

**SUBMITTAL TO THE BOARD OF SUPERVISORS
COUNTY OF RIVERSIDE, STATE OF CALIFORNIA**

520B



FROM: TLMA - Planning Department

SUBMITTAL DATE:
April 25, 2007

SUBJECT: AGRICULTURAL PRESERVE CASE NO. 929 AND 930 / CHANGE OF ZONE NO. 7005 AND 7330 / TENTATIVE TRACT MAP NO. 32594 / TENTATIVE PARCEL MAP NO. 32888 – EA39682 AND 40378 – Applicant: Temecula Vineyard Estates, LLC – Engineer / Representative: Hunsaker & Associates Irvine, Inc. – Third Supervisorial District – Rancho California Zoning Area – Southwest Area Plan: Agriculture (AG) – Location: Northerly of and adjacent to Rancho California Road, southerly of and adjacent to Serena Way, easterly of and adjacent to Butterfield Stage Road and westerly of and adjacent to Serena Way – ±320 Gross Acres – 58 Residential Lots – Zoning: Citrus Vineyard - 10 Acre Minimum (C/V-10) and Citrus Vineyard - 20 Acre Minimum (C/V-20) – REQUEST: To change the zoning on approximately 291 acres from C/V-10 and C/V-20 to Citrus Vineyard - 5 Acre Minimum (C/V-5) and to change the zoning on approximately 30 acres from C/V-20 to C/V-10. The tentative tract map is a Schedule D subdivision of approximately 291 acres to include 58 clustered residential lots with agricultural buffers on approximately 127 acres, major circulation easement on approximately 11 acres, internal roadways totaling approximately 24 acres, 5 wineries on approximately 107 acres and 3 vineyard lots on approximately 21 acres. The tentative parcel map is a Schedule H subdivision of approximately 30 acres to 3 10-acre commercial vineyard lots. Both proposals include cancellation of the associated land conservation contract on affected portions of the agricultural preserves, diminishment of these areas from said agricultural preserves and re-entering the portions of land to be maintained as permanent vineyard back under contract.

RECOMMENDED MOTION:

THE COMPREHENSIVE AGRICULTURAL PRESERVE TECHNICAL ADVISORY COMMITTEE, BY A MAJORITY VOTE, RECOMMENDS TO THE BOARD OF SUPERVISORS:

Ron Goldman
Planning Director

RG:kb

REVIEWED BY EXECUTIVE OFFICE

DATE 4/30/07

Discretionary Concurrence

Dep't Recomm.: Consent
Per Exec. Ofc.: Consent
 Policy
 Policy

Prev. Agn. Ref. | District: Third | Agenda Number:

15.6

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DENIAL of **AGRICULTURAL PRESERVE CASE NO. 929**, to diminish Rancho California Agricultural Preserve No. 35, as amended, and cancel the associated land conservation contract in accordance with Agricultural Preserve Map No. 929; and,

DENIAL of **AGRICULTURAL PRESERVE CASE NO. 930**, to diminish Rancho California Agricultural Preserve No. 3, as amended, and cancel the associated land conservation contract in accordance with Agricultural Preserve Map No. 930.

On October 4, 2006, the Planning Department recommended Approval; and,
THE PLANNING COMMISSION UNANIMOUSLY RECOMMENDS TO THE BOARD OF SUPERVISORS:

ADOPTION of a **Mitigated Negative Declaration for Environmental Assessment NO. 39682**, based on the findings incorporated in the initial study and the conclusion that the project will not have a significant effect on the environment; and,

TENTATIVE APPROVAL of **CHANGE OF ZONE NO. 7005**, from Citrus Vineyard - 10 Acre Minimum (C/V-10) and Citrus Vineyard – 20 Acre Minimum (C/V-20) to Citrus Vineyard – 5 Acre Minimum (C/V-5), in accordance with Exhibit #3, based on the findings and conclusions incorporated in the staff report; and,

APPROVAL of **TENTATIVE TRACT MAP NO. 32594**, subject to the attached conditions of approval, and based upon the findings and conclusions incorporated in the staff report.

