

**CITY OF TEMECULA
AGENDA REPORT**

TO: City Manager/City Council

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

DATE: October 28, 2025

SUBJECT: Adopt Resolutions of Necessity for Acquisition by Eminent Domain of Certain Real Property Interests for Public Purposes on Assessor's Parcel Numbers 921-281-011 and 921-280-002 for the Construction of Public Street and Related Improvements, and All Uses Necessary or Convenient Thereto in Connection with the Vincent Moraga Improvements

PREPARED BY: Ron Moreno, Director of Public Works
Anissa Sharp, Management Analyst
Samantha Marconi, City Attorney's Office

RECOMMENDATION: That the City Council take the following actions:

1. Consider the following resolutions, which are Resolutions of Necessity of the City of Temecula, declaring certain real property interests necessary for public purposes and authorizing the acquisition thereof for the construction of public street and related improvements, and all uses necessary or convenient thereto in connection with the Vincent Moraga Improvements:

RESOLUTION NO.

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF TEMECULA DECLARING CERTAIN REAL PROPERTY INTERESTS NECESSARY FOR PUBLIC PURPOSES AND AUTHORIZING THE ACQUISITION THEREOF FOR THE CONSTRUCTION OF PUBLIC STREET AND RELATED IMPROVEMENTS, AND ALL USES NECESSARY OR CONVENIENT THERETO IN CONNECTION WITH THE VINCENT MORAGA IMPROVEMENTS (CERTAIN PROPERTY INTERESTS ON APN 921-281-011) AND MAKING FINDINGS THAT NO FURTHER ENVIRONMENTAL REVIEW IS REQUIRED PURSUANT TO SECTION 15162 OF THE CALIFORNIA ENVIRONMENTAL QUALITY ACT GUIDELINES AND SECTION 21166 OF THE PUBLIC RESOURCES CODE

RESOLUTION NO.

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF TEMECULA DECLARING CERTAIN REAL PROPERTY INTERESTS NECESSARY FOR PUBLIC PURPOSES AND AUTHORIZING THE ACQUISITION THEREOF FOR THE CONSTRUCTION OF PUBLIC STREET AND RELATED IMPROVEMENTS, AND ALL USES NECESSARY OR CONVENIENT THERETO IN CONNECTION WITH THE VINCENT MORAGA IMPROVEMENTS (CERTAIN PROPERTY INTERESTS ON APN 921-280-002) AND MAKING FINDINGS THAT NO FURTHER ENVIRONMENTAL REVIEW IS REQUIRED PURSUANT TO SECTION 15162 OF THE CALIFORNIA ENVIRONMENTAL QUALITY ACT GUIDELINES AND SECTION 21166 OF THE PUBLIC RESOURCES CODE

2. Open and conduct a hearing on the adoption of the proposed Resolutions of Necessity, receive from City Staff the evidence stated and referred to in this Agenda Report (“Report”), take testimony from any person wishing to be heard on issues A, B, C, and D below, and consider all evidence to determine whether to adopt the proposed Resolutions of Necessity, each of which requires the City Council’s separate consideration and determination.
3. If the City Council finds, based on the evidence contained and referred to in this Report and the testimony and comments submitted to the City Council, that the evidence warrants the necessary findings with respect to the proposed Resolutions of Necessity, then City Staff recommends that the City Council, in the exercise of its discretion, adopt proposed Resolution No. 2025-XX and Resolution No. 2025-XX (“Resolutions of Necessity”), each of which requires a 4/5ths vote of the entire City Council, authorizing the acquisition by eminent domain of the real property interests (referred to below collectively as the “Subject Property Interests”) summarized below and described more particularly in the Exhibits to each Resolution of Necessity:
 - (i) **The GGG Partnership, LP, a California limited partnership – 28481 Rancho California Road, Temecula (APN 921-281-011 – GGG Parcel)**
 - An approximate 5,572 square foot permanent easement described more particularly on EXHIBIT A and depicted on EXHIBIT B to Resolution No. 2025-XX.
 - An approximate 75 square foot permanent water easement described more particularly on EXHIBIT A-1 and depicted on EXHIBIT B-2 to Resolution No. 2025-XX.

- An approximate 3,757 square foot temporary construction easement with a term of eighteen months described more particularly on EXHIBIT A-2 and depicted on EXHIBIT B-2 to Resolution No. 2025-XX.

