated their desire to see the site developed as commercial. Participants stipulated two conditions for any proposed residential project in the overlay zone: 1) community input and 2) superior design standards.

Participants also requested an update from the Public Works Department on the status of improvements associated with the Pepper Avenue extension, specifically extending the median to Baseline and installation of a signal at Winchester. The Public Works Department will update the Pepper Avenue neighborhood group on these issues.

Economic Development Committee

On February 3, 2015 and April 26, 2017, the Economic Development Committee reviewed the Conceptual Land Use Map and the Development Opportunity Study for the Specific Plan. The EDC gave positive feedback and directed staff to initiate the public hearing process.

Transportation Commission

The Transportation Commission reviewed the Traffic Impact Analysis (TIA) on May 4, 2016 and voted 7-0 to recommend approval of the TIA to the Planning Commission. The Environmental Analysis section of this report discusses the Project specific traffic improvements. The minutes from the Commission meeting are attached to this agenda report as **Exhibit A**.

Planning Commission

The Planning Commission held a public hearing on November 8, 2017 and received public testimony regarding the proposed plan. The Commission determined that the Draft Environmental Impact Report was prepared in accordance with the California Environmental Quality Act and voted 6-0 to recommend approval of the DEIR and Specific Plan to the City Council. The Planning Commission Resolution is attached to this report as **Exhibit B**.

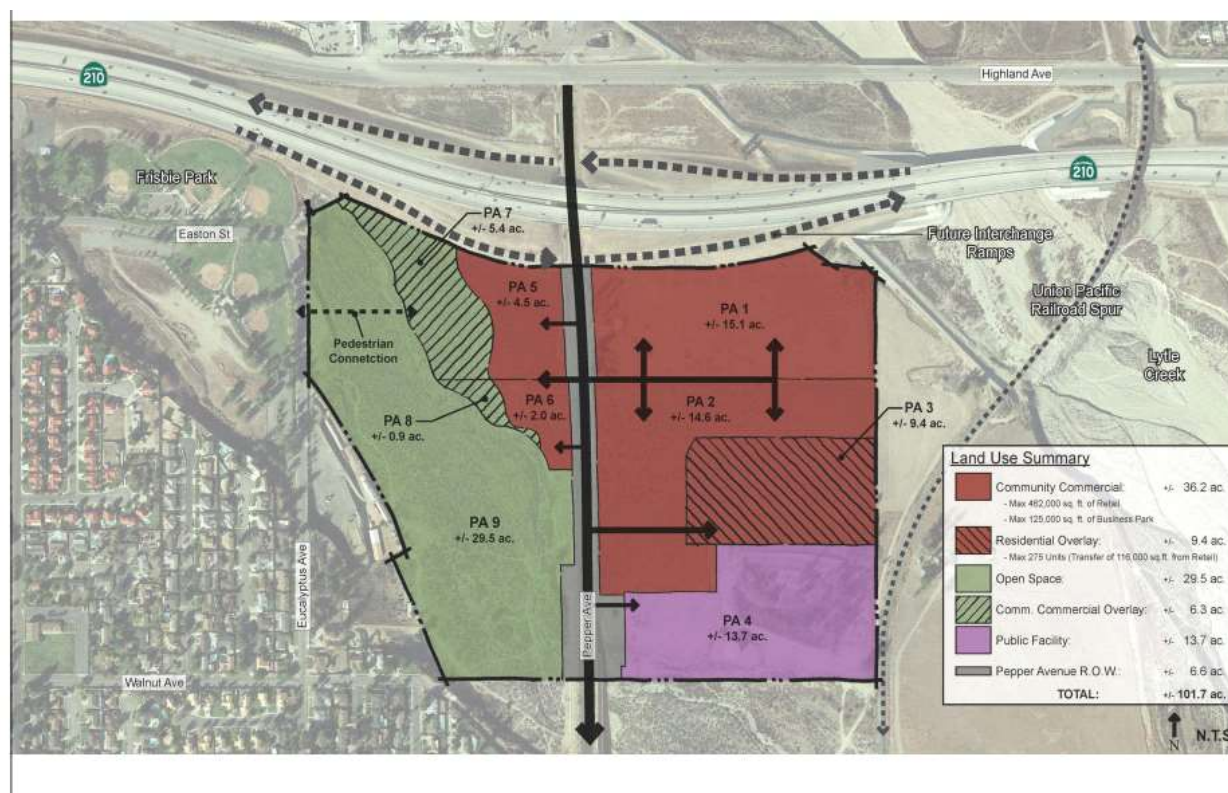
ANALYSIS/DISCUSSION:

The Pepper Avenue Specific Plan facilitates the development of a commercial based master planned community consisting that capitalizes on proximity to a major arterial (Pepper Avenue) and the I-210 freeway. The goal of the Specific Plan is to facilitate development of “main-street” retail to create a destination hub. The Project will create an entry gateway statement to Rialto. Once developed, the Project will provide a new source of tax revenue to the City, utilize predominantly vacant land, serve the City’s commercial and residential needs, and preserve the site’s natural habitat. The Land Use Plan is attached as **Exhibit C** and the Specific Plan is attached as **Exhibit D**.

