

**CITY OF TEMECULA
AGENDA REPORT**

TO: City Manager/City Council

FROM: Luke Watson, Deputy City Manger

DATE: September 13, 2022

SUBJECT: Consider a Negative Declaration, General Plan Amendment, Planned Development Overlay Amendment, Development Plan, and Tentative Tract Map (Planning Application Nos. PA20-1323, PA20-1324, PA20-1325, and PA20-1326) (Continued from August 23, 2022)

PREPARED BY: Scott Cooper, Senior Planner

RECOMMENDATION: That the City Council conduct a Public Hearing and approve the project including a General Plan Amendment, Planned Development Overlay Amendment, Development Plan, and Tentative Tract Map (Planning Application Nos. PA20-1323, PA20-1324, PA20-1325, and PA20-1326) and adopt related resolution and introduce ordinance:

RESOLUTION NO. 2022-

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF TEMECULA ADOPTING THE FINAL NEGATIVE DECLARATION FOR THE RENDEZVOUS PHASE II PROJECT CONSISTING OF A 134 UNIT APARTMENT COMMUNITY GENERALLY LOCATED ON THE SOUTH SIDE OF RANCHO CALIFORNIA ROAD, APPROXIMATELY 150 FEET WEST OF COSMIC DRIVE (APN: 944-370-001, 005, 006, 007, 010, 012, 013)

RESOLUTION NO. 2022-

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF TEMECULA APPROVING A GENERAL PLAN AMENDMENT APPLICATION TO REVISE THE GENERAL PLAN LAND USE DESIGNATION FOR THE PARCELS OF THE RENDEZVOUS PHASE II PROJECT FROM PROFESSIONAL OFFICE TO A MEDIUM DENSITY RESIDENTIAL LAND USE (APN: 944-370-001, 005, 006, 007, 010, 012, 013) (PA20-1323)

ORDINANCE NO. 2022-

AN ORDINANCE OF THE CITY COUNCIL OF THE CITY OF TEMECULA APPROVING A PLANNED DEVELOPMENT OVERLAY AMENDMENT TO THE TEMECULA VILLAGE PLANNED DEVELOPMENT OVERLAY (PDO-5) GENERALLY LOCATED ON THE SOUTH SIDE OF RANCHO CALIFORNIA ROAD, APPROXIMATELY 150 FEET WEST OF COSMIC DRIVE (APN: 944-370-001, 005, 006, 007, 008, 010, 012, 013) (PA20-1324)

RESOLUTION NO. 2022-

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF TEMECULA APPROVING A DEVELOPMENT PLAN FOR A 134 UNIT APARTMENT COMMUNITY GENERALLY LOCATED ON THE SOUTH SIDE OF RANCHO CALIFORNIA ROAD, APPROXIMATELY 150 FEET WEST OF COSMIC DRIVE (APN: 944-370-001, 005, 006, 007, 010, 012, 013) (PA20-1325)

RESOLUTION NO. 2022-

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF TEMECULA APPROVING TENTATIVE TRACT MAP 38043 TO COMBINE EIGHT (8) EXISTING CONTIGUOUS PARCELS INTO A SINGLE PARCEL ON THE SOUTH SIDE OF RANCHO CALIFORNIA ROAD, APPROXIMATELY 150 FEET WEST OF COSMIC DRIVE (APN: 944-370-001, 005, 006, 007, 008, 010, 012, 013) (PA20-1326)

SUMMARY OF

ORDINANCE: An Ordinance for a Planned Development Overlay Amendment to the Temecula Village Planned Development Overlay (PDO-5) generally located on the south side of Rancho California Road, approximately 150 feet west of Cosmic Drive.

BACKGROUND: In 2002, the Temecula Village Planned Development Overlay District (PDO-5) was approved and adopted by the City of Temecula City Council. On February 1, 2017, the applicant withdrew a previous Development Plan application on the project site that proposed an approximately 65,100 square foot commercial center consisting of nine (9) buildings.

On January 3, 2018, Planning Application No. PA16-1427, a Development Plan to allow for the construction of a 160 unit apartment community was approved by the City of Temecula Planning Commission. That project was Phase I of the Rendezvous project and is fully constructed and occupied.

On May 24, 2018, the owner of the project site presented the proposed project to the City Council Infill Land Use and Project Review Ad Hoc Subcommittee which consisted of former Councilmembers Jeff Comerchero and Mike Naggar. There were no issues or concerns with the project raised by the Subcommittee and there was a discussion on the required Extraordinary Community Benefit.

On September 22, 2020, staff presented the proposed project to the City Council Infill Land Use and Project Review Ad Hoc Subcommittee which consisted of Mayor Matt Rahn and former Councilmember Mike Naggar. There were no issues or concerns with the project raised by the Subcommittee and there was a discussion on the required Extraordinary Community Benefit.

