

CITY OF ONTARIO

Agenda Report
November 21, 2023

SECTION:
PUBLIC HEARINGS

Department: Planning
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Continued To: _____
Denied: _____
Item No: 23

SUBJECT: A PUBLIC HEARING TO CONSIDER AN AMENDMENT TO THE SUBAREA 29 SPECIFIC PLAN (FILE NO. PSPA21-005)

RECOMMENDATION: That the City Council consider and adopt:

- A. A Resolution adopting the Subsequent Environmental Impact Report (SEIR) (State Clearinghouse No. 2004011009) for the Subarea 29 Specific Plan Amendment, including the adoption of a Mitigation Monitoring and Reporting Program and a Statement of Overriding Considerations; and
- B. A Resolution approving File No. PSPA21-005, an Amendment to the Subarea 29 Specific Plan (File No. PSPA21-005), to include: [1] the annexation of 113.2 gross acres of land, located on the southwest corner of Haven Avenue and Eucalyptus Avenue and establish Planning Area 32 (Mixed Residential (5-25 du/ac), Planning Area 33 (Mixed Residential (5-25 du/ac), and Planning Area 34 (School); [2] change the land use designation for Planning Area 30 from Conventional Large Lot (3-6 du/ac) to Mixed Residential (5-25 du/ac) and Planning Area 31 from Conventional Medium Lot (4-6 du/ac) to Mixed Residential (5-25 du/ac); [3] establish development standards for 7 new residential product types; and [4] various changes to the Specific Plan land use map, land use table, development standards, exhibits, and text modification to reflect the proposed annexation and land use changes.

THE FOLLOWING COUNCIL GOALS ARE BEING ACHIEVED:

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

Maintain the Current High Level of Public Safety

Operate in a Businesslike Manner

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

Focus Resources in Ontario's Commercial and Residential Neighborhoods

FISCAL IMPACT: There is not a direct fiscal impact associated with the adoption of the Subarea 29 Specific Plan Amendment. Any potential long-term fiscal impacts and anticipated expenditures to

the City would be offset by development impact fees and property tax revenues from the future development. Additionally, future development projects approved on the subject properties will be conditioned to form/join a services Community Facilities District to offset increased costs associated with police, fire, and other public services.

BACKGROUND & ANALYSIS: On April 21, 2015, the City Council approved an Amendment to the Subarea 29 Specific Plan (File No. PSPA14-002) and an Addendum to the Subarea 29 Specific Plan Environmental Impact Report (State Clearinghouse No. 2004011009) to increase the residential unit count by 99 dwelling units, for a total unit count of 2,392 dwelling units within the Specific Plan area. The Amendment included updates to the development standards, exhibits, and text changes to reflect the proposed annexation and overall compliance with the Policy Plan component of The Ontario Plan ("Policy Plan").

On June 15, 2021, the City Council approved an Amendment to the Subarea 29 Specific Plan (File No. PSPA14-002) and an Addendum to the Subarea 29 Specific Plan Environmental Impact Report (State Clearinghouse No. 2004011009) to increase the overall density from 4.8 to 4.9 dwelling units per gross acre and establish a new residential product type (Motorcourt Cluster D – 8-Plex). The proposed change increased the number of units within Planning Area 27 (Cluster Homes – 7-14 du/ac) from 47 to 73 dwelling units, for a total unit count of 2,418 dwelling units.

On August 16, 2022, the City Council certified The Ontario Plan 2050 Update Supplemental Environmental Impact Report ("SEIR") in conjunction with The Ontario Plan 2050 ("TOP 2050") (File No. PGPA20-002) General Plan update. The TOP 2050 and SEIR included the following land use changes within the Subarea 29 Specific Plan boundary (see Figure 2: TOP Official Land Use Plan Comparison (TOP 2010/TOP 2050):

