



# City Council Memorandum

*City of Arts & Innovation*

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**TO:** HONORABLE MAYOR AND CITY COUNCIL **DATE:** JANUARY 6, 2026

**FROM:** COMMUNITY & ECONOMIC DEVELOPMENT DEPARTMENT **WARD:** 1

**SUBJECT:** PR-2024-001675 (ENVIRONMENTAL IMPACT REPORT) – CONSIDER LOZEAU DRURY, LLP AND CHANNEL LAW GROUP, LLP APPEALS OF THE CITY PLANNING COMMISSION'S RECOMMENDATION TO CERTIFY AN ENVIRONMENTAL IMPACT REPORT AND ADOPT A RESOLUTION CERTIFYING THE FINAL ENVIRONMENTAL IMPACT REPORT FOR THE RIVERSIDE ALIVE PROJECT, MAKING CERTAIN FINDINGS OF FACT RELATED THERETO PURSUANT TO THE CALIFORNIA ENVIRONMENTAL QUALITY ACT

**ISSUE:**

Consider the appeals by Lozeau Drury, LLP and Channel Law Group, LLP of the Planning Commission's recommendation to certify an Environmental Impact Report and adopt a resolution certifying a Final Environmental Impact Report.

**RECOMMENDATIONS:**

That the City Council:

1. Consider the appeals by Lozeau Drury, LLP and Channel Law Group, LLP and whether to uphold the Planning Commission's recommendation; and  
Should City Council deny the appeals then:
  2. Adopt the attached Resolution certifying the final Environmental Impact Report for the Riverside Alive Project (Project) and find that the Final EIR:
    - a. Has been completed in compliance with the California Environmental Quality Act (CEQA);
    - b. Was presented to the City Council and the City Council reviewed and considered the information contained in the Final EIR prior to approving the project; and
    - c. Reflects the City's independent judgement and analysis, making certain findings of fact.
  3. Concur with the findings contained in the Final EIR, the attached CEQA Resolution, the case file and the administrative record.
  4. Find that no feasible alternatives to the Project have been proposed that will avoid or substantially lessen the significant environmental effects and meet most project objectives, as set forth in the Final EIR.
  5. Approve Planning Case PR-2024-001675 (Environmental Impact Report) based on and subject to the Planning Commission findings and recommendations found in the attached staff report.

**PLANNING COMMISSION RECOMMENDATION:**

On August 28, 2025, the Planning Commission voted unanimously to recommend that the City Council:

1. Find that the Draft Environmental Impact Report has been completed in compliance with the California Environmental Quality Act (CEQA);

2. Find that the Project will have a significant effect on the environment but there are not feasible alternative to the project or mitigation measures that will avoid or substantially lessen the significant and unavoidable impacts to air quality and greenhouse gas emissions; and
3. Certify Planning Case PR-2024-001675 (EIR), based on the facts or findings outlined and summarized in the staff report dated August 28, 2025, subject to the recommended mitigation measures.

## **BACKGROUND:**

The City of Riverside owns a 108,000-gross-square-foot convention facility (“Riverside Convention Center”) and associated surface parking lot (“Lot 33”), comprising a 10.28-acre site in Downtown Riverside. The site is situated on the superblock bound by Market, Third, Orange, and Fifth Streets and comprises six contiguous parcels.

In September 2018, the City issued a Request for Proposals for the redevelopment of Lot 33 and expansion of the Riverside Convention Center. The Project Objectives are to:

- Facilitate the creation of a dynamic employment, hospitality, entertainment, retail and residential district to strengthen Downtown Riverside’s status as the region’s premier urban downtown;
- Expand the Convention Center to improve the City’s ability to attract larger conferences and be more competitive;
- Facilitate larger events that bring in more patrons and be supported by existing and potential future hotels, entertainment, and retail uses;
- Improve the overall economics of downtown through greater transient occupancy tax (TOT) generation, increased sales tax, and job creation;
- Provide quality, multi-family housing in the Downtown core, to help the City meet the State’s allocated 2021-2029 Regional Housing Needs Assessment (RHNA) obligation;
- Place housing near a transit corridor to reduce residential vehicle miles traveled and associated congestion and greenhouse gas emissions; and
- Place housing near existing employment center downtown to encourage pedestrian connectivity and reduce vehicular usage and associate impacts.