On November 12, 2020, Pacific West Development submitted Planning Application No. PA20-1323, a General Plan Amendment to amend the underlying General Plan Land Use designation of the project site from Professional Office (PO) to Medium Density Residential (M); PA20-1324, a Planned Development Overlay Amendment for PDO-5; PA20-1325, a Development Plan for a 134 unit market rate apartment community built on 7.61 acres; and PA20-1326, a Tentative Tract Map (TTM 38043) to combine eight (8) existing contiguous parcels into a single parcel. The project is located on the south side of Rancho California Road, approximately 150 feet west of Cosmic Drive.

On May 26, 2022, staff presented the proposed project to the City Council Infill Land Use and Project Review Ad Hoc Subcommittee which consisted of Councilmembers Maryann Edwards and James Stewart. There were no issues or concerns with the project raised by the Subcommittee and there was a discussion on the required Extraordinary Community Benefit and the Fiscal Impact Analysis.

General Plan Amendment

Planning Application PA20-1323 is a proposed General Plan Amendment (GPA) is proposed to amend the underlying General Plan Land Use Professional Office designation on the “Lower Site” of the Rendezvous Planned Development Overlay to a Medium Density Residential (M) Land Use. The GPA is needed to allow residential development on the “Lower Site” as the current Professional Office Land use does not allow for residential development.

Planned Development Overlay Amendment

Planning Application PA20-1324 is a proposed Planned Development Overlay Amendment to the Temecula Village Planned Development Overlay. The proposed amendment includes language specific for multifamily housing as it relates to the design guidelines and development standards, revisions to the planning area boundaries and naming convention, and removing the allowance of all other land uses other than multifamily residential.

Development Plan

Planning Application PA20-1325 is a proposed Development Plan for the construction of a 134 unit apartment community. The project is located on the “Lower Site” of the Temecula Village Planned Development Overlay District (PDO-5), generally located on the south side of Rancho California Road, approximately 150 feet west of Cosmic Drive on an undeveloped lot.

The project consists of six (6) three-story residential buildings, one (1) two-story building that contains an enclosed garage on the first floor and residential units on the second floor, and seventeen garage buildings. There are 56 one-bedroom units that range in size from 651 square feet to 779 square feet, 42 two-bedroom units that range in size from 1,163 square feet to 1,257 square feet, and 36 three-bedroom units that range in size from 1,341 square feet to 1,431 square feet.

There are two points of vehicular access to the project. There is a main access point on Rancho California Road as well as via an existing private drive directly to the west of the project. The project is required to provide 280 parking spaces for the project per Table 17.24.040 of the City of Temecula Development Code. The project proposes 280 parking spaces including 22 guest parking spaces.

Community amenities associated with Phase II include a pool/spa area, playground, bbq area that includes a fireplace and covered picnic area, turf area, bike racks, exercise room, pet area with a pet drinking fountain, and a mail/package room.

Tentative Tract Map

Planning Application PA20-1326 is a proposed Tentative Tract Map will allow for the consolidation of eight (8) existing contiguous parcels into a single parcel. The consolidation will allow for the entire project, Phases I & II, on one parcel under the same ownership. The Tentative Tract Map meets all the development standards of the City of Temecula Municipal Code and Rendezvous Planned Development Overlay.

Community Meeting

On October 20, 2020, a community meeting was organized by the applicant and held virtually via zoom with both a weblink and call-in option provided to the surrounding residents and neighbors within a 600-foot radius of the project. Staff attended this meeting along with five (5) residents. There were no questions, comments, or concerns raised by the residents that attended.

Planning Commission Recommendation

Staff presented the project to the Planning Commission on July 20, 2022. The Planning Commission recommended that the City Council approve the project subject to the Condition of approval and adopt the Negative Declaration. There was one public comment provided by email to staff regarding the project and one public speaker who expressed opposition to the project. The speaker who spoke in opposition requested that local skilled and trained workforce should be used and if local workforce was used it would lessen the greenhouse gas and mitigate the transportation

environmental impacts associated with the project. The speaker also requested that the City prepare an Environmental Impact Report in order to further evaluate Land Use Analysis, Greenhouse Gas Impacts, Air Quality Impacts, Noise Impacts, Hazards and Hazardous Materials Impacts, Biological Impacts, and Transportation and Traffic Impacts.

