



## Report to Planning Commission

---

**TO:** The Planning Commission

**FROM:** Kirt Coury, Contract Planner

**AGENDA DATE:** October 24, 2024

**TITLE:** **AQUABELLA – GENERAL PLAN AMENDMENT (PEN23-0127), CHANGE OF ZONE (PEN24-0041), SPECIFIC PLAN AMENDMENT (PEN23-0109), TENTATIVE TRACT MAP NO. 38850 (PEN23-0118), DEVELOPMENT AGREEMENT (PEN23-0119), AND RELATED CEQA ANALYSIS**

**TITLE SUMMARY:** Master planned community to accommodate development of a 15,000 multi-family and workforce housing units, a 24-acre mixed-use commercial and retail town center (with a 300-room hotel), 80 acres of parks, and 40 acres for schools.

---

### Recommendation(s)

That the Planning Commission:

1. ADOPT Resolution No. 2024-32, recommending that the City Council: a.) ADOPT the CEQA Findings of Fact; b.) ADOPT the Mitigation Monitoring and Reporting Program prepared for the Proposed Project pursuant to CEQA and the CEQA Guidelines; c.) ADOPT the Statement of Overriding considerations pursuant to CEQA and the CEQA Guidelines; and d.) CERTIFY the Final Subsequent Environmental Impact Report (FSEIR) prepared for the Proposed Project pursuant to CEQA and the CEQA Guidelines.
2. ADOPT Resolution No. 2024-33 recommending that the City Council: a.) APPROVE General Plan Amendment (PEN23-0127) by Resolution; b.) APPROVE Change of Zone (PEN24-0041) by Ordinance; c.) APPROVE Specific Plan Amendment (PEN23-0109) by Resolution; d.) APPROVE Tentative Tract Map No 38850 (PEN23-0118) by Resolution; and d.) APPROVE Development Agreement (PEN23-0119) by Ordinance.

## **SUMMARY**

T/Cal Realty II, LLC., (“Applicant”) is requesting approval of a General Plan Amendment (PEN23-0127), Change of Zone (PEN24-0041), Specific Plan Amendment (PEN23-0109), Tentative Tract Map (PEN23-0118), and Development Agreement (PEN23-0119), to modify and expand the Aquabella Specific Plan (SP-218) (“Proposed Project”). The Proposed Project’s entitlements are being processed pursuant to the requirements of Senate Bill No. 330 which allowed the Applicant to submit a preliminary application to establish certain “vesting” of applicable objective planning, zoning, and subdivision criteria regarding residential development. The Proposed Project will create a master planned community with 15,000 multifamily/workforce housing units, a 49,000 square-foot mixed-use commercial and retail center with a 300-room hotel. It will also provide approximately 80 acres of open space with a central lake and adjacent lake promenade, plus several acres of neighborhood parks throughout the community. The Proposed Project includes approximately 40 acres of land that may accommodate up to three new elementary schools and one middle school, in addition to the existing high school site within the current Aquabella Specific Plan. The Proposed Project will also provide associated public services and facilities, on and offsite infrastructure improvements, and other various facilities and amenities.

## **PROJECT DESCRIPTION**

The Proposed Project will amend and supersede the existing Aquabella Specific Plan (“SP 218”), which encompasses an area that is centrally located in the City. The Proposed Project is intended to establish a destination for residents and workers to live, work, play and shop within the City. Under the Proposed Project, additional housing opportunities will be made available for residents, workers, and their families to take advantage of the Proposed Project’s central location that will provide relatively close proximity to major job centers, transportation network, parks, schools, and various other amenities.

The Proposed Project will amend the Aquabella Specific Plan to guide development mainly in the undeveloped areas of the Aquabella Specific Plan. Highlights of the Proposed Project include, but are not limited to, the following:

- Up to 15,000 multi-family and workforce housing units, which will provide multiple residential options which will be developed in phases;
- 25 acres for mixed-use commercial and retail that includes up to 49,000 square feet of retail space and a 300-room hotel;
- 80 acres for parks and open space areas, including 40 acres for a lake, 15 acres for a lake promenade, and an additional 25 acres of neighborhood parks;
- 40 acres for schools, with up to four school-sites (3 elementary schools and 1 middle school) in addition to the existing high school site and associated open space, public services and facilities, infrastructure improvements, and other various amenities.
- The addition of one 10-acre parcel to the Aquabella Specific Plan area situated

along the eastern boundary of the Project Site, identified as APN: 486-310-014; and

- Updating the development standards and design guidelines for development within the Aquabella Specific Plan consistent with the Proposed Project.

The Proposed Project will refresh the land use plan, goals, objectives, development standards, and design guidelines from that described and depicted in the current Aquabella Specific Plan.