In May 2019, the City selected a proposal and entered into an Exclusive Negotiating Agreement (“ENA”) with a developer for the sale and private redevelopment of Lot 33 and a Public-Private Partnership for the expansion of the Riverside Convention Center known as the Riverside Alive Project. The ENA remains ongoing and an agreement with the selected proposer has not been finalized.

To accommodate a spectrum of likely future proposals and support the development potential of the project site, the City elected to conduct the necessary environmental review pursuant to the California Environmental Quality Act (CEQA) for a maximum likely quantity of development for a future project based on the selected proposal. In February 2024, the City kicked off the environmental analysis efforts. A Draft Environmental Impact Report (DEIR) (Attachment 1) was prepared to analyze the potential environmental effects of future development and construction of the subject site with a mixed-use hospitality, commercial, entertainment and residential project. This maximum development envelope project description will then cover any less-intense version of the same or similar uses for the purposes of CEQA compliance. This approach provides predictability and allows project applicants to proceed under this EIR without the delays and uncertainty that may be associated with the EIR process.

It should be noted that there is no development application for a discrete project under consideration at this time, therefore there are no project plans under consideration. Rather, the item for consideration today is an environmental analysis of potential development using maximum land use square footages, residential units and hotel rooms, referred to as the “development envelope.” For the purposes of this report and the EIR, the subject development envelope will be referred to as “the Project”.

Any development proposal on the site will be required to obtain any necessary entitlements required for that specific development proposal which may include but not be limited to:

- Tentative Parcel Map, lot line adjustment, and/or subdivision map pursuant to Title 18 of the RMC;
- Site plan and design review, pursuant to Chapters 19.710 and 19.770 of the Zoning Code;

- Conditional Use Permit – for buildings exceeding 100 feet in height, pursuant to Chapter 6 of the DSP; and
- Conditional Use Permit – for establishment with alcohol sales, pursuant to Chapter 6 of the DSP.

Proposals that fall within the development envelope analyzed in this EIR will be required to perform a Consistency Analysis demonstrating consistency with this EIR; perform any supplemental analysis required; adopt a Statement of Overriding Considerations for significant and unavoidable impacts at the time of project approval; and make the appropriate Findings of Fact. Proposals exceeding the parameters may require additional environmental review to comply with CEQA.

On August 28, 2025 the City Planning Commission held a public hearing (Attachment 2) where they voted unanimously to recommend the City Council certify the Final Environmental Impact Report. Following the hearing, the Planning Commission's recommendation was timely and separately appealed by both the Channel Law Group, LLP and Lozeau Drury, LLP (Attachment 3)

## **DISCUSSION:**

### **Project Analysis**

Specific assumptions regarding the development envelope including potential land use mix, residential density, building intensity, and construction process were made to ensure a complete and comprehensive assessment of all potentially significant environmental impacts. The development envelope includes a combination of residential, office, retail, and hotel uses; an expansion of the existing Riverside Convention Center; and new parking facilities. Table 1 describes the major components analyzed in the EIR.

<b><i>TABLE 1 – Maximum Development Envelopes Studied</i></b>			
<b>Land Use Type</b>		<b>Maximum Units</b>	<b>Maximum Area</b>
<b>Residential</b>	Condominiums	55	
	Multi-Family Residential	113	
<b>Nonresidential</b>	Hotel	376	
	Office		220,000 sf
	Restaurant		12,875 sf
	Grocery Store		20,690 sf
	Fitness Center		28,416 sf
	Parking Facilities		Up to 5 subterranean levels
	Convention Center Expansion		189,000 sf

Technical studies were prepared for various environmental issues including air quality, energy, greenhouse gas emissions, noise, transportation, and cultural resources. These studies establish baseline environmental conditions and provide quantitative evidence to support any finding of no impact, less than significant impact, or significant impact identified in the DEIR.