The Plan encompasses 101.7 acres zoned to support 462,000 square feet of retail uses, 125,000 square feet of business park uses, 29.5 acres of natural open space, and 13.7 acres of water facilities, including water wells, a pump station, and a reservoir. The Plan proposes an overlay zone, which allows the option to develop up to 275 multi-family dwelling units on 9.4 acres of commercial land and a Commercial Overlay zone of 6.3 acres. The majority of the proposed project site is vacant and undeveloped.

Land Use Plan and Intensity

KTGY prepared a conceptual yield study and land use plan based on analysis from the Development Opportunity study, input from stakeholders, the community, and staff. The land use plan allows for market flexibility. The specific plan allows “big-box” retail. This concept is successful at the Town Center in Aliso Viejo, Riverside Plaza in Riverside, and at the Seacliff Village Shopping Center in Huntington Beach. Fast-casual restaurants generally locate adjacent to or within retail hubs. If the plan area cannot accommodate all of the retail anticipated for the project, a residential designation overlays 9.4 acres to allow for flexibility. The Plan does not permit distribution and industrial uses. The land use designations in the plan and the corresponding intensities for each are outlined below:



SOURCE: KTGy Architecture+Planning, July 2015

Pepper Avenue Specific Plan

Figure 2-4
Land Use Plan**Development and Intensity**

- East of Pepper Avenue
 - Community Commercial: 462,000 square feet; or
 - Multi-family Residential Overlay: 236,000 square feet with 275 dwelling units on 9.4 acres
 - Business Park: 125,000 square feet
- West of Pepper Avenue
 - Community Commercial: 110,000 square feet of retail uses (includes 65,000 square feet of development within habitat area)
 - Open Space: 29.5 acres

The Plan establishes three primary land use designations: Community Commercial, Open Space, and Public Facility. The Plan also creates two overlay land use designations: Community Commercial and Multi-Family Residential. These uses create a sense of place and the design including a “main street” pedestrian oriented town center, a potential pedestrian connection to Frisbie Park, a welcoming plaza, and a comprehensive landscape theme. Details regarding the land use plan are below.

- The Community Commercial land use designation allows up to 462,000 square feet of retail and 125,000 square feet of business park uses that take advantage of the visibility from the 210 Freeway, as well as a prime location adjacent to the proposed freeway interchange.

These uses will serve the nearby residential uses.

- The Open Space land use will preserve nearly 30 acres of habitat for Riversidian Alluvial Fan Sage Scrub (RAFSS). No development, except for a potential pedestrian bridge, is permitted within this designation. The proposed pedestrian bridge crosses through this planning area to connect the existing Frisbie Park to the Community Commercial district. This is intended to be an extension of the Open Space Designation and designed to be environmentally sensitive to the open space below and feature interpretive signage so bridge users may learn about the protected habitat.
- The Public Facility designation contains an existing West Valley Water District (WVWD) facility that consists of existing pump stations, water supply wells, and a reservoir. This designation would allow future water district facilities.
- The Multi-Family Residential Overlay allows an option to develop up to 275 units, subject to a reduction in the retail square footage. This overlay zone is located at the eastern edge of the Project site.
- A Community Commercial Overlay Zone will allow limited commercial development on approximately 6.3 acres on the western side of Pepper Avenue. Should a future developer choose to pursue limited development within the adjoining habitat area, the developer must obtain necessary approvals from the permitting agencies and implement the necessary mitigation measures. Should the property owner wish to keep this area as natural open space, the permitted development intensity of this Overlay Zone may transfer to another portion of the Specific Plan.

The architectural design of the Project is a Mediterranean style, consistent with the City's namesake, the Rialto Bridge in Venice, Italy. The project will include refined elements (not rustic) and incorporate the use of stone accents.

The Specific Plan encourages an environmentally conscious or "Green" design to provide for a sustainable community. Developers within the Specific Plan area will be encouraged to incorporate energy- and water-saving materials and features to reduce energy and water consumption needs, and to minimize the impacts associated with development. All future applications within the Specific Plan area will comply with all applicable California Green Building code standards

Traffic Impact Analysis

Urban Crossroads prepared a Traffic Impact Analysis (TIA) for the specific plan covering 24 intersections and 10 roadway segments. On May 4, 2016, the Transportation Commission reviewed and approved the TIA with a majority vote.

