



## REPORT TO CITY COUNCIL

**To:** Honorable Mayor and Members of the City Council

**From:** Grant Yates, City Manager

**Prepared by:** Damaris Abraham, Senior Planner

**Date:** June 11, 2019

**Subject:** Planning Application No. 2017-29 (Nichols Ranch Specific Plan): Specific Plan No. 2018-01, Specific Plan Amendment No. 2017-03, General Plan Amendment No. 2018-01, Zone Change No. 2018-01, Tentative Tract Map No. 37305, and related Environmental Impact Report (SCH# 2018051051)

**Applicant:** Eric Werner, Nichols Road Partners, LLC

### Recommendation

adopt A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF LAKE ELSINORE, CALIFORNIA, CERTIFYING THE ENVIRONMENTAL IMPACT REPORT (ER 2018-03) (SCH NO. 2018051051) FOR PLANNING APPLICATION NO. 2017-29 (SPECIFIC PLAN NO. 2018-01, SPECIFIC PLAN AMENDMENT NO. 2017-03, GENERAL PLAN AMENDMENT NO. 2018-01, ZONE CHANGE NO. 2018-01, AND TENTATIVE TRACT MAP NO. 37305), ADOPTING FINDINGS PURSUANT TO THE CALIFORNIA ENVIRONMENTAL QUALITY ACT, ADOPTING A STATEMENT OF OVERRIDING CONSIDERATIONS, AND ADOPTING A MITIGATION MONITORING AND REPORTING PROGRAM; and,

adopt A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF LAKE ELSINORE, CALIFORNIA, ADOPTING FINDINGS THAT PLANNING APPLICATION NO. 2017-29 (SPECIFIC PLAN NO. 2018-01, SPECIFIC PLAN AMENDMENT NO. 2017-03, GENERAL PLAN AMENDMENT NO. 2018-01, ZONE CHANGE NO. 2018-01, AND TENTATIVE TRACT MAP NO. 37305) IS CONSISTENT WITH THE WESTERN RIVERSIDE COUNTY MULTIPLE SPECIES HABITAT CONSERVATION PLAN (MSHCP); and,

adopt A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF LAKE ELSINORE, CALIFORNIA, APPROVING GENERAL PLAN AMENDMENT NO. 2018-01; and,

introduce by title only and waive further reading of AN ORDINANCE THE CITY COUNCIL OF THE CITY OF LAKE ELSINORE, CALIFORNIA, ADOPTING ZONE CHANGE NO. 2018-01; and,

introduce by title only and waive further reading of AN ORDINANCE THE CITY COUNCIL OF THE CITY OF LAKE ELSINORE, CALIFORNIA, ADOPTING THE NICHOLS RANCH SPECIFIC PLAN (SP NO. 2018-01) AND SPECIFIC PLAN AMENDMENT NO. 2017-03; and,

adopt A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF LAKE ELSINORE, CALIFORNIA, APPROVING TENTATIVE TRACT MAP NO. 37305.

## **Background**

The General Plan designates the northern 45.4 acres of the Project site as Alberhill Ranch Specific Plan (ARSP) with an “Extractive Overlay.” The ARSP was adopted by the City Council on August 8, 1989. The Extractive Overlay provides for continued operations of extractive uses. The ARSP designates the northern 45.4 acres of the Project site for “Commercial – Specific Plan” land uses and allows for up to 380,000 Sq. Ft. (SF) of regional general commercial uses.

The northern 45.4 acres of the site was subject to reclamation activities pursuant to the approved Amendment No. 2 to Reclamation Plan 2006-01 (Reclamation Plan 2006-01A2). Reclamation of this portion of the project site was completed on January 3, 2019 allowing for the subject site to be developed.

The General Plan designates the southern 27.1 acres of the Project site as “General Commercial,” which allow for retail, services, restaurants, professional and administrative offices, hotels and motels, mixed-use projects, public and quasi-public uses, and similar and compatible uses. This portion of the Project site is mainly vacant. The Project site is traversed by Stovepipe Creek, which generally crosses the site in a northeast-to-southwest orientation.