On April 4, 2007, the Planning Department recommended Approval; and,
THE PLANNING COMMISSION, BY A VOTE OF 4-1 (COMMISSIONER SNELL WAS ABSENT), RECOMMENDS TO THE BOARD OF SUPERVISORS:

ADOPTION of a **Mitigated Negative Declaration for Environmental Assessment NO. 40378**, based on the findings incorporated in the initial study and the conclusion that the project will not have a significant effect on the environment; and,

TENTATIVE APPROVAL of **CHANGE OF ZONE NO. 7330**, from Citrus Vineyard - 20 Acre Minimum (C/V-20) to Citrus Vineyard – 10 Acre Minimum (C/V-10), in accordance with Exhibit #3, based on the findings and conclusions incorporated in the staff report; and,

APPROVAL of **TENTATIVE PARCEL MAP NO. 32888**, subject to the attached conditions of approval, and based upon the findings and conclusions incorporated in the staff report.

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In the event that the Board approves the cancellation of the associated land conservation contracts on the affected portions of the project site and diminishment of these areas from said agricultural preserves, Planning staff further recommends that the Board:

AUTHORIZE the Chairman of the Board of Supervisors to execute the attached land conservation contracts for the real property to be maintained as permanent vineyard within Rancho California Agricultural Preserve No. 3 and Rancho California Agricultural Preserve No. 35;

DIRECT the Clerk of the Board to record the contracts with the County Recorder and transmit copies thereof to the Riverside County Planning Department, the Director of Conservation, State of California, and the Office of the Assessor of Riverside County.

BACKGROUND:

Related to Change of Zone No. 7005, Change of Zone No. 7330, Tentative Tract No. 32594 and Tentative Parcel Map No. 32888 are applications to diminish two (2) adjoining agricultural preserves and to cancel the associated land conservation contracts on portions of the property. Additionally, portions of the project site to be maintained as permanent vineyard will be re-entered under contract within the affected agricultural preserve. The Comprehensive Agricultural Preserve Technical Advisory Committee (CAPTAC) considered these applications on April 7, 2005.

Agricultural Preserve Case No. 929 and 930

The approximately 320-acre project site is located within two (2) existing agricultural preserves. Agricultural Preserve Case No. 929 and No. 930 and the associated petitions for cancellation, as originally submitted, requested to disestablish the affected agricultural preserves and, as the alternative land use, subdivide the project site into 58 residential estate lots having a minimum lot size of 5 acres and three 10-acre commercial vineyard sites. Based on the original submittals, which was prior to adoption of the new Citrus Vineyard Rural Policy Area and revised zoning ordinance, the landowner(s) filed notice(s) of non-renewal on the entire portion of the project site which was subject to Williamson Act Contracts. CAPTAC members found unanimously that, based on the original submittals, the cancellation was likely to result in the removal of adjacent lands from agricultural use.

However, upon adoption of the new Citrus Vineyard Rural Policy Area and revised zoning ordinance, Tract Map No. 32594 underwent substantial revisions which include the clustering of 58 residential lots with agricultural buffers on approximately 127 acres, major circulation easement on approximately 11 acres, internal roadways totaling approximately 24 acres, 5 wineries on approximately 107 acres and 3 vineyard lots on

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approximately 21 acres. As a result, approximately 127 acres will be subject to residential development and approximately 128 acres will remain in agricultural use and be re-entered under contract. Additionally, Assessor's Parcel No. (APN) 943-060-012, which is within the project site and lies at the northern boundary along La Serena Way, may be entered under contract at a later date as an enlargement of the existing agricultural preserve. Parcel Map No. 32888, which proposes to subdivide the southeast portion of the subject site into three 10-acre commercial vineyard sites, will remove approximately 28 acres from under contract; however, approximately 21.5 acres will be placed in vineyards for perpetuity. All CAPTAC members received copies of the policy area map, the revised zoning ordinance and design guidelines for the Citrus/Vineyard Policy Area following resubmittal of the revised map for additional comments, if any. No additional comments were received by staff.

Adoption of the new policy has effectively enabled the permanent preservation of agricultural land equivalent to more than one-half of the affected acreage. Re-entering under contract the portions of the land dedicated for vineyards will be done concurrent with the processing of the Tract Map and Parcel Map to the Board of Supervisors. Had the new policy been in effect at the time of the applicant's initial submittal, Notice of Non-Renewal would have been filed only on the affected portions of the subject site.

In summary, AG 929 and AG 930 are requests by Temecula Vineyard Estates, LLC, to cancel the existing contract on approximately 71 acres of land, located within Rancho California Agricultural Preserve No. 35, and re-enter under contract approximately 82 acres of land within the existing preserve; and, cancel the existing contract on approximately 85 acres of land, located within Rancho California Agricultural Preserve No. 3, and re-enter under contract approximately 43.5 acres of land within the existing preserve, respectively. Both TR32594 and PM32888 are the applicant's proposed alternative land uses of the site upon cancellation of the current land conservation contracts and diminishment of portions of the project site from the affected agricultural preserve.