The improvements listed below are necessary to reduce the off site project traffic impacts directly associated with the build-out of the Project to less than significant level:

Pepper Avenue /SR 210 WB Ramps (#10)

- NB Approach: 1) Modify traffic signal to provide north/south split phase. 2) Restripe first

through lane to provide a left through lane, in addition to the left turn lane and second through lane.

- WB Approach: Provide additional (second) left turn lane.

Pepper Avenue /SR 210 EB Ramps (#11)

- NB Approach: Provide separate right turn lane.
- EB Approach: Provide additional (second) right turn lane.

Total costs for improvements are \$2,937,500. The improvements and the cost attributable to the project for each intersection are listed in the Table below:

**TABLE 9-2: SUMMARY OF RECOMMENDED OFF-SITE IMPROVEMENTS FOR
LONG RANGE (2035) CONDITIONS AND ASSOCIATED COST ESTIMATES**

#	Intersection	Recommended Improvements	Cost Estimate ¹
3	Riverside Avenue / Easton Street	Modify the traffic signal to accommodate overlap phasing for the WBR turn lane	\$75,000
8	Eucalyptus Avenue / Baseline Road	Restripe to provide a separate NBL turn lane	\$25,000
		Restripe to provide a separate SBL turn lane	\$25,000
		Subtotal	\$50,000
9	Pepper Avenue / Highland Avenue	Restripe NB through lane to provide a shared NB through-right lane	\$25,000
		Restripe EB approach to provide a separate right turn lane	\$25,000
		Modify the traffic signal to accommodate overlap phasing for the EBR turn lane	\$75,000
		Subtotal	\$125,000
10	Pepper Avenue / SR-210 WB Ramps ²	Modify traffic signal for the NB/SB approach from protected phase to permitted phase.	\$75,000
		Restripe NB through lane to provide a shared NB left-through lane	\$25,000
		Construct a 2nd WBL turn lane	\$350,000
		Subtotal	\$575,000
11	Pepper Avenue / SR-210 EB Ramps ²	Construct a separate NBR turn lane	\$50,000
		Construct a 2nd EBR turn lane	\$350,000
		Subtotal	\$975,000
12	Pepper Avenue / Winchester Drive	Install traffic signal	\$90,000
		Restripe NB approach to provide a separate left turn lane	\$25,000
		Restripe NB approach to provide a 2nd through lane	\$25,000
		Restripe SB approach to provide a separate left turn lane	\$25,000
		Restripe SB approach to provide a 2nd through lane	\$25,000
		Subtotal	\$190,000
13	Pepper Avenue / Mariposa Drive	Install traffic signal	\$90,000
		Restripe NB approach to provide a separate left turn lane	\$25,000
		Restripe NB approach to provide a 2nd through lane	\$25,000
		Restripe SB approach to provide a separate left turn lane	\$25,000
		Restripe SB approach to provide a 2nd through lane	\$25,000
		Subtotal	\$190,000
14	Pepper Avenue / Baseline Road	Restripe SB approach to provide a separate right turn lane	\$25,000
15	Pepper Avenue / Etiwanda Avenue	Install traffic signal	\$90,000
16	Pepper Avenue / Foothill Boulevard	Restripe SB approach to provide a separate right turn lane	\$25,000
		Restripe WB approach to provide a 3rd through lane	\$2,500
		Modify the traffic signal to accommodate overlap phasing for the EBR turn lane	\$75,000
		Subtotal	\$102,500
TOTAL			\$2,397,500

The fair share allocation attributable to the project is \$578,530 as shown in the Table below:

**TABLE 9-3: PROJECT FAIR SHARE COST ESTIMATE FOR
LONG RANGE (2035) CONDITIONS**

#	Intersection Location	Total Cost ¹	Project Fair Share % ²	Project Fair Share Cost ³
3	Riverside Avenue / Easton Street	\$75,000	3.0%	\$2,265
8	Eucalyptus Avenue / Baseline Road	\$50,000	5.0%	\$2,493
9	Pepper Avenue / Highland Avenue	\$125,000	7.6%	\$9,521
10	Pepper Avenue / SR-210 WB Ramps	\$575,000	23.8%	\$136,869
11	Pepper Avenue / SR-210 EB Ramps	\$975,000	34.9%	\$339,918
12	Pepper Avenue / Winchester Drive	\$190,000	18.3%	\$34,836
13	Pepper Avenue / Mariposa Drive	\$190,000	16.5%	\$31,374
14	Pepper Avenue / Baseline Road	\$25,000	12.1%	\$3,013
15	Pepper Avenue / Etiwanda Avenue	\$90,000	13.6%	\$12,256
16	Pepper Avenue / Foothill Boulevard	\$102,500	5.8%	\$5,985
TOTAL		\$2,397,500		\$578,530

¹ Total rough order of magnitude cost estimate shown on Table 9-2.