The approximate 5,572 square foot permanent easement, the approximate 75 square foot permanent water easement, and the approximate 3,757 square foot temporary construction easement the City seeks to acquire on the GGG Parcel are referred to below collectively as the “GGG Property Interests”.

(ii) **An Bang Luo – Vacant Parcel Located on the South Side of Rancho California Road, Second Parcel East of Vincent Moraga Road, in the City (APN 921-280-002 – Luo Parcel)**

- An approximate 1,016 square foot permanent easement described more particularly on EXHIBIT A and depicted on EXHIBIT B to Resolution No. 2025-XX.
- An approximate 427 square foot temporary construction easement with a term of twelve months described more particularly on EXHIBIT A-1 and depicted on EXHIBIT B-1 to Resolution No. 2025-XX.

The approximate 1,016 square foot permanent easement and the approximate 427 square foot temporary construction easement the City seeks to acquire on the Luo Parcel are referred to below collectively as the “Luo Property Interests”.

4. If the City Council adopts the proposed Resolutions of Necessity, authorize the City Attorney’s Office to file and prosecute eminent domain proceedings for the acquisition of the Subject Property Interests by eminent domain.
5. Authorize the City Manager to execute all necessary documents.
6. Authorize the City Clerk to certify the adoption of the Resolutions of Necessity.

BACKGROUND:

Background and Summary

The City Council has before it two proposed Resolutions of Necessity for the acquisition by eminent domain of the Subject Property Interests described above and in the attached Resolutions of Necessity for public use. The City seeks to acquire the Subject Property Interests for public use, namely for the construction of certain off-site public improvements, consisting of public street and related improvements, and all uses necessary or convenient thereto in connection with the Vincent Moraga Improvements (“Project”).

Background Regarding Altair Specific Plan and Relevant Off-Site Public Improvements in Connection with Western Bypass Corridor and Related Improvements

As discussed below, the Project will construct certain public street and related improvements in connection with the Vincent Moraga Improvements that are required as part of the Altair Specific Plan development. Specifically, the Altair Development was required to construct certain public street and related improvements in connection with the Western Bypass Corridor improvements designed for the subject portion of Rancho California Road and Vincent Moraga Drive, including widening of Vincent Moraga Drive, relocation and installation of traffic signals and related right-of-way improvements, construction of sidewalk, curb and gutter, and related improvements, utility relocation, relocation of the adding Double Check Detector Assembly (DCDA) facility on the GGG Parcel, and driveway reconstruction to provide ingress and egress from the GGG Parcel to the new Vincent Moraga Drive improvements (“Vincent Moraga Improvements” or “Project”). The GGG Property Interests and the Luo Property Interests are required for the construction of the Project.

On January 9, 2018, the City adopted Ordinance No. 18-01 approving the Altair Specific Plan #15 and Ordinance No. 18-02 approving and authorizing the execution of that certain Development Agreement between the City and Temecula West Village, LLC recorded on January 30, 2018 as Document No. 2008-0036259 in the Official Records of the County of Riverside (“Development Agreement”). The approval of the Altair Specific Plan and Development Agreement authorized development within a 270 -acre area in the southwesterly portion of Temecula, west of Old Town, to include up to 1,750 residential units, an elementary school, up to 7,000 square feet of neighborhood commercial area, a clubhouse, civic site, parks, trails, hillside preservation, and off-site improvements for public infrastructure, including constructing portions of the Western Bypass Corridor connecting the Temecula Parkway (SR-79) to Rancho California Road via Vincent Moraga Drive (collectively “Development Approvals” and “Altair Project”). SB Altair, LLC, a Delaware limited liability company and Brookfield Temecula, LLC, a Delaware limited liability company (collectively “Developer”) are the successors to certain of these approved applications for development and propose to construct the Altair Project.

To facilitate the orderly development of the Altair Project, the Development Agreement was approved subject to certain conditions, including the construction of certain off-site public improvements. Specifically, Conditions 171, 172, 204 through 207, 211, and 212 of the Final Conditions of Approval for the Altair Project require the Developer to design and construct certain improvements to portions of Vincent Moraga Drive, Rancho California Road, and portions of the Western Bypass Corridor (“Vincent Moraga Improvements”):

Description of Public Improvements. Complete engineering design and construct full Vincent Moraga Improvements.

Condition 171. Developer, at its sole cost, shall design and improve Vincent Moraga Road to ensure that all driveways providing access from the right-of-way to adjoining properties shall be allowed for safe ingress and/or egress. Improvements may include, but not be limited to, truck deceleration, acceleration, and turn-in lanes. The improvements shall conform to the standards adopted by

the City of Temecula for public roadway and rights of way consistent with the Specific Plan and the Tentative Tract Map.

