

RESOLUTION NO. PC2026-32

A RESOLUTION OF THE PLANNING COMMISSION OF THE CITY OF COACHELLA RECOMMENDING THAT THE CITY COUNCIL ADOPT AN ORDINANCE APPROVING DEVELOPMENT AGREEMENT NO. 25-01 FOR THE “COVA” PROJECT PROPOSING THE DEVELOPMENT OF A HOTEL, RESORT, RESIDENTIAL, AND COMMERCIAL PUBLIC BEACH CLUB LOCATED ON APPROXIMATELY 87 ACRES ON FOUR CONTIGUOUS PARCELS (APNS 780-040-001, 780-040-003, 780-060-001, AND 780-060-002) SOUTH OF AVENUE 52, WEST OF VAN BUREN STREET AND EAST OF CALHOUN STREET, AND DETERMINE, PURSUANT TO STATE CEQA GUIDELINES SECTION 15183, THAT NO FURTHER ENVIRONMENTAL REVIEW IS REQUIRED. APPLICANT: RELEVANT COACHELLA OWNER, LLC

WHEREAS, on April 22, 2015, the City approved Resolution No. 2015-03 certifying the program environmental impact report (“EIR”) (SCH #2009021007) for the City of Coachella General Plan Update 2035 (“General Plan”) and Climate Action Plan; adopting environmental findings, a mitigation monitoring and reporting program, and a statement of overriding considerations; and approving the general plan and climate action plan pursuant to the California Environmental Quality Act, herein incorporated by reference; and

WHEREAS, on July 7, 2025, Relevant Coachella Owner, LLC (“Applicant”), submitted an application for a Tentative Tract Map, Architectural Review, Conditional Use Permit, Environmental Assessment, and Development Agreement for the proposed “COVA” project, consisting of a hotel, resort, residential, commercial and public beach club uses on approximately 87 acres comprising four contiguous parcels (APNs 780-040-001, 780-040-003, 780-060-001, and 780-060-002) located south of Avenue 52, west of Van Buren Street and east of Calhoun Street (“Project”); and

WHEREAS, Development Agreement No. 25-01 establishes the terms governing the development and operation of the COVA Project, including vested development rights, infrastructure obligations, development fees, fiscal incentives, community benefits, and continuing operational and maintenance obligations, and provides for a 50-year term with a 20-year period for Project buildout; and

WHEREAS, the Applicant subsequently submitted applications for Zoning Ordinance Amendment Nos. 26-02 and 26-03 as related entitlements for the Project; and

WHEREAS, the Project site has a zoning designation of (R-C) Regional Commercial and a General Plan 2035 land use designation of Regional Retail District, which allows a residential density of 10 to 15 dwelling units per acre and a floor area ratio of 0.35 to 2.0. The Project proposes a residential density of approximately 14.4 dwelling units per acre and a floor area ratio of approximately 0.65, consistent with the development

density and intensity established by the General Plan; and,

WHEREAS, the proposed Project is consistent with and intended to implement the vision of the Coachella Municipal Code and the General Plan pertaining to land use patterns, building and site design, and public right-of-way improvements; and,

WHEREAS, Public Resources Code section 21083.3 and State CEQA Guidelines section 15183 provide that a project consistent with the development density established by an existing general plan for which an EIR was certified does not require additional environmental review except as necessary to examine whether the project would result in project-specific significant effects peculiar to the project or its site; and

WHEREAS, the City, as lead agency under the CEQA, prepared a Modified Initial Study/Section 15183 Checklist for the Project (the “15183 Checklist”) to determine whether further environmental review of the Project is required; and

WHEREAS, the 15183 Checklist concludes that the Project would not result in any environmental effects that (1) are peculiar to the Project or the parcel on which the Project would be located; (2) were not analyzed as significant effects in the certified General Plan EIR; (3) are potentially significant off-site or cumulative impacts that were not discussed in the General Plan EIR; or (4) are previously identified significant effects that, as a result of substantial new information not known when the General Plan EIR was certified, are determined to have a more severe adverse impact than discussed in the General Plan EIR. The 15183 Checklist further concludes that the potential environmental effects associated with the Project are within the scope of the impacts analyzed in the General Plan EIR and that all feasible mitigation measures from the General Plan EIR applicable to the Project, together with applicable uniformly applied development policies and standards, have been incorporated into or otherwise apply to the Project; and

