An amendment to the Guasti Plaza Specific Plan is proposed, which would update the Specific Plan document to reflect existing conditions and current regulations and approvals, and to create a Residential Overlay Zone to allow residential uses on approximately 11.72 acres at the eastern and southeastern sections of the Specific Plan area along Turner Avenue, as an alternative to planned office and commercial uses for this site. Also, possible residential development may occur on the western section of the Specific Plan area, on approximately 9.0 acres east of Archibald Avenue. Figure 3-1, *Project Location*, shows the location of the project site in the City of Ontario.

3.1 OBJECTIVES OF THE SPECIFIC PLAN

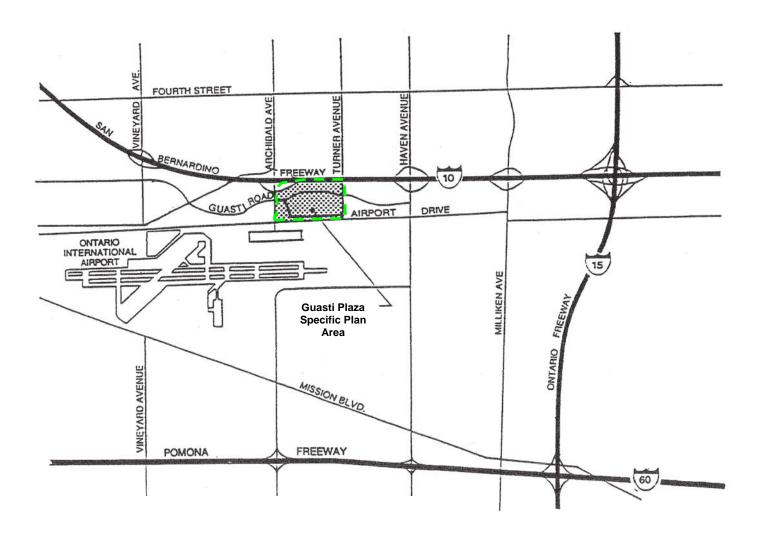
The objectives with the Guasti Plaza Specific Plan would largely remain the same, except for the addition of meeting housing needs associated with the proposed Amendment. These objectives are as follows:

- To create a high quality, commercial mixed-use development which can attract a viable balance of office, hotel, commercial <u>and residential</u> uses.
- To eliminate the condition of blight which exists in the area and to rehabilitate, preserve, enhance and reuse the major historically significant buildings within the original Guasti community. Buildings to be retained will be adapted for use as office space, restaurants, specialty retail and a hotel/conference center. They will create a focal point and activity center for the City of Ontario.
- To allow the construction of architecturally compatible new uses, taking advantage of the site's prime location between the San Bernardino Freeway and the Ontario International Airport.
- To provide planned roadways, infrastructure, utility and service programs that can meet the expanding needs of the project site as they evolve.
- To implement a streetscape/landscape program which emphasizes the use of existing trees and landscape and supplements these with other plantings to reinforce the historic themes already found in the community.
- To provide compatible land uses with all surrounding properties, including the Ontario International Airport.
- To develop a plan which includes sufficient flexibility to meet changing business, housing, and market needs over the long term build-out period of the project, while assuring the City of Ontario that the development standards and goals are met.

3.2 PROPOSED AMENDMENT

The proposed amendment to the Guasti Plaza Specific Plan would involve two major components: 1) an update of the document to reflect changes in the existing conditions within the Specific Plan area and current regulations and approvals pertinent to the site and future development within the Specific Plan area; and 2) creation of a Residential Overlay Zone to allow residential uses as an alternative to planned office uses on 11.72 acres of the Specific Plan area.

