



City of Arts & Innovation

City Council Memorandum

TO: HONORABLE MAYOR AND CITY COUNCIL DATE: JUNE 4, 2019

FROM: COMMUNITY & ECONOMIC DEVELOPMENT WARD: 1
DEPARTMENT

SUBJECT: PUBLIC HEARING – P18-0091 GENERAL PLAN AMENDMENT, P18-0092 REZONE, P18-0099 PARCEL MAP NUMBER 37475, P18-0093 SITE PLAN REVIEW, P18-0094, P18-0095, P18-0096, P18-0097, AND P18-0098 CONDITIONAL USE PERMITS, P18-0100 MINOR CONDITIONAL USE PERMIT, P18-0101 DESIGN REVIEW, P18-0424 GRADING EXCEPTION AND VARIANCE, P18-0401 ENVIRONMENTAL IMPACT REPORT – BY JIM GUTHRIE OF AFG DEVELOPMENT FOR THE CONSTRUCTION OF A MIXED USE DEVELOPMENT – GENERALLY BOUNDED BY ORANGE STREET, STRONG STREET, STATE ROUTE 60, AND INTERSTATE 215

ISSUE:

Certify the Environmental Impact Report for the construction of a mixed use development on approximately 35.4 acres, bounded by Orange Street to the west, Strong Street to the north, State Route 60 to the south and Interstate 215 to the east; and approve a request by Jim Guthrie of AFG Development for a General Plan Amendment, Rezone, Parcel Map, Site Plan Review, Conditional Use Permits, Design Review, Grading Exception and Variance.

RECOMMENDATIONS:

That the City Council:

1. Adopt the attached Resolution certifying the Final Environmental Impact Report for the Exchange Project and finding that the Final Environmental Impact Report:
 - a. Has been completed in compliance with the California Environmental Quality Act;
 - b. Was presented to the City Council and the City Council reviewed and considered the information contained in the final report prior to approving the Project; and
 - c. Reflects the City's independent judgment and analysis, and making certain findings of fact.
2. Concur with the findings contained in the Final Environmental Impact Report, the attached California Environmental Quality Act Resolution, the case file and the administrative record, and adopt the Findings of Fact attached to the Resolution.
3. Adopt the Statement of Overriding Considerations attached to the Resolution.

4. Adopt the Mitigation Monitoring and Reporting Program attached to the Resolution.
5. Find that no feasible alternatives to the Project have been proposed that will avoid or substantially lessen the significant environmental effects as set forth in the Final Environmental Impact Report.
6. Approve Planning Cases P18-0091 General Plan Amendment, P18-0092 Rezone, P18-0099 Parcel Map No. 37475, P18-0093 Site Plan Review, P18-0094 Conditional Use Permit – Hotels and RV Parking, P18-0095 Conditional Use Permit – Vehicle Fueling Station, P18-0096 Conditional Use Permit – Drive-Thru Restaurant, P18-0097 Conditional Use Permit – Live Entertainment/Special Events, P18-0098 Conditional Use Permit – Farmers Market, P18-0100 Minor Conditional Use Permit, P18-0101 Design Review, P18-0424 Grading Exception and Variance, and P18-0401 Environmental Impact Report, based on and subject to the Planning Commission findings and recommended conditions found in the attached staff report.
7. Adopt the attached Resolution to amend the General Plan 2025 land use designation of approximately 34.34 acres of land from MDR – Medium Density Residential and O – Office to MU-U – Mixed Use – Urban and amend the land use designation of the remainder 1.06 acres of the site from O – Office to C – Commercial.
8. Introduce and subsequently adopt the attached Ordinance to amend the Zone of approximately 34.34 acres from R-1-7000 – Single Family Residential Zone, R-3-1500 – Multi-Family Residential Zone, and R-1-7000-WC – Single Family Residential – Watercourse Overlay Zones to MU-U – Mixed Use – Urban Zone; and the remainder 1.06 acres of the site from R-1-7000 – Single Family Residential Zone to CR – Commercial Retail Zone.

PLANNING COMMISSION RECOMMENDATION:

On March 21, 2019, the City Planning Commission, by a vote of 5 ayes, 0 noes and 0 abstentions recommended to the City Council that:

1. The Draft EIR has been completed in compliance with the California Environmental Quality Act;
2. The Exchange Project will have a significant effect on the environment;
3. There are no feasible alternatives to the proposed Project, or mitigation measures that will avoid or substantially lessen the significant environmental effects, as identified in the Draft EIR for air quality and greenhouse gases for mobile sources, and transportation and traffic impacts related to local roadways and intersections; and
4. The City Council approve the Project.

BACKGROUND:

The Exchange Project (Project) site consists of seven contiguous vacant parcels, totaling approximately 35.4 acres. Until the 1920's, the site was primarily rural ranch land and used for

orchards. At that time, portions of the site were developed with single family residences but all residences have since been demolished.

