



REPORT TO CITY COUNCIL

To: Honorable Mayor and Members of the City Council

From: Jason Simpson, City Manager

Prepared by: Damaris Abraham, Planning Manager

Date: May 25, 2022

Subject: Development Agreement No. 2022-01 for an approximately 81.32-acre portion of Tentative Tract Map No. 34249 (Canyon Hills Estates)

Applicant: Shelly Jordan, Tri Pointe Homes

Recommendation

Introduce by title only and waive further reading of AN ORDINANCE OF THE CITY COUNCIL OF THE CITY OF LAKE ELSINORE, CALIFORNIA, APPROVING DEVELOPMENT AGREEMENT NO. 2022-01 FOR APPROXIMATELY 81.32-ACRE PORTION OF THE LARGER 246 ACRE SUBDIVISION PREVIOUSLY APPROVED UNDER TENTATIVE TRACT MAP NO. 34249

Background

On January 23, 2007, the City Council approved Final Environmental Impact Report (FEIR) No. 2006-02, General Plan Amendment (GPA) No. 2006-04, Specific Plan (SP) No. 2006-01, and Tentative Tract Map (TTM) No. 34249 for the subdivision of 246.41 acres into 302 single-family residential lots, 12 open space lots, one (1) public park, and two (2) tank sites.

On February 12, 2008, the City Council approved a two (2) year extension of time for TTM 34249 to January 23, 2011.

Between July 2008 and July 2013, the California Legislature adopted Assembly Bill 333, Assembly Bill 208, and Assembly Bill 116, all automatically extending the life of TTM 34249 for an additional six (6) years to January 23, 2017.

On March 14, 2017, the City Council approved a four-year extension of time for TTM 34249 to January 23, 2021.

Assembly Bill 1561, which became effective on September 28, 2020, automatically extended the life of TTM 34249 by 18 months to July 23, 2022.

Planning Commission Action

At the May 3, 2022, Planning Commission meeting, the Planning Commission accepted public oral and written testimony regarding this project that included email correspondence from Steven Uraine dated May 2, 2022 (See attached Exhibit F). The issues raised by the neighbors include concerns regarding the secondary access shown on the tentative map that goes through Navajo Springs Road and connects to Lost Road as well as traffic and other environmental impacts. Staff and the applicant have addressed these issues as follows:

- This development agreement is intended to provide the developer some certainty in the development process by providing vested rights in the existing entitlements. This agreement itself does not authorize the developer to undertake any development of the subject property. The developer will be required to comply with all applicable Conditions of Approval and Mitigation Measures identified for TTM 34249.
- This development agreement applies to the 81.32-acre portion located on the northeastern corner of the larger approximately 246-acre property (See Figure 1 below). This portion of the tentative map is proposing to utilize Canyon Hills Road and Cottonwood Canyon Road for primary and secondary access. Further, the developer is currently processing a revised tentative map and a phasing plan which is intended to address the secondary access for the remainder of the tentative map.