## **Planning Commission Action**

On May 21, 2019, the Planning Commission conducted a duly noticed public hearing, accepted public oral and written testimony, provided recommendations, and by a unanimous (4-0) vote recommended City Council approval.

## **Project Location**

The Project site is located in the northeastern portion of the City of Lake Elsinore, and is located east of the I-15, south of Nichols Road, and west of Wood Mesa Court/El Toro Road. The Project site encompasses Assessor Parcel Numbers (APNs) 389-200-038, 039, 389-210-008, 032, 034, 036, and portions of 389-200-035 and 036.

## **Environmental Setting**

	EXISTING LAND USE	GENERAL PLAN	ZONING
Project Site	Vacant	Alberhill Ranch Specific Plan & General Commercial	Community Commercial & General Commercial
North	Mining Operations	Alberhill Ranch Specific Plan	Community Commercial & Open Space
South	Temescal Canyon HS	Public Institutional	Public Institutional
East	Residential	County of Riverside	County of Riverside
West	I-15 Freeway	I-15 Freeway	I-15 Freeway

**Table 1:** *Environmental Setting*

## **Project Description**

The proposed Project consists of applications for a Specific Plan (SP No. 2018-01), a Specific Plan Amendment (SPA No. 2017-03), a General Plan Amendment (GPA No. 2018-01), a Zone Change (ZC No. 2018-01), and a Tentative Tract Map (TTM No. 37305), which collectively are being processed under Planning Application No. 2017-29 to establish a master-planned, low-medium-density residential community (5.1 to 5.8 dwelling units per acre) with commercial uses on an approximately 72.5-acre site.

**Specific Plan No. 2018-01** proposes to establish the Nichols Ranch Specific Plan (NRSP) across the entire 72.5-acre site, which would allow for development of the site with 168 single-family residential homes on approximately 31.1 acres, a 14.5-acre commercial center, 8.3 acres of parks, and 7.8 acres of open space. The NRSP would also establish development standards and design guidelines to provide guidance for future development of the site.

**Specific Plan Amendment No. 2017-03** proposes Amendment No. 3.1 to the Alberhill Ranch Specific Plan (ARSP), which would remove the northern 45.4 acres of the Project site that are currently located within the ARSP. With approval of the Project, development of the northern 45.4 acres of the Project site would be regulated by the Nichols Ranch Specific Plan (NRSP) instead of by the ARSP.

**General Plan Amendment No. 2018-01** proposes to change the Land Use Designation of the southern 27.1 acres of the Project site from “General Commercial” to “Specific Plan” land uses. With approval of GPA No. 2018-01 and the Project’s other discretionary applications, development of the entire 72.5-acre property would be governed by the proposed Nichols Ranch Specific Plan (SP No. 2018-01).

**Zone Change No. 2018-01** proposes to modify the zoning designation on the southern 27.1 acres of the site from “Commercial Mixed Use (CMU)” to “Nichols Ranch Specific Plan.” ZC No. 2018-01 would also change the zoning designation of the northern 45.4 acres of the site from “Alberhill Ranch Specific Plan” to “Nichols Ranch Specific Plan.” ZC No. 2018-01 also would establish zoning boundaries on-site to reflect the NRSP land use plan for the 72.5-acre site. Additionally, ZC No. 2018-01 would establish allowable uses and development standards for the 72.5-acre NRSP area.

**Tentative Tract Map No. 37305 (TTM 37305)** is a subdivision of the 72.5-acre site into 168 residential lots ranging in size from 4,549 SF to 9,468 SF (average 5,896 SF) on 22.74 acres, one (1) 14.22-acre commercial lot, one (1) 0.13-acre a sewer lift station lot, one (1) 6.49-acre park site, two (2) water quality/detention basin lots on 5.45 acres; nine (9) landscape lots on 1.45 acres; three (3) open space/landscape lots on 3.04 acres; two (2) open space lots on 6.49 acres; and public streets on 12.28 acres. TTM 37305 also proposes circulation improvements that include the realignment and construction of a segment of Nichols Road (off-site) along the Project’s frontage, construction of the western half of Wood Mesa Court (onsite), a bridge over Stovepipe Creek (on site), and on-site local roadways.