CAPTAC met on April 7, 2005 and recommended DENIAL of the proposed cancellations based on the findings contained in the attached CAPTAC reports. Pursuant to Government Code Section 51284.1, copies of the complete applications for tentative cancellation were submitted to the State Department of Conservation for a mandatory 30-day review and comments. In their letter dated March 14, 2007, the State found that, based upon the information provided, the Board could not make the five required consistency findings. The State's letter concluded that the removal of adjacent land from agricultural use is likely and expressed concern that this and similar subdivisions of agricultural land could have significant direct, growth-inducing and cumulative impacts on agricultural land. Furthermore, in their letter they find that the applications lack substantial supporting evidence for the Board to determine that there is no proximate noncontracted land that is available and suitable for the use proposed on the contracted

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land or that development of the contracted land will provide a more contiguous pattern of urban development than development of proximate noncontracted land.

The Planning Department does not concur with CAPTAC or the State's conclusion, and is recommending APPROVAL of the diminishment of Rancho California Agricultural Preserve No. 35, Map No. 547, and Rancho California Agricultural Preserve No. 3, Map No. 108, as depicted on Map No. 929 and Map No. 930, respectively, and cancellation of the associated land conservation contracts, based on the findings and conclusions incorporated in the staff report.

Should the Board of Supervisors authorize tentative approval of the proposed cancellation, the applicant would be required to comply with the following conditions prior to issuance of a Certificate of Final Cancellation as outlined in Government Code Section 51283.4:

1. Payment within one year of the total amount of the cancellation fee of \$1,168,625.00 or for purposes of addressing independent development of TR32594 and PM32888 such lesser amount identified by the Office of the Assessor which has apportioned the cancellation fee to be as follows: \$15,500.00 for portions of APN 943-260-025-9; \$198,625.00 for portions of APN 943-260-026-0; and, \$954,500.00 for portions of APN 943-260-027-1, to the Treasurer of Riverside County, or, if after one year following the date of recordation of the Certificate of Tentative Cancellation, payment of a re-computed fee; and
2. All conditions necessary for the County to issue grading permits for Tract Map No. 32594 (APN 943-260-027-1, 943-070-003-2 and 943-060-012-9) and to issue grading permits for Parcel Map No. 32888 (APN 943-260-026-0) shall have been met.

When all conditions and contingencies enumerated in the Certificate of Tentative Cancellation have been satisfied, the landowner shall notify the Board of Supervisors. Within 30 days of receipt of such notice, and upon determination that the conditions and contingencies have been satisfied, the Board of Supervisors shall cause to be executed and recorded a Certificate of Final Cancellation.

FINDINGS:

1. The approximately 320-acre site is comprised of four parcels (APN 943-060-012-9, 943-070-003-2, 943-260-026-0 and 943-260-027-1) and located north of and adjacent to Rancho California Road, south of and adjacent to La Serena Way, east of and adjacent to Butterfield Stage Road and west of and adjacent to La Serena in the Rancho California area of southwestern Riverside County.

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2. The project site currently older and newly planted grape vineyards.
3. The soils on the site for AG 929 are fifty (50) percent Class III, IV and VI, and, fifty (50) percent Class VII and VIII; and, for AG 930 are ten (10) percent Class I and II, sixty-five (65) percent Class III, IV and VI, and twenty-five (25) percent Class VII and VIII.
4. Two separate contracts affect a majority of the project site.
5. The first land conservation contract was entered into between Ely R. Callaway, Jr., and the County of Riverside for land within Rancho California Agricultural Preserve No. 35, Map No. 547. This contract is dated January 1, 1983 and was recorded on May 4, 1982 as Instrument No. 76452 in the Office of the County Recorder of Riverside, California.
6. A notice of non-renewal on Assessor's Parcel No. (APN) 943-070-003-2, 943-070-004-3, 943-080-003-3 and 943-080-004-4 (which became APN 943-070-003-2 and a portion of APN 943-260-027-1) was filed and accepted as complete for recordation by the Planning Department on September 25, 2003. The notice of non-renewal was recorded by the Riverside County Clerk and Recorder on September 25, 2003 as Instrument No. 2003-747934.
7. The second land conservation contract was entered into between Ely R. Callaway, Jr., and the County of Riverside for land within Rancho California Agricultural Preserve No. 3, Map No. 108. This contract is dated January 1, 1971 and was recorded on October 14, 1970 as Instrument No. 103845 in the Office of the County Recorder of Riverside, California.
8. A notice of non-renewal on APN 943-260-003 and 943-100-013 (which became portions of APN 943-260-025-9, 943-260-026-0 and 943-260-027-1) was filed and accepted as complete for recordation by the Planning Department on October 9, 2003. The notice of non-renewal was recorded by the Riverside County Clerk and Recorder on January 7, 2004 as Instrument No. 2004-0010703.
9. APN 943-060-012-9 has never been subject to contract but is a part of the project site.
10. Pursuant to both notices of non-renewal, the land conservation contract on the subject parcels will expire on January 1, 2013 and January 1, 2014, respectively (GC§51245 and R&T Code §426(c)).