This Proposed Project is intended to deliver a mixed-use, urban village with a “town feel” near the geographic “center” of the City. The Proposed Project’s overall goal is to create a unique, neighborhood town environment where residents and visitors can live, work, play, and shop. The character of the surrounding area will be retained, and the subject area will be connected to adjacent uses, for the purpose of creating a hub of diverse multi-family residential home options within the center of the City. This is intended to address the needs of the City’s existing and future residents, accommodate, and enhance jobs onsite, adjacent, and in proximity to major job centers that will reduce long job commutes, achieve a better jobs-to-housing balance, and facilitate job growth in a central portion of the City.

### **Required Entitlements**

The Proposed Project requires the following entitlements:

- A General Plan Amendment (PEN23-0127) that in summary amends the applicable General Plan and General Plan Land Use Map that allows higher density housing.
- A Change of Zone (PEN24-0041) that in summary rezones the additional 10-acre parcel on the eastern boundary of the Project Site (Assessor’s Parcel No. 486-310-014) from Residential 5 (R5) District to DC-SP (SP 218).
- A Specific Plan Amendment (PEN23-0109) that in summary establishes certain zoning, design and development standards and guidelines and to incorporate the 10-acre parcel into the Project Site.
- A Tentative Tract Map No. 38850 (PEN23-0118) that in summary subdivides the Aquabella Specific Plan Area into 26 new parcels for finance and conveyance purposes.
- A Development Agreement (PEN23-0119) that in summary incorporates a negotiated “Public Benefit” for the City that includes the development of a turn-key Senior Center by the Applicant on land that the Applicant will be dedicating to the City, at no cost to the City, and requires the Applicant to pay certain development impact fees in effect at the time they are due regardless of the SB 330 preliminary application submitted by the Applicant.

### **Site and Surrounding Area**

The Project Site is zoned Downtown Center – Specific Plan 218 (DC - SP 218 LM). The 10-acre parcel along the eastern boundary is zoned as Residential 5 (R5) District.

The Project Site's surrounding area is developed with a variety of residential densities, education, medical, and other uses. The Riverside University Health System Medical Center, a public teaching hospital, is located along a portion of the Project Site's northern boundary. Moreno Valley College is situated directly south of the Project Site.

## **REVIEW PROCESS**

As part of the standard review process, all appropriate third-party public agencies have reviewed the Proposed Project. The Proposed Project was also reviewed by the City's Development Review Team per the Municipal Code. Following subsequent revisions and review by staff, the entitlement applications for the Proposed Project were determined to be complete for processing.

## **ENVIRONMENTAL**

The Proposed Project has been evaluated against criteria set forth in the California Environmental Quality Act (CEQA) and CEQA Guidelines. A Draft Subsequent Environmental Impact Report (DSEIR) was prepared for the Proposed Project. The analysis presented in the DSEIR indicates that implementation of the Proposed Project would result in significant and unavoidable adverse impacts to Air Quality which are described in detail within the DSEIR. All other environmental effects evaluated in the DSEIR are considered to be less-than-significant or can be reduced to less-than-significant levels with the incorporation of the mitigation measures specified in the DSEIR. A Mitigation Monitoring and Reporting Program and a Statement of Overriding Considerations have been prepared and provided, which are based on the CEQA Findings of Fact. The DSEIR (SCH 2023100145) was circulated to the public (including interested parties/responsible agencies) for review from May 31, 2024 to July 15, 2024.

Fourteen public written comment letters were received during the 45-day public review period. Written comments expressed concern regarding potential impacts to air quality, biological resources, greenhouse gases, hazards, land use, noise, traffic, and public utilities, while others simply acknowledged the Proposed Project without providing specific comments addressing any potential environmental impacts of the Proposed Project.

### **CEQA Findings of Fact**

The Findings of Fact, attached hereto for reference, finds that all potentially significant environmental impacts from the construction and operation of the development allowed by the Proposed Project have been identified in the Final SEIR and that the implementation of the mitigation measures defined and set forth in the Mitigation Monitoring and Reporting Program ("MMRP"), attached hereto for reference, will be mitigated to a less-than-significant level, except for those impacts identified in the Final SEIR as significant and unavoidable.

## Mitigation Monitoring and Reporting Program

Mitigation Measures are recommended for the Proposed Project in the following areas: Air Quality, Biological Resources, Cultural Resources, Geology and Soils, Greenhouse Gas Emissions, Hazards and Hazardous Materials, Hydrology and Water Quality, Noise, and Tribal Cultural Resources. All the aforementioned impacts of the Proposed Project can be mitigated to less than significant levels except for Air Quality.