The site currently has restricted vehicular access from Orange Street and La Cadena Drive. Surrounding land uses include single family residences and a church (Iglesia Cristiana Restauracion Familiar) to the north, Interstate-215 (I-215) to the east, State Route 60 (SR-60) to the south, and Fremont Elementary School to the west, across Orange Street.

The site has an average natural slope of approximately 9.5 percent and is generally flat with non-native grasslands as the primary vegetation. Two jurisdictional drainage areas, containing riparian habitat and riverine characteristics, have been identified on the site. Both drainage areas total 0.35 acres.

For additional background, please refer to the March 21, 2019 City Planning Commission staff report, recommended conditions of approval and minutes (Attachments 3 and 4).

DISCUSSION:

Project Description

This Exchange Project (Project) consists of multi-family residential, multi-tenant commercial center, a vehicle fuel station, a drive-thru restaurant, hotels/recreational vehicle overnight parking, a gathering area for outdoor entertainment, and other on-site activities such as farmers market or car show and a freeway oriented pylon sign.

The Project will be accessed from two driveways along Orange Street and one driveway along La Cadena Drive. These entries will be connected by an internal drive aisle that extends from east to west. Except for the recreational vehicle (RV) parking and the multi-family residential complex, no gates are proposed on site.

Following is a description of each component of the Project:

- **Multi-Family Residential**

The multi-family residential complex is located on the northern portion of the development on approximately 18.4 acres. A total of 482 units are proposed in 21 three-story buildings. The complex includes 145 one-bedroom units, 12 one-bedroom live/work units, 308 two-bedroom units, and 17 three-bedroom units. Units range in size from 710 to 1,297 square feet. Private balconies or patios are attached to each unit and range in size from 55 to 133 square feet.

Common useable open space totals 71,240 square feet and includes paseos, two pools/spas, bar-b-que areas, recreation areas, fire pits, covered seating areas, two clubhouses, two fitness centers and a dog park. Three gated entries off the main drive aisle will provide access to the complex. A total of 886 parking spaces in fully enclosed garages, covered carports, and uncovered parking spaces will serve this component of the Project.

- **Commercial**

The commercial component of the Project consists of the following uses:

- **Multi-Tenant Commercial Center**

A total of six multi-tenant commercial buildings are proposed on the southwest portion of the development and includes 40,500 square feet of commercial space. A total of 34,000 square feet is anticipated to be leased to restaurants. The multi-tenant commercial buildings include connected courtyards and public gathering areas with outdoor seating and dining tables. No tenants have been identified for the commercial center.

- **Vehicle Fuel Station/ Carwash**

The vehicle fuel station is proposed on the southwest portion of the development. The vehicle fuel station includes a 4,500 square foot convenience store, with no alcohol sales, a 3,948 square foot fuel canopy with 6 fuel dispensers, and a 1,080 square foot automated express carwash. These uses are anticipated to operate 24-hours a day, seven days a week. No tenant has been identified for the vehicle fuel station.

- **Drive-Thru Restaurant**

The drive-thru restaurant is proposed along the southern boundary of the Project site. The restaurant is 4,000 square feet in area and includes a single drive thru lane that wraps around the west, south, and east sides of the restaurant to accommodate stacking for 12 vehicles. The menu and voice order box are located adjacent to the southwest corner of the building. The Applicant has indicated the drive thru restaurant is anticipated to operate 24 hours a day, seven days a week. A tenant has not been identified for the restaurant.

A total of 400 uncovered parking spaces are provided to serve the commercial uses on site. Access will be provided via two, two-way driveways from Orange Street.

- **Hotel/Short-Term RV Parking**

Two hotels are proposed on the southeast portion of the development on approximately 7.4 acres. Hotel 1 contains 120 rooms and an outdoor pool deck; an operator has not been identified. Hotel 2, to be operated by La Quinta, contains 109 rooms and an outdoor pool deck. Both hotels will operate 24-hours a day, seven days a week.

In addition to the hotels, the Project includes short-term RV parking, east of Hotel 2, for stays no longer than 30 days within a 60-day time period. The RV parking includes 23 RV spaces, approximately 50 feet in depth to accommodate one standard RV and a personal vehicle. A total of 12 standard parking spaces are also provided for visitors northeast of the RV parking area. Each RV parking space will be equipped with water, gas, sewer, and electrical hookups. All functions of checking in and out for the RV parking will occur at Hotel 2. RV patrons will have access to hotel amenities. RV parking will be accessed from the internal drive aisle and secured with arm gates.

- **Farmers Market, Live Entertainment, Special Events**

The Project includes gathering areas to accommodate a farmers' market/special events and live entertainment for the residents within the development and the surrounding community. Farmers markets will generally occur during weekend mornings until early afternoon. Live entertainment will be situated in the center courtyard of the commercial

buildings. Special events will occasionally occur on Friday, Saturday, and/or Sundays throughout the year. Both the farmers market and special events will be located in the southern parking lot area, south of commercial buildings, identified on the plans as Shops 1 and 2.