- Planning Area 30 – Changing 8.3 acres of land from Low Density Residential (2.1 – 5 du/ac) to Low Density Residential (2.1 – 5 du/ac), Low-Medium Density Residential (5.1 – 11 du/ac), and Medium Density Residential (11.1 to 25.0 du/ac);
- Planning Area 31 – Changing 10.7 acres of land from Low Density Residential (2.1 – 5 du/ac) to Low-Medium Density Residential (5.1 – 11 du/ac) and Medium Density Residential (11.1 to 25.0 du/ac);
- Proposed Planning Area 32 (Annexation Area) – Changing 15.4 acres of land from Low Density Residential (2.1 – 5 du/ac) and Public School to Low-Medium Density Residential (5.1 – 11 du/ac) and Medium Density Residential (11.1 to 25.0 du/ac);
- Proposed Planning Area 33 (Annexation Area) – Changing 49.6 acres of land from Low-Medium Density Residential (5.1 – 11 du/ac) to Medium Density Residential (11.1 to 25.0 du/ac);
- Proposed Planning Area 34 (Annexation Area) – Changing 20 acres of land from Low Density Residential (2.1 – 5 du/ac) to Public School.

On August 23, 2021, SL Ontario Development Company, LLC, submitted an Amendment to the Subarea 29 Specific Plan for the annexation of 113.2 gross acres of land to bring the Specific Plan into compliance with TOP Policy Plan (General Plan) land uses. The Amendment to Subarea 29 would establish Planning Area 32 (Mixed Use Residential (5-25 DU/AC), Planning Area 33 (Mixed Use residential (5-25 DU/AC), and Planning Area 34 (School). In addition, the Amendment would covert

Subarea 29 Planning Area 30 from Conventional Large Lot (3-6 DU/AC) to Mixed Use Residential (5-25 DU/AC) and Planning Area 31 from Conventional Medium Lot (4-6 DU/AC) to Mixed Use Residential (5-25 DU/AC), and establish development standards for 7 new product types within the residential land use designation.

AMENDMENT: The proposed Subarea 29 Specific Plan Amendment (SPA) includes the following:

1) **Annexation.** The Amendment includes the annexation of 113.2 gross acres of land located on the southwest corner of Haven Avenue and Eucalyptus Avenue and establishment of Planning Area 32 (Mixed Residential (5-25 du/ac), Planning Area 33 (Mixed Residential (5-25 du/ac), and Planning Area 34 (School). Planning Areas 32 and 33 will encompass 93.2 acres while Planning Area 34 will encompass 20 acres.

- Planning Area 32 – Mixed Residential (5-25 du/ac), totaling 43.6 gross acres of land (42.5 net acres), is located on the southeast corner of Haven Avenue and Eucalyptus Avenue and will allow 671 dwelling units at a density of 15.8 dwelling units per acre.
- Planning Area 33 – Mixed Residential (5-25 du/ac) totals 49.6 gross acres of land (47.6 net acres) is located at the southwest corner of Mill Creek Avenue and Eucalyptus Avenue and will allow 644 dwelling units at a density of 13.5 dwelling units per acre.
- Planning Area 34 is located at the northeast corner of Haven and Merrill Avenue and will include 20 gross acres of land (19 net acres) for the development of a future middle school. This school would serve the 6th through 8th grade school needs in the Mountain View School District.

2) **TOP Policy Plan Land Use Map Consistency.** To achieve consistency with the TOP 2050 Official Land Use Plan (Figure LU-01) and bring the Specific Plan into compliance, the SPA proposes to change the land use designation for Planning Area 30 from Conventional Large Lot (3-6 du/ac) to Mixed Residential (5-25 du/ac) and Planning Area 31 from Conventional Medium Lot (4-6 du/ac) to Mixed Residential (5-25 du/ac).