Condition 172. Developer, at its sole cost, shall fund the acquisition and installation of traffic signals and related roadway and right of way improvements, when warranted. The design and installation shall conform to the standards adopted by the City of Temecula, consistent with the Specific Plan and the Tentative Tract Map.

Condition 204. Acquisition of right-of-way on the east side of Vincent Moraga between Felix Valdez and Rancho California Road and construction of the designed Western Bypass Corridor northbound right turn lane improvements within this road segment.

Condition 205. Acquisition of right-of-way on the south side of Rancho California Road between Vincent Moraga Drive and the Murrieta Creek Bridge and construction of all intersection improvements within this road segment including an additional westbound left turn lane on Rancho California Road to Vincent Moraga Drive.

Condition 206. Traffic signal and utility relocation where needed and construction of the ultimate build-out of the Rancho California Road, Diaz Road and Vincent Moraga Drive intersection.

Condition 207. Construction of the designed onsite Western Bypass Corridor Phase 1 improvements from the project's northern property line to the future Altair Vista intersection.

Condition 211. Acquisition of right-of-way on the west side of Vincent Moraga Drive between Felix Valdez and Rancho California Road and construction of the designed Western Bypass Corridor improvements within this road segment.

Condition 212. Acquisition of right-of-way on the east side and west side of Vincent Moraga Drive between Felix Valdez and Ridge Park Drive and construction of the designed Western Bypass Corridor improvements within this road segment.

The Subject Property Interests are required to complete the offsite public street and related improvements in connection with the Project.

Pursuant to California Government Code Section 66462.5, when a condition of a subdivision map approval or a development agreement requires the installation or construction of improvements on offsite property not owned or controlled by a developer, and the developer cannot obtain title by negotiated acquisition, a city is required to acquire the off-site property by negotiated acquisition or to commence proceedings to acquire the off-site property by eminent domain or such off-site improvement conditions will be waived. Pursuant to Government Code Section 66462.5(c), a city and a developer may enter into an agreement to allocate the costs and responsibilities for acquisition of such off-site property. The City and the Developer of the Altair Project entered into

that certain Agreement Pursuant to Government Code Section 66462.5 Between SB Altair, LLC and Brookfield Temecula, LLC and City of Temecula for Acquisition of Certain Real Property Interests (Rancho California Road and Vincent Moraga Improvements) entered into as of February 13, 2024 in connection with the subject offsite public improvements.

Authorization for Acquisition of Subject Property Interests by Eminent Domain and Findings Required for Adoption of Resolutions of Necessity

The City seeks to acquire the Subject Property Interests for public use, namely for the construction of certain off-site public improvements, consisting of public street and related improvements, and all uses necessary or convenient thereto in connection with the Project pursuant to the authority conferred on the City of Temecula to acquire real property by eminent domain by Section 19 of Article 1 of the California Constitution, Government Code Sections 37350, 37350.5, 37351, 40404, and 66462.5, California Code of Civil Procedure Section 1230.010 et seq. (Eminent Domain Law), including but not limited to Sections 1240.010, 1240.020, 1240.110, 1240.120, 1240.510, 1240.610, 1240.650 and by other provisions of law.

Code of Civil Procedure, Section 1240.010 provides that “[t]he power of eminent domain may be exercised to acquire property only for a public use. Where the Legislature provides by statute that a use, purpose, object, or function is one for which the power of eminent domain may be exercised, such action is deemed to be a declaration by the Legislature that such use, purpose, object, or function is a public use.” Government Code Section 66462.5(c) authorizes the City and the Developer of the Altair Project to enter into an agreement requiring the Developer to complete the required offsite improvements required for the Project pursuant to Government Code Section 66462 at such time as the City acquires an interest in the land that will permit such improvements to be constructed. Government Code Section 66462.5(a) provides that a city or county may “acquire by negotiation or commence eminent domain proceedings pursuant to Title 7 (commencing with Section 1230.010) of Part 3 of the Code of Civil Procedure to acquire an interest in the land which will permit the improvements to be made, including proceedings for immediate possession of the property under Article (commencing with Section 1255.410) of Chapter 6 of that title.”