### **Nichols Ranch Specific Plan (SP 2018-01)**

#### **1. Proposed Land Uses**

The NRSP proposes to establish a master-planned, low-medium-density residential community with commercial uses on an approximately 72.5-acre site. Table 2 below provides a summary of the proposed land uses within the NRSP:

PLANNING AREA	LAND USE	ACRES	DENSITY RANGE	TARGET DENSITY	TARGET DUs
<b>Residential</b>					
1	Low-Medium Residential	6.6	1-6 DU/AC	5.2	34
2	Low-Medium Residential	2.1	1-6 DU/AC	5.2	11
3	Low-Medium Residential	5.9	1-6 DU/AC	5.4	32
4	Low-Medium Residential	6.0	1-6 DU/AC	5.2	31

PLANNING AREA	LAND USE	ACRES	DENSITY RANGE	TARGET DENSITY	TARGET DUs
5	Low-Medium Residential	3.7	1-6 DU/AC	5.9	22
6	Low-Medium Residential	6.8	1-6 DU/AC	5.6	38
<b>Residential Sub-Total:</b>		<b>31.1</b>	<b>--</b>	<b>5.4</b>	<b>168</b>
<b>Non-Residential</b>					
7	General Commercial	14.5	--	--	--
8	Recreational (Park)	6.5	--	--	--
9	Open Space	1.0	--	--	--
10	Recreation (Park)	1.8	--	--	--
11	Open Space	0.3	--	--	--
12	Public Institutional (Drainage Basin)	1.1	--	--	--
13	Public Institutional (Drainage Basin)	4.4	--	--	--
14	Floodway	3.2	--	--	--
15	Floodway	3.3	--	--	--
--	Circulation	5.3	--	--	--
<b>Non-Residential Sub-Total:</b>		<b>41.4</b>			
<b>PROJECT TOTAL:</b>		<b>72.5</b>	<b>--</b>	<b>2.3</b>	<b>168</b>

**Table 2:** Specific Plan No. 2018-01 – Land Use Summary

- **Low-Medium Density Residential:** The Project proposes 168 single-family dwelling units on 31.1 acres within Planning Areas 1 through 6, with an overall density of 5.4 dwelling units per acre (du/ac). Planning Areas 1, 2, and 3 would allow for 77 single-family homes on 14.6 acres. Planning Areas 4, 5, and 6 would allow for 91 single-family homes on 16.5 acres.
- **General Commercial:** The western 14.5 acres of the site (Planning Area 7) are proposed for general commercial land uses, and would accommodate a 130-room hotel, 6,000 SF fast-food restaurant with a drive-through, 5,500 SF fast-food restaurant without drive-through, 9,400 SF sit-down restaurant, 4,400 SF commercial retail uses, an 8,000 SF health and fitness club, a gas station (including a market and car wash) with 16 fueling stations, and 43,000 SF of office uses.
- **Recreational (Park):** Two park sites totaling 8.3 acres are proposed within Planning Areas 8 and 10 and will accommodate both passive and active recreational uses.
- **Open Space:** A total of 1.3 acres of open space are proposed within Planning Areas 9 and 11 along the northern and southern edges of Stovepipe Creek. These areas will serve as a buffer between Stovepipe Creek and adjacent residential uses. Aside from grading and fuel modification, no development is planned within Planning Areas 9 and 11.
- **Public Institutional (Drainage Basin):** Two drainage basins are proposed within Planning Areas 12 and 13 on a total of 5.5 acres.
- **Floodway:** A total of 6.5 acres of the site are planned to accommodate floodways within Planning Areas 14 and 15.
- **Circulation:** A total of approximately 5.3 acres of the Project site would be dedicated to on-site backbone roadways. Primary vehicular access would be provided via Nichols Road (an east-west oriented road located north of the Project site) and via El Toro Road (a

north-south oriented road located east of and adjacent to the Project site), which are planned to connect with the various local roadways planned within the NRSP area.