WHEREAS, a notice of a public hearing to consider Tentative Tract Map No. 39330, Zoning Ordinance Amendment No. 26-02, Zoning Ordinance Amendment No. 26-03, Conditional Use Permit No. 396, Conditional Use Permit No. 407, Architectural Review No. 25-07, and Development Agreement No. 25-01 was issued in accordance with Coachella Municipal Code Section 16.12.110, 17.72.010J, 17.74.010G, 17.80.010E, and 17.100.060 inclusive of the publication on September 17, 2026, of a legal public hearing notice which was published in the Desert Sun, the City’s newspaper of record and mailing of a public hearing notice to a certified list of property owners within 300 feet of the subject properties on September 17, 2026; and,

WHEREAS, on October 7, 2026, the Planning Commission held a duly noticed public hearing to consider the application for the Project during which evidence, both written and oral, including the staff report and supporting documents, was presented at said hearing; and,

WHEREAS, all other legal prerequisites to the adoption of this Resolution have occurred.

NOW, THEREFORE, BE IT RESOLVED, THE PLANNING COMMISSION OF THE CITY OF COACHELLA, CALIFORNIA DOES HEREBY FIND DETERMINE AND RESOLVE AS FOLLOWS:

SECTION 1. Incorporation of Recitals. The Planning Commission hereby specifically finds that all of the facts set forth in the recitals of this Resolution are true and correct and are incorporated into this Resolution by reference and constitute a material part of this Resolution.

SECTION 2. Compliance with California Environmental Quality Act. The Planning Commission has reviewed and considered the previously certified Coachella General Plan Update 2035 EIR (SCH #2009021007), 15183 Checklist and supporting technical studies prepared for the Project, the staff report, all written and oral comments received, and the entire administrative record. Based on substantial evidence in the record, the Planning Commission recommends that the City Council make the following determinations:

- 1) The 15183 Checklist was prepared in compliance with CEQA and the State CEQA Guidelines and reflects the City's independent judgment and analysis.
- 2) The Project is consistent with the City's General Plan Update 2035 for which an EIR was certified.
- 3) The Project would not result in any environmental effects that: (a) are peculiar to the Project or the parcel on which the Project would be located; (b) were not analyzed as significant effects in the certified General Plan EIR; (c) are potentially significant off-site or cumulative impacts that were not discussed in the General Plan EIR; or (d) are previously identified significant effects that, as a result of substantial new information not known at the time the General Plan EIR was certified, are determined to have a more severe adverse impact than discussed in the General Plan EIR.
- 4) All potential environmental effects associated with the Project are within the scope of the impacts analyzed in the General Plan EIR, and all feasible mitigation measures from the General Plan EIR applicable to the Project, together with applicable uniformly applied development policies and standards, have been incorporated into or otherwise apply to the Project.
- 5) The Project is exempt from further environmental review pursuant to Public Resources Code section 21083.3 and State CEQA Guidelines section 15183.

The applicable mitigation measures adopted in connection with the General Plan Update 2035 (GPU) EIR shall remain applicable to the Project and shall be incorporated into the Project's mitigation monitoring and reporting requirements.

SECTION 3. Development Agreement Findings. Based upon the evidence presented at the hearing, including the staff report and written and verbal testimony, which are all incorporated herein by reference, the Planning Commission finds that:

A. Is consistent with the objectives, policies, general land uses and programs specified in the general plan and any applicable specific plan;

The approximately 87-acre project site is designated Regional Retail District and is located within Subarea 3 – Van Buren Corridor. The Development Agreement establishes a framework for implementing an integrated hotel, resort, residential, dining, entertainment, and recreational development. The publicly accessible Commercial Beach Club Sector provides commercial and recreational opportunities for residents and visitors, while the Private Resort Sector combines lodging and supporting residential accommodations with shared resort amenities.