The document update includes text changes that address the current conditions of the remaining historic buildings, on-site trees, public and private streets, acreage and ownership, past hazardous material uses and abatement, adjacent developments, public services, utility demands, and planned infrastructure, as well as existing regulations and approvals (such as the





Source: Guasti Plaza Specific Plan, 1996



Figure 3-1 Project Location

City's updated General Plan, Airport Towers Master Plan, Parcel Map No. 18799, Planning Area Plan (PAP), Conservation Plan, Interpretive Plan, Tree Preservation Priority Plan, and other approvals for Guasti Plaza, changes to the City's Development Code over time, and other new or revised ordinances that have occurred since the Specific Plan was adopted in 1996). Other changes to the Specific Plan document include refinements to the development and design guidelines that would regulate future development to better promote the creation of a high quality office, hotel, commercial and residential center at the Guasti community and incorporate new research and design documents resulting from ongoing design efforts and governmental processing of development within the Specific Plan area.

The changes that reflect existing conditions at the site would not result in changes to the environmental setting, and thus, are not analyzed in this SEIR. The changes that identify current pertinent regulations would also not result in impacts by themselves, but would be implemented as part of future development within the Specific Plan area. The refinements to development standards and guidelines would not lead to impacts by themselves but would define the impacts of future development within the Specific Plan area. These standards are also consistent with the City's current Development Code. Thus, there are no anticipated development or direct environmental impacts from the document update and these changes are not subject to analysis in this SEIR.

However, the proposed Residential Overlay Zone under the proposed Guasti Major Amendment No. 1 would allow residential development within 11.72 acres of the Specific Plan area and this future development would result in impacts. The Guasti Plaza Specific Plan currently allows the development of commercial, office, hotel and office park developments within the Specific Plan area. The proposed Guasti Plaza Specific Plan Amendment involves an amendment to the adopted Specific Plan document that would create an overlay zone for alternative development scenarios for Planning Areas 2 and 3. Specifically, the Amendment would include a Residential Overlay Zone that would change the Land Use Concept in the document to allow residential uses within portions of Planning Areas 2 and 3 as an alternative to planned office and commercial uses, along with the addition of development standards and design guidelines for future residential uses within the Specific Plan area.

No change to the Specific Plan's development intensity or maximum floor area ratio of 1.0 is proposed as part of the Amendment. Rather, the new overlay zone would allow the development of 500 dwelling units in lieu of planned office and commercial uses within an 11.72-acre site, but with the flexibility to allow housing opportunities to revert back to planned office or commercial uses as allowed under the original Specific Plan.

Figure 3-2, *Alternative Land Use Concept*, shows the alternative development anticipated under the Land Use Concept for the Specific Plan area, if residential development occurs as allowed by the proposed overlay designation.

Table 3-1, Building Intensity for Alternative Scenarios, shows the anticipated development intensity under the Office/Commercial development scenario and the Residential development scenario, in terms of development acreage and floor area by planning area that would be allowed with the Residential Overlay Zone proposed under the Specific Plan Amendment.

TABLE 3-1
BUILDING INTENSITY FOR ALTERNATIVE SCENARIOS

Planning Area	Owner-Land Use OAC- Commercial/Restaurant	Office/Commercial Scenario		Residential Scenario		Difference
1		1.45 acres	63,162 sf	1.45 acres	63,162 sf	
	OAC - Office	19.33 acres	837,846 sf	19.33 acres	837,846 sf	
	PGP – Hotel/Commercial	3.62 acres	225-room hotel with 157,500 sf	3.62 acres	225-room hotel	
2	OM – Office	11.81 acres	1,315,620 sf	4.05 acres	955,620 sf	Less 360,000 sf of office
	OM – Commercial/Restaurant	19.94 acres	125,000 sf	19.94 acres	125,000 sf	
	OM – Hotel	7.75 acres	400-room hotel with 280,000 sf	7.75 acres	400-room hotel	ŀ
	OM – Residential			7.76acres	400 units with 360,000 sf	400 dwelling units
3	OM – Office Park	9.30 acres	405,108 sf	5.34 acres	315,108 sf	Less 90,000 sf of office
	OM – Residential			3.96 acres	100 units with 90,000 sf	100 dwelling units
	Roadway Rights-of-way Public ROW Private Roads	7.31 acres 5.20 acres		7.31 acres 5.2 acres		
	Total	85.71 acres	3,184,236 sf	85.71 acres	3,184,236 sf	450,000 sf office