## 2. Circulation Plan

The NRSP proposes to establish a hierarchical circulation system with roadway rights-of-way (ROW) ranging from 60 to 120 feet in width. The NRSP proposes the realignment of Nichols Road in order to accommodate future improvements to this roadway to an Urban Arterial standard (120 ft. ROW). In addition, the NRSP proposes the construction of a north/south connection between Nichols Road and the existing north/south-aligned portion of El Toro Road, which would create two new intersections at Nichols Road and El Toro Road.

## 3. Specific Plan Design Guidelines

The NRSP proposes to establish development standards and design guidelines to provide guidance for future development of the site. Development standards and design guidelines would ensure that development of individual neighborhoods and the commercial site within the NRSP area are consistent with and enhance the quality and development concept for the Project area and would ensure that development of the Project would be compatible with surrounding off-site land uses.

The Design Guidelines propose elements that define the design concept, physical character, and visual theme of the proposed community. Principal components of the Design Guidelines are the Architectural Design Guidelines and Landscape Design Guidelines. Section IV of the NRSP contains a detailed description of the proposed design guidelines.

### **Tentative Tract Map No. 37305 (TTM 37305)**

TTM 37305 proposes to subdivide the approximately 72.50-acre site to implement the land uses proposed by the NRSP. Table 3 below summarizes the various land uses for TTM 37305:

LAND USE	LOT NO.	ACREAGE
Single Family Residential	1-168	22.74
Neighborhood Commercial	169	14.43
Park Site	171	6.49
Sewer Lift Station	170	0.13
Drainage Basins	A and B	5.45
Landscape Lots	C through K	1.45
Open Space/Landscape Lots	L through N	3.04
Open Space	O and P	6.49
Public Streets	N/A	12.29
<b>TOTALS:</b>		<b>72.50</b>

**Table 3:** *Tentative Tract Map 37305 Land Use Summary*

TTM 37305 proposes to subdivide the property to provide 168 single-family residential lots on 22.74 acres and would range in size from 4,549 SF to 9,801 SF, with an average lot size of 5,896 SF. Lots 1 through 60 and 152 through 168 (located within NRSP Planning Areas 1, 2, and 3) would range in size from 4,549 SF to 8,487 SF with an average lot size of 5,674 SF. Lots 61 through 151 (located within NRSP Planning Areas 4, 5, and 6) would range in size from 5,000 SF to 9,801 SF with an average lot size of 6,084 SF.

TTM 37305 also proposes one (1) commercial lot (Lot 169) in the western portion of the site on 14.43 acres, one (1) lot for recreation purposes on 6.49 acres in the southern portion of the site along the southern edge of Stovepipe Creek, two (2) lots for drainage basins on-site on a total of 5.45 acres; nine (9) lots (Lots C through K) for common area landscaping on 1.45 acres; three (3) lots (Lots L through N) for open space and landscaping on 3.04 acres; two (2) lots (Lots O and P) for open space uses on 6.49 acres; and a total of ten (10) public streets on 12.28 acres (Streets A through J).

### **General Plan Consistency**

Below is a discussion of the Project's consistency with each Chapter and Element of the General Plan:

1. *Community Form-Land Use Element.* The General Plan currently designates the northern 45.4 acres of the Project site as "Specific Plan" with an "Extractive Overlay." The northern 45.4 acres of the Project site are located within the Alberhill Ranch Specific Plan (ARSP), which designates the site for "Commercial – Specific Plan" land uses. The southern 27.1 acres of the Project site are designated by the General Plan for "General Commercial" land uses. The Project proposes development of 168 single-family residential homes, 14.5 acres of commercial uses, and 8.3 acres of recreational uses. Environmental impacts associated with GPA 2018-01 have been evaluated under the relevant issue areas throughout the EIR for this Project. Although the Project proposes dwelling units and less retail space than assumed by the General Plan, there are no adverse environmental effects associated with such changes that have not already been evaluated and addressed throughout the EIR. The Project would be consistent with all of the policies contained within the Land Use Element.
2. *Community Form-Circulation Element.* The various roadway improvements and extensions contemplated by the Circulation Element are reflected on Figure 2.3 of the Community Form Chapter of the General Plan. The Circulation Element also contemplates improvements to bicycle and pedestrian facilities, which are reflected in Figure 2.5 and 2.6 of the Community Form Chapter, respectively. As noted above in the Circulation Plan for NRSP, the Project would be fully consistent with Figure 2.3, 2.5, and 2.6 of the Community Form Chapter.
3. *Community Form-Growth Management Element.* The Growth Management Element provides goals and policies to ensure that public services do not lag behind population growth and the concomitant demands created by a larger population. The Project's impacts to public services have been evaluated in the EIR Subsection 4.13. The Project would be consistent with or otherwise would not conflict with the goals and policies of the Growth Management Element.
4. *Community Form-Housing Element.* The Project would provide for up to 168 single-family residential homes, which would assist the City in meeting its share of the regional housing need. The Project would be consistent with or otherwise would not conflict with any of the adopted Housing Element goals.
5. *Community Form-Parks and Recreation Element.* The Parks and Recreation Element includes goals and policies designed to provide the City with the tools and opportunities necessary to create a recreational destination and foster community building for the City.

of Lake Elsinore. The Project would construct parks on-site in compliance with the requirements of Policy 8.2.

6. *Alberhill District Plan.* The northern 45.4 acres of the Project site are located within the Alberhill District Plan. The main concept of the Alberhill District Plan is a coordinated and balanced set of communities with supporting uses that maintain a high quality of life. The Project proposes a General Plan Amendment (GPA 2018-01), Specific Plan Amendment (SPA No. 2017-03), and Specific Plan (SP No. 2018-01) to change the site's land use designation to allow for residential and commercial uses. The Project would be consistent with the goals of the Alberhill District Plan, including the goal to support and maintain a healthy transition from extractive/mining activities to a network of residential communities with a balanced mixed of residential and commercial uses
7. *North Central Sphere District.* The southern 27.1 acres of the Project site are located within the North Central Sphere District. The main focus of the North Central Sphere District Plan is to preserve existing natural resources, ensure residential development incorporates the surrounding landscape, and ensure that business activities in the District are compatible with surrounding land uses. The Project would be consistent with the goals of the North Central Sphere District Plan, including the goal to make planned residential and professional uses compatible with the surrounding development.

### **SB 18 and AB 52 Tribal Consultations**

Pursuant to SB 18 requirements, the City requested a list from the Native American Heritage Commission (NAHC) of Native American Tribes with possible traditional or cultural affiliation to the area. Based on the list of tribes provided by the NAHC, the City provided a 90-day notification to potentially affected tribes on December 18, 2018. Staff received notification from Rincon, Soboba and Pechanga Tribes within the 90 days with requests to meet. SB 18 consultation meetings were combined with the required AB 52 consultation process. The full AB 52 consultation process is documented below.

AB 52 provides for a 30-day period in which all Tribes that have been notified of the Project may request to consult on the project. Staff received requests from Rincon, Pechanga, and Soboba Tribes within the 30-day period, requesting to initiate consultation. The City held consultation meetings with Rincon on January 10, 2019, with Soboba on January 15, 2019, and with Pechanga on January 30, 2019 and February 21, 2019, respectively. The Tribes indicated that they were in agreement with the identified mitigation measures, and the AB 52 consultation process was concluded with Rincon on January 30, 2019, with Soboba on February 6, 2019, and with Pechanga on March 15, 2019.