- Planning Area 30 – Planning Area 30 will total 21.8 gross acres of land (21.1 net acres), and is bounded by Eucalyptus Avenue to the north, Planning Area 22 to the west, the SCE Easement to the east, and Parkview Street to the south. The SPA is proposed to change this area from Conventional Medium Lot (4-6 du/ac) to Mixed Residential (5-25 du/ac) and will allow 180 dwelling units at a density of 8.5 dwelling units per acre; and
- Planning Area 31 – Planning Area 31 will total 16.1 gross acres of land (15.5 net acres), and is bounded by Eucalyptus Avenue to the north, the SCE Easement to the west, Haven Avenue to the east, and Parkview Street to the south. The SPA proposes to change this area from Conventional Large Lot (3-6 du/ac) to Mixed Residential (5-25 du/ac) and will allow 172 dwelling units at a density of 11.1 dwelling units per acre.

Overall, there will be a net increase of 1,470 dwelling units allowed within the Specific Plan Area going from 2,418 units to 3,888 total units.

3) **Residential Product Types.** The Subarea 29 Specific Plan provides a variety of residential housing types oriented towards park and open space amenities designed to promote walkability

and interaction among residents. The establishment of the proposed Mixed Residential land use designation requires the need for additional product types that promote higher density, more choice in floorplans, and more attainable options for a greater range of residents. To provide more diverse housing types and to meet the current market conditions for the next phases of development, the SPA proposes to introduce seven additional product types that include a combination of single-family detached homes and multi-family triplex and townhomes.

4) **Document Changes.** The SPA includes various changes to the land use map, land use table, development standards, exhibits, and text modification to reflect the proposed annexation and land use changes. All changes and additions to the Specific Plan (exhibits, tables, and development standards, and design guidelines) are contained within the revised Specific Plan document and all deletions and strikethroughs are highlighted in red.

ENVIRONMENTAL REVIEW: A Subsequent Environmental Impact Report (SEIR) (State Clearinghouse No. 2004011009) was prepared for this Project in accordance with CEQA requirements. Through the Notice of Preparation and scoping meeting discussion, the following areas of potential impact were identified and addressed:

- Aesthetics;
- Agriculture and Forestry Resources;
- Air Quality;
- Biological Resources;
- Cultural Resources;
- Energy;
- Geology and Soils;
- Greenhouse Gas Emissions;
- Hazards and Hazardous Materials;
- Hydrology and Water Quality;
- Land Use and Planning;
- Mineral Resources;
- Noise;
- Population and Housing;
- Public Services;
- Recreation;
- Transportation;
- Tribal Cultural Resources;
- Utilities and Service Systems; and
- Wildfire.

The Subarea 29 Specific Plan (2023 Amendment) SEIR evaluates each of these areas and identifies mitigation measures and/or revisions to the plan to lessen the level of impact. With the implementation of the various mitigation measures, many of the potential adverse impacts can be reduced to a level of less than significant. Of the 20 areas considered by the EIR, all but three of the impact areas were mitigated to a level of less than significant. The three remaining impact areas, even with the mitigation measures, could not be reduced to less than significant, resulting in some impacts remaining potentially significant and unavoidable. These areas include:

1) **Agriculture.**

Loss of Prime Farmland. The southwest portion of existing Planning Area 30 includes land mapped as Prime Farmland. The loss of approximately 4.7 acres Prime Farmland is considered a significant impact, consistent with the loss of Prime Farmland associated with the development of the adopted Subarea 29 Specific Plan, which includes Planning Area 30. In the 2006 EIR, the impact was determined to be significant and unavoidable. Consistent with the 2006 EIR, mitigation to reduce impacts to less than significant levels remain infeasible. Although the proposed conversion of agricultural land in the City is consistent with the projected decline in agricultural productivity of the region and is anticipated in TOP 2050, development of Planning Area 30 and the associated off-site improvement area would result in the loss of Prime Farmland consistent with the determination identified in the 2006 EIR and TOP 2010 EIR.

2) **Air Quality.**

Air Quality Management Plan (AQMP) Conflict. The Project's operational-source emissions would exceed the regional thresholds of significance for volatile organic compounds (VOC), nitrogen oxides (NOX), and carbon monoxide (CO) emissions. VOC and NOX are precursors for ozone (O₃); thus, Project operational activities would contribute a substantial volume of pollutants to the South Coast Air Basin (SoCAB) that could delay the attainment of Federal and State ozone standards. Consequently, the Project is conservatively assumed to generate operational-source emissions not reflected within the current 2022 AQMP regional emissions inventory for the SoCAB. As such, the Project is considered to have the potential to conflict with the 2022 AQMP. Project impacts due to a conflict with the 2022 AQMP would be significant and unavoidable.