In order to adopt the proposed Resolutions of Necessity for the acquisition by eminent domain of the Subject Property Interests, the City Council must find and determine with respect to each Resolution of Necessity that:

- A. The public interest and necessity require the Project;**
- B. The Project is planned and located in the manner that will be most compatible with the greatest public good and the least private injury;**
- C. The Subject Property Interests described in each Resolution of Necessity are necessary for the Project; and**
- D. The City has made an offer as required by Government Code Section 7267.2 to the owners of record of the Subject Property Interests the City seeks to acquire.**

The amount of just compensation is not an issue before the City Council at this hearing. The hearing relates to issues A, B, C, and D above. The amount of just compensation would be determined in the eminent domain proceedings that would be filed if the City Council, in its sole discretion, adopts the proposed Resolutions of Necessity.

Environmental Analysis

The environmental effects of the Project and the acquisition of the real property interests needed for the Project were studied and analyzed as an integral part of the Environmental Impact Report for the Altair Specific Plan (“EIR”) pursuant to the California Environmental Quality Act (“CEQA”), Public Resources Code Section 21000 et seq., and the CEQA Guidelines, 14 Cal. Code Regs. Section 15000 et seq. (“CEQA Guidelines”).

On December 12, 2017, the City Council adopted Resolution 17-86, A Resolution of the City Council of the City of Temecula Certifying the Final Environmental Impact Report, Adopting Findings Pursuant to the California Environmental Quality Act, Adopting a Statement of Overriding Considerations, and Adopting a Mitigation Monitoring and Reporting Program for the Altair Project, Consisting of approximately 270 Acres, Generally Located South and West of the Intersection of Ridge Park Drive and Vincent Moraga; West of Pujol Street and Murrieta Creek; and North of Santa Margarita River (APNs 922-210-049, 940-310-013, 940-310-015, 940-310-016, 940-310-044 through 9440-310-048, and 940-320-001 through 940-320-007).

On October 26, 2020, the City entered into that certain Settlement and Release Agreement, by and between the City of Temecula and the City of Temecula City Council; Ambient Communities, LLC and Temecula West Village, LLC; Center for Biological Diversity, Sierra Club, Mountain Lion Foundation, and The Cougar Connection; and Endangered Habitats League by which the parties agreed to additional and modified measures to be taken and implemented by the City and the Developer to further minimize and mitigate the environmental impacts of the Altair Project. Said agreement and the above-referenced environmental documents are referred to below collectively as the “Environmental Documents” and are incorporated herein by this reference.

On October 9, 2025, City Staff reviewed the Environmental Documents in connection with Staff’s review of the proposed acquisition of the Subject Property Interests for the Project. Based on City Staff’s review of the Environmental Documents, City Staff determined that the Project and acquisition of the Subject Property Interests needed for the Project are consistent with the EIR. Pursuant to the criteria of Section 15162 of the CEQA Guidelines, City Staff concluded that no substantial changes have occurred in the Development Project, no substantial changes have occurred in the circumstances under which the Development Project is undertaken, and the City has obtained no new information of substantial importance that would require further environmental analysis. These environmental findings are the appropriate findings with respect to the proposed acquisition of the Subject Property Interests for the Project.

City’s Actions Pursuant to Government Code Section 7260 et seq.

Pursuant to Government Code Section 7260 et seq., the City of Temecula obtained fair market value appraisals of the Subject Property Interests and the larger parcels of which they are a part. The City set just compensation for the Subject Property Interests and in accordance with the fair

market values and extended written offers to the owners of record of the GGG Parcel and the Luo Parcel. The City made several attempts to contact the owners of record and engage in good faith negotiations for the acquisition of the Subject Property Interests.

Government Code Section 7260 Offer – GGG Property Interests

On May 28, 2025, the City extended a written offer pursuant to Government Code Section 7267.2 to the owner of record, The GGG Partnership, LP. The offer letter contained an appraisal summary statement that described the zoning, highest and best use of the parcel, explained the appraiser's valuation methodology, and included the comparable sales data relied on by the appraiser. The offer letter offered to pay the reasonable costs, up to \$5,000, of an independent appraisal pursuant to Code of Civil Procedure Section 1263.025. Further, the offer letter included an eminent domain pamphlet that explained the eminent domain process and the rights of the record owner. A copy of the City's written offer was sent to Michael H. Leifer, Esq., counsel for The GGG Partnership, LP at the time the offer was sent.

