



## CITY OF BANNING STAFF REPORT

**TO:** CITY COUNCIL

**FROM:** Douglas Schulze, City Manager

**PREPARED BY:** Nate Smith, Deputy Director of Public Works/City Engineer  
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**MEETING DATE:** November 12, 2024

**SUBJECT:** Update on the Sun Lakes Boulevard Extension Project and Consideration of Resolution 2024-184, Approving EA 24-0051, An Initial Study/Mitigated Negative Declaration and Mitigation Monitoring and Reporting Program Pursuant to the California Environmental Quality Act for the Sun Lakes Boulevard Extension Project

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### **RECOMMENDATION:**

Adopt Resolution 2024-184.

### **BACKGROUND:**

The proposed Sun Lakes Boulevard Extension Project ("SLB Extension Project") is identified on the Council approved Capital Improvement Program and, once constructed, would complete a gap in the roadway and circulation network along Sun Lakes Boulevard between Highland Home Road and Sunset Avenue. This unfinished portion of Sun Lakes Boulevard has been identified on the City's circulation element dating back to at least 1994. This staff report (1) provides an update to City Council on the progress of the SLB Extension Project including a summary of important and necessary steps to continue to move the SLB Extension Project to the construction phase, and (2) discusses the Final Initial Study ("IS"), Mitigated Negative Declaration ("MND"), and Mitigation Monitoring and Reporting Program ("MMRP") prepared for the SLB Extension Project, which staff is recommending the Council's adoption of.

### **SLB Extension Project Initiation**

The SLB Extension Project has been a vision for the City since the construction of the Sun Lakes Country Club starting in the mid 1980's to provide an important secondary access point from the Sun Lakes County Club community to Sunset Avenue, relieving pressure of Highland Springs Avenue. Initial steps were taken with a Right of Way dedication to the City of Banning on Parcel Map 25541 in February of 1990. In 2020, the City Council revived efforts to complete the SLB Extension Project with the following actions:

- Resolution 2020-21 (adopted on 2/11/20): Accepting the lots dedicated to the City on Parcel Map 25541;
- Resolution 2020-48 (adopted on 4/14/20): Awarding a Professional Services Agreement for the design of the SLB Extension Project to Albert A Webb Associates; and
- Resolution 2020-97 (adopted on 7/14/20): Approving A TUMF Reimbursement Agreement with the Western Riverside Council Of Governments for \$1,000,000 in TUMF funds City expenditures related to the SLB Extension Project.

The City Council's adoption of the resolutions listed above in 2020 started the City's efforts to design the proposed SLB Extension Project and, once designed, prepare the environmental review documents for the SLB Extension Project based on the project scope identified in the design documents.

### **SLB Extension Project Status**

In the time since the initiation of the design contract in 2020, City staff and the City's consultant, Albert A. Webb Associated, have engaged continuously to get the SLB Extension Project to an environmentally cleared and shovel ready condition. A redesign effort was necessitated when comments were received from (1) the U.S. Fish and Wildlife Service ("USFWS"), (2) the California Department of Fish and Wildlife ("CDFW"), and (3) utility holders within the existing utility corridor. These comments required the City to revise the initial project design and negotiate with the stakeholders mentioned above on an acceptable design solution. Once those efforts were completed, City staff and the City's Consultant revised the necessary studies, reports, and plans.

On September 5, 2024, the City received notice from the USFWS and the CDFW of clearance of the SLB Extension Project's Determination of Biologically Equivalent of Superior Preservation (DBESP), which documents the SLB Extension Project's consistency with the Multiple Species Habitat Conservation Plan ("MSHCP"), allowing the City to circulate the SLB Extension Project's IS/MND for public review and comment, thereby completing a significant hurdle in getting the SLB Extension Project shovel ready.

The construction plans are now 100%, and bid documents are being prepared in order to issue a Notice Inviting Bids. There are three (3) private utilities that have easements in the corridor that are still in process:

- Williams Pipeline - The City has received a Letter of Non Interference from this entity and they will allow the Project to proceed with the roadwork in compliance with their encroachment permit conditions.
- Lumen - The City has met with the easement holder and provided necessary information to initiate the encroachment permit process. Initial responses have been received that would require the City to show that the pipeline can be protected in place to continue forward.
- Kinder Morgan - On October 24th, 2024, the City Council approved a Reimbursement Agreement with SFPP, L.P., (Resolution 2024-170) the successor in interest to Kinder Morgan for costs associated with the design and relocation of pipeline facilities owned and operated by SFPP, L.P., in related to the SLB Extension Project. Staff is processing the necessary paperwork to advance this item.

### **Environmental Review of the SLB Extension Project (IS/MND)**

The City, as lead agency for the SLB Extension Project, prepared an Initial Study for the SLB Extension Project in accordance with the requirements of the California Environmental Quality Act. Based on the findings of the IS, a Mitigated Negative Declaration ("MND") with a Mitigation Monitoring and Reporting Program ("MMRP") was prepared by Albert A. Webb Associates, the City's consultant, pursuant to the scope of services of the Professional Services Agreement awarded by the City Council by adoption of Resolution 2020-48. The IS/MND concludes that the Project, with proposed mitigation measures, would not have a significant effect on the environment. The mitigation measures within the MMRP conclude that the proposed Project will have a less than significant effect on the environment with their implementation.