For General Plan density purposes, all 402 units are included within approximately 28 acres allocated to residential development, resulting in approximately 14.4 dwelling units per acre. Commercial acreage is excluded from this residential density calculation. The proposed density falls within the applicable range of 10 to 15 dwelling units per acre.

The agreement supports the Regional Retail District's destination-oriented mix of uses and Subarea 3's direction for commercial development that is compatible with surrounding neighborhoods. Its obligations for public improvements and frontage landscape maintenance support implementation of the project's approved site design. The project's pedestrian connections, external connectivity, commercial intensity, and transitions to adjacent development are addressed through the General Plan consistency analysis and required project improvements.

Together with the related project approvals and documented General Plan consistency analysis, the agreement implements the applicable land use and community character objectives. No specific plan applies to the project site.

B. Is compatible with the uses authorized in and the regulations prescribed for the land use district in which the real property is located;

The project site is zoned Regional Commercial (R-C). The proposed hotel and resort use, beach club, restaurants, and supporting amenities are compatible with the commercial and hospitality uses authorized within the district, subject to applicable development standards and required permits. Special event and alcohol-related uses are subject to Conditional Use Permit No. 396 and any additional required approvals.

The single-family residential component requires adoption and effectiveness of Zoning Ordinance Amendment No. 26-02 and approval of Conditional Use Permit No. 407. These approvals would authorize single-family residential uses in conjunction with the resort while retaining the site's integrated commercial and hospitality function.

The agreement establishes development rights by reference to the approved project and applicable regulations. Any departure from otherwise applicable development standards shall be specifically identified and lawfully authorized in the final approvals. Short-term rental treatment shall conform to the adopted provisions of Zoning Ordinance Amendment No. 26-03 and the express operational requirements of the final agreement.

With effectiveness of the required amendments and permits, and incorporation of the authorized development standards, the agreement is compatible with the uses and regulations applicable to the R-C district.

C. Is in conformity with the public necessity, public convenience, general welfare and good land use practices;

The agreement coordinates development of the project with the provision of infrastructure and facilities necessary to serve its approved uses. Section 3.8.1 of the Development Agreement requires the developer to design, engineer, and construct required public improvements and generally complete improvements serving each phase before issuance of the first certificate of occupancy within that phase, unless an earlier deadline applies.

The agreement also requires water and sewer extensions, participation in necessary electrical infrastructure, and construction or funding of a portion of off-site sewer main upsizing serving other planned housing developments. Section 4.6 of the Development Agreement requires maintenance of enhanced landscaping along the project's public street frontages.

The publicly accessible beach club, restaurants, and entertainment facilities would expand recreational and commercial opportunities. Development and operation would also create construction and permanent employment opportunities.

The agreement's infrastructure obligations, phased implementation framework, and compliance review provisions support coordinated development and delivery of the identified public benefits. Together with the related project approvals and conditions, these provisions conform to public convenience, general welfare, and good land use practices.

D. Will be detrimental to the health, safety and general welfare;

The agreement requires development in accordance with the project approvals and applicable requirements. Section 2.3 of the Development Agreement preserves application of the California Building Standards Code and applicable construction codes. Section 2.4 of the Development Agreement retains City authority to address dangerous or hazardous conditions, subject to the procedures established in the agreement.

Required improvements and conditions address emergency access, fire protection, grading, drainage, geotechnical conditions, utility service, pedestrian safety, and parking. Special event and alcohol-related operations remain subject to applicable permit requirements and approved controls governing noise, attendance, hours, security, and circulation.

The agreement's environmental provisions require compliance with CEQA, including additional review where legally required for subsequent approvals. Applicable mitigation measures and essential health and safety conditions shall remain enforceable under the final agreement.

With implementation of these requirements and safeguards, the agreement will not be detrimental to public health, safety, or general welfare.

E. Will adversely affect the orderly development of property or the preservation of property values;

The agreement provides a coordinated framework for the project's land uses, infrastructure, phasing, and continuing operational responsibilities. Required public improvements serving each phase must be completed in accordance with the agreement and project approvals, supporting orderly development and avoiding occupancy before necessary improvements are available.

The approved architectural design, landscape treatments, setbacks, screening, lighting controls, and operational conditions provide transitions between the project and surrounding properties. The developer's obligation to maintain enhanced frontage landscaping contributes to the continuing appearance of the development along Avenue 52, Calhoun Street, and Van Buren Street.

Annual compliance review and applicable enforcement procedures provide mechanisms for monitoring performance of agreement obligations. Continuing resort management, maintenance, and operational requirements shall be established in the final agreement and related approvals for the applicable properties and successors.

These provisions support orderly development and maintenance of the site while protecting surrounding properties from incompatible physical and operational effects. Accordingly, the agreement will not adversely affect orderly development or preservation of property values.

F. Will have a positive fiscal impact on the city.

The project would generate potential City revenues through taxable lodging, commercial activity, property taxes, and applicable fees. Section 4.5 of the Development Agreement proposes a rebate of 50 percent of eligible transient occupancy tax revenue exceeding the applicable annual retention threshold for the first 15 years following resort opening at Phase 1 buildout, subject to a cumulative rebate cap of \$25 million.

The City would retain the first \$1 million of actual annual TOT collections at Phase 1 buildout of 167 units, the first \$1.5 million upon Phase 2 completion at 273 units, and the first \$2 million at full buildout of 402 units. These thresholds establish priority retention of actual collections and do not constitute guaranteed developer payments. The developer is not obligated to cover a shortfall. The City would retain all project TOT after the incentive period expires or the rebate cap is reached, subject to applicable tax requirements.

SECTION 4. Location and Custodian of Records. The documents and materials that constitute the record of proceedings on which these findings are based are located at Coachella Civic Center. The Community Development Director is the custodian of the record of proceedings.

SECTION 5. Execution of Resolution. The Planning Commission Chairperson shall sign this Resolution and the Planning Commission Secretary shall attest and certify to the passage and adoption thereof.

SECTION 6. Recommendation to City Council. Based on the foregoing recitals and findings above, and the written and oral comments, facts and evidence presented, the City of Coachella Planning Commission recommends that the City Council adopt an ordinance approving Development Agreement No. 25-01 for the “COVA” project proposing the development of a hotel, resort, residential, and commercial public beach club located on approximately 87 acres on four contiguous parcels (APNs 780-040-001, 780-040-003, 780-060-001, and 780-060-002) south of Avenue 52, west of Van Buren Street and east of Calhoun Street (“Project”). The applicant shall demonstrate compliance with ALL Conditions of Approval, as set forth in Exhibit “A” and Development Agreement in Exhibit “B” of this Resolution. Failure to demonstrate compliance with these conditions of approval may result in the delay of the Proposed Use or the rescinding of the City of Coachella’s conditional approval. Where the term “Applicant” is used in any condition of approval, this term shall also apply to the Property Owner, any developer, or any successor in the interest of the Applicant. It is the Applicant’s or Applicant’s successor in interest responsibility to fully comply with the conditions of approval unless subsequently modified in accordance with the City’s required processes and procedures.

SECTION 7. Severability. If any section, subsection, sentence, clause, phrase, or portion of this Resolution is for any reason held to be invalid or unconstitutional by the decision of any court of competent jurisdiction, such decision shall not affect the validity of the remaining portions of this Resolution. The Planning Commission of the City of Coachella hereby declares that it would have adopted this Resolution and each section, subsection, sentence, clause, phrase, or portion thereof irrespective of the fact that any one or more sections, subsections, sentences, clauses, phrases, or portions be declared invalid or unconstitutional.

PASSED, APPROVED, and ADOPTED this 7th day of October 2026.

AYES:

NOES:

ABSENT:

ABSTAIN:

Eva Lara, Chairperson
City of Coachella

ATTEST:

Kendra Reif
Planning Commission Secretary

APPROVED AS TO FORM:

Best Best & Krieger
City Attorney