City Staff attempted to meet with the record owner on several occasions to discuss the City's offer to negotiate in good faith with the GGP Partnership owner for the acquisition of the GGG Property Interests. The owner did not make itself available to City Staff for a meeting. The City Attorney's office attempted to make contact with the owner's counsel to discuss the City's May 28, 2025 written offer and received no response. In late summer 2025, City Staff was notified that the owner reached out to the Developer to initiate negotiations for the acquisition of the GGG Property Interests and that the owner is no longer represented by Mr. Leifer. City Staff was informed that settlement negotiations between the owner and the Developer are ongoing. As of October 9, 2025, however, the parties have not reached a negotiated agreement. Based on the timing of the Project, it is necessary that the City consider the adoption of the Resolution of Necessity for the GGG Property Interests at this time. The adoption of a Resolution does not preclude negotiations between the parties for the acquisition by the City or Developer of the GGG Property Interests for the Project.

Government Code Section 7260 Offer – Luo Property Interests

On October 24, 2024, the City extended a written offer pursuant to Government Code Section 7267.2 to the owner of record, An Bang Luo. The City had extended the same written offer to the former owner of the Luo Parcel, SPX Investment LLC, on October 2, 2024, before learning of the change in ownership. Pursuant to the Grant Deed recorded on June 17, 2024 as Document Number 2024-0175314 of Official Records of the County of Riverside, Diane Luo of SPX Investments LLC granted the Luo Parcel to An Bang Luo. The offer letter contained an appraisal summary statement that described the zoning, highest and best use of the parcel, explained the appraiser's valuation methodology, and included the comparable sales data relied on by the appraiser. The offer letter offered to pay the reasonable costs, up to \$5,000, of an independent appraisal pursuant to Code of Civil Procedure Section 1263.025. Further, the offer letter included an eminent domain pamphlet that explained the eminent domain process and the rights of the record owner.

City Staff received no response from the record owner to its written offer to purchase the Luo Property Interests. City Staff attempted to make contact with the owner by phone, but these attempts were unsuccessful. Based on the timing of the Project, it is necessary that the City

consider the adoption of the Resolution of Necessity at this time. The adoption of a Resolution at this time does not preclude negotiations between the parties for the City's acquisition of the Luo Property Interests.

City's Actions Pursuant to Code of Civil Procedure Section 1245.235

Code of Civil Procedure Section 1245.235 Notice – GGG Property Interests

Pursuant to Code of Civil Procedure Section 1245.235, the City sent a letter and a notice by certified and first-class mail dated October 1, 2025 to The GGG Partnership, LP, the owner of record of the GGG Property Interests the City seeks to acquire. The letter and notice informed the owner of the City's intent to consider at its October 28, 2025 meeting, the adoption of a Resolution of Necessity for the acquisition by eminent domain of the GGG Property Interests in connection with the Project. The notice advised the record owner of its right to appear and be heard regarding the City's proposed adoption of the Resolution of Necessity by filing, within fifteen (15) days of the date the notice was mailed, a written request with the City to appear at the hearing. The notice specifically informed the record owner that it has an opportunity to appear before the City Council and raise questions about whether the public interest and necessity require the Project; whether the Project is planned or located in the manner that will be most compatible with the greatest public good and the least private injury; and whether the GGG Property Interests the City seeks to acquire from the owner of record are necessary for the Project.

Code of Civil Procedure Section 1245.235 Notice – Luo Property Interests

Pursuant to Code of Civil Procedure Section 1245.235, the City sent a letter and a notice by certified and first-class mail dated October 1, 2025 to An Bang Luo, the owner of record of the Luo Property Interests the City seeks to acquire. The letter and notice informed the owner of the City's intent to consider at its October 28, 2025 meeting, the adoption of a Resolution of Necessity for the acquisition by eminent domain of the Luo Property Interests in connection with the Project. The notice advised the record owner of his right to appear and be heard regarding the City's proposed adoption of the Resolution of Necessity by filing, within fifteen (15) days of the date the notice was mailed, a written request with the City to appear at the hearing. The notice specifically informed the record owner that he has an opportunity to appear before the City Council and raise questions about whether the public interest and necessity require the Project; whether the Project is planned or located in the manner that will be most compatible with the greatest public good and the least private injury; and whether the Luo Property Interests the City seeks to acquire from the owner of record are necessary for the Project.