- **Freeway Oriented Signs**

The development includes a total of two freeway oriented signs, one along the south side of the site, adjacent to State Route 60 (SR-60), and a second sign on the east side of the property, adjacent to Interstate 215 (I-215). The sign adjacent to SR-60 is approximately 49.3 feet in height and has a maximum sign area of 500 square feet. The second sign adjacent to I-215 is approximately 70.8 feet in height and also has a maximum sign area of 500 square feet. The height of the signs will not exceed 60 feet when measured from the finish grade of the adjacent freeway. Each pylon sign will provide identification for six businesses within the commercial center. The pylon signs have been designed to complement the architecture, materials and colors of the center.

Required Entitlements

Implementation of the Project requires the following entitlements:

1. General Plan Amendment to amend the land use designations of 34.34 acres from MDR – Medium Density Residential and O – Office to MU-U – Mixed Use Urban, and amend the land use designation of the remainder 1.06 acres of the site from O – Office to C – Commercial;
2. Zoning Code Amendment to rezone approximately 34.34 acres from R-1-7000 Single Family Residential Zone, R-3-1500 – Multi-Family Residential Zone, and R-1-7000-WC – Single Family Residential – Watercourse Overlay Zones to MU-U – Mixed Use Urban; and rezone the remainder 1.06 acres of the site from R-1-7000 – Single Family Residential Zone to CR – Commercial Retail Zone;
3. Tentative Parcel Map No. 37475 to subdivide 4 of the 7 parcels into 12 parcels, ranging in size from 0.49 acres to 7.67 acres;
4. Site Plan Review of plans for the mixed use Project consisting of 482 multi-family residential dwelling units; 49,000 square feet of commercial retail space; two hotels, and 23 Recreational Vehicle (RV) overnight spaces;
5. Conditional Use Permits to permit each of the following uses: hotels and RV parking, vehicle fuel station, drive-thru restaurant, live entertainment and special events, and a farmers market;
6. Minor Conditional Use Permit and Variance to permit two freestanding, freeway-oriented pylons signs;
7. Design Review of Project plans for the vehicle fuel station and convenience store;
8. Grading Exception to allow on-site retaining walls higher than permitted by Code; and
9. An Environmental Impact Report.

Variance and Grading Exception Findings - Clarification

Entitlements for implementation of the Project include a Variance to allow a second freeway oriented pylon sign and a Grading Exception for an over height retaining wall. Findings in support of the requests were considered by the Planning Commission on March 21, 2019 and were recommended to be approved by City Council. Following the Planning Commission meeting, the Findings were revised to include additional clarification and augment the already-adequate justifications provided in support of the Variance and Grading Exception (Attachments 8 and 9). These modifications do not constitute significant changes to the Findings, do not change the Draft EIRs significance conclusions, and do not involve or require any new mitigation measures or alternatives. Recirculation of the Draft EIR is not required under Section 15088.5 of the California Environmental Quality Act (CEQA) Guidelines.

Final Environmental Impact Report

In conjunction with the Project, a Final Environmental Impact Report (EIR) has been completed in accordance with all CEQA requirements. Staff received a total of seven comment letters from State, Regional and Local Agencies and Private Groups and Organizations during the Draft EIR comment period. Two additional letters were received after the close of public comment period for the Draft EIR, one in support of the Project and one in opposition to the Project. The comment letters and appropriate responses to all comments are provided in the Final EIR. None of the comment letters identify any significant new environmental issues or impacts that were not already addressed in the Draft EIR. Any changes made to the Draft EIR clarify, augment or include minor modifications to the EIR.

Written responses to public agency comments were also provided by the City to those commenting public agencies ten days prior to this meeting. Any clarifications requested by those who commented on the Project do not result in significant new information or additional environmental impacts. Further, any change made to the Draft EIR clarify, augment or include minor modifications to the EIR.

FISCAL IMPACT:

There is no impact associated with this project, since all Project costs are borne by the Applicant.

Prepared by: David Welch, Community & Economic Development Director
Certified as to
availability of funds: Edward Enriquez, Chief Financial Officer/City Treasurer
Approved by: Rafael Guzman, Assistant City Manager
Approved as to form: Gary G. Geuss, City Attorney

Attachments:

1. City Planning Commission Recommended Conditions
2. Revised Recommended Conditions of Approval
3. City Planning Commission Minutes – March 21, 2019
4. City Planning Commission Report – March 21, 2019
5. Resolution Certifying Final EIR and adopting the Findings of Fact, the Statement of Overriding Considerations and the Mitigation Monitoring and Reporting Program

6. Resolution Amending the General Plan 2025
7. Ordinance to Amend the Zoning Map of the Riverside Municipal Code
8. Revised Variance Justification Findings
9. Revised Grading Exceptions Findings
10. Presentation
11. Final Environmental Impact Report
12. Draft Environmental Impact Report