OAC - Ontario Airport Center, LLC

OM - Oliver-McMillan, LLC

sf - square feet

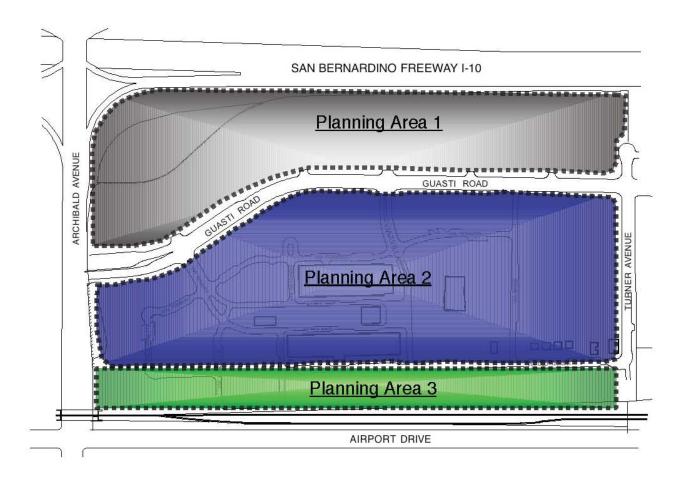
Please note that the gross area of the site has increased slightly since the original Guasti Plaza Specific Plan was adopted since all of the internal streets within Planning Areas No. 2 and 3 have been designated to be private streets. In spite of this increase in gross site area, the total area of new construction allowed shall not exceed 3,184,236 square feet.

Source: Proposed Specific Plan Amendment Table 1

As indicated earlier, a PAP was approved for Planning Areas 2 and 3, which identified specific land uses and proposed buildings to be built in these planning areas.

Under the approved PAP the East Village was proposed for the development with 354,000 square feet of office uses and 264,900 square feet of future development (anticipated to be office, retail and restaurant uses) and a parking structure. This village encompasses portions of Planning Areas 2 and 3, within Parcel 6 (2.02 acres), Parcel 7 (5.74 acres), Parcel 9 (2.31 acres), and Parcel 10 (1.65 acres) of Parcel Map No. 18799. These parcels have a total land area of approximately 11.72 acres. The parcels are bounded by New Guasti Road on the north, Turner Avenue on the east, the property line adjacent to the UPRR railroad tracks on the south, and Biane Lane (proposed) on the west, excluding the area along Pepper Tree Lane between Planning Areas 2 and 3. However, the rehabilitation and reuse of the remaining historical structures is anticipated to occur as part of future residential or commercial development to the north and south of these structures.

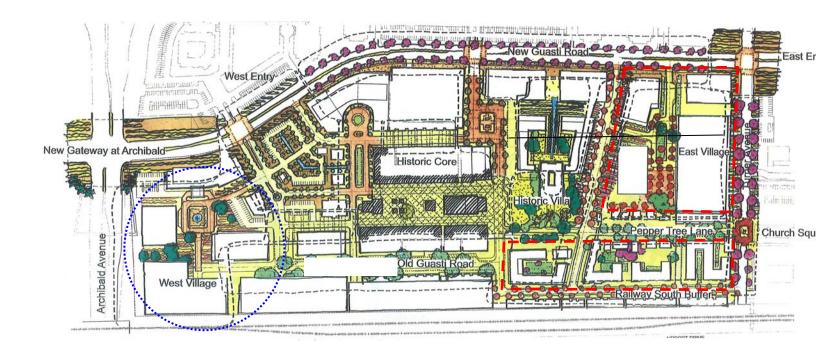
Upon approval of the proposed Specific Plan Amendment and prior to the development of residential uses, a change to the East Village in the approved Project Area Plan would be necessary. Figure 3-3, *East Village*, shows the conceptual site plan for office and commercial uses under the approved PAP and the areas where future residential development would be allowed under an overlay that would provide an alternative development to planned office uses.