REQUIRED FINDINGS FOR ADOPTION OF RESOLUTIONS OF NECESSITY

A. The Public Interest and Necessity Require the Project

The Project, as planned and designed, is in the public interest and necessity and is needed to construct certain off-site public street and related improvements in connection with the Vincent Moraga Improvements, which are required as part of the Altair Project. Pursuant to the Altair Specific Plan and Development Agreement, the Altair Project includes the design and construction of a portion of the Western Bypass Corridor project connecting the Temecula Parkway (SR-79) to Rancho California Road via Vincent Moraga Drive. The Vincent Moraga Improvements are

required and include, as specified in the Final Conditions of Development, the design and construction of certain off-site improvements to portions of Vincent Moraga Drive and Rancho California Road to facilitate the Western Bypass Corridor improvements, which are to be completed as part of the Altair Project. The Project requires the GGG Property Interests and the Luo Property Interests for the construction of public street and related improvements necessary to complete the Western Bypass Corridor improvements designed for the related portions of Rancho California Road and Vincent Moraga Drive, including widening Vincent Moraga Drive, relocation and installation of traffic signals and related right-of-way improvements, construction of sidewalk, curb and gutter, and related improvements, utility relocation, relocation of the adding Double Check Detector Assembly (DCDA) facility on the GGG Parcel, and driveway reconstruction to provide ingress and egress from the GGG Parcel to the new Vincent Moraga Drive improvements.

The Project, as planned and located, is consistent with Circulation Element of the City of Temecula General Plan, which identifies the Western Bypass Corridor from SR-79 South to French Valley Parkway as a designated project in the City's Five Year Capital Improvement Program. The Project, as planned and located, is also consistent with Goal 2 of the Circulation Element of the City of Temecula General Plan, which is to create a "regional transportation system that accommodates the safe and efficient movement of people and goods to and from the community." The Project's public street improvements are necessary to the completion of the Western Bypass Corridor connection to Rancho California Road via Vincent Moraga Drive, which will help to ease traffic congestion, improve circulation, result in less vehicle through-traffic in Old Town, and will facilitate a more pedestrian-friendly environment.

The Project, as planned and designed, seeks to minimize the impact on private parcels. The Luo Parcel is vacant, and the City's proposed acquisition of the Luo Property Interests for the Project will not impact the utility or future development of the Luo Parcel. The GGG Property Interests are located along the northern and eastern boundaries of the GGG Parcel adjacent to Rancho California Road and Vincent Moraga Drive, and the City's proposed acquisition of the GGG Property Interests for the Project will not result in any adverse changes to the current use of the GGG Parcel. The Project will not require the relocation of any persons or businesses from the GGG Parcel or the Luo Parcel. Based on the timing of the Project, it is necessary that the City consider the acquisition by eminent domain of the Subject Property Interests so that the public street and related improvements can be constructed.

The public use for which the City seeks to acquire the Subject Property Interests in connection with the Project, namely for public street and related improvements, and all uses necessary or convenient thereto in connection with the Project will not unreasonably interfere with or impair the continuance of the public use to which any easement holders may have appropriated the areas (Code of Civil Procedure Section 1240.510). To the extent that the Project will require the relocation of the interests/facilities of easement holders located in the area of the Subject Property Interests and impacted by the Project, the City's use of the Subject Property Interests for the Project is a more necessary public use within the meaning of Code of Civil Procedure Section 1240.650 than the uses to which said public utility easement holders have appropriated any easements located in the area of the Subject Property Interests. Accordingly, the City is authorized to acquire the Subject Property Interests pursuant to Code of Civil Procedure Sections 1240.510, 1240.610, and 1240.650.

B. The Project is Planned and Located in the Manner that will be Most Compatible with the Greatest Public Good and the Least Private Injury

The Project is planned and located in the manner that is most compatible with the greatest public good and the least private injury. The Project is planned and designed to construct necessary public street and related improvements, and all uses necessary or convenient thereto consistent with the Altair Specific Plan and the Circulation Element of the City's General Plan. The GGG Property Interests and the Luo Property Interests are required to construct the public street and related improvements in connection with the Vincent Moraga Improvements. The Project requires the GGG Property Interests and the Luo Property Interests for the construction of certain off-site public street and related improvements necessary to complete the Western Bypass Corridor improvements designed for the related portions of Rancho California Road and Vincent Moraga Drive in connection with the Altair Project. The permanent easements and temporary construction easements on the GGG parcel and the Luo Parcel are necessary for the widening of Vincent Moraga Drive and construction of related street improvements, including sidewalks, new curb and gutter improvements, the installation of traffic signals, and additional turn lanes at the intersection of Vincent Moraga Drive and Rancho California Road. The GGG Property Interests are also necessary for the relocation of the adding Double Check Detector Assembly (DCDA) facility located on the GGG Parcel and driveway reconstruction that will provide ingress and egress from the GGG Parcel to the new Vincent Moraga Drive improvements.

