

**CITY OF TEMECULA
AGENDA REPORT**

TO: City Manager/City Council

FROM: Luke Watson, Community Development Director

DATE: December 1, 2020

SUBJECT: Consider Amendment #2 to the Harveston Specific Plan, a General Plan Amendment, and Final Subsequent Environmental Impact Report (Planning Application Nos. PA18-0569 and PA18-0660)

PREPARED BY: Scott Cooper, Associate Planner

RECOMMENDATION: That the City Council conduct a Public Hearing to consider resolutions approving a Specific Plan Amendment to the Harveston Specific Plan, a General Plan Amendment, and a Final Subsequent Environmental Impact Report, and adopt the resolutions entitled:

RESOLUTION NO.

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF TEMECULA CERTIFYING THE FINAL SUBSEQUENT 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 AMENDMENT NO. 2 TO THE HARVESTON SPECIFIC PLAN (SP 13) (PA18-0660)

RESOLUTION NO.

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 WITHIN THE RESIDENTIAL OVERLAY OF PLANNING AREA 12 OF THE HARVESTON SPECIFIC PLAN FROM SERVICE COMMERCIAL TO A SPECIFIC PLAN IMPLEMENTATION (SPI) LAND USE (PA18-0659)

RESOLUTION NO.

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF TEMECULA APPROVING AMENDMENT NO. 2 TO THE HARVESTON SPECIFIC PLAN (SP 13) (PA18-0660)

BACKGROUND: The Harveston Specific Plan (Specific Plan No. 13) was approved by the City Council on August 14, 2001 by the adoption of Resolution No. 01-72. On August 26, 2003, the City Council adopted Amendment No. 1 to the Harveston Specific Plan (SP 13) by the adoption of Resolution No. 03-110.

On May 7, 2018, Harveston-SAB LLC, a California Limited Liability Company, filed a General Plan Amendment application to amend the underlying General Plan Land Use Service Commercial designation on a portion of Planning Area 12 of the Harveston Specific Plan to a Specific Plan Implementation (SPI) Land Use. Harveston-SAB LLC also filed a Specific Plan Amendment application to amend the Harveston Specific Plan to include a residential overlay on an 87.54-acre portion of Planning Area 12 that would allow for the future development of a maximum of 1,000 residential units, new development standards and design guidelines for future projects developed within the residential overlay, and a new architectural style allowed for multifamily development.

The project was presented to the City Council Ad Hoc Winchester Hills Subcommittee on June 12, 2018, which at that time consisted of Council Members Jeff Commerchero and Mike Naggar. Following that meeting the project was also presented to the Subcommittee consisting of Council Members Mike Naggar and Matt Rahn on April 21, 2020, and September 1, 2020.

General Plan Amendment

Planning Application PA18-0659 is a proposed General Plan Amendment (GPA) to amend the underlying General Plan Land Use Service Commercial designation on a portion of Planning Area 12 of the Harveston Specific Plan to a Specific Plan Implementation (SPI) Land Use. The SPI land use will allow the General Plan to defer to the provisions and restrictions of the Specific Plan. The GPA is needed to allow residential development to be proposed within the planning area as the current Service Commercial land use does not allow for residential development.

Specific Plan Amendment

Planning Application PA18-0660 is a proposed Specific Plan Amendment requested by the Owner of the project including a residential overlay on an 87.54-acre portion of Planning Area 12 that would allow the future development of a maximum of 1,000 residential units, new development standards and design guidelines for future projects developed within the residential overlay, a new architectural style allowed for multifamily development, requirements for private recreation centers, and revised landscape design guidelines.

Planning Commission Recommendation

Staff presented the project to the Planning Commission on November 9, 2020. The Planning Commission recommended that the City Council approve the project and adopt the Final

Subsequent Environmental Impact Report. There were two public comments provided by email to staff regarding the project.

FISCAL IMPACT: In accordance with the City's fiscal policies, a fiscal impact analysis (FIA) has been completed. The City's fiscal policies require FIAs to be completed for development that proposes an increase in residential density from what is currently allowed in the General Plan. The City requested that Keyser Marston Associates, Inc. (KMA) prepare a Fiscal Impact Analysis to analyze the impact of the proposed 87.54-acre Residential Overlay being developed as residential as well as alternative non-residential development scenarios. These scenarios were identified based on a review of the existing zoning allowances for the study area and not based on input from the developer. KMA did not conduct comprehensive market and financial feasibility analyses to determine the near-term viability of these uses. The scenarios are intended for illustrative fiscal impact purposes only. For calculation purposes, there was a reduction of 14.19 acres for the approved congregate care facility (Lantern Crest) as well as a reduction factor of 20% for internal circulation, streets, and open space for a total adjusted study area of 58.68 acres (Study Area).

- Should the study area develop fully as residential development, KMA estimates a recurring fiscal deficit of approximately *negative* \$374,000 annually (\$6,370 per net acre).
- Should the study area develop fully as mixed commercial and office use (for example, 722 hotel rooms, 361,000 square feet of retail, 512,000 square feet of office), KMA estimates a recurring fiscal surplus of approximately \$5,090,000 annually (\$87,000 per net acre).

Additional analysis was also prepared for the study area developed fully as hotel, retail, and office which all resulted in an annual surplus per allowed land use.

ENVIRONMENTAL: A Draft SEIR concerning the project was prepared in accordance with the provisions of the California Environmental Quality Act (CEQA). The City Council must certify the Final SEIR for the Project, including Findings of Facts in Support of Findings, a Mitigation Monitoring and Reporting Program and Statement of Overriding Consideration for Air Quality impacts.

- ATTACHMENTS:**
1. Aerial Map
 2. City Council Resolution Certifying Subsequent Environmental Impact Report Adopting Statement of Overriding Considerations
 3. Exhibit A - CEQA Findings and SOC
 4. Exhibit B - Mitigation Monitoring and Reporting Program
 5. City Council Resolution - General Plan Amendment
 6. Exhibit A – Amended General Plan Land Use Map
 7. City Council Resolution - Specific Plan Amendment
 8. Exhibit A – Specific Plan Amendment
 9. Planning Commission Resolution Recommending Certification of the Subsequent Environmental Impact Report Adopting Statement of Overriding Considerations
 10. Planning Commission Resolution Recommending Approval of a General Plan Amendment

11. Planning Commission Resolution Recommending Approval of a Specific Plan Amendment
12. Specific Plan Amendment (Underline/Strikeout) can be downloaded at: <https://temeculaca.gov/362/Environmental-Review-CEQA>
13. Draft Subsequent Environmental Impact Report (SEIR) with Appendices which can be downloaded at: <https://temeculaca.gov/362/Environmental-Review-CEQA>
14. Final Subsequent Environmental Impact Report (SEIR) which can be downloaded at: <https://temeculaca.gov/362/Environmental-Review-CEQA>
15. Fiscal Impact Analysis
16. Public Correspondence
17. Notice of Determination
18. Notice of Public Hearing