

**CITY OF PALM DESERT
STAFF REPORT**

MEETING DATE: January 8, 2026

PREPARED BY: Carlos Flores, AICP, Deputy Director of Development Services

SUBJECT: CONSIDERATION OF AN APPEAL OF A DECISION OF THE PLANNING COMMISSION ADOPTING A MITIGATED NEGATIVE DECLARATION AND APPROVING A PRECISE PLAN FOR THE CATAVINA RESIDENTIAL PROJECT

RECOMMENDATION:

Hold a public hearing and adopt a Resolution entitled “A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF PALM DESERT, CALIFORNIA, DENYING AN APPEAL AND CONFIRMING THE DECISION OF THE PLANNING COMMISSION OF THE CITY OF PALM DESERT, CALIFORNIA, TO ADOPT AN INITIAL STUDY MITIGATED NEGATIVE DECLARATION PURSUANT TO THE CALIFORNIA ENVIRONMENTAL QUALITY ACT (CEQA) AND APPROVING A PRECISE PLAN FOR THE CONSTRUCTION OF A 546 SINGLE FAMILY UNIT RESIDENTIAL COMMUNITY LOCATED SOUTH OF FRANK SINATRA DRIVE AND WEST OF PORTOLA AVENUE”

BACKGROUND/ANALYSIS:

Executive Summary

The City Council of Palm Desert (Council) is being asked to hold a public hearing to consider an appeal of a decision by the Palm Desert Planning Commission to adopt a Mitigated Negative Declaration and approving a Precise Plan for a 546 unit, single-family residential project. Below is a timeline summary of events:

Table 1 – Project Timeline

Date	Action
March 10, 2025	Precise Plan 25-0003 Application received
May 21, 2025	1 st Community Meeting
September 10, 2025	2 nd Community Meeting
October 1, 2025	CEQA comment period begins
October 3, 2025	CEQA letter received from Department of Toxic Substances Control (DTSC)
October 20, 2025	CEQA letter received from Department of Fish and Wildlife (CDFW)
October 20, 2025	CEQA public review period ends
November 3, 2025	Project comment letter received from “SAFER”

November 4, 2025	Planning Commission holds public hearing for PP25-0003 and continues to November 18, 2025
November 18, 2025	Planning Commission approves PP25-0003
November 24, 2025	Appeal received from SAFER

Background

On November 18, 2025, Blue Fern West, LLC (Applicant), received approval from the City of Palm Desert Planning Commission (“Commission”) for a Precise Plan and Initial Study Mitigated Negative Declaration (ISMND) to construct 546 single-family residences (SFR) on approximately 81 acres, including onsite circulation, utility infrastructure, stormwater facilities, lighting, and open space areas (Project). The Project will include a mix of single- and two-story homes distributed across four planning areas located South of Frank Sinatra Drive and west of Portola Avenue on Assessor’s Parcel Number (APN) 620-170-009.

The Project was approved via Planning Commission Resolution No. 2904 at a public hearing. The Project was originally on the agenda for November 4, 2025, but was continued until November 18, 2025, at which time the Commission adopted Commission Resolutions 2904, 2905, and 2907. Attachment 2 includes the Commission staff report dated November 18, 2025, which provides information on the entire Project. The full agenda packet for November 18, 2025, can be accessed by clicking the following link: [Planning Commission - November 18, 2025](#). The Project approval included:

- Resolution 2904 (Attachment 3): ISMND and Precise Plan 25-0003 (PP25-0003), which finds that all environmental impacts of the Project are either insignificant or can be mitigated to a less than significant level pursuant to the mitigation measures outlined in the ISMND. PP25-0003 establishes the site layout and development for the 546 SFR units, minimum lot sizes, location of single and two-story homes, location of streets, recreation, retention, open space areas, and landscaping layout.
- Resolution 2905: Master Infrastructure Map (TTM 39159), which establishes the Project framework by subdividing the site into six lots, including three lettered lots for the spine road and retention basins, and one for the existing cell tower. TTM 39159 was found to be consistent with the MND adopted via Resolution 2904.
- Resolution 2907: Phased Subdivision Map (TTM 39160), which creates the residential lots and facilitates future sale or development of the parcels. This establishes the site layout and development for the 546 SFR units, location of streets, recreation, retention, open space areas, and establishes a phased approach. TTM 39160 was found to be consistent with the MND adopted via Resolution 2904.