The Project is also planned and located to minimize the impact on private parcels. The Luo Parcel is vacant, and the City's proposed acquisition of the Luo Property Interests for the Project will not impact the utility or future development of the Luo Parcel. The City's proposed acquisition of the GGG Property Interests for the Project will not result in any adverse changes to the current use of the GGG Parcel. The Project will not require the relocation of any persons or businesses from the GGG Parcel or the Luo Parcel. The Project's public street improvements are necessary to the completion of the Western Bypass Corridor connection to Rancho California Road via Vincent Moraga Drive, which once completed will ease traffic congestion, improve circulation, result in less vehicle through-traffic in Old Town, and will facilitate a more pedestrian-friendly environment.

The public use for which the City seeks to acquire the Subject Property Interests in connection with the Project, namely for public street and related improvements, and all uses necessary or convenient thereto in connection with the Project will not unreasonably interfere with or impair the continuance of the public use to which any easement holders may have appropriated the areas (Code of Civil Procedure Section 1240.510). To the extent that the Project will require the relocation of the interests/facilities of easement holders located in the area of the Subject Property Interests and impacted by the Project, the City's use of the Subject Property Interests for the Project is a more necessary public use within the meaning of Code of Civil Procedure Section 1240.650 than the uses to which said public utility easement holders have appropriated any easements located in the area of the Subject Property Interests. Accordingly, the City is authorized to acquire the Subject Property Interests pursuant to Code of Civil Procedure Sections 1240.510, 1240.610, and 1240.650.

C. The Subject Property Interests Described in each Resolution of Necessity are Necessary for the Project

The City seeks to construct the Project, as planned and designed, to construct necessary public street and related improvements, and all uses necessary or convenient thereto consistent with the Altair Specific Plan and the Circulation Element of the City's General Plan. The GGG Property Interests and the Luo Property Interests are required to construct the necessary public street and related improvements in connection with the Vincent Moraga Improvements. The GGG Property Interests and the Luo Property Interests are necessary to complete the Western Bypass Corridor improvements designed for the related portions of Rancho California Road and Vincent Moraga Drive, including widening Vincent Moraga Drive, relocation and installation of traffic signals and related right-of-way improvements, construction of sidewalk, curb and gutter, and related improvements, utility relocation, relocation of the adding Double Check Detector Assembly (DCDA) facility on the GGG Parcel, and driveway reconstruction to provide ingress and egress from the GGG Parcel to the new Vincent Moraga Drive improvements. The Project cannot be constructed without the acquisition of the Subject Property Interests.

As stated above, the public use for which the City seeks to acquire the Subject Property Interests in connection with the Project, namely for public street and related improvements, and all uses necessary or convenient thereto in connection with the Project will not unreasonably interfere with or impair the continuance of the public use to which any easement holders may have appropriated the areas (Code of Civil Procedure Section 1240.510). To the extent that the Project will require the relocation of the interests/facilities of easement holders located in the area of the Subject Property Interests and impacted by the Project, the City's use of the Subject Property Interests for the Project is a more necessary public use within the meaning of Code of Civil Procedure Section 1240.650 than the uses to which said public utility easement holders have appropriated any easements located in the area of the Subject Property Interests. Accordingly, the City is authorized to acquire the Subject Property Interests pursuant to Code of Civil Procedure Sections 1240.510, 1240.610, and 1240.650.

D. The City has Made an Offer as Required by Government Code Section 7267.2 to the Owners of Record of the Subject Property Interests

The City's actions under Government Code Section 7260 et seq. in connection with the acquisition of the Subject Property Interests are detailed above.

Government Code Section 7260 Offer – GGG Property Interests

As noted above, on May 28, 2025, the City extended a written offer pursuant to Government Code Section 7267.2 to the owner of record, The GGG Partnership, LP. The offer letter contained an appraisal summary statement that described the zoning, highest and best use of the parcel, explained the appraiser's valuation methodology, and included the comparable sales data relied on by the appraiser. The offer letter offered to pay the reasonable costs, up to \$5,000, of an independent appraisal pursuant to Code of Civil Procedure Section 1263.025. Further, the offer letter included an eminent domain pamphlet that explained the eminent domain process and the rights of the record owner. A copy of the City's written offer was sent to Michael H. Leifer, Esq., counsel for The GGG Partnership, LP at the time the offer was sent.

