

SECTION II LAND USE AND DEVELOPMENT PLAN**PROJECT SETTING**

The overall project property is comprised of 117 +/- acres (of which 100 is proposed for development) and proposes a maximum of 110 residential lots with considerable, untouched or revegetated open space. The site is vacant and lies within Planning Area 4 of the ESA-SP zone found within the Chino Cone alluvial fan (Exhibit 1). The project is located approximately 0.75 mile (distance varies) west of the intersection of North Palm Canyon Drive (State Highway 111) and Tram Way. Interstate-10 is approximately five miles north of the site. The geographical region within which the project site is located is known as the Colorado Desert, a subdivision of the Sonoran Desert. The San Jacinto Mountains surround the site to the west and south.

The Chino Cone is an alluvial fan deposit created by runoff from the San Jacinto Mountains located both west and south of the site. The near surface deposits consist of non-stratified to crudely stratified cobbles and boulders in a matrix of silty fine- to course-grained sand. The boulders and cobbles exposed at the surface are rounded to sub-rounded, suggesting high energy movement during placement. It is estimated that the cobbles and boulders comprise in excess of 50% and may be as high as 90% of the earth materials on site. Refer to Exhibits 8b, and 9 for photos of the existing topographic conditions found on site. The boulders on the site display varying colors that indicate their relative age in terms of when they were deposited on the site. Boulders display a darker, reddish-brown tone (commonly referred to as “desert varnish” or “patina”) the longer they have been stationary at a site, caused primarily by chemical reactions initiated by sunlight. There are many boulders on-site displaying this red coloration, indicating they were deposited much earlier in geologic time than those that are more silver to white in color.

Boulders removed from the initial on-site construction are proposed to be incorporated into the perimeter of the project boundary, and will aid in buffering the development from the adjacent residential tracts to the east, and motorists along Tram Way to the west and north.

The developable portion of the project site has a substantial change in elevation from west to east (~1040 feet above mean sea level at the west side and ~840 feet above mean sea level at the east side of the site). The elevation gain experienced from east to west, as well as north to south, provides dramatic down-valley views from the project site. This general trend in elevation is found throughout the Chino Cone alluvial plain (refer to Exhibit 7 – USGS Map). The Palm Springs Aerial Tramway Base Station, which leads to Mount San Jacinto Peak (10,834 feet) is approximately 2.5 miles to the west. The base station of the Aerial Tram way is at the 2,643 foot elevation. The upper station is at the 8,516 foot elevation.

There are approximately 9 acres of the project site's gross 117 acres that are not developable due to slopes exceeding 30%. These 9 acres are located on the southern edge of the property and the slopes comprise the foothills of the San Jacinto Mountains.

While the elevation trend is fairly constant throughout the site, there are several incised historic drainage courses resulting from runoff originating from the San Jacinto Mountains to the south and west. The project site is located within the eastern edge of a vast alluvial fan within which storm water and debris have historically flowed, creating the landscape of meandering channels and boulders evident today. The historic drainage pattern on the property is a meandering west to east flow, which has aided in creating the varying topographic conditions found on the site. The channels through the site range up to 25 feet in depth. The deepest channel is located along the southern edge of the property.

The Army Corps of Engineers constructed the Chino Canyon Levee in the 1960s to contain and direct occasional large amounts of water from Chino Creek during a significant rainfall event towards the Whitewater River to the northeast, keeping significant runoff away from residential uses and the heart of the City east of the Chino Cone. The construction of this levee has aided in placing the project site outside of the 500-year flood and has left many of the historic drainage channels on the eastern portions of the Chino Cone inactive for decades. As a result, the current storm flows through the property during a major event are considered small in relation to the size of the channel naturally created prior to the levee's construction.

Exhibit 8a shows the historic drainage channels that currently exist on the project site. Both large and small channels are outlined, along with the direction in which runoff has historically flowed. Refer to Exhibit 8b for locations and photographs of the existing conditions of these historic drainage channels. The project site plan has been designed to prohibit the construction of homes immediately adjacent to or incorporated within these drainage channels.