Appeal

On November 24, 2025, the City of Palm Desert’s Development Services Department received an appeal application and associated fee from Supporters Alliance for Environmental Responsibility (“Appellant”) appealing the Commission’s decision to adopt Commission Resolution No. 2904 (Attachment 4, dated December 1, 2025). The reasons stated for the appeal are as follows:

“SAFER [Appellant] is concerned that the IS/MND prepared for this project is improper under the California Environmental Quality Act due to the IS/MND’s failure to adequately assess the Project’s potentially significant environmental impacts. SAFER requests that an environmental impact report (EIR) be prepared for the Project rather than an MND because there is a fair argument that the Project may have adverse environmental impacts, including, but not limited to, impacts to air quality and biological resources”.

No additional evidence or reason has been submitted as of the date of this report. The Appellant has stated that they reserve the right to provide further comments and evidence prior to and at the City Council’s hearing on the appeal.

The Appellant had previously provided comments to the Commission on the Project for the November 4, 2025, Commission meeting (Attachment 6). The Appellant requested an environmental impact report (EIR) be prepared due to their concern “that the IS/MND is improper under [CEQA] due to the IS/MND’s failure to adequately assess the Project’s potentially significant environmental impacts”. They cited that the Department of Toxic Substances Control (DTSC) “has raised concerns that the Project may contain contaminants of concern, including pesticides and organochlorine pesticides historically used on the property”. Additionally, they cited a letter from the California Department of Fish and Wildlife (CDFW) which stated that the ISMND “lacks a complete assessment of biological resources associated with burrowing owls within the Project site and surrounding area”.

Procedures

Palm Desert Municipal Code (PDMC) Section 25.60.080 establishes procedures for appeals of land use decisions and designates the Council as the appeal authority for decisions made by the Commission. According to PDMC Section 25.60.080 (F), the appeal is “considered a de novo (new) hearing, and acting on the appeal, the Council shall state the basis for its action. The Council, as the appeal authority, may act to confirm, modify, reverse the action of the Commission, the approving authority, in whole or in part, or add or amend such conditions as it deems necessary. The action of the Council is final on the date of the decision and may not be further appealed.” PDMC Section 25.60.080 requires an appeal hearing to be within 40 days of the date of the appeal filing, unless otherwise agreed to by the applicant. The Applicant and Appellant agreed to a January 8, 2026, City Council public hearing for the appeal, 45 days after the appeal was filed.

Initial Study Mitigated Negative Declaration (ISMND)

The primary argument for the appeal is based on the findings of the ISMND. An Initial Study (IS) is a preliminary analysis prepared for a project to determine whether an EIR or negative declaration must be prepared pursuant to the requirements of the California Environmental Quality Act (CEQA). The purpose of the IS is to determine whether there may be a significant environmental impact. An IS was prepared for the Project evaluating the required 21 factors for potential environmental impact pursuant to CEQA guidelines. The following factors were analyzed to have at least one impact that is a “Less Than Significant Impact with Mitigation Incorporated”: Biological Resources, Geology and Soils, Cultural Resources, Transportation,

Hazards and Hazardous Materials, Tribal Cultural Resources, and Mandatory Findings of Significance.

In Section 4.3 of the ISMND, Air Quality was determined to have less than significant impacts primarily based upon Appendix A of the ISMND "Air Quality/Greenhouse Gas/Energy Modeling Results". This is determined by using the applicable criteria which include:

- Conflict with or obstructing implementation of the applicable air quality plan
- Result in a considerable net increase of any criteria pollutant for which the project region is non-attainment under an applicable federal or state ambient air quality standards
- Expose sensitive receptors to substantial pollutant concentrations
- Result in other emissions adversely affecting a substantial number of people.

In the City of Palm Desert's role as the lead agency under CEQA, the Planning Commission found that the Project complied with the requirements of the "2024 Local Guidelines for Implementing the California Environmental Quality Act for the City of Palm Desert" Resolution No. 2024-035. An ISMND was prepared and found that although the proposed Project could have a significant effect on the environment, all environmental impacts of the Project are either insignificant or can be mitigated to a less than significant level pursuant to the mitigation measures outlined in the ISMND and the Mitigation Monitoring and Reporting Program (MMRP).