### **Environmental Determination**

A Draft Environmental Impact Report (EIR) (SCH No. 2018051051) was prepared to analyze the potential impacts of the proposed Nichols Ranch Specific Plan (NRSP) and the related Specific Plan Amendment, General Plan Amendment, Zone Change, and Tentative Tract Map. In accordance with CEQA Guidelines Section 15082, the City prepared and distributed a Notice of Preparation (NOP) of an EIR on May 24, 2018. On June 14, 2018, the City held a duly noticed scoping meeting in order to facilitate consultation regarding the scope and content of the environmental information in the Draft EIR.

Notice to all interested persons and agencies inviting comments on the Draft EIR was published in accordance with the provisions of CEQA and CEQA Guidelines, and posted at the Office of the County Clerk of Riverside County on March 19, 2019 and at the State Clearinghouse for a 45-day public comment period which ran from March 19, 2019 to May 3, 2019.

A total of six (6) comment letters and e-mails regarding the DEIR and the NRSP document were received during the 45-day public comment period. Responses to comments were prepared and have been provided in Subsection F.2.2 of the attached Final EIR document (Exhibit M). Final responses were sent to the commenters at least 10 days prior to the City Council's consideration of the Final EIR. There were no public comments or changes to the text or analysis contained in the DEIR that resulted in the identification of any new significant environmental effect or a substantial increase in the severity of environmental effects that were disclosed in the DEIR. Only minor clarifications and amplifications were made to the DEIR in response to public comments, including revisions to more accurately characterize cultural resources and the Project's tribal consultation process. Therefore, in accordance with Section 15088.5 of the CEQA Guidelines a recirculation of the DEIR is not warranted.

The EIR determined that the following issue areas would have potentially significant environmental impacts that would be mitigated to below a level of significance: geology and soils; greenhouse gas emissions; historic and archaeological resources; noise; and tribal cultural resources. The EIR determined that the proposed Project will have significant and unavoidable project-level and cumulative impacts related to the following issues that cannot be mitigated to below a level of significance: air quality; biological resources; and transportation/traffic. Therefore, a Statement of Overriding Considerations will be required in order for the City Council to approve the proposed Project.

#### MSHCP Consistency

The Project has also been reviewed for consistency with the Western Riverside County Multiple Species Habitat Conservation Plan (MSHCP). The 27.0-acre portion of the Project site subject to the MSHCP is located in Criteria Cells #4166 (0.05 acres) and #4169 (26.95 acres) within the MSHCP Elsinore Area Plan, Subunit 3 (Elsinore). The off-site improvements to Nichols Road (7.78 acres) are located in Criteria Cells 4067 (1.1 acres) and 4070 (6.34 acres) within Cell Group W in the MSHCP Elsinore Area Plan, Subunit 2 (Alberhill), with a portion (0.34 acres) not located within a criteria cell. The 45.5-acre portion of the project site is exempt from the MSHCP based on a Settlement Agreement with the County of Riverside dated February 24, 2004. On March 19, 2019, the RCA completed the Joint Project Review (JPR# 19-01-29-01) process and concluded that the Project is consistent with both the Criteria and other plan requirements of the MSHCP.

#### Fiscal Impact

The time and costs related to processing this Project have been covered by the Developer Deposit paid for by the applicant. No General Fund budgets have been allocated or used in the processing of this application. The approval of the Project does not fiscally impact the City's General Fund. Mitigation Measures to protect the City fiscally have already been included in the Conditions of Approval.

#### Exhibits

A – CEQA Resolution

A1 – Environmental Findings and Statement of Overriding Considerations



A2 – Mitigation Monitoring and Reporting Program

- B – MSHCP Resolution
- C – GPA 2018-01 Resolution
- D – ZC 2018-01 Ordinance
- E – SPA 2017-03 and SP 2018-01 Ordinance
- F – TTM 37305 Resolution
- G – TTM 37305 Conditions of Approval
- H – Vicinity Map
- I – Aerial Map
- J – TTM 37305
- K – NRSP Land Use Plan
- L – NRSP Document
- M – Final EIR