

**NOTICE OF EXEMPTION**

TO:	FROM: City of Palm Desert
<input type="checkbox"/> Office of Planning and Research P. O. Box 3044, Room 113 Sacramento, CA 95812-3044	73-510 Fred Waring Drive Palm Desert, CA 92260
<input checked="" type="checkbox"/> Clerk of the Board of Supervisors or County Clerk County of: Riverside	2724 Gateway Dr, Riverside, CA 92507

1. Project Title:	PP24-0001 / CUP24-0003
2. Project Applicant:	Chelsea Investment
3. Project Location – Identify street address and cross streets or attach a map showing project site (preferably a USGS 15' or 7 1/2' topographical map identified by quadrangle name):	Riverside County Assessor's Parcel Number 622-370-014 approximately 1,000 feet south of the southeast corner of the intersection of Country Club Drive and Sagewood Drive
4. (a) Project Location – City: Palm Desert	(b) Project Location – County: Riverside
5. Description of nature, purpose, and beneficiaries of Project:	Precise Plan and Conditional Use Permit for a 40-unit multi-family residential apartment building located on a vacant 1.84-acre site located at APN 622-370-014 (Project Site) generally south of the Desert ARC campus located at 73-255 Country Club Drive.
6. Name of Public Agency approving project:	City of Palm Desert
7. Name of Person or Agency undertaking the project, including any person undertaking an activity that receives financial assistance from the Public Agency as part of the activity or the person receiving a lease, permit, license, certificate, or other entitlement of use from the Public Agency as part of the activity:	Chelsea Investment
8. Exempt status: (check one)	
(a) <input type="checkbox"/> Ministerial project.	(Pub. Res. Code § 21080(b)(1); State CEQA Guidelines § 15268)
(b) <input type="checkbox"/> Not a project.	
(c) <input type="checkbox"/> Emergency Project.	(Pub. Res. Code § 21080(b)(4); State CEQA Guidelines § 15269(b),(c))

(d) <input checked="" type="checkbox"/> Categorical Exemption. State type and section number:	State CEQA Guidelines §15332 – Class 32 In-fill project
(e) <input type="checkbox"/> Declared Emergency.	(Pub. Res. Code § 21080(b)(3); State CEQA Guidelines § 15269(a))
(f) <input type="checkbox"/> Statutory Exemption. State Code section number:	
(g) <input type="checkbox"/> Other. Explanation:	General Rule – Section 15061(b)(3)
9. Reason why project was exempt:	

The project is consistent with the criterion of §15332 as follows:

- a) The project is consistent with the applicable general plan designation and all applicable general plan policies as well as with applicable zoning designation and regulations.

*According to the diagram shown as Figure 3.1 Land Use Designations of the City of Palm Desert General Plan Land Use Element, the Project Site is designated Public Facility/Institutional Uses. This designation generally allows a range of government facilities and supportive uses, which may include residential land uses. The Project Site is also identified in the City's General Plan Housing Element adopted for the 6<sup>th</sup> Cycle of the Regional Housing Needs Assessment (RHNA) and certified by the California Department of Housing and Community Development ("HCD") on vacant land inventory sites table (Table III-47) as site "KK". This site is identified to provide a potential of 36 affordable units and supported Policy 1, Program 1.A of the City's Housing Element.*

*The Project Site is located within the Public/Institutional (P) zoning district within the Housing Overlay District (HOD). Development standards for the P zoning district are codified under Palm Desert Municipal Code Chapter 25.22.030. Alternatively, the project may utilize the standards of the Housing Overlay District, which allow development of uses permitted in the Planned Residential (PR) or Mixed Residential (R-2) zoning district subject to "flexible" standards which ensure efficient site planned and neighborhood compatibility. Multi-family apartments are allowed in the PR and R-2 zone and therefore the use can operate on the subject site without being Government-supported, -funded and/or -operated only. The proposed project will develop 1.84-acre site into a forty (40) unit multifamily residential building with 49-onsite parking spaces and open space and landscaping. The unit will be two stories tall and total approximately 39,453 square-feet including an approximately 1,543-square-foot community lounge on the ground floor. The units will be restricted for lower-income households for a 55-year term pursuant to a housing agreement with the City of Palm Desert. Therefore, the project is consistent with the Palm Desert General Plan and applicable zoning regulations and meets criterion a.*

- b) The proposed development occurs within city limits on a project site of no more than five (5) acres substantially surrounded by urban uses.