PROJECT DESCRIPTION

The proposed site plan for the Desert Palisades project and DWA reservoir site is presented in Exhibit 5. The Tentative Tract Map being submitted concurrently with this Specific Plan is illustrated in Exhibit 6. As previously mentioned, the project also includes the filing of a Change of Zone application to implement the ESA-SP Zoning (Planning Area 4) to the 117 acre project, while slightly modifying the boundary of Planning Area 4 from what was originally delineated by the City of Palm Springs (refer to Exhibit 4a).

Desert Palisades is proposed as a gated community consisting of a maximum of 110 single-family homes. The property is rectangular in shape and abuts the existing Little Tuscany residential tracts to the east. Of the total 117 acres, 100 are proposed for development. As a result, this proposed project maintains a maximum density of just over 1 dwelling unit per acre (110 lots / 100 acres = 1.08 du/ac max).

The proposed lots within the project range in size from 16,000 to 32,000 square feet in size with the average lot at 22,000 s.f. Private Residential lots consume 56 acres in total. On the perimeter of the project, no residential lots are proposed that touch the property line or any existing lots or homes. The perimeter buffers will be augmented with mounding, boulders and interspersed with drought tolerant landscaping to screen the development from the adjacent land uses including traffic on Tram Way.

The design of the lots has capitalized on the natural slope of the site to minimize the need to mass grade or to grade flat pads in order to develop each home site. The size, shape, configuration of lots varies greatly and avoids any uniform patterns. Most lots back onto a significant, untouched open space element so there are few back to back conditions. Natural features, such as existing small drainage channels and boulder fields will be left intact as much as possible to remain as part of the development's drainage and natural open space system. Where lots abut, a 15 to 20 foot buffer easement is proposed that will remain natural open space that adds to the network of natural terrain around each home site. No walls are allowed on property lines and setbacks will be measured from the buffer easement.

All homes will be constructed at either one story or split-level, with a maximum overall height of 25 feet (when homes are stepping with terrain in a split-level design, otherwise 18 feet) as outlined in the ESA-SP Zoning Ordinance. Homes will be constructed with an emphasis on the incorporation of the natural terrain into building form and massing. Building footprints for all structures within the project will not exceed 6,000 square feet unless multiple lots are combined in which case the footprint may increase to the amount allowed on each lot; to a maximum of 12,000 gross square feet. Each home site will be minimally graded individually to create adequate surfaces for home building, lessening overall site disturbance.

All site infrastructure including utilities and roadways, as well as interior pedestrian trails, will be constructed by the applicant. Once this infrastructure is in place, each

of the lots will be sold to individual buyers who will develop their plans following the development standards and design guidelines presented later in this Specific Plan prior to approval of any building permits for their homes.

All interior streets will be private (for vehicles) and constructed with decorative interlocking concrete pavers that complement the natural colors for the area (grey concrete or asphalt surfaces are prohibited in the City's ESA-SP Zone). The proposed street section for the private interior streets (as shown on the Tentative Tract Map in Exhibit 6) includes a 40 foot overall right-of-way. A 24 foot inverted pavement section is proposed as the driving surface with a concrete center gutter at the centerline to convey water. A variable width gravel shoulder is proposed for both sides of the street up to 8 feet in width to provide some on-street parking areas. These streets will be privately maintained by the Homeowner's Association. Due to the "custom" nature of the project, the timeline for home buildout is fully dependent on the characteristics of the housing market, and individual preferences of the property owners.

The site plan proposes the preservation of many natural open space and major drainage areas between lots. In addition, the portion of former Chino Canyon Road, which currently meanders through the southern portion of the site, and has not been maintained for quite some time, will be incorporated into the community as a hiking trail connecting the various Little Tuscany area tracts to the east to Tram Way. The project will be gated for vehicular access at both entry points proposed, but open for pedestrians to access the hiking trails through the site.