A Mitigation Monitoring and Reporting Program (MMRP) has been prepared in accordance with § 21081.6 of the Public Resources Code and § 15097 of the California Environmental Quality Act (CEQA) Guidelines, which requires all state and local agencies to establish monitoring or reporting programs whenever approval of a project relies on an Environmental Impact Report (EIR). The MMRP is attached hereto for reference.

## Statement of Overriding Considerations

A Statement of Overriding Considerations has also been prepared for the Proposed Project, which is attached hereto for reference. The purpose of a Statement of Overriding Considerations, as defined in CEQA Guidelines Section 15093, is to balance, as applicable, the economic, legal, social, technological, or other benefits of a proposed project against its unavoidable environmental risks when determining whether to approve the project.

The Statement of Overriding Considerations prepared for the Proposed Project set forth the various benefits of the Proposed Project, each of which is determined to be, by itself and independent of the other benefits of the Proposed Project, as a basis for overriding, outweighing, and accepting the Proposed Project's significant and unavoidable air quality impacts identified in the Final SEIR. The overriding benefits resulting from the Proposed Project include the following, the details of which are more particularly described in the Statement of Overriding Considerations:

- Maximizes Infill Development of Unused Vacant Land.
- Benefits from Development of the Geographic "Center" of the City of Moreno Valley.
- Developed in close proximity to transit facilities and encourages Multimodal Transportation.
- Provides a Vibrant Gathering Place for the City.
- Satisfies City's Vehicle Miles Traveled Standard and Promotes Southern California Association of Government's (SCAG) Regional Transportation Plan and Sustainable Communities Strategy (RTP/SCS).
- Implements Important Sustainability Goals of the City.
- Provides Substantial One-Time Economic Benefits to the City.
- Creates Significant Construction Jobs.
- Provides Substantial Recurring Economic Benefits to the City.
- Creates Permanent Jobs Proximate to Housing.
- Significant Fiscal and Infrastructure Benefits to the City.
- Recurring Fiscal Benefits to the City.

- Housing for the City’s Expanding Workforce.
- Promotes Urban Forestry.
- Provides a turn-key Senior Center and land as “Public Benefit.”
- Provides additional Public Park Land.

## **NOTIFICATION**

Consistent with the applicable Moreno Valley Municipal Code provisions and exceeding the posting and distance requirement of applicable state law, a public notice was sent to all property owners of record within 600 feet of the Project Site, and notices were posted on the Project Site and published in the Press Enterprise Newspaper, at least 10 days prior to the public hearing. As of the preparation of this Staff Report, no public comment has been received regarding the Proposed Project, outside the context of the DSEIR.

## **PREPARATION OF STAFF REPORT**

Prepared By:  
 Name Kirt Coury  
 Title Contract Planner

Department Head Approval:  
 Name Angelica Frausto-Lupo  
 Title Community Development Director

Concurred By:  
 Name Robert Flores  
 Title Planning Official

## **ATTACHMENTS**

1. Resolution No. 2024-32 Certifying FSEIR, Findings of Fact, Statement of Overriding Considerations, and MMRP
  - Exhibit A – Findings of Fact
  - Exhibit B – Mitigation Monitoring and Reporting Program
  - Exhibit C - Statement of Overriding Considerations
  - Exhibit D - Final Subsequent Environmental Impact Report with Errata and Response to Comments
  - Appendix 1 Draft Subsequent Environmental Impact Report
    - DEIR Appendix A – Specific Plan Amendment
    - DEIR Appendix B – Notice of Preparation
    - DEIR Appendix C – Geotech & Paleo Evaluation
    - DEIR Appendix D – Air Quality
    - DEIR Appendix E – Biological Report
    - DEIR Appendix F – Cultural Report
    - DEIR Appendix G – Phase I and Phase II
    - DEIR Appendix H – Stormwater Management
    - DEIR Appendix I – Noise Report (Revised)
    - DEIR Appendix J – Public Service Coordination
    - DEIR Appendix K – Traffic Report
    - DEIR Appendix L - Water Supply Assessment

- DEIR Appendix M – Tribal Resources
  - DEIR Appendix N – Wildfire and Evacuation Plan
2. Resolution No. 2024-33 Recommending City Council Approval of General Plan Amendment (PEN23-0127), Change of Zone (PEN24-0041), Specific Plan Amendment (PEN23-0109), Development Agreement (PEN23-0119), and Tentative Tract Map No. 38850 (PEN23-0118).
- Exhibit A – Land Use Map
  - Exhibit B – Zoning Map
  - Exhibit C– Final Specific Plan Amendment
  - Exhibit D – Development Agreement
  - Exhibit E – Tentative Tract Map No. 38850
  - Exhibit F – Tentative Tract Map No. 38850 Conditions of Approval