*The proposed development occurs within the municipal boundaries of the City of Palm Desert and located on a 1.84-acre parcel within a developed urban area. The Project Site is surrounded by urban uses in all directions. Therefore, the proposed Project meets criterion b.*

- c) The Project Site has no value as habitat for endangered, rare or threatened species.

*The proposed Project is located within a highly developed area, and therefore lacks habitat that is suitable for sensitive animal, or plant species. Additionally, the Project Site is highly disturbed and has been rough graded in the past and supports minimal vegetation and is surrounded by maintained landscape areas and block walls. This vegetation does not provided habitat for sensitive species due to its small size and is not contiguous with any areas that support existing native plant species. Therefore, the proposed project meets criterion c.*

- d) Approval of the project would not result in any significant effects relating to traffic, noise, air quality, or water quality.

Traffic: An assessment of potential traffic impacts of the project was prepared by the project applicant in the letter from Linscott, Law & Greenspan Engineers, dated March 13, 2024 ("Traffic Letter"). The traffic letter outlines the reasoning and conclusion that the project traffic impacts are considered less-than significant and is "screened out" from further level of service (LOS) and vehicle miles traveled (VMT) analysis in accordance with the Traffic Impact Analysis Guidelines for the Palm Desert. A summary of findings provided in the traffic letter is provided below:

- The proposed ARC Village Residential Project is forecast to generate 270 daily trips, with 16 trips (4 inbound, 12 outbound) produced in the AM peak hour and 20 trips (13 inbound, 7 outbound) produced in the PM peak hour on a "typical" weekday.
- According to the Screening Criteria in the City of Palm Desert Traffic Impact Analysis Guidelines, traffic impact studies will be prepared for all new development projects generating 100 or more peak hour trips based on the most recent edition of the Trip Generation Manual published by the Institute of Transportation Engineers (ITE).
- As a result, based on the Project's forecast peak hour trip generation potential, which is less than 50 peak hour trips, the proposed project will not significantly impact the surrounding transportation system and does not require the preparation of a traffic impact analysis that includes LOS analyses.
- The proposed project, which consists of 40 low-rise multifamily dwelling units, would screen out under the "Small Projects" criteria based on the "Multi Family (low-rise) Housing projects less than or equal

to 147 Dwelling Units” threshold.

*As a result, the traffic impacts of the proposed ARC Village Residential Project can be presumed to cause a less-than-significant impact.*

Noise: *The closest noise-sensitive land uses to the Project Site are residential uses which adjoin the project site. According to the noise element of the Palm Desert General Plan, the most predominant noise source in the City is motor vehicles. The City’s roadway system includes a range of facilities including freeways, highways, arterials and local streets and the nearest source of vehicle noise is Country Club Drive. The traffic generated by the project is less-than significant, and therefore it is presumed that the project contribution to roadway noise is less than significant. Additionally due to the distance of the project from Country Club Drive exceeding 900 lineal feet, it is not anticipated that the project will be impacted by roadway noise from Country Club Drive. Operation of the project would not exceed the City’s traffic or operational stationary source noise standards. Thus, the project would not result in a substantial permanent increase in ambient noise levels in the vicinity of the project above existing levels without the project and impacts would be less than significant.*

*The proposed project would generate short-term noise during excavation, grading, and construction. However, impacts would be temporary, and the project would be required to comply with the construction time parameters established in the City’s Noise Ordinance and hours of construction set by Palm Desert Municipal Code Chapter 9.24. Construction of the project would not exceed the City’s construction noise standards. Thus, the project would not result in a substantial temporary or periodic increase in noise and impacts would be less than significant.*