Growth Master Plan/Community Benefit

On March 21, 2000, the City Council adopted the Growth Management Plan (GMP) which is intended to serve as the City Council's policy for the study and implementation of growth management measures in the City of Temecula. The GMP applies when projects involve specific land use decisions including General Plan Amendments and Specific Plan Amendments. Consistent with the Growth Management Plan, the proposed project is required to provide Community-wide public benefits that provide substantial added value to the entire community and citizens of Temecula commensurate with the scope of the project to fulfill the requirements of the City's GMP. The Community-wide public benefit, as recommended by the City Council Ad Hoc Infill Land Use and Project Review Subcommittee consisting of Councilmembers Maryann Edwards and James Stewart for the project is a \$500,000.00 payment to the City of Temecula which will in turn be used by the City of Temecula for city-wide projects that benefit the residents of the City. The payment shall be made prior to the issuance of the first residential multi-family or commercial building permit for the project.

FISCAL IMPACT: The City's fiscal policies requires that a Fiscal Impact Analysis (FIA) be completed for any development that proposes an increase in residential density from what is currently allowed in the General Plan. The project proposed a change in land use from Professional Office to Medium Density Residential allow for residential development. The FIA is to evaluate the recurring General Fund revenues and expenditures generated by the project by estimating the fiscal impact on the General Fund resulting from the development of the proposed project over a 20-year time period. If the FIA determines that the increased cost to the City of providing public safety and other municipal services to the project area will substantially exceed the municipal revenue from the project ("City Services Deficit"), the project shall be conditioned to require the payment of funds to the City for negative impact on the General Fund, that is, the project shall be conditioned to pay the City the loss to General Fund revenues created by the project as determined by the FIA. The applicant prepared a FIA in compliance with this requirement. The FIA found that the project would result in a City Services Deficit. The project is being conditioned to require that the owners of the property within the Project, and their successors in interest, shall pay the City a minimum sum as described in the June 9, 2022 Final Fiscal Impact Analysis per Occupied Residential Property each year as mitigation for the City Services Deficit, with an increase in such payment each fiscal year in an amount as described in the June 9, 2022 Final Fiscal Impact Analysis of the previous year's payment, as such increase may be adjusted as part of the yearly assessment or special tax levy as provided in a funding mechanism that may be approved by the City. "Occupied Residential Property" means an assessor's parcel in the Planned Development Overlay area for which building permits for residential construction have been issued, and a certificate of occupancy or final inspection has been issued, or as may be further defined in the City approved funding mechanism. Five years after the date of the first certificate of occupancy or final inspection is issued for a home in the Project and every five years after that, the owners of the properties may request that the City re-evaluate the yearly payments for the City Services Deficit and prepare an updated FIA to analyze the continuing impacts of the Project to

the City's budget. The cost of the updated FIA shall be paid for by the owners of the properties within the Project.

The project condition provides that the Owner and its successors to the property within the Project may fulfill this recurring financial obligation to the City through a community facilities district established by the City pursuant to the Mello Roos Community Facilities District Act of 1982, Government Code Section 53311, et seq., or other appropriated financing mechanism approved by the City; provided, however, the obligation of each owner and their successors to pay the City Services Deficit payment under this Condition remains an obligation of the owner and its successors regardless of the financing mechanism used to pay it and regardless of whether there is a financing mechanism to pay it.

ENVIRONMENTAL: A Negative Declaration concerning the Project was prepared in accordance with the provisions of the California Environmental Quality Act (CEQA). The City Council must adopt a Negative Declaration for the Project.

- ATTACHMENTS:**
1. Aerial Map
 2. Resolution - Adopting Negative Declaration
 3. Exhibit A - Final Negative Declaration with Appendices
can be downloaded at:
<https://temeculaca.gov/362/Environmental-Review-CEQA>
 4. Resolution - General Plan Amendment
 5. Exhibit A – Amended General Plan Land Use Map
 6. Ordinance – Planned Development Overlay Amendment
 7. Exhibit A – Planned Development Overlay Amendment
 8. Resolution – Development Plan
 9. Exhibit A – Conditions of Approval
 10. Resolution – Tentative Tract Map
 11. Exhibit A – Conditions of Approval
 12. Planning Commission Resolution No. 2022-19 -
Recommending Adoption of Negative Declaration
 13. Planning Commission Resolution No. 2022-20 -
Recommending Approval of a General Plan Amendment
 14. Planning Commission Resolution No. 2022-21 -
Recommending Approval of a Planned Development
Overlay Amendment
 15. Planning Commission Resolution No. 2022-22
Recommending Approval of a Development Plan
 16. Planning Commission Resolution No. 2022-23
Recommending Approval of a Tentative Tract Map
 17. Plan Reductions - Development Plan
 18. Plan Reductions - Tentative Tract Map
 19. Fiscal Impact Analysis
 20. Public Correspondence
 21. Notice of Determination
 22. Continuation Notice