The IS/MND, Technical Appendices for the IS/MND, MMRP, and the Notice of Intent to Adopt the IS/MND ("NOI") were published on the City of Banning website (<https://www.banningca.gov/928/Sun-Lakes-Blvd-Extension>) under the Public Works Department/Engineering Division page on September 6, 2024 and published to the State Clearinghouse on the State of California's CEQAnet website (<https://ceqanet.opr.ca.gov/2024090237/2>) on September 9, 2024. The IS, MND, and MMRP were also made available for public review and inspection at City Hall and the Banning Public Library. The NOI was also sent to interested parties, Responsible Agencies, Trustee Agencies, and Riverside County Clerk-

Recorded pursuant to section 15703 of the State CEQA Guidelines. A total of 31 notices were mailed via FedEx and U.S. Postal Service. The 30-day public review and comment period concluded at 5:00 p.m. on Tuesday, October 8, 2024.

The City of Banning received timely comments from 1 public agency and 1 private citizen during the public review period and one late comment after the public review period ended. All three comment letters were reviewed and addressed in the "Response to Comments" section of the Final Draft IS/MND included with this document. Copies of the comment letters received are also included as part of the Final Draft IS/MND. Based on review of the comments received and clarification and amplification of the analysis in the IS/MND, no new, unavoidable significant environmental effects were identified and therefore, pursuant to Section 15703.5 of the State CEQA Guidelines, recirculation of the environmental documents for this Project is not required.

The IS identifies the SLB Extension Project's environmental effects by use of an Environmental Factors Checklist, with a brief explanation or reference to indicate the evidence supporting the checklist entries (such as the certified EIR for the General Plan or the technical studies completed for the SLB Extension Project). The Checklist contains a list of questions about potential environmental effects organized by subject area. Each question asks whether a particular effect would result from the SMB Extension Project and is answered by checking a box for "potentially significant impact," "less than significant impact with mitigation incorporated," "less than significant impact," and "no impact." If one or more answers are "less than significant impact with mitigation incorporated" and all other answers are "no impact" or "less than significant impact" and the necessary mitigation measures are incorporated into a project, then an MND should be prepared. There were no answers found in the IS conducted for the SLB Extension Project to have "potentially significant effects." One or more answers were "no impact," "less than significant impact," and "less than significant impact with mitigation incorporated." Answers indicating "less than significant impact with mitigation incorporated" summarized below. Full details on the "no impacts," "less than significant impacts," "less than significant impacts with mitigation incorporated," and mitigation measures are available in the attached IS/MND and MMRP.

1) Biological Resources: The IS identified that there are "less than significant impacts with mitigation incorporated" for species identified as a candidate, sensitive, or special status. Mitigation for this impact are addressed with MM BIO-1: Vegetation Clearance and Preconstruction Nesting Bird Survey, MM BIO-2: Burrowing Owl Survey; MM BIO-3: Crotch's Bumble Bee Survey and Construction Monitoring; and MM BIO-4: Biological Worker's Environmental Awareness Program (WEAP).

2) Biological Resources: The IS identified that there are "less than significant impacts with mitigation incorporated" for riparian habitat or other sensitive natural community. Mitigation for this impact is addressed with MM BIO-5: Mitigation for Riparian/Riverine and Jurisdictional Impacts. This will mitigate 0.37 acres of permanent project impact and 0.09 acres of temporary project impacts with the conservation and enhancement of City owned land within Smith Creek at the eastern City Limits and participation with a Smith Creek Working group, led by the City, to review and address regional impacts to Smith Creek.

3) Biological Resources: The IS identified that there are "less than significant impacts with mitigation incorporated" for conflict with provisions of an adopted habitat conservation plan. Mitigations for this impact are addressed through compliance and implementation of provisions of the MSHCP, and with MM BIO-1, and MM BIO-5.

4) Cultural Resources: The IS identified that there are "less than significant impacts with mitigation incorporated" for inadvertent discovery of cultural artifacts. Mitigation for this impact is addressed with MM CR-1: Inadvertent Discovery.

5) Geology and Soils: The IS identified that there are "less than significant impacts with mitigation incorporated" for impacts to a unique paleontological or geologic feature. Mitigation for this impact are

addressed with MM GEO-1: Paleontological Worker Awareness Program (WEAP); MM GEO-2: Paleontological Resources Impact Mitigation Program (PRIMP); and MM GEO-3: Fossil Discoveries.

6) Tribal Cultural Resources: Based on consultation with Native American Tribes, the IS identified that there are "less than significant impacts with mitigation incorporated" for tribal cultural resources. Mitigation for this impact is addressed with MM CR-1.

