

REPORT TO THE CITY COUNCIL



DATE: March 21, 2017

TITLE: *(Continued from February 21, 2017)*
Appeal of the Planning Commission's Decision to Deny the Extension of Tentative Tract Map Nos. 35009 and 35448 (Appeal of Planning Case Number AP-1-16)

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RECOMMENDATION:

- 1) Conduct City Council discussion and questions to staff;
- 2) City Council action to either:
 - A. Uphold the Planning Commission's decision to deny First Extension of Time - Tentative Tract Maps 35009 & 35448: Located West of State Route 62 within the Rancho Royale Specific Plan encompassing most of Section 20, Range 4 East, Township 2 South; San Bernardino Baseline and Meridian; and Adopt the Resolution upholding the decision and denying the project with the appropriate findings contained therein in the attached Resolution (Exhibit 1), which such findings can be amended as the City Council deems fit; OR
 - B. Overturn the Planning Commission's decision to deny the project and adopt appropriate findings as made by the City Council.

DISCUSSION:

Overview

On August 1, 2016 Adkan Engineering ("Applicant") applied for the Extension of Tentative Tract Maps 35448 and 35009. For ease, the extension of time for both tentative maps shall herein be referred to as the "Extension." On November 22, 2016, the Planning Commission held a hearing on the Extension. After the hearing, Planning Commission denied the Extension based on various findings, which are explained further below. On December 6, 2016, the Applicant filed an appeal of the Planning Commission to the City Council.

Underlying Maps

Tentative Tract Maps 35448 and 35009 were originally approved in 2007 by the Planning Commission on July 10, 2007. The Tentative Maps proceeded to the City Council and were approved on August 7, 2007. For ease, the underlying maps will be referred to herein as the "Underlying Maps."

This Underlying Maps remain unchanged from its initial approval, to allow for a subdivision resulting in 1,126 single family residential lots, eight (8) multiple family residential/recreational commercial lots (923 residential units), and a 32-acre lot for commercial and residential (171 residential units) uses. The Underlying Maps propose a total of 1,126 single family residential lots, eight (8) multiple family residential/recreational commercial lots (923 residential units), and a 32-acre lot for commercial and 171 residential units. Tentative Map No. 35448 is for financial and conveyance purposes to create the master planned community. Tentative Tract Map 35009 creates the specific lots for the residential and commercial lots proposed for the project, which will be accessed from private and public streets. Mission Creek Road will be a public street that will provide main access to the north. The Applicant is conditioned to build a road from the south of the site connecting the development to Pierson Boulevard. The site is located within the Rancho Royale Specific Plan, which is planned for approximately 8,360 single-family and multi-

family residential units, commercial land uses, golf courses, and resort commercial uses on approximately 2,206 acres of land. In April of 1993, the Final Environmental Impact Report (EIR) for the Rancho Royale Specific Plan was approved by the City Council.

The Underlying Maps originally proposed, in 2007 that the site would be developed in four (4) major phases. The original phasing plan includes the construction and provision of utilities that will be taken from south of the project site to the north. The applicant then plans to develop the four (4) phases in a clockwise direction ending with the 32-acre commercial lot located on the northeast side of Mission Creek Road.

As proposed, the Underlying Maps will have an overall density of 4.62 dwelling units per acre (481 acres, gross). The single-family residential lots will be developed with 4,000, 5,000, 6,000, and 7,000 square foot lots. The smallest single-family lot is 4,041 square feet and the largest residential lot is 20,704 square feet. The Rancho Royale Specific Plan minimum lot size is 3,500 square feet in area.

Extension of Time for the Underlying Maps

With the downturn in the economy the California State Assembly, State Senate, and our Governor(s), have approved five (5) various Assembly Bills and Senate Bills giving projects that qualified under specific conditions an automatic extension of approved maps. The latest Bill, AB 1303 included a condition that the county in which the map was approved cannot exceed 80% of the mean annual household income in comparison to the state level. According to the 2013 American Community Survey published by the US Census Bureau, Riverside County's mean annual household income level is at 89% when compared to the state level. Therefore, previously approved maps in Riverside County and cities within Riverside County no longer qualify for the last automatic extension granted by Governor Brown in October 2015, as set forth in AB 1303. This means that extensions of time are required to come to Planning Commission/City Council for a discretionary action of approval rather than the automatic extension previously granted by the State.

On August 1, 2016, the Applicant applied to the City to extend the time period of the two Underlying Maps. The Underlying Maps were originally approved by the City Council on August 7, 2007, and were set to expire on August 7, 2016. In order to prevent the expiration of the maps, the Applicant came before the Planning Commission on November 22, 2016.

Planning Commission Hearing on November 22, 2016

At the November 22, 2016, Planning Commission meeting, the Planning Commission held the hearing on the Extension. Attached please find the verbatim transcript of the Planning Commission Hearing on this item on November 22, 2016.