### **Draft Mitigation Monitoring and Reporting Program**

The DEIR found that there would be significant impacts to Biology, Tribal and Cultural Resources, Noise, and Public Services without mitigation. The Mitigation Monitoring and Reporting Program (MMRP) is included in Section 4.0 of the Final EIR (Attachment 4) and contains the following elements:

- Mitigation measures, associated actions, and procedures necessary to ensure compliance. In some instances, one action may be used to verify implementation of several mitigation measures.
- The responsible party designated to act and to whom and when compliance will be reported.

It should be noted that the program is flexible, and as monitoring progresses changes to compliance procedures may be necessary based upon recommendations by those responsible for the program. As

changes are made, new monitoring compliance procedures and records will be developed and incorporated into the program. As the Lead Agency, the City of Riverside is responsible for ensuring full compliance, including all monitoring and reporting activities.

The draft MMRP contains 23 mitigation measures to reduce environmental impacts to less-than-significant for Biology, Cultural Resources, Noise, Tribal Cultural Resources, Public Services, Air Quality, and Greenhouse Gas (GHG) Emissions. Apart from impacts to Air Quality and GHG Emissions, the implementation of mitigation measures would reduce all other environmental impacts to less-than-significant.

### Significant and Unavoidable Impacts

The Air Quality/GHG Analysis (Exhibit B of the DEIR) evaluated whether the expected emissions generated as a result of operation of the project would cause exceedances of the South Coast Air Quality Management District's thresholds of significance. The analysis determined that air quality and GHG emissions would experience significant and unavoidable impacts from project implementation, with the majority of the impacts attributed to mobile sources (e.g., vehicles). The Mitigation Monitoring and Reporting Program includes measures MM AQ-1 – MM AQ-9. While these measures may help reduce impacts, it is reasonable to assume that the implementation of these measures would not reduce the project's emissions below the thresholds of significance. It should be noted that projects of this scope and size, with office and commercial components, typically incur similar mobile source impacts to air quality and GHG emissions. To ensure all significant impacts were identified, Air Quality and GHG were studied conservatively and did not factor in internal trip reduction between the project's residential and nonresidential uses. Further, mobile source emissions are regulated at the State and Federal level, and the analysis does not account for future regulations that would implement emission reduction requirements.

CEQA requires that the decision maker balance the benefits and objectives of a Project against its unavoidable environmental risks in determining whether to approve the project. Should a project approval allow for the occurrence of significant and unavoidable environmental impacts as identified in the Final EIR, the agency must state in writing the reasons to support its action. If a formal development proposal for the full development envelope analyzed in the DEIR were to be approved in the future, a Statement of Overriding Considerations must be adopted as part of the project approvals.

### Alternatives

The CEQA Guidelines require the DEIR to describe a range of reasonable alternatives to the project that would feasibly attain the basic project objectives (listed under the Background section of this report) but would avoid or substantially lessen any of the significant effects of the project and evaluate the comparative merits of the alternatives. The DEIR identified and analyzed three Project Alternatives in comparison to the potential environmental effects associated with the proposed Project:

- Alternative 1: No Project, Status Quo;
- Alternative 2: 30% Reduced residential density and non-residential square footage; and
- Alternative 3: Convention Center expansion with hotel and residential uses only (no office or retail).

The comparative analysis found that Alternative 3 is the Environmentally Superior Alternative because it would result in a reduction of Air Quality emissions below the SCAQMD threshold and would meet most of the Project objectives. However, Alternative 3 would still result GHG emissions exceeding the SCAQMD threshold. Further, while this alternative meets most project objectives, they are met to a lesser degree. Without a retail and office component Alternative 3 would generate less sales tax revenue and employment opportunities, would not provide supporting retail to expanded entertainment uses, and would not contribute to a dynamic downtown center. Because of its inability to reduce GHG emissions below the threshold and its failure to fulfill project objectives, Alternative 3 is rejected as infeasible.

## **PUBLIC OUTREACH AND COMMENT:**

Notice of this public hearing was published in the Press Enterprise on December 22, 2025, and mailed to property owners within 300 feet of the project site. As of the writing of this report, Staff has not received public comments regarding this item.