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11. The landowner has applied for Tentative Tract No. 32594 and Tentative Parcel Map No. 32888, in conjunction with Change of Zone No. 7005 and 7330, respectively, as the alternative land uses of the site, as required by the cancellation procedures for a land conservation contract. The tract map proposes to subdivide approximately 291 acres to include 58 clustered residential lots with agricultural buffers on approximately 127 acres, a major circulation easement on approximately 11 acres, internal roadways totaling approximately 24 acres, 5 wineries on approximately 107 acres and 3 vineyard lots on approximately 21 acres. The parcel map proposes to subdivide approximately 30 acres located along the southeastern portion of the project site into three 10-acre commercial vineyard sites.
12. The project site is located in the Citrus Vineyard Rural Policy Area. This policy area and amended zoning text recognizes the need to provide for permanent preservation of vineyards while allowing for incidental commercial uses which provide economic viability to the primary vineyards and winery operations. Prior to the 2006 adoption of this new policy and design guidelines for development within this area, the transition of agricultural lands into 5-acre ranchettes was threatening to all but eliminate agricultural activities in this region. The new policy will result in the permanent preservation of approximately one-half of the agricultural lands located in the affected area. Therefore, the proposed cancellations will not result in the removal of adjacent lands from agriculture.
13. Approval of Change of Zone No. 7005, Change of Zone No. 7330, Tentative Tract Map No. 32594 and Tentative Parcel Map No. 32888, the proposed alternative uses will be consistent with the existing Riverside County General Plan, the Citrus/Vineyard Rural Policy Area and the proposed zoning.
14. The project site is located north of and adjacent to Rancho California Road, south of and adjacent to La Serena Way, east of and adjacent to Butterfield Stage Road and the City of Temecula and west of and adjacent to La Serena Way. Approximately 3 miles to the west of the project site, traversing the City in a northerly/southerly direction, is the I-15 Freeway. A major transportation corridor in Southern California, land uses such as commercial retail, business park and industrial are located along both sides of the freeway. Medium to high density single-family residential development is found, or identified in the City's planning area, further east of the freeway and of State Highway 79. Butterfield Stage Road currently functions as the City's eastern boundary, with land uses becoming less urban and more agricultural, more specifically vineyards, in the unincorporated area. Because of the proximity of urban development to the project site, the proposed cancellation is not expected to result in discontinuous patterns of urban development.

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15. Vacant parcels of non-contracted land lie northerly and easterly of the project site. The larger parcels in proximity of the site, which might accommodate this project, are already committed to proposed or approved subdivisions and are therefore not available or are also under contract. The site is located adjacent to the City of Temecula's city limits and medium to high density residential development. Therefore, development of the contracted land would provide more contiguous patterns of urban development than development of proximate, non-contracted land.
16. The cancellation fee was determined by the Riverside County Assessor's Office to be \$1,168,625.00.

CONCLUSIONS:

1. The cancellation is for land on which notices of non-renewal have been served.
2. The cancellation will not result in the removal of adjacent lands from agricultural use. The cancellation is consistent with the Citrus Vineyard Rural Policy Area and the adopted design guidelines for development in this area. The new policy, revised zoning text and design guidelines will result in the permanent preservation of approximately one-half of the agricultural lands located in the affected area.
3. The cancellation is for an alternative use which is consistent with the applicable provisions of the County General Plan and the Citrus Vineyard Rural Policy Area.
4. The cancellation will not result in discontinuous patterns of urban development. The project site is located adjacent to the City of Temecula's city limits and urban residential development.
5. Development of the contracted land would provide more contiguous patterns of urban development than development of proximate non-contracted land by promoting the logical extension of infrastructure and development from west to east.