*Construction of the project has the potential to generate an increase in temporary or periodic noise through the use of heavy-duty construction equipment and through vehicle trips generated from construction workers traveling to and from the Project Site. However, use of construction equipment equipped with industry standard noise minimization strategies and compliance with the City’s Noise Ordinance would minimize the potential for noise generation. Noise from construction of the project would not exceed the City’s standards. Therefore, impacts related to construction noise would be less than significant. Project operations would generate an increase in ambient noise from roadway traffic and stationary noise. The project would not result in a substantial increase in roadway traffic noise and would not exceed the significance thresholds. Stationary noise sources would be designed in accordance with City standards and would not exceed the allowable noise levels. As a result, operational noise impacts would be less than significant.*

*As a result, the noise impacts of the proposed ARC Village Residential Project can be presumed to cause a less-than-significant impact.*

Air Quality: *As noted in the General Plan Update University Neighborhood Specific Plan Environmental Impact Report, page 4.3-1, “Palm Desert is located in the Salton Sea Air Basin (Basin) and the South Coast Air Quality Management District (SCAQMD) is the air pollution control district principally responsible for comprehensive air pollution control in the Basin.” Vehicle use, energy consumption, and associated air pollutant emissions are directly related to population growth. A project may be inconsistent with the 2016 SCAQMD Air Quality Management Plan (AQMP) if it would generate population, housing, or employment growth exceeding the forecasts for developing the AQMP.*

*The SCAQMD 2016 AQMP is based upon Southern California Association of Governments (SCAG) growth forecasts in their Regional Transportation Plan/Sustainable Communities Strategy (RTP/SCS), which in turn is based upon the City’s General Plan. The subject parcel is designated for Public Facilities uses and the project is consistent with the allowance for multi-family residential uses listed under the designation. Because the proposed project is consistent with General Plan, the project will not conflict with or obstruct the implementation of the AQMP. Therefore, the proposed project will have a less than significant impact.*

*Construction of the project has the potential to create air quality impacts through the use of heavy-duty construction equipment and through vehicle trips generated from construction workers traveling to and from the Project Site. In addition, fugitive dust emissions would result from grading and construction activities. However, use of typical construction equipment (in terms of size and age/emission standards) and compliance with standardized Rule 403a requirements and protocols (regarding dust control measures such as watering twice daily and track out prevention measures), minimizes air emissions to the extent warranted. As a result, project-related air-quality construction impacts would be less than significant.*

*As a result, the air quality impacts of the proposed ARC Village Residential Project can be presumed to cause a less-than-significant impact.*

Water Quality: *The Water Quality Management Plan (WQMP) prepared for this project site has a variety of nonstructural and structural control best management practices (BMPs) that will be implemented. These include the education of property owners, business owners, and residents, activity restrictions, irrigation and landscape management, and street sweeping. Also included are on-site signage and channel and slope protection. Based on the water quality management plan prepared for this project, the proposed management scheme will not impair any receiving waters. The project will be designed to retain on-site for the one-hundred year storm.*

*The project will not violate applicable water quality standards, will not discharge waste into the project drainage system, nor exceed any waste discharge requirements. The project will not substantially degrade water quality, create, or contribute runoff water that would exceed the capacity of any existing or planned stormwater drainage systems or provide substantial additional sources of polluted runoff. The proposed project is required to comply with the requirements of PDMC 26.49.060 and is designed to retain the stormwater from a one hundred-year, twenty-four-hour, duration storm on site. The proposed project would not adversely affect underground aquifers, drainage patterns, or surface water quality.*

*As a result, the water-quality impacts of the proposed ARC Village Residential Project can be presumed to cause a less-than-significant impact.*

- e) The site can be adequately served by all required utilities and public services.

*The project would be located in an existing highly urban area served by existing public utilities and services. A considerable increase in demand for services or utilities would not be anticipated with the implementation of the proposed project since it is located on an existing urban infill location. Thus, the project meets this criterion.*

#### **Exceptions to Categorical Exemption**

Additionally, CEQA Guidelines Section 15300.2 lists six exceptions that preclude project eligibility for a Categorical Exemption. None of these exceptions apply to the project as outlined below:

(a) Location. Classes 3, 4, 5, 6, and 11 are qualified by consideration of where the project is to be located--a project that is ordinarily insignificant in its impact on the environment may in a particularly sensitive environment be significant. Therefore, these classes are considered to apply in all instances, except where the project may impact on an environmental resource of hazardous or critical concern where designated, precisely mapped, and officially adopted pursuant to law by federal, state, or local agencies.