### Comments Received on the Draft EIR

On October 9, 2024, the Initial Study (IS) and Notice of Preparation (NOP) for the DEIR were distributed to the State Clearinghouse, responsible agencies, and other interested parties. On October 23, 2024, staff held a virtual scoping meeting to inform the community that an Environmental Impact Report (EIR) was being prepared for the proposed project, solicit input on the Scope of the EIR, provide information on the CEQA/EIR process, share an overview of the proposed project, and inform the community of all future opportunities for input. In accordance with AB 52, The City worked in partnership with four consulting Native American Tribes to fully assess any potential impacts the project may have on Tribal and Cultural Resources, and the draft language found in mitigation measures MM CR-1 through MM CR-9. All tribes concurred with the proposed mitigation measures and concluded consultation by July 2, 2025.

Pursuant to Section 15087 of the CEQA Guidelines, the DEIR was circulated for a 45-day public review and comment period from May 23, 2025, through July 7, 2025. A Notice of Availability detailing the public review period was mailed to various Federal, State, regional, and local government agencies and other interested parties, including the agencies/interest groups that commented on the Notice of Preparation. The Notice of Availability was also published in the Press-Enterprise. During the 45-day public review period, staff received four comment letters: two from Lozeau Drury, LLP; one from Riverside Transit Agency; and one from the California Department of Transportation (Caltrans). The comment letters and responses are summarized in the attached Planning Commission Staff Report dated August 28, 2025 and included in full in Section 2.0 Final EIR.

Outside of the 45-day public review period, staff received a late comment letter dated August 27, 2025 (Attachment 5), from the Channel Law Group representing UNITE HERE! Local 11, a union representing workers employed in hotels, restaurants, airports, sports arenas, and convention centers. The primary assertions and responses are as follows:

- *“The DEIR does not adequately define the actual project that will ultimately be constructed, precluding public participation and meaningful analysis.”* The DEIR provides a clear and sufficiently detailed project description based on specific quantitative details of the proposed uses providing a maximum development envelope for analysis and establishing a framework for future project-level review. Further, the DEIR identified anticipated discretionary review required for any implementing project including but not limited to Site Plan Review, Design Review, Conditional Use Permits, and Lot Line Adjustments. The review, public hearing, and approval process for these required entitlements will provide the City with ample discretion to evaluate any proposal's consistency with this EIR and all other applicable policy documents as well as substantial opportunity for public participation. While no legislative actions are required for the project (e.g. Zone Change or General Plan Amendment), this does not limit future discretion under CEQA when specific development is proposed. The City retains full authority to impose mitigation measures, conditions of approval, and to deny/modify future development proposals that exceed the scope of the DEIR.
- *“The City should consider a Development Agreement.”* A development agreement is a voluntary contract between a local jurisdiction and an applicant who owns or controls property within the jurisdiction, detailing the obligations of both parties and stipulating the standards and conditions that will govern development of the property. As there is no specific development proposal being considered at this time, the requirement of a development agreement would be premature. While development agreements are outside the scope of the CEQA process, certification of this EIR would not preclude a development agreement for a future implementing project.
- *“The City may want to consider an affordable housing component.”* Housing affordability is an economic and social issue that may inform decisions made by the City, but is not treated as a

significant effect on the environment (State CEQA Guidelines Section 15064(e)). With no specific development application being considered at this time, the affordability of future residential units is unknown. Nothing in the Project Description or Mitigation Program would prohibit the inclusion of affordable housing, and certification of this EIR would not preclude affordable housing on the project site.

- *"The project is leaving meaningful sustainability off the table."* The letter proposes further mitigation measures to reduce the project's reliance on traditional energy sources. Section 5.4 of the DEIR contains detailed analysis of the project's impacts on energy based on thresholds of significance identified in the State CEQA Guidelines, and concluded there would be less than significant impacts by the project. Therefore, mitigation measures for energy are not required. Further, nearly half of Riverside Public Utility's current energy supply is generated from renewable energy sources and is currently expected to pass 60% by 2030, exceeding State mandates.