New public hiking trails will be added to the project site and this portion of the Chino Cone through the implementation of Desert Palisades. The locations of these hiking trails are shown on the Site Plan in Exhibit 5. All open space corridors and trails between home sites interior to the project are proposed to be left in a natural state. The trail fronting the south side of Tram Way (northwest corner of the property) will be wider than those interior to the project (8 feet) and will be surfaced with

decomposed granite. Additional discussion on the appearance and maintenance of the project's trail system is provided in later sections of this document, as well as Appendix A (Trails Analysis).

All home sites will enjoy a distant views of the Little San Bernardino Mountains to the northwest, and dramatic views of the San Jacinto Mountains to the west, and Coachella Valley floor to the south and east. The Santa Rosa Mountains will be partially visible in the distance to the south and east. Landscaping features will include the use of native and naturalized desert plants that will complement the natural beauty of the Chino Cone.

Desert Palisades will be obscured from most views by a landscaped boulder berm that is six to seven feet in height and roughly 36 feet to 42 feet wide at its base (bases upon a 1:3 slope) constructed from boulders relocated during excavation for the streets and infrastructure on the property. The proposed natural buffer along the eastern boundary of the site and the Little Tuscany residential neighborhoods to the east varies from 88 feet wide up to 150 feet. A buffer of approximately 110 feet is proposed between Tram Way and the project's homes.

The project as proposed includes one full access point and two emergency access points. The main gated entry into the project will come from the westerly extension of Racquet Club Road and will include monument signage, desert entry features and drought tolerant landscaping. Racquet Club Road will not be extended to Tram Way. A second access point is located at the westerly terminus of Sanborn Way but will be used only as a gated emergency access.

Because Tram Way is currently a private road which is gated in the evenings, only an emergency access point will be provided from this roadway (20 ft. wide), which will be gated near the northwest corner of the project. The site plan as designed provides adequate space for an expansion of the 20 ft. Tram Way emergency access drive to a full access entry for future residents, with minimal disturbance on

the landscape. Full access to and from Tram Way for residents of the project will be pursued if future development within the Chino Cone portion of the ESA-SP Zone warrants, and will be subject to review by the City and the San Jacinto Winter Park Authority at a later date. Tram Way is controlled by the Tram Authority

A 4+/- acre triangular portion of the property which makes up the northwest corner of the total property is located northwest of Tram Way, separated from the rest of the property by this roadway. The 110 lots, interior streets, and integrated open space are all proposed to be located southeast of Tram Way, and no development is currently proposed for this triangular portion of the site. This portion of the property is to remain in the originally proposed Planning Area 3 of the ESA-SP Zone. As a result, any future development on this portion of the property will be subject to additional review by the City.

There is also a 5 +/- acre parcel near the southeast corner of the property which is not owned by the developer and is not a part of the project. Although it is not a part of this project, it falls within the original boundary of Planning Area 4 of the ESA-SP Zone as outlined by the City.

This Specific Plan for Desert Palisades, which is required per the ESA-SP Zone to address the entire Planning Area, does not provide a development plan for this parcel, excluding it from the Specific Plan and Tentative Tract Map at this time. Any future development proposed by the owner of this 5+/- acre property will be subject to further City review and approval, including a possible amendment to this Specific Plan. The proposed private road for Desert Palisades passes close enough to this parcel to provide for future emergency access to that parcel if necessary.



Adopted January 5, 2011- Case 5.1154



EXHIBIT 6

Date: 06/29/10

	<p>MSA CONSULTING, INC. PLANNING & CIVIL ENGINEERING & LAND SERVICES 34200 BOB HOPE DRIVE • RANCHO MIRAGE • CA 92270 TELEPHONE (760) 330-9811 • FAX (760) 333-7893</p>	<p>Tentative Tract Map #35540 DESERT PALISADES - ESA-SP PLANNING AREA #4 SPECIFIC PLAN</p>
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Adopted January 5, 2011- Case 5.1154