CEQA Public Comment Period

The City published a Notice of Intent to Adopt a Mitigated Negative Declaration on October 1, 2025, in accordance with CEQA guidelines. The public review period for the MND was from October 1, 2025, through October 20, 2025. During this review period, the City received a comment letter from the DTSC and CDFW. Although the CEQA Guidelines do not require a lead agency to prepare written responses to comments received (CEQA Guidelines Section 15088), written responses were provided to both agencies and are found in Section 2.0 of the ISMND (Attachment 3, Exhibit A). In response to the comment letters, the ISMND revised two (2) Biological Resources mitigation measures, added one (1) Biological Resources mitigation measure, and revised language on the Hazards and Hazardous Materials section. An Errata Section 3.0 was added to the ISMND which details these changes. No comments were received and no revisions requested for the Air Quality section of the ISMND. The ISMND was not substantially revised after public notice of its availability from October 1, 2025, through October 20, 2025, and recirculation was not required. (State CEQA Guidelines, § 15073.5.)

In the October 3, 2025, DTSC comment letter, they recommended that the Project's soil be tested to determine whether it contained arsenic and organochloride pesticides and herbicides. Based on the Phase I Environmental Site Assessment (ESA) that the Applicant's soils consultant, Geo Tek, conducted for the Project, there was no indication that compounds containing arsenic or organochlorides had been used at the subject property. Nevertheless, out of an abundance of caution, Geotek took soil samples from the site on December 11, 2025 and had them tested for organochlorides and arsenic, as suggested in the comment letter. The test results show that neither organochlorides nor arsenic pose a threat to workers or future residents of the Project. These findings were sent to DTSC in a letter on December 15, 2025. Based on these findings, the ISMND's no significant impact conclusion regarding hazardous substances remains valid and supported by substantial evidence.

In the October 20, 2025 DFW comment letter, they recommended five (5) modified or new mitigation measures related to burrowing owl and nighttime lighting. The approved ISMND was revised to include three (3) of the five (5) mitigation measures that were proposed by DFW. The only exceptions are proposed measure BIO-3, which would require focused surveys for western burrowing owl, and proposed measure BIO-[B], which would require standards for artificial nighttime lighting.

In consultation with the Project biologist, the City determined that such surveys were unnecessary for the following reasons:

- An extensive biological survey was conducted of the entire project site and accessible neighboring properties, and that survey was negative for burrowing owl individuals and burrowing owl sign;
- No suitable burrows or burrow surrogates (i.e., ground squirrel burrows, pipes, debris piles, etc.) of sufficient size and/or depth to support burrowing owl were observed on site; and
- The project site is highly disturbed, dominated by non-native grasses and mustards, with limited native vegetation and no evidence of active or historical burrowing owl use.

Based on these findings, and on CDFW's own guidance regarding when focused burrowing owl surveys should be conducted (i.e., upon evidence of suitable owl habitat or sign on or within 150 feet of the project site), focused surveys for burrowing owl are not warranted at this time. The ISMND did accept and incorporate the DFW's recommendation to conduct pre-construction surveys for burrowing owl "to ensure any new colonization or creation of burrowing owl burrows between now and construction will be detected and avoided."

Concerning the proposed measure BIO-[B], a mitigation measure for artificial nighttime lighting is not necessary based on the existing City of Palm Desert Municipal Code and General Plan Policy requirements. The Project would be subject to PDMC Chapter 9.24, Noise Control, and PDMC Chapter 24.16 Outdoor Lighting Requirements which limit construction hours and minimize light intrusion onto adjoining properties.

Appeal Findings

PDMC Section 25.60.080 (B) requires that all appeals must specifically state the basis or grounds of the appeal. The Appellant has failed to present substantial evidence to support the claim *"that an EIR needed to be prepared because there is a fair argument that the Project may have adverse environmental impacts, including, but not limited to, impacts to air quality and biological resources"*.

1. **Air Quality.** Potential air quality impacts were analyzed in the Initial Study/Mitigated Negative Declaration (ISMND) and were determined to be less than significant. No comments or evidence regarding air quality impacts were submitted during the public review period for the ISMND. As such, there is no evidence in the record to support a fair argument that the Project would result in significant air quality impacts.
2. **Biological Resources.** Biological resources impacts were also evaluated in the ISMND and were determined to be less than significant with mitigation. A total of four (4)

mitigation measures were incorporated into the ISMND, including three (3) measures developed in coordination with and based on input from the California Department of Fish and Wildlife (CDFW). These measures ensure that potential impacts to biological resources would be reduced to a less-than-significant level.