City Staff attempted to meet with the record owner on several occasions to discuss the City's offer and negotiate in good faith with the owner for the acquisition of the GGG Property Interests. The owner did not make itself available to City Staff for a meeting. The City Attorney's office attempted to make contact with the owner's counsel to discuss the City's May 28, 2025 written offer and received no response. In late summer 2025, City Staff was notified that the owner initiated negotiations with the Developer for the acquisition of the GGG Property Interests and that the owner is no longer represented by Mr. Leifer. City Staff was informed that settlement negotiations between the owner and the Developer are ongoing. As of October 9, 2025, however, the parties have not reached a negotiated agreement. Based on the timing of the Project, it is necessary that the City consider the adoption of the Resolution of Necessity at this time. The adoption of a Resolution does not preclude negotiations between the parties for the City's or the Developer's acquisition of the GGG Property Interests for the Project.

Government Code Section 7260 Offer – Luo Property Interests

On October 24, 2024, the City extended a written offer pursuant to Government Code Section 7267.2 to the owner of record, An Bang Luo. The City had extended the same written offer to the former owner of the Luo Parcel, SPX Investment LLC, on October 2, 2024, before learning of the change in ownership. Pursuant to the Grant Deed recorded on June 17, 2024 as Document Number 2024-0175314 of Official Records of the County of Riverside, Diane Luo of SPX Investments LLC granted the Luo Parcel to An Bang Luo. The offer letter contained an appraisal summary statement that described the zoning, highest and best use of the parcel, explained the appraiser's valuation methodology, and included the comparable sales data relied on by the appraiser. The offer letter offered to pay the reasonable costs, up to \$5,000, of an independent appraisal pursuant to Code of Civil Procedure Section 1263.025. Further, the offer letter included an eminent domain pamphlet that explained the eminent domain process and the rights of the record owner.

City Staff received no response from the owner to its written offer to purchase the Luo Property Interests. City Staff attempted to make contact with the owner by phone, but these attempts were unsuccessful. Based on the timing of the Project, it is necessary that the City consider the adoption of the Resolution of Necessity at this time. The adoption of a Resolution at this time does not preclude negotiations between the parties for the City's acquisition of the Luo Property Interests.

INCORPORATION OF DOCUMENTS

The following documents referenced above are on file with the City Clerk's Office and/or the Public Works Department and are incorporated herein by this reference:

- Resolution No. 2025-XX, Resolution of Necessity with EXHIBIT A, EXHIBIT B, EXHIBIT A-1, EXHIBIT B-1, EXHIBIT A-2, and EXHIBIT B-2 in connection with GGG Property Interests (attached hereto)
- Resolution No. 2025-XX, Resolution of Necessity with EXHIBIT A, EXHIBIT B, EXHIBIT A-1, and EXHIBIT B-1 in connection with Luo Property Interests (attached hereto)
- City of Temecula General Plan

- Offer letters to the record owners of the Subject Property Interests
- Notices pursuant to Code of Civil Procedure Section 1245.235 to record owners of the Subject Property Interests
- Altair Project Development Documents
- Environmental Documents relating to Altair Project

FISCAL IMPACT:

The City would plan to deposit the probable amount of just compensation for the Subject Property Interests in the State Condemnation Fund of the State Treasurer’s Office to obtain orders of prejudgment possession for both the GGG Property Interests and the Luo Property Interests. The City will also incur additional costs in connection with any filed eminent domain proceedings, expert witness costs, and attorney’s fees. SB Altair, LLC, a Delaware limited liability company and Brookfield Temecula, LLC, a Delaware limited liability company are responsible for the City’s acquisition costs pursuant to that certain Agreement Pursuant to Government Code Section 66462.5 Between SB Altair, LLC and Brookfield Temecula, LLC and City of Temecula for Acquisition of Certain Real Property Interests (Rancho California Road and Vincent Moraga Improvements) entered into as of February 13, 2024.

ATTACHMENTS:

1. Resolution No. 2025-XX - Resolution of Necessity in connection with GGG Property Interests (APN 921-281-011) with Exhibits A, B, A-1, B-1, A-2, and B-2 in connection with GGG Property Interests (APN 921-281-011)
2. Resolution No. 2025-XX - Resolution of Necessity in connection with Luo Property Interests (APN 921-280-002) with Exhibits A, B, A-1, and B-1 in connection with Luo Property Interests (APN 921-280-002)