

**CITY OF TEMECULA
AGENDA REPORT**

TO: City Manager/City Council

FROM: Ron Moreno, Director of Public Works/City Engineer

DATE: October 28, 2025

SUBJECT: Approve Street Light Public Improvement Deferral Agreement Between the City of Temecula and Diaz RE Holdings 2, LLC for Public Improvements Related to the Tesla Service Center Project

PREPARED BY: Brooke Fagan, Engineering Technician I

RECOMMENDATION: That the City Council adopt a resolution entitled:

RESOLUTION NO.

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF
TEMECULA APPROVING A STREET LIGHT PUBLIC
IMPROVEMENT DEFERRAL AGREEMENT BETWEEN THE
CITY OF TEMECULA AND DIAZ RE HOLDINGS 2, LLC FOR
PUBLIC IMPROVEMENTS RELATED TO THE TESLA
SERVICE CENTER PROJECT

BACKGROUND: In August 2024, the City approved and conditioned the Tesla Service Center under PA24-0069. The Developer, Diaz RE Holdings 2, LLC requested to defer the immediate installation of street lighting along the property frontage as required by Condition No. 73 of the project's development approvals.

Due to the lack of existing street lighting infrastructure along Diaz Road, constructing isolated streetlights at this time would be impractical. Instead, the Developer will secure a \$46,000 performance bond to guarantee a future contribution toward the City's comprehensive street lighting improvements along Diaz Road.

This agreement will satisfy the developer's obligation under Condition No. 73 and allow the project to proceed without delay, while preserving the City's ability to complete the street lighting at a more efficient time.

FISCAL IMPACT: No fiscal impact

ATTACHMENTS:

1. Resolution
2. Street Light Public Improvement Deferral Agreement with Exhibits
3. Conditions of Approval