Cumulatively Considerable Increase in Criteria Pollutant During Operation. The proposed Project would not be consistent with the applicable air quality plan. After the application of mandatory regulatory requirements and feasible mitigation measures, maximum daily emissions from Project operations would exceed the SCAQMD CEQA significance thresholds for NO_x, VOC, and CO, and cannot be effectively reduced to a level below the SCAQMD thresholds of significance. Because NO_x and VOC are O₃ precursors, this could also result in additional violations of the State and Federal O₃ standards. O₃ is a nonattainment pollutant. There are no additional feasible mitigation measures beyond those identified in SEIR Section 5.3, Air Quality that would reduce the Project's NO_x, VOC, and CO emissions to a less than significant level. Therefore, the Project's operational air quality impacts are significant and unavoidable and the Project would result in a cumulatively considerable net increase in a criteria pollutant for which the Project region is in non-attainment, which is a significant and unavoidable impact.

3) **Noise.**

Off-site Traffic Noise Impacts (Project and Cumulative Impact). The Project would result in increased traffic noise levels along Eucalyptus Avenue, west of Hamner Avenue, which would exceed the City's established threshold of significance (allowable increase of 5 dBA) under the Existing Plus Project and Opening Year 2025 traffic scenarios. The use of rubberized open graded asphalt hot mix can provide the noise attenuation needed to reduce this impact to a less than significant level, however, the City of Ontario pavement standards require the use of rubberized gap graded asphalt, which

would not result a sufficient noise reduction. Since the City does not allow for the use of rubberized open graded asphalt, the mitigation is not considered feasible and this impact is considered significant and unavoidable under the Existing Plus Project and Opening Year 2025 traffic scenarios; the Opening Year 2025 traffic scenario considers cumulative traffic.

The City of Ontario circulated the Draft SEIR on July 17, 2023, through August 31, 2023, for public review. At the end of the public review period, two (2) comments were received. Areas of concern include air quality and general site-specific conditions for future development within the San Bernardino County Flood Control District (SBCFCD) Road Right-of-Way. Refer to the Final Environmental Impact Report, Response to Comments.

While these impacts will be significant and unavoidable, the Staff believes that the benefits of the Project outweigh the potential unavoidable, adverse impacts of the plan as further described below:

- The Project will provide adequate school sites to serve Subarea 29 and adjoining Subareas;
- The Project will maximize housing opportunities to assist in meeting City of Ontario regional housing allocation requirements.
- The Project will create a high-quality residential development that responds well to market demand and meets a range of housing types and affordability;
- The Project will include infrastructure improvements that will provide utilities, safe and efficient access/circulation routes for residents; and
- The Project establishes clearly defined “edges” and “entries” that contribute to a district neighborhood identity.

Staff recommends that the City Council adopt a Statement of Overriding Considerations for those impacts that could not be fully mitigated to a level of less than significant. Furthermore, to ensure that the mitigation measures are implemented, a Mitigation Monitoring and Reporting Program has been prepared for the Project pursuant to CEQA Guidelines Section 15097 which specifies responsible agencies/departments, monitoring frequency, timing and method of verification and possible sanctions for non-compliance with mitigation measures.

PLANNING COMMISSION REVIEW: On October 24, 2023, the Planning Commission conducted a duly noticed public hearing on the subject applications and voted unanimously (7-0) to recommend that the City Council adopt the Final Subsequent Environmental Impact Report (SEIR) (State Clearinghouse No. 2004011009) for the Subarea 29 Specific Plan Amendment, a Mitigation Monitoring and Reporting Program, and a Statement of Overriding Considerations and approve the Specific Plan Amendment.