



COUNTY OF SAN DIEGO

LAND USE AGENDA ITEM

BOARD OF SUPERVISORS

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DATE: February 11, 2026

03

TO: Board of Supervisors

SUBJECT

COUNTY OF SAN DIEGO TRACT NO. 4750-1 (FINAL MAP NO. 14502): APPROVAL OF THIRD AMENDMENT TO AGREEMENT TO IMPROVE MAJOR SUBDIVISION AND SECOND AMENDMENT TO JOINT LIEN CONTRACT AND HOLDING AGREEMENT (EXTENSION OF TIME) AND RELATED CEQA EXEMPTIONS FOR RANCHO ALEGRE LOCATED IN THE FALLBROOK COMMUNITY PLAN AREA (DISTRICT: 5)

OVERVIEW

The San Diego County Code of Regulatory Ordinances establishes the requirements for time extensions for developers to complete required improvements on private development projects, including new or improved roads, water, and sewer facilities. As conditions of their permits, private development applicants are often required to construct specific improvements that benefit the public, such as roads and stormwater drainage systems. In many cases, these improvements are accepted by the County of San Diego (County) into the County-maintained system to be owned, operated, and maintained by the Department of Public Works (DPW). Subdivision Improvement Agreements outline the specific improvements that need to occur, when they need to be completed, and financial security requirements. The financial security requirements protect the County by ensuring any required improvements are constructed. In the event of a default by the applicant, financial security can be used by the County to complete the required improvements. However, under certain circumstances, the County can grant time extensions to allow an applicant additional time to complete the improvements, while simultaneously preserving the County's rights to have the public improvements constructed by the applicant.

The Rancho Alegre project (Project) includes 33 single-family residential lots on 116.15 acres and in the Fallbrook Community Plan. Since the subdivision map was recorded, the project has changed ownership and faced delays due to economic and financing challenges, which is why these required improvements have not been made. In these cases, it is typical for the County to grant a time extension to allow the developer additional time to construct the improvements. The project is located north of Reche Road between Ranger Road and Yucca Road. On October 28, 2015 (01), the Board approved the First Amendment to the Joint Agreement to Improve Major Subdivision, Lien Contract, and Holding Agreement, including extension of time to complete the subdivision improvements within two years. On September 17, 2024, the Director of Planning & Development Services approved the Second Amendment (Amendment) to Joint Agreement to

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Improve Major Subdivision and First Amendment to the Joint Lien Contract and Holding Agreement (Change of Ownership, and associated agreements). The subdivision owner has requested an additional two years to construct the public improvements. There is no limitation on the number of extensions that can be approved by the Board.

This is a request for the Board of Supervisors (Board) to approve the Third Amendment to Agreement to Improve Major Subdivision and Second Amendment to the Joint Lien Contract and Holding Agreement (Extension of Time) for the extension of time to allow a two-year extension of performance completion date for County Tract No. 4750-1 (Final Map No. 14502), also known as Rancho Alegre. If today's action is denied, the applicant would likely need to revise the development permits and approvals, which could require additional environmental review. These revisions could result in construction delays or impact project feasibility.

RECOMMENDATION(S)

CHIEF ADMINISTRATIVE OFFICER

1. Find that the approval of the Third Amendment to Agreement to Improve Major Subdivision and Second Amendment to the Joint Lien Contract and Holding Agreement (Extension of Time) (Attachment A, on file with the Clerk of the Board) and associated actions for County Tract No. 4750-1 is not a project subject to review under the California Environmental Quality Act (CEQA) pursuant to Sections 15061(b)(3) and 15378(b)(5) of the CEQA Guidelines because the administrative activities of the governments will not result in a direct or indirect physical change in the environment. Where it can be seen with certainty that there is no possibility that the activity in question may have a significant effect on the environment, the activity is not subject to CEQA.
2. Approve and authorize the Clerk of the Board of Supervisors (Clerk) to execute the Third Amendment to Agreement to Improve Major Subdivision and Second Amendment to the Joint Lien and Holding Agreement (Extension of Time). This agreement extends the time to construct improvements to two (2) years after the execution of this Second Amendment to Agreement.
3. Authorize the Clerk to forward the Third Amendment to Agreement to Improve Major Subdivision and Second Amendment to the Joint Lien Contract and Holding Agreement (Extension of Time) for Tract No. 4750-1, to the County Recorder for recordation.

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EQUITY IMPACT STATEMENT

Planning & Development Services (PDS) ensures that public improvements are constructed as part of new housing developments, such as roads and stormwater drainage systems. PDS ensures the completion of the public improvements through agreements and financial security, which ensures communities are safe. This extension to the improvement agreement will allow the applicant additional time to complete the required public improvements, which will help provide housing for unincorporated communities.

SUSTAINABILITY IMPACT STATEMENT

Planning & Development Services (PDS) is committed to promoting sustainable community growth by ensuring that essential public infrastructure, such as roads and stormwater drainage systems, is appropriately constructed in new housing developments. These improvements are essential for creating safe, resilient, and environmentally responsible communities. The extensions for improvement agreement provide additional time for the applicant to complete essential required improvements for the projects. This ensures that housing developments in the unincorporated communities meet both current and future sustainability standards.

FISCAL IMPACT

There is no fiscal impact associated with the approval of the requested time extension as presented today. If the developer moves forward with the project, they will incur all costs. There will be no change in net General Fund costs and no additional staff years.

BUSINESS IMPACT STATEMENT

N/A

ADVISORY BOARD STATEMENT

Staff reached out to the Fallbrook Planning Group regarding this extension request. As there are no changes to the approved subdivision, the Group expressed no concerns for the project. Staff also provided information on the projects to labor union stakeholders, environmental stakeholders, and the Land Development Technical Working Group. No concerns were received.