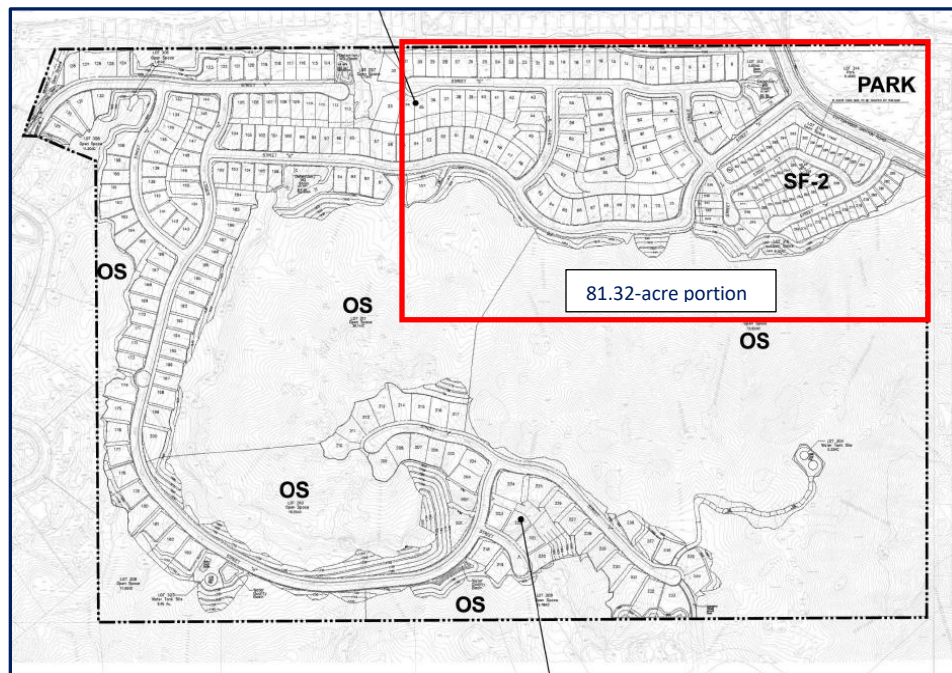


Figure 1: TTM 34249 (81.32-acre portion); 132 single family lots

- The project is located within the Canyon Hills Specific Plan which is intended to provide a planned residential development of appropriate density and scale which respects the existing topography and environmental sensitivity of the project site and surrounding land uses. As shown in Figure 2 below, an approximately 149-acre portion of the 246-acre site is proposed as open space.

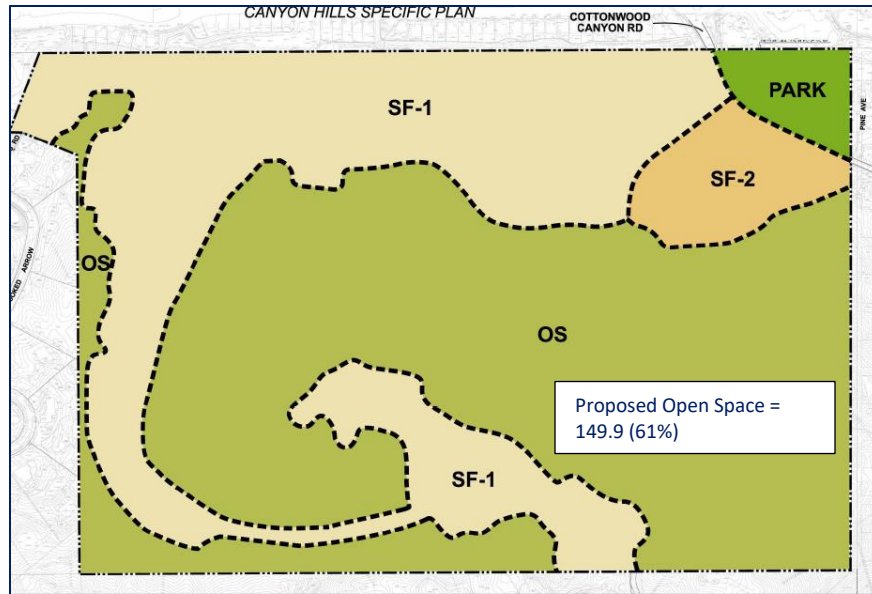


Figure 2: Land Use Designation

- An Environmental Impact Report (EIR) has been certified for this project. Compliance with all the mitigation measures identified in the EIR will ensure that any potential issues regarding traffic, air quality, and biological and cultural resources will be adequately addressed.

The Planning Commission recommended approval of the Development Agreement with a 5-0 vote.

Discussion

TTM 34249 is a subdivision of 246.41 acres into 302 single-family residential lots, 12 open space lots, one (1) Public Park, and two (2) tank sites. This Development Agreement applies to the approximately 81.32-acre portion located on the northeastern corner of the larger approximately 246-acre property previously entitled for development. The site is located within the Canyon Hills Estates Specific Plan, south of Canyon Hills Road, east and west of Cottonwood Canyon Road (APNs: 365-230-005, 006, 009, 011, and 012).