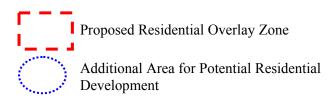


Planning Area 1		
Office	16.70	Acres
Hotel/Commercial	7.70	Acres
Private Roads/Other	.68	<u>Acres</u>
Total Planning Area 1	25.08	Acres
Planning Area 2		
Office	27.50	Acres
Commercial (Hotel)	6.60	Acres
Commercial	5.40	Acres
Private Roads/Other	2.86	<u>Acres</u>
Total Planning Areas 2	42.36	Acres
Planning Area 3 Office Park Private Roads/Other	9.30 1.66	Acres Acres
Total Planning Area 3	10.96	Acres
Public R.O.W.	7.31	Acres
Total	85.71	Acres



Source: Guasti Plaza Specific Plan, 2010





Source: Oliver McMillan



With the proposed overlay zone, the East Village would be allowed to develop with a maximum of 500 multi-family housing units, with 400 units in Planning Area 2 and 100 units in Planning Area 3. The residential development density in this Village would range from 25 to 65 units per acre (to be consistent with the Mixed Use land use designation for the site). The majority of the housing units would consist of studio, one-bedroom and two-bedroom units, ranging in size from 700 to 1,000 square feet. The residential structures would vary in height from 3 to 5 stories. In addition to the dwelling units, on-site amenities would include a pool, clubhouse, recreational area, and open space areas for residents.

Between Planning Areas 2 and 3, the historic residential cottages/bungalows, a fire station, and market, which are to be retained, and 2 residences to be relocated into the East Village would be reused as area amenities and would provide an important historic element. These structures are proposed to be rehabilitated and reused as meeting rooms, a museum, and/or recreational rooms for the surrounding development. New Guasti Road and Turner Avenue would provide primary vehicular access to the dwelling units, with Biane Lane and Old Guasti Road as secondary points of access.

The potential future development of residential uses in this area would lead to a reduction of an equivalent amount of allowable office floor area within the Specific Plan area, such that buildout would remain the same at a maximum of 3.18 million square feet. As proposed, the overlay designation would allow for the replacement of 450,000 square feet of office space with a maximum of 450,000 square feet of residential uses within 500 dwelling units. This reduction reflects 360,000 square feet of development in Planning Area 2 and 90,000 square feet in Planning Area 3.

Density transfers would be allowed between residential and office uses within individual planning areas or between the planning areas subject to the approval of the Planning Director. Thus, all 500 units may be developed in Planning Area 2 or in Planning Area 3. The overlay designation would also provide flexibility to allow up to 100 residential units to be located on approximately 9.0 acres on the westerly section of the Specific Plan area (Parcels 1, 14, 15, 16 and 17 of Parcel Map No. 18799), in lieu of office (395,000 square feet in 2 buildings) or retail development (6,000 square feet) in this area. This would mean that only 400 dwelling units would be developed in the East Village. In any case, the total number of residential units within the entire Specific Plan area would not exceed 500 units and the total square footage of development shall not exceed a floor area ratio (FAR) of 1.0 within each planning area, which is the maximum development capacity of the currently adopted Specific Plan.

Other components of the Guasti Major Amendment No. 1 document, which addresses future residential development within the Guasti Plaza Specific Plan area include:

- Landscape Concept and Guidelines
- Development Guidelines
- Project Entry and Monumentation
- Design Guidelines for parking lots, railroad edge, common and recreation areas, walls/fences, and lighting
- Sign and Lighting standards
- Architectural Guidelines for residential uses

In support of the proposed Residential Overlay Zone under the proposed Specific Plan Amendment, a Conceptual Site and Elevation Study was prepared to show a conceptual layout

of future residential buildings on the site, as well as a preliminary cross section of the site to show possible building elevations. Figure 3-4, *Conceptual Site Plan*, Figure 3-5, *Conceptual Site Layout* provides these conceptual studies. Figures 3-6 to 3-8, *Conceptual Elevation*, show the cross sections and conceptual elevation of residential structures that may be built in the proposed overlay zone.

