RESOLUTION NO. PC2025-04

A RESOLUTION OF THE PLANNING COMMISSION OF THE CITY OF COACHELLA, CALIFORNIA, RECOMMENDING TO THE COACHELLA CITY COUNCIL, APPROVAL OF THE AMENDED AND RESTATED LA ENTRADA DEVELOPMENT AGREEMENT (KALIFORNIA CITY) TO MODIFY THE TERM OF THE AGREEMENT, MODIFY THE PROJECT DEVELOPMENT MILESTONES, MODIFY THE DEVELOPMENT AGREEMENT FEES, MODIFY THE AFFORDABLE HOUSING SEQUENCING, MODIFY THE TRANSFER, SALE OR ASSIGNMENT FEES, MODIFY THE TIMING FOR DEVELOPMENT IMPACT FEES (DIF) FEES AND ADD PROVISIONS FOR PREVAILING WAGE, FOR THE 2,200-ACRE LA ENTRADA SPECIFIC PLAN LOCATED ON THE SOUTH SIDE OF THE I-10 FREEWAY, EAST OF THE ALL-AMERICAN CANAL AND NORTH OF AVENUE 52. THE KPC GROUP. (APPLICANT)

WHEREAS, On June 23, 2023, the KPC Group filed an application for an Amended and Restated Development Agreement in conjunction with the La Entrada Specific Plan. As approved, the La Entrada Specific Plan allows for the phased development of a 2,200-acre master planned community consisting of up to 7,800 dwelling units and 1,510,879 square feet of retail and office commercial and approximately 720 units of high density residential, located on the south side of the I-10 Freeway, east of the All-American Canal, and north of Avenue 52 ("Project); and,

WHEREAS, the Applicant has advised that the La Entrada Specific Plan will henceforth be called Kalifornia City; and

WHEREAS, the Coachella Planning Commission ("Planning Commission") of the City of Coachella ("City") has found that development agreements strengthen the public planning process, encourage private participation in comprehensive planning by providing a greater degree of certainty in that process, reduce the economic costs of development, allow for the orderly planning of public improvements and services, allocate costs to achieve maximum utilization of public and private resources in the development process, and ensure that appropriate measures to enhance and protect the environment are achieved; and,

WHEREAS, on April 16, 2014 the Planning Commission adopted Resolution No. PC2014-01 recommending to the City Council approval of the La Entrada Development Agreement to vest land use entitlements, allow for infrastructure financing schemes, and development impact fee credits, and to create mutual benefits and obligations between the City and the Developer and the Commission hereby acknowledges the prior pre-ambles acknowledged for the project in said Resolution; and,

WHEREAS, the Planning Commission has considered the requested Amended and Restated La Entrada (Kalifornia City) Development Agreement, considered the City Council's direction, and concurs that the approved Development Agreement should be modified; and,

WHEREAS, the Planning Commission of the City of Coachella held a duly noticed and published Public Hearing on April 2, 2025 at which time interested persons had an opportunity to testify in support of, or opposition to, the Amended and Restated Development Agreement and at which time the Planning Commission considered the Amended and Restated Development Agreement together with the recommendations of the Development Services Director and all written and oral evidence within the record or provided at the public hearing; and,

WHEREAS, The Planning Commission finds that the La Entrada Specific Plan, previously approved by the City on November 13, 2013 subject to conditions of approval, proposes the development of a master-planned community in the northeastern portion of the City on approximately 2,200 acres. The Specific Plan includes a mix of residential, commercial, open space, educational, and recreational uses, as well as associated infrastructure to support buildout of the Specific Plan. An Environmental Impact Report (EIR) for the La Entrada Specific Plan was also certified on November 13, 2013 (SCH #2012071061), which analyzed the environmental impacts from development of the Specific Plan and imposed mitigation measures.

WHEREAS, the City and the prior property owner, PSAV LLC, first entered into a Development Agreement on July 25, 2014, to facilitate the development of the La Entrada Project, consisting of the construction of 7,800 single and multi-family units, commercial, retail and offices uses and community/public facilities within the Specific Plan.

WHEREAS, on May 22, 2019, the prior Owner (PSAV LLC) requested an amendment to the La Entrada Development Agreement ("Amendment") for an additional five (5) years to commence construction on the project. The First Amendment did not modify the La Entrada Project or the mitigation measures contained in the certified EIR. Accordingly, no new information of substantial importance existed under Public Resources Code 21166 or State CEQA Guidelines 15162 showing that any new or substantially increased significant impacts would arise from the Amendment. The Amendment extended the timing for the commencement of construction by five years and increased the number of affordable dwelling units without increasing the total number of units to be constructed. The Amendment did not modify the Project or change the significance conclusions of the

previously certified EIR, and no new mitigation was required because of the Amendment. The First Amendment to the La Entrada Development Agreement was approved by the City Council on February 26, 2020.

WHEREAS, in June 2023, the KPC Group applied for an Amended and Restated Development Agreement to the La Entrada Development Agreement.

WHEREAS, the Planning Commission makes the following findings relative to the Amended and Restated Development Agreement:

A. The Amended and Restated Development Agreement is consistent with the objectives, policies, general land uses and programs specified in the City's general plan for the Specific Plan District designation of the subject site.

B. The Amended and Restated Development Agreement is compatible with the uses authorized in and the regulations prescribed for the land use district in which the real property is located, in that there are no uses proposed that conflict with the approved La Entrada Specific Plan.

C. The Amended and Restated Development Agreement is in conformity with the public necessity, public convenience, general welfare and good land use practices which includes the development of a phased master-planned community with public infrastructure, schools, neighborhood serving commercial and open space with trails and transportation linkages providing a high quality of life.

D. The Amended and Restated Development Agreement will not be detrimental to the health, safety and general welfare in that the orderly development of the project would be a beneficial use of the existing native desert hillside terrain providing economic development opportunities, affordable housing opportunities, and an enhanced tax base and employment base for the City of Coachella.

E. The Amended and Restated Development Agreement will not adversely affect the orderly development of property or the preservation of property values in that there are no sensitive uses in or near the subject site that would otherwise be affected by the development of the project.

F. The Amended and Restated Development Agreement will have a positive fiscal impact on the city based on the approved fiscal impact study that is a part of the original Development Agreement.

G. No new information of substantial importance exists under Public Resource Code 21166 or State CEQA Guidelines 21162 showing that any new or substantially increased significant impacts would arise from the Amended and Restated Development Agreement.

NOW, THEREFORE BE IT RESOLVED, that the Planning Commission, in light of the whole record before it, including but not limited to the recommendation of the Development Services Director as provided in the Staff Report dated April 2, 2025 and documents incorporated therein by reference and any other written and oral evidence within the record or provided at the public hearing of this matter, hereby recommends that the City Council approve the Amended and Restated La Entrada Development Agreement attached hereto as Exhibit "A".

PASSED APPROVED and ADOPTED this 2nd day of April 2025.

Isela Murillo, Chairperson Coachella Planning Commission

ATTEST:

Kendra Reif Planning Commission Secretary

APPROVED AS TO FORM:

City Attorney

I HEREBY CERTIFY that the foregoing Resolution No. PC-2025-04, was duly adopted at a regular meeting of the Planning Commission of the City of Coachella, California, held on the 2nd day of April 2025 by the following roll call vote:

AYES:

NOES:

ABSENT:

ABSTAIN:

Kendra Reif Planning Commission Secretary