The proposed development agreement would vest the development rights under TTM 34249 for a five (5) year term from and after the Effective Date unless the agreement is terminated, modified, or extended upon mutual written consent. The proposed agreement amongst other items would memorialize the following:

- Vested Rights: The Development Agreement provides certainty in the development process by providing a vested right in the existing entitlements (TTM 34249) and the applicability of the City's existing land use regulations to the development of the Project. During the term of the agreement, the Project will be exempt from newly adopted City land use regulations and fees.
- Existing Development Impact Fees: During the five (5) year term of the Development Agreement, the City shall impose and the Developer shall be required to pay only existing

development impact fees at the prevalent rate in effect at the time of the issuance of each building permit or other time of payment required by applicable City ordinance or resolution. No new categories of development impact fees will be imposed on the Project during the Term of the Development Agreement.

- Non-Vested Fees: The Developer will be required to pay development permit application processing fees, storm drain fees, TUMF, MSHCP, SKR and impact fees, exactions, assessments or fair share charges, or other similar fees or charges imposed by other governmental entities regardless of whether the City is required to collect or assess such fees (e.g., school district impact fees according to Government Code Section 65995) at the prevailing rate at the time such fees are due.
- Payment of a Development Agreement Fee. A \$5,500/unit Development Agreement Fee shall be paid upon issuance of each residential building permit to be used by the City at its discretion for the construction of capital facilities.
- Public Park: The Developer shall complete the design, improvement, and dedication of the 5.4-acre public park before the 100th building permit.

Analysis

The proposed Development Agreement is an instrumental document in the facilitation of the development of a portion of TTM 34249. Pursuant to the proposed Development Agreement, the 132 single family lots in this portion TTM 34249 will generate development agreement fees of approximately \$726,000 for the construction of future capital facilities. The proposed Development Agreement was prepared by the City Attorney and is consistent with and meets all legal requirements of State Government Code Sections 65864 through 65869.5 and the Lake Elsinore Municipal Code Chapter 19.12 regulating development agreements.

Environmental Determination

Under CEQA Guidelines Section 15162, the Development Agreement would not have a significant effect on the environment and no new environmental documentation is necessary because all potentially significant effects have been adequately analyzed in an earlier environmental impact report. FEIR No. 2006-04 (SCH # 2006051073) was adopted by the City Council on January 23, 2007. This Development Agreement will not have any significant direct, indirect, or cumulative environmental impacts apart from or beyond those already analyzed, addressed and mitigated as stated in the environmental documentation prepared and adopted/approved for TTM 34249. All potentially significant impacts have been avoided or mitigated pursuant to the earlier environmental impact report and none of the conditions in Public Resources Code Section 21166 or CEQA Guidelines Sections 15162, 15163 and 15164 calling for preparation of a subsequent or supplemental environmental impact report have occurred because of the following: (i) the Project does not propose substantial changes that would require major revisions to the previously certified EIR due to new significant environmental effects or a substantial increase in the severity of previously identified significant environmental effects; (ii) no substantial changes in circumstances have occurred that require major revisions to the previously certified EIR due to new significant environmental effects or a substantial increase in the severity of previously identified significant effects; and (iii) no new information of substantial importance as described in Section 15162 (a)(3) has been identified that shows any of the following: (a) one or more significant effects not discussed in the EIR, (b) significant effects previously examined that are

substantially more severe than shown in the EIR, (c) mitigation measures or alternatives previously found not to be feasible are in fact be feasible and substantially reduce one or more significant effects of the project, but the Project proponents decline to adopt the mitigation measure or alternative, or (d) mitigation measures or alternatives which are considerably different from those analyzed in the EIR substantially reduce one or more significant effects on the environment, but the Project proponents decline to adopt the mitigation measure or alternative. Therefore, no further environmental documentation is necessary.

Fiscal Impact

The time and costs related to processing this application have been covered by application fees paid for by the applicant. No General Fund budgets have been allocated or used in the processing of this application. Pursuant to the proposed Development Agreement, the 132 single family lots in this portion TTM 34249 will generate development agreement fees of approximately \$726,000 for the construction of future capital facilities.

Exhibits

- A – DA Ordinance
- B – Development Agreement
- C – Vicinity Map
- D – Aerial Map
- E – TTM 34249
- F – Correspondence