Appeal Determination

An Initial Study was prepared in accordance with the California Environmental Quality Act (CEQA), the State CEQA Guidelines, and the City of Palm Desert local CEQA guidelines. The Mitigated Negative Declaration contains a complete, objective, and accurate analysis of the Project's potential environmental impacts and reflects the independent judgment of the Planning Commission.

The IS/MND concludes that all potential environmental impacts are either insignificant or can be mitigated to a less-than-significant level through implementation of the identified mitigation measures. All comments received regarding the Project were reviewed and considered and were determined not to alter the conclusions of the IS/MND.

The appeal filed by SAFER broadly alleges potential impacts to air quality and biological resources without providing specific facts, technical analysis, or substantial evidence. In addition, SAFER's November 3, 2025 comment letter raised two concerns based on agency correspondence from the Department of Toxic Substances Control (DTSC) and CDFW:

- (1) the potential presence of contaminants of concern, including pesticides and organochlorine pesticides; and
- (2) potential impacts to burrowing owl, a candidate species under the California Endangered Species Act (CESA).

These issues are already adequately addressed in the environmental record, including the IS/MND, responses to comments, the staff report, and the applicant's response memorandum:

- An air quality analysis was conducted and concluded that impacts would be less than significant.
- A Phase I Environmental Site Assessment was completed and found no Recognized Environmental Conditions (RECs), including no evidence of organochlorine pesticides or arsenic on the Project site.
- Mitigation Measure BIO-3 requires pre-construction surveys and coordination with CDFW if burrowing owl are detected. No evidence of burrowing owl presence was observed, and no additional focused surveys are required.

Legal Review:

This report has been reviewed by the City Attorney's Office.

Public Notification:

Community Engagement

The Applicant met all of the requirements outlined in PDMC 25.60.160 Community Engagement. This included conducting two (2) publicly noticed community engagement meetings on May 21,

2025 and September 10, 2025, with a City staff representative in attendance. The Applicant responded to questions about two-story homes, development timeline, traffic and circulation, and dust control. The meetings had approximately 33 people in attendance.

Public notice was conducted for the November 4, 2025, Planning Commission meeting, as required by the Palm Desert Municipal Code (PDMC). A Public Hearing notice was published a minimum of 10 days before the hearing date on Friday, October 24, 2025, in The Desert Sun newspaper. Notices were mailed to all property owners within a 1,000-foot radius of the Project site. The Planning Commission continued the public hearing to a date certain of November 18, 2025. During the November 4, 2025 and November 18, 2025, Planning Commission public hearings, public comments were received with concern about the distance to neighbors, traffic, and heights.

Public notice was conducted for the January 8, 2026, City Council meeting. A Public Hearing notice was published on December 26, 2025, and mailed to all property owners within 1,000 feet of the Project site.

FINANCIAL IMPACT:

There is no direct fiscal impact with this action.

ATTACHMENTS:

1. Draft City Council Resolution
2. Planning Commission Staff Report November 18, 2025
3. PC Draft Resolution 2904
 - a. Exhibit A ISMND Response to Comments and MMRP
 - b. Exhibit B PP25-0003 Conditions of Approval
4. Appeal Application
5. PP25-0003 Site Layout Plan
6. SAFER PC Comment
7. CEQA Notice of Intent
8. Community Engagement Letter
9. Public Hearing Notice
10. Applicant Response Memorandum dated December 12, 2025
11. Applicant Response Memorandum dated December 15, 2025

CONFLICT OF INTEREST AWARENESS CHECKLIST:

Site-Specific Property Interest – Councilmembers should check if they own or lease real property within 1,000 feet of the project site (Gov. Code § 87103(b); FPPC Reg. 18702.2).

SB 1439 Applicability (Campaign Contributions) – Applies to licenses, permits, or other entitlements for use, and to contracts or franchise agreements other than competitively bid, labor, or personal employment contracts.

Applicant(s)/Appellant(s): Blue Fern West, LLC (Applicant) and Supporters Alliance for Environmental Responsibility “SAFER” (Appellant)

Councilmembers should review any campaign contributions received within the last 12 months from parties or participants to the proceeding and must not accept contributions over \$500 from those parties for 12 months following the final decision (Gov. Code § 84308).

Note: These indicators are informational and do not constitute a legal determination. Each Councilmember is responsible for identifying and disclosing any disqualifying interests in accordance with the Political Reform Act and FPPC regulations.