Staff recommends that City Council adopt the attached resolution adopting the IS/MND and MMRP for the SLB Extension Project and authorize staff to file a Notice of Determination (NOD) with the Riverside County Clerk-Recorder and the State Clearinghouse within 5 days, which begins a 30-day statute of limitations for legal challenges on the environmental review of the Project.

### **Next Steps**

After the City files the NOD, City staff will file formal applications with the Regional Water Quality Control Board and the CDFW to obtain approval of the Dredge and Fill Permit and Streambed Alteration Agreement, respectively, which are necessary approvals to begin construction of the SLB Extension Project. It is anticipated that the approval of the necessary permits from the Regional Water Quality Control Board and the CDFW would be completed in as soon as 6 to 9 months.

City staff are also working to have encroachment permits in hand from the private utility holders (Williams, Kinder Morgan, Lumen) within that same 6-9 month period.

The City will also solicit bids for construction of the SLB Extension Project during this same period, anticipating a construction start date between April and June of 2025.

### **SLB Extension Project Funding**

The current SLB Extension Project cost estimate, which includes environmental mitigations and endowments, is estimated at \$38,000,000. The SLB Extension Project has benefitted from the following funding commitments from the City's regional funding partners:

- \$13,500,000 - Riverside County Transportation Commission Measure A Regional Arterials program (RCTC MARA)
- \$12,000,000 - Western Riverside County Council of Governments Transportation Uniform Fee Mitigation (WRCOG TUMF)
- \$2,320,000 - RCTC Measure A Road Funds
- \$2,500,000 - City of Banning Development Impact Fee (DIF)

In light of recent actions with WRCOG adjusting the TUMF impact fee schedules and increasing Project costs considered for reimbursement, Staff will pursue further adjustments and funding commitments from our regional partners.

### **Future City Council Actions**

There are several City Council actions that remain necessary to move the SLB Extension Project forward, and Public Works staff will bring those items back to Council as required to move the SLB Extension Project forward through construction. These items may include the following:

- Acceptance of Rights of Way and Easements necessary for SLB Extension Project construction and operation;
- Items related to encroachment permits for Lumen and Williams Pipelines;
- Construction contract awards;
- Items related to mitigation as described in the IS/MND; and
- Approval of additional funding.

Dates on these items and the exact form of these items are unknown at this time.

### **JUSTIFICATION:**

The adoption of Resolution 2024-184 will allow for the filing of the NOD for the SLB Extension Project, which is an implementing step for the construction of the Project. A NOD is required to apply for

construction applications from the CDFW and the Regional Water Quality Control Board. Permits from these agencies are a requirement prior to initiation of construction of the Project.

**FISCAL IMPACT:**

\$50 recordation fee with the Riverside County Clerk-Recorder and a \$2,916.75 filing fee with the California Department of Fish and Wildlife.

**ALTERNATIVES:**

Do not adopt Resolution 2024-184 and provide alternative direction to staff.

**BUDGETED?:**

Yes

**CONTRACT/AGREEMENT:**

Yes

**ATTACHMENTS:**

1. [Resolution 2024-184 Exhibit A SLB Final IS-MND.pdf](#)
2. [Att. 1 SLB Extension - NOI Mailing.pdf](#)
3. [Att. 2 CC Resolution No. 2020-021.pdf](#)
4. [Att. 3 CC Resolution No. 2020-048.pdf](#)
5. [Att. 4 CC Resolution No. 2020-097.pdf](#)
6. [Att. 5 Agreement TUMF Sun Lakes Blvd.pdf](#)
7. [Att 6. IS Appendix A - AQ-GHG Impact Memo.pdf](#)
8. [Att 7. IS Appendix B.1 - MSHCP Consistency Analysis.pdf](#)
9. [Att 8. IS Appendix B.2 - LA Pocket Mouse Survey Report.pdf](#)
10. [Att 9. IS Appendix B.3 - Burrowing Owl Survey Report.pdf](#)
11. [Att 10. IS Appendix B.4 - Narrow Endemic Plant Survey Report.pdf](#)
12. [Att 11. IS Appendix B.5 - Wet Dry Season Fairy Shrimp Survey Memo.pdf](#)
13. [Att 12. IS Appendix B.6 - Jurisdictional Delineation.pdf](#)
14. [Att 13. IS Appendix B.7 - DBESP Report.pdf](#)
15. [Att 14. IS Appendix C - Phase 1 Cultural Resources Assessment.pdf](#)
16. [Att 15. IS Appendix D - Energy Tables.pdf](#)
17. [Att. 16 IS Appendix E.1 - Geotechnical Investigation.pdf](#)
18. [Att. 17 IS Appendix E.2 - Paleo Memo.pdf](#)
19. [Att. 18 IS Appendix F - High Level Assessment of Potential Sediment Transport Impacts.pdf](#)
20. [Att. 19 IS Appendix G - Noise Analysis Report.pdf](#)
21. [Att. 20 IS Appendix H - VMT Screening Analysis.pdf](#)
22. [Resolution 2024-184, MND.docx](#)