BACKGROUND

The Rancho Alegre project includes 33 single-family residential lots on 116.15 acres located in the Fallbrook Community Plan area. The original project did not include any amenities. However, the applicant now proposes to incorporate a passive park as part of the grading plan. The park would feature landscaped areas and open spaces designed for residents to enjoy outdoor activities. The project site is located approximately a half-mile north of Reche Road, on Yucca Road, approximately a half-mile south of Live Oak Park Road.

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On October 24, 1991, the San Diego County Planning and Environmental Review Board adopted the Environmental Findings and the Resolution approving the project. On December 4, 2002 (14), the Board approved the Final Map and Joint Agreement to Improve Major Subdivision for County of San Diego Tract No. 4750-1 recorded as Final Map 14502. Since the map was recorded, the project was transferred to a new owner, who assumed all associated responsibilities moving forward. The new owner has requested an additional two-year extension to construct the public improvements. Due to shifts in the economy and financing challenges, to date, no improvements or construction has begun on the overall project.

The California Subdivision Map Act requires developers to have completed required improvements, such as public streets, drainage, sewer, and water facilities, at the time a final map is approved. If improvements are not completed at the time the final map is approved, an alternative is for the County of San Diego (County) to enter into a secured subdivision agreement (Agreement) with the developer for completion of the public improvements. Security for the Agreement can include performance bonds, letters of credit, or a cash deposit. In accordance with Section 81.405 of the San Diego County Code of Regulatory Ordinances (County Code), improvements identified in the Agreement are required to be completed within two years from approval of the final map. On occasion, improvements are unable to be completed within that timeframe, and applicants may request additional time. The County Code provides authority to the Director of Planning & Development Services (PDS) and the Director of the Department of Public Works (DPW) to grant the first extension for up to two additional years. All subsequent extensions require Board approval.

In the event of a default by the applicant, bonding (or other accepted financial security) could be used to finance the required improvements. PDS staff have determined an extension is needed for this Agreement to ensure adequate financial security is in place due to the County's continued interest in receiving the public improvements. These time extensions preserve the County's and applicant's rights for the extension period. There is no limit in State law or the County's Subdivision Ordinance on the number of extensions, however, staff ensure that no construction occurs on the site until the improvement agreement is extended with updated financial security.

The improvement agreement and financial security provide the County with the ability to complete the improvements if the developer starts construction but does not finish. Staff have determined that there is adequate financial security (i.e., capacity through a bond or other financial instrument) for the subdivision map to guarantee completion of the remaining work for the agreement recommended for extension. In the event of a default by the applicant, this financial security could be used by the County to finish the public improvements required by the agreement. Today's request is to approve the Third Amendment to the Agreement for County Tract No. 4750-1 (Final Map No. 14502), which extends the time to construct improvements to two (2) years after the recordation of this Second Amendment.

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Security for this project is furnished by a lien contract over the property that will be increased to cover the updated cost of constructing the public improvements. A lien contract uses the value of the property as financial security instead of a bond or other financial instrument.

Subsequent Development Approvals

If the proposed action is denied and the Agreement is not extended, the applicant would likely need to revise the development permits and approvals, which could require additional environmental review. There may be significant changes in State and local requirements that may need to be addressed if new development permits and approvals are sought. It is not known at this time if a review and analysis of these requirements will allow for full development of the proposed subdivision. The owner may need to update grading and improvement plans, and will likely need to complete additional environmental review at the time any discretionary permits or approvals are sought (e.g., a grading permit) to address at least the following issues:

Updated studies, including Hydromodification Management Plans for Priority Development Projects, may be required prior to approval of grading and improvement plans for construction pursuant to County Watershed Protection, Stormwater Management, and Discharge Control Ordinance No. 10410 (N.S.), effective February 26, 2016, and Best Management Practice Design Manual. The County must be satisfied with the drainage engineering prior to approval of grading permits and improvement plans for construction pursuant to County Grading Ordinance No. 10224 (N.S.), effective October 25, 2012, and Flood Damage Prevention Ordinance No. 10091, adopted December 8, 2010.

ENVIRONMENTAL STATEMENT

Sections 15061(b)(3) and 15378(b)(5) of the CEQA Guidelines provide that administrative activities of governments will not result in a direct or indirect physical change in the environment and that CEQA applies only to projects which have the potential for causing a significant effect on the environment. Where it can be seen with certainty that there is no possibility that the activity in question may have a significant effect on the environment, the activity is not subject to CEQA. CEQA review was completed in connection with the approval of the Tentative Map, which was conditioned on completion of improvements identified in the agreements. The proposed action does not change any improvement obligations imposed at the time of Tentative Map approval. Therefore, the proposed action is not subject to CEQA review pursuant to Sections 15061(b)(3) and 15378(b)(5) of the CEQA Guidelines.

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LINKAGE TO THE COUNTY OF SAN DIEGO STRATEGIC PLAN

Today's proposed actions support all the Initiatives in the County of San Diego's 2026-2031 Strategic Plan. The project includes an amendment to an agreement to improve a major subdivision, ultimately creating new housing opportunities, once the project is fully built out. This will help meet the needs of a diverse community (Equity Initiative), provides a program that helps increase the well-being of our residents by improving housing opportunities (Community Initiative), and incorporates equity and environmental justice to reduce disproportionate housing access (Justice Initiative).

Respectfully submitted,

A handwritten signature in blue ink, appearing to read 'Dahvia Lynch', is placed over a light gray rectangular background.

DAHVIA LYNCH

Deputy Chief Administrative Officer

ATTACHMENT(S)

Attachment A-Third Amendment to Agreement to Improve Major Subdivision and Second Amendment to the Joint Lien Contract and Holding Agreement