During the hearing, the Applicant testified that it would like the Planning Commission to approve the Extension. The Applicant, among other things, explained that the property was originally located in Riverside County. At that time, both the City of Palm Springs and City of Desert Hot Springs requested to annex the property into their respective jurisdiction. The Applicant stated that it decided to annex into Desert Hot Springs. Additionally, the Applicant stated that it proposes to build senior citizen housing which helps further the goals of the City's Affordable Housing Element of the General Plan, although such development was not before the Planning Commission- just the extension of the Underlying Maps.

At the hearing, there were also persons who testified against the Extension. Kerry Puckett and Jack Thompson, who identified themselves as representatives of the Wildlands Conservancy, objected to the Extension and testified that they had concerns including view shed impact to Sand to Snow Monument Park, increased likelihood of dumping and wildfires, trespassing and

possibility of dirt bikers encroaching into the park. Furthermore, they requested additional time to review and provide comment.

In addition to the testimony at the Public Hearing, Planning Staff informed the Planning Commission that the following findings were needed for approval of the Extension (the extension):

- 1) The applicant has satisfied all aspects of Section 16.24.170 (Time Extensions for Subdivisions) of the City of Desert Hot Springs Municipal Code;
- 2) There have been no substantial changes to the project since it was initially approved;
- 3) The Owner/Applicant has presented good cause for requesting the extension of time in that economic conditions along with the size of the project and the extent of required improvements to complete the project have made the project impossible to market at this time.
- 4) There is no change to environmental circumstances.

The Planning Commission expressed concerns that the Underlying Maps and the Extension. They found that the project would be more suitable if it were located on the east side of Highway 62 rather than the west side of Highway 62 for several reasons including the following 1) the property slopes upward to the hillsides, and 2) the development of the entire Specific Plan area of 8,600 residential units will permanently change the view shed of the City. **Accordingly, the Planning Commission then took action to deny the Extension by making the following findings:**

- 1) There has been a change in environmental factors, as the project is too close in proximity and access to the nearby Sand to Snow Monument Park; and
- 2) The project is too close to open space; and
- 3) The project is too dense for its location; and
- 4) The project creates traffic issues because there would be difficulty accessing the project off highway 62;
- 5) The project has great impacts, causing the need for major infrastructure (road) upgrades, which are not proposed;
- 6) There are water shed issues (which were not elaborated upon);
- 7) There are view issues (which were not elaborated upon);
- 8) Because of the above, the project is a negative impact on that location

Appeal to the City Council

On December 6, 2016, the Applicant appealed the Planning Commission's decision to the City Council. The City Council has the discretion to approve, deny or request the applicant make modifications to the Extension such that the Extension could be approved as amended.

FISCAL IMPACT:

The Applicant has paid for appeal fees to cover the costs associated with the appeal.

EXHIBIT(S):

- 1) Resolution Upholding Planning Commission Decision

- 2) The Planning Commission record, including the entire agenda packet
 - 2A) PC Packet Materials – Staff Report from November 22, 2016
 - 2B) PC Packet Materials – Tentative Maps
 - 2C) PC Packet Materials – Environmental Determination
 - 2D) PC Packet Materials – Comment Letter from Cal Fire
 - 2E) PC Packet Materials – Revised Conditions of Approval
 - 2F) PC Packet Materials – City Council Staff Report from 2007
- 3) Verbatim Transcript of the Planning Commission hearing on November 22, 2016
- 4) Planning Commission Minutes from its meeting on November 22, 2016
- 5) The Applicant's Letter of Appeal
- 6) The Applicant's Letter Requesting Continuance of the Appeal
- 7) Correspondence dated February 10, 2017 from Center for Biological Diversity (In Favor of the Planning Commission's Denial)
- 8) Correspondence dated February 15, 2017 from National Parks Conservation Association (In Favor of Planning Commission's Denial)
- 9) Correspondence dated February 16, 2017 from Best, Best & Krieger (Opposing the Planning Commission's denial of the Extension)
- 10) Chapter 16.24.170 of the DHS Municipal Code pertaining to Time Extensions for Subdivisions
- 11) The underlying Project documents for the 2200 homes (2007)
 - 11A) Planning Notebook
 - 11B) EIR Addendum (2007)
 - 11C) Circulation Plan
- 12) Final Certified EIR – Rancho Royale Specific Plan
- 13) The Rancho Royale Specific Plan (Part 1 of 2)
- 14) The Rancho Royale Specific Plan (Part 2 of 2)
- 15) Correspondence dated February 20, 2017 from Best, Best & Krieger
- 16) Correspondence dated February 20, 2017 from the Sierra Club
- 17) Correspondence dated February 20, 2017 from The Wildlands Conservancy