² Project fair share percentage (higher of the two peak hours) shown on Table 9-1.

³ Project Fair Share Cost = Total Cost x Project Fair Share %

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GENERAL PLAN CONSISTENCY:

The Specific Plan conforms to the goals and policies of the 2010 General Plan. A General Plan consistency analysis is included In Appendix A of the Specific Plan (Exhibit D).

ENVIRONMENTAL IMPACT:

Draft Environmental Impact Report

The City prepared a Draft Environmental Impact Report (DEIR) for the proposed project in accordance with the California Environmental Quality Act (**Exhibit E**). On February 4, 2016, the City hosted a scoping meeting to prepare the Draft Environmental Impact Report (DEIR). The DEIR public comment began on March 7, 2017 and ended on April 24, 2017. Electronic copies of the DEIR and technical appendices are available for review in the Development Services Department, Planning Division and online at www.yourrialto.com <<http://www.yourrialto.com>>.

Final Environmental Impact Report

The property owners provided comments to staff, which were incorporated into the DEIR as well as comments from the public. The City received four comments on the DEIR and prepared a Response to Comments document in the Final Environmental Impact Report, which is included as an attachment to this report (**Exhibit F**).

At the Planning Commission hearing, one resident (1550 Shirley Bright Road) testified in opposition to the project declaring that traffic impacts associated with the project contribute to increased noise at his residence. In response to the statement, a Noise Contour Map was prepared to illustrate the cumulative impacts from noise associated with project build-out assuming no obstructions (**Exhibit G**). As shown on the map, the property at 1550 Shirley Bright Lane is not exposed to noise in excess of established daytime ambient noise level of 65 decibels specified in the City's General Plan.

The Manager representing the BBC property submitted a letter of opposition during the public comment period for the DEIR. Staff met with the applicant in April 2017 to address concerns listed in the letter. The property owners requested a formal response to their letter on November 30, 2017. The letter and the response are included with this report as **Exhibits H and I**.

Mitigation Monitoring and Reporting Program

The Mitigation Monitoring and Reporting Program (MMRP) ensures implementation of the Project's mitigation measures and Project design features (PDFs). Mitigation measures and PDFs are listed in the MMRP by environmental topic and included with this agenda report as **Exhibit F**.

Statement of Overriding Considerations

Environmental impacts may not always be mitigated to a less than significant level. When this occurs, impacts are considered significant and unavoidable. The Project will result in significant and unavoidable effects, which are identified in the Draft EIR. A "Statement of Overriding Considerations" (SOC) has been prepared which must be adopted prior to approval of the Project in compliance with PRC Section 21081. The SOC provides a written means by which the City balances the benefits of the Project and the significant and unavoidable environmental impacts. The SOC concludes that the economic, legal, social, technological, or other benefits outweigh the unavoidable environmental impacts, and finds such impacts "acceptable". The Facts and Findings document, including the "Statement of Overriding Considerations" is included as **Exhibit J and K** to this report.

GENERAL PLAN CONSISTENCY:

The Specific Plan conforms to the goals and policies of the 2010 General Plan. A General Plan consistency analysis is included In Appendix A of the Specific Plan.

LEGAL REVIEW:

The City Attorney has reviewed and approved the staff report.

FINANCIAL IMPACT

The City incurred approximately \$15,000,000 in costs to prepare the environmental document to extend Pepper Avenue across the habitat area, to construct the Pepper Avenue road extension, and to prepare the Specific Plan and the DEIR. The City's completion of these work elements added substantial economic value to the landowners within the planning area.

If the City Council approves the Specific Plan, City staff will finalize a fee study to allocate the costs of the Specific Plan and EIR to each developable parcel. The proposed fee has two components: (1) a recovery of the Specific Plan and EIR consulting costs and (2) funding for the mitigation measures approved in the Final EIR, including but not limited to fair share traffic mitigation fees.

Since the land use plan is predominantly retail, staff expects a substantial positive fiscal impact to the City post development.

RECOMMENDATION:

Staff recommends that the City Council:

- 1) Approve the Resolution Certifying the Draft/Final Environmental Impact Report (Environmental Assessment Review 2017-0072); and
- 2) Approve the Resolution for Specific Plan (Specific Plan 2017-0001) to establish the boundaries, zoning, infrastructure and design standards for a 101.7-acre site known as the Pepper Avenue Specific Plan (Master Case 2017-0042).