Operational Characteristics

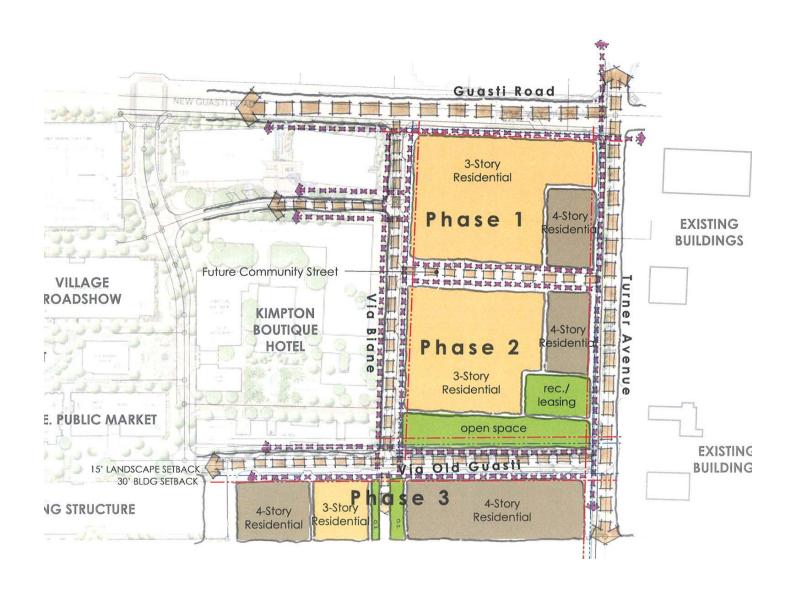
The proposed Amendment involves a revision of a policy document that would require approval from the Ontario City Council. The Specific Plan and the Amendment are planning documents that would not lead to any physical changes. However, implementation of the revised Specific Plan could lead to future residential or commercial development on the site, which would be accompanied by environmental changes. While the EIR for the Guasti Plaza Specific Plan analyzed the impacts of future commercial uses on the site, the environmental changes of future residential uses have not been analyzed in previous EIRs for the site and surrounding area. Since the Amendment would allow for the development of residential uses on the site, and these future residential uses would result in environmental changes, impacts analyzed in this Supplemental EIR relate primarily to future residential uses that would be allowed as an alternative development scenario under the Amendment.

Upon approval of the Amendment and property owner decision to develop residential uses within the Specific Plan area, OM Guasti, LLC is expected to file a revised Planning Area Plan (PAP) for the site that shows the layout of a proposed multi-family residential development, consisting of 500 units. Upon approval of the PAP, OM Guasti, LLC may file a development application for the project, followed by building permit application. The start of construction is anticipated by late 2011/early 2012 at the earliest, with project occupancy by late 2012 or later. The overall phasing for implementation of the Specific Plan is defined in the Amendment.

It is anticipated that the US Post Office would move into another location within the Specific Plan area prior to the start of construction at the site. Thus, the four employees at the US Post Office would be relocated but not displaced.

Upon completion of the improvements on abutting roadways, the Turner Avenue right-of-way will be dedicated to the City of Ontario for long-term maintenance of water lines, sewer lines, storm drain facilities, roadway pavement, sidewalks and parkways. Internal roads will remain private streets, with utility easements granted to the City of Ontario and other utility agencies.

If residential development occurs, the residential units are planned as a rental product, but the future sale of units or parcels is anticipated. At that time, a condominium map would be filed for future conversion. The residential units would be part of the Guasti Master Association (property owners association) that would be formed for the Specific Plan area. Assuming an average household size of 2.002 persons per household, the 500 units would be occupied by approximately 1,001 residents at full occupancy. This estimate is based on the buildout estimates in TOP.