The letter also asserts that mitigation measures for air quality and GHG emissions are "vague and/or do not go far enough." MM AQ-1 to MM AQ 9 detail specific actions, responsible parties, and required timing to reduce air quality and GHG emissions to the extent feasible. There is nothing in the DEIR or the Mitigation Program that would preclude the implementation of further sustainability measures such as a mandated trip reduction program or voluntary CALGreen Code standards, as conditions of approval for a future Project or as terms of a Disposition and Development Agreement with the current or a future prospective purchaser.

Lastly, the letter asserts that the project will have significant impact on Vehicle Miles Traveled (VMT) and the screening criteria were not applied appropriately. The letter does not provide substantial evidence concerning the existence of a significant environmental impact. Contrary to the commenter's assertion, the Draft EIR properly described and applied the City's VMT screening criteria.

- *"Recirculation is warranted to consider additional feasible project design features and mitigation measures as an alternative, including retaining Council discretion with a Development Agreement."* Recirculation of an EIR prior to certification is required when significant new information is added to the EIR after public notice is given of the availability of the DEIR for public review and comment, but before the Final EIR is certified by the lead agency. New information is not "significant" unless the EIR is changed in a way that deprives the public of meaningful opportunity to comment upon a substantial adverse environmental effect of the project. The letter states recirculation is warranted because the DEIR does not adequately analyze the Project's impacts and alternatives.

The letter provides no evidence, substantial or otherwise, that the Draft EIR is inadequate or requires significant new information. The Draft EIR was prepared in accordance with the requirements of the State CEQA Guidelines and the City's local guidelines for implementing CEQA and contains a thorough analysis of the Project's potential environmental impacts to all environmental issues in Appendix G of the State CEQA Guidelines. This comment does not identify any significant new environmental issues or impacts that were not already addressed in the Draft EIR. Therefore, no further analysis or revisions to the Draft EIR are required.

The letter in its entirety, along with full responses, can be found in Section 5.0 of the Final Environmental Impact Report. The letter enclosed Exhibit A, which contains 40 excerpted pages from various public documents cited in the comment letter. Submitted concurrently with the letter was a separate cover letter with 43 separate exhibits with copies of referenced documents in the letter. Both Exhibit A, the Cover Letter, and attached exhibits are part of the administrative record and available for review upon request.

#### Appeals of the Planning Commission's Recommendation

On September 5, 2025, staff received an appeal of the Planning Commission's recommendation from Lozeau Drury, LLP on behalf of Supporters Alliance for Environmental Responsibility (SAFER). The letter indicates the DEIR fails as an informational document and fails to impose all feasible mitigation measures

to reduce the Project's impacts and requests a revised draft environmental impact report (RDEIR) and recirculation prior to project approvals. The letter provides no evidence, substantial or otherwise, that the DEIR is inadequate or requires significant new information. The DEIR was prepared in accordance with the requirements of State CEQA Guidelines and the City's local guidelines for implementing CEQA.

On September 8, 2025, staff received an appeal of the Planning Commission's recommendation from Channel Law Group, LLP on behalf of UNITE HERE! Local 11. The letter indicates that the DEIR is inadequate for the reasons outlined in the late comment letter received on August 27, 2025. For the reasons summarized above, no new significant information or substantial evidence of project impacts was provided, and no further analysis and/or recirculation is required.

**FISCAL IMPACT:**

There is no fiscal impact associated with this report.

Prepared by:	Paige Montojo, Senior Planner
Approved by:	Jennifer A. Lilley, Community & Economic Development Director
Certified as to availability of funds:	Kristie Thomas, Finance Director/Assistant Chief Financial Officer
Approved by:	Mike Futrell, City Manager
Approved as to form:	Rebecca McKee-Reimbold, Interim City Attorney

Attachments:

1. DEIR Link
2. August 28, 2025, Planning Commission Staff Report
3. Letters of Appeal from Lozeau Drury, LLP and Channel Law Group, LLP
4. Final Environmental Impact Report
5. Comment Letter dated August 27, 2025
6. Draft Resolution Certifying the Final Environmental Impact Report
7. Presentation