*This exception applies to Classes 3, 4, 5, 6, and 11. This exception does not apply to a Class 32 exemption and therefore does not apply to the proposed project. Furthermore, the Project Site is not located in a particularly sensitive environment and is located in an urban infill location and is surrounded by existing urban uses.*

(b) Cumulative Impact. All exemptions for these classes are inapplicable when the cumulative impact of successive projects of the same type in the same place, over time is significant.

*There is no substantial evidence on the record that the project would create a cumulative impact. There is no evidence of a potential significant cumulative impact because successive projects of the same type in the same place have not been approved and are not currently proposed. As a result, there is no evidence of significant cumulative impacts from successive projects of the same type in the same place, over time. Therefore, this exception does not apply to the project.*

(c) Significant Effect. A categorical exemption shall not be used for an activity where there is a reasonable possibility that the activity will have a significant effect on the environment due to unusual circumstances.

*No unusual circumstances exist for the proposed project, project site or immediate vicinity. The project is proposing to develop a two-story 40-unit apartment community. The project is consistent with the General Plan land use designation and zoning ordinance designation, and certified housing element. The Project is located in a developed urban neighborhood and is directly surrounded by urban uses in all directions, including existing multi-family housing. Therefore, no fair argument or substantial evidence exists to suggest the project would create a significant impact, nor can it be readily perceived that the project would create a significant impact. Therefore, this exception does not apply to the proposed project.*

(d) Scenic Highways. A categorical exemption shall not be used for a project which may result in damage to scenic resources, including but not limited to, trees, historic buildings, rock outcroppings, or similar resources,

within a highway officially designated as a state scenic highway. This does not apply to improvements which are required as mitigation by an adopted negative declaration or certified EIR.

*The nearest designated scenic highway is Highway 74 located approximately two-and-one-half (2.5) miles to the south of the Project Site. Due to the existing topography and developed land use pattern, the Project Site is not clearly visible from Highway 74. The project would have no impacts on an officially designated scenic highway. Therefore, this exception does not apply to the project.*

(e) Hazardous Waste Sites. A categorical exemption shall not be used for a project located on a site which is included on any list compiled pursuant to Section 65962.5 of the Government Code.

*According to the Department of Toxic Substance Control's database of hazardous waste site, EnviroStor, neither the Project Site nor any properties in the vicinity have been identified as a hazardous waste site. Thus, the Project Site has not been included on a list of hazardous materials sites compiled pursuant to Government Code Section 65962.5. Therefore, this exception does not apply to the project.*

(f) Historical Resources. A categorical exemption shall not be used for a project which may cause a substantial adverse change in the significance of a historical resource.

*The Project Site has not been identified as a historic resource by local or state agencies, nor has the Project Site been determined to be eligible for listing in the National Register of Historic Places or California Register of Historical Resources. Therefore, the project would not significantly affect historic resources on the Project Site or in the vicinity. Therefore, his exception does not apply to the project.*

10.	Lead Agency Contact Person:	Nick Melloni, Principal Planner
	Telephone:	(760) 346-0611
11.	If filed by applicant: Attach Preliminary Exemption Assessment (Form "A") before filing.	
12.	Has a Notice of Exemption been filed by the public agency approving the project? † Yes <input checked="" type="checkbox"/> † No <input type="checkbox"/>	
13.	Was a public hearing held by the lead agency to consider the exemption? † Yes <input checked="" type="checkbox"/> † No <input type="checkbox"/> If yes, the date of the public hearing was: May, 21, 2024	



Signature:

Date: May 21, 2024

Title: Principal Planner

†  Signed by Lead Agency

†  Signed by Applicant

Date Received for Filing: \_\_\_\_\_

(Clerk Stamp Here)

Authority cited: Sections 21083 and 21100, Public Resources Code.

Reference: Sections 21108, 21152, and 21152.1, Public Resources Code.