Source: Oliver McMillan



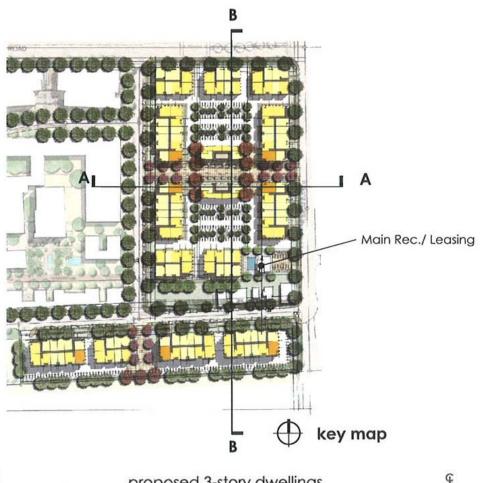
Figure 3-4 Conceptual Site Plan

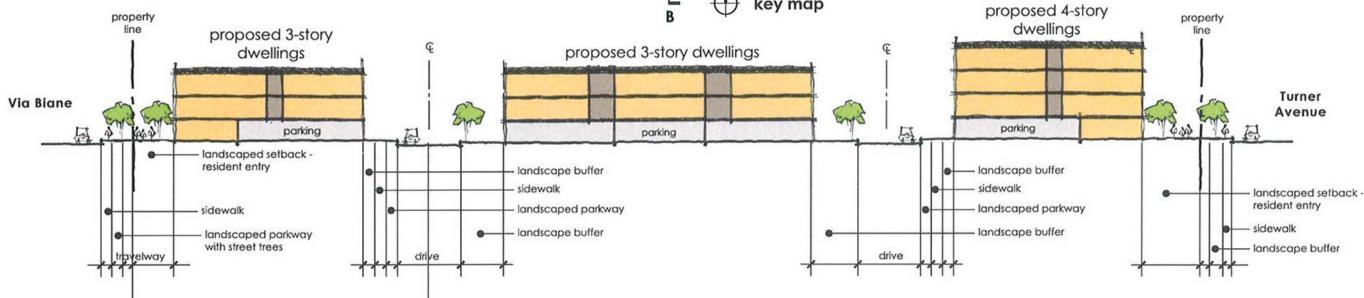


Source: Oliver McMillan



Figure 3-5 Conceptual Site Layout







Building and open space section

Figure 3-6 Conceptual Elevation

Guasti Plaza Specific Plan Amendment Supplemental EIR

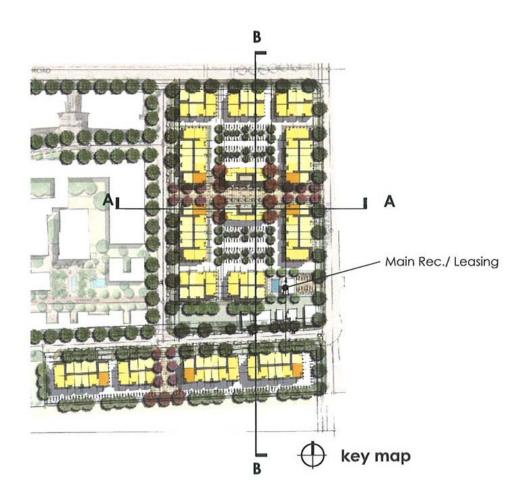


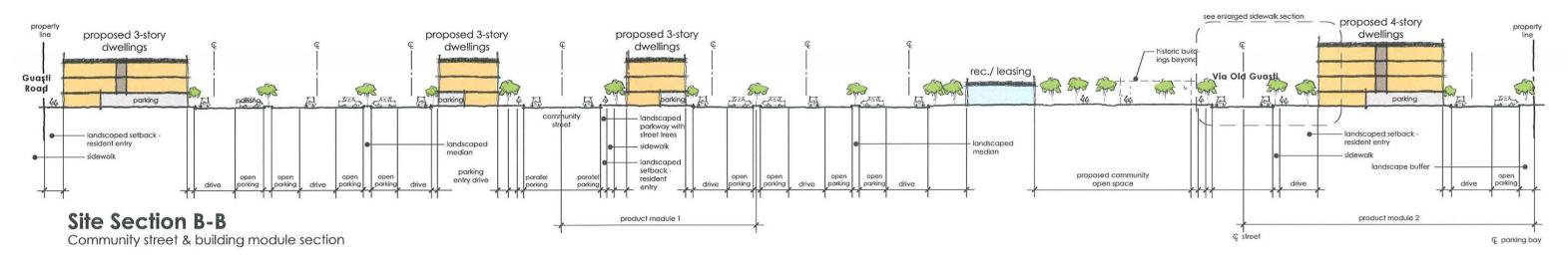
property

Source: Oliver McMillan

product module 2

C parking bay





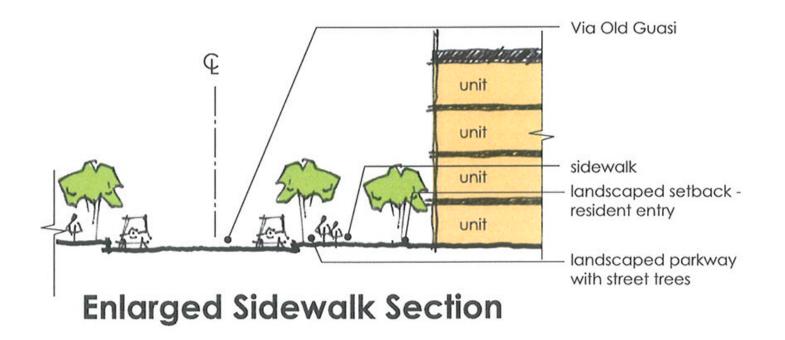


Conceptual Elevation

Guasti Plaza Specific Plan Amendment
Supplemental EIR

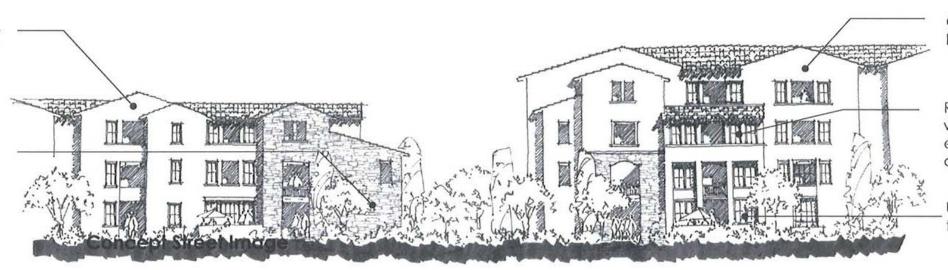
Figure 3-7

Source: Oliver McMillan



Utilize 3- and 4-story building configurations to vary street character and reduce building massing

Step buildings down at communal edges and emphasize material changes for diversity in overall neighborhood character



Overall roof forms reflect historic Guasti Winery context

Reduced mass of building with horizontal layering emphasizing base, middle, and top

Units orient to street at grade to activate community edge

Concept Elevation



3.3 DISCRETIONARY ACTIONS

A discretionary action is a decision taken by a government agency that calls for the exercise of judgment in deciding whether to approve or deny a project. For the proposed Specific Plan Amendment, the government agency with discretionary approval authority is the City of Ontario. The following discretionary approvals would be required from the City of Ontario:

- Approval of the Specific Plan Amendment by the Development Advisory Board, Planning Commission, and City Council
- Approval of a Disposition and Development Agreement (DDA) between the Ontario Redevelopment Agency and OM Guasti, LLC

Future residential development would also require:

- Approval of a revised Planning Area Plan (PAP) for Planning Areas 2 and 3 by the Development Advisory Board and Planning Commission
- Approval of individual Development Plans by the Development Advisory Board and Planning Commission
- Approval of future condominium conversion by the Planning Commission
- Approval of density transfers between planning areas by the Planning Director

Other permits needed for the development of future residential uses on the site include:

- National Pollutant Discharge Elimination System (NPDES) General Permit from the State Water Resources Control Board for construction activities
- Grading, building, and occupancy permits from the City of Ontario
- Approval of revisions to driveway easements along the site boundaries
- Approval of right-of-way dedication of Turner Avenue, upon improvement
- FAA review and approval of building plans in accordance with Federal Aviation Regulation Part 77 Objects Affecting Navigable Airspace.
- Approval of work on or near the railroad right-of-way by UPRR
- Approval of work near the jet fuel pipelines by Kinder Morgan