



CITY OF MENIFEE

SUBJECT: First and Second Amendments to Commerce Pointe Development Agreement, DA No. 2012-116, PLN 22-071

MEETING DATE: August 10, 2022

TO: Planning Commission

PREPARED BY: Orlando Hernandez, Planning Manager

REVIEWED BY: Cheryl Kitzerow, Community Development Director

APPROVED BY: Cheryl Kitzerow, Community Development Director

APPLICANT: Scott Road Partners LLC

RECOMMENDED ACTION

1. Adopt a resolution recommending the City Council find that all potentially significant effects of the proposed project have been adequately analyzed in an earlier Environmental Impact Report (SCH 2006121062) adopted by the City; and
2. Recommend that the City Council adopt an ordinance approving the first and second amendments of the Commerce Pointe development agreement.

PROJECT DESCRIPTION

PLN22-071 is a request to amend the existing Commerce Pointe Development Agreement (DA 2012-116) by extending the term for the original vested rights/buildings an additional five years to December 19, 2028, as well as extend the term for uses under the I-P zone for the useful life of the buildings, with associated public benefits.

LOCATION

The project site is comprised of five (5) current parcels located on the northeast and southeast corners of Ciccotti Street and Zeiders Road in the City of Menifee, County of Riverside, State of California. APNs: 384-180-051, 384-180-052, 384-150-009, 384-150-010, and 384-150-011.

GENERAL PLAN/ZONING

Existing General Plan Land Use: Economic Development Corridor-Southern Gateway (EDC-SG)

Existing Zoning: Economic Development Corridor-Southern Gateway (EDC-SG). However, the vested land use/zoning is I-P zone for the term of the development agreement.

DISCUSSION

Background

On November 20, 2013, the City Council adopted Ordinance No. 2013-133 approving Development Agreement No. 2012-116 for property which was then known as Commerce Pointe I and Commerce Pointe II. The original parties to the DA were the City of Menifee and Zeiders Road Business Park, Inc., and Commerce Pointe II Menifee, Inc. The effective date of the DA was December 20, 2013 and is set to expire on December 19, 2023.

On March 2, 2022, the City Council adopted Industrial Good Neighbor Policies to provide local government and developers with ways to address environmental and neighborhood compatibility issues associated with permitting warehouse, logistics, and distribution centers. On March 16, 2022, the City Council adopted Change of Zone No. PLN21-0408, amending definitions and permitted uses in various Economic Development Corridor subareas, including the Southern Gateway subarea where the project is located.

As a result of the recent change of zone, uses established within Commerce Pointe when the original DA term ends on December 19, 2023, will be allowed to continue to operate subject to the terms of the City's non-conforming use ordinance. To achieve greater certainty with respect to the use of the Property in the future, the new owner has requested (i) the City extend the term of the DA to assure the construction of the project buildings will be completed while the DA is in effect and (ii) to assure the project buildings can be used for the remaining vested uses for which they were designed and constructed. In exchange for the extension of the DA, the following public benefits are proposed:

1. A lump sum payment to the City of \$2,500,000 in the timeframe specified in the First Amendment;
2. An additional lump sum payment to the City of \$250,000 as specifies in the Second Amendment;
3. Elimination of certain vested uses currently allowed in the I-P zone. The uses are listed in the Development Agreement;

ENVIRONMENTAL DETERMINATION

All impacts related to the Development Agreement and previous development approvals were analyzed in an Environmental Impact Report (SCH 2006121062) prepared for the original plot plan applications (PP21452/22280/2009-006), which was adopted by the City of Menifee City Council on November 20, 2013 (<https://www.cityofmenifee.us/325/Environmental-Notices-Documents>). No Further Environmental Documentation is required because: (a) all potentially significant effects of the proposed project have been adequately analyzed in an earlier Environmental Impact Report (EIR) adopted by the City of Menifee pursuant to applicable legal standards; (b) all potentially significant effects of the proposed project have been avoided or mitigated pursuant to that earlier EIR except those for which a statement of overriding considerations was adopted; (c) the proposed project will not result in any new significant environmental effects not identified in the earlier EIR; (d) the proposed project will not substantially

increase the severity of the environmental effects identified in the earlier EIR; (e) no considerably different mitigation measures have been identified; and (f) no mitigation measures found infeasible have become feasible.

PUBLIC NOTICE

The proposed project was originally noticed on May 27, 2022. A public notice was published within *The Press Enterprise*. Notices were also mailed to property owners within a 300-foot radius of the project site. All relevant public agencies were also notified of the public hearing. On June 8, 2022, the Planning Commission continued the item to the June 22, 2022, meeting, and it was further continued to July 13, 2022 and July 27, 2022. The project was re-noticed for the August 10, 2022 Planning Commission meeting.

ATTACHMENTS

1. PC Resolution Adopting First and Second Amendments to Development Agreement
2. Scott Road DA First Amendment Final Draft with Exhibits
3. Scott Road DAA Second Amendment 072622
4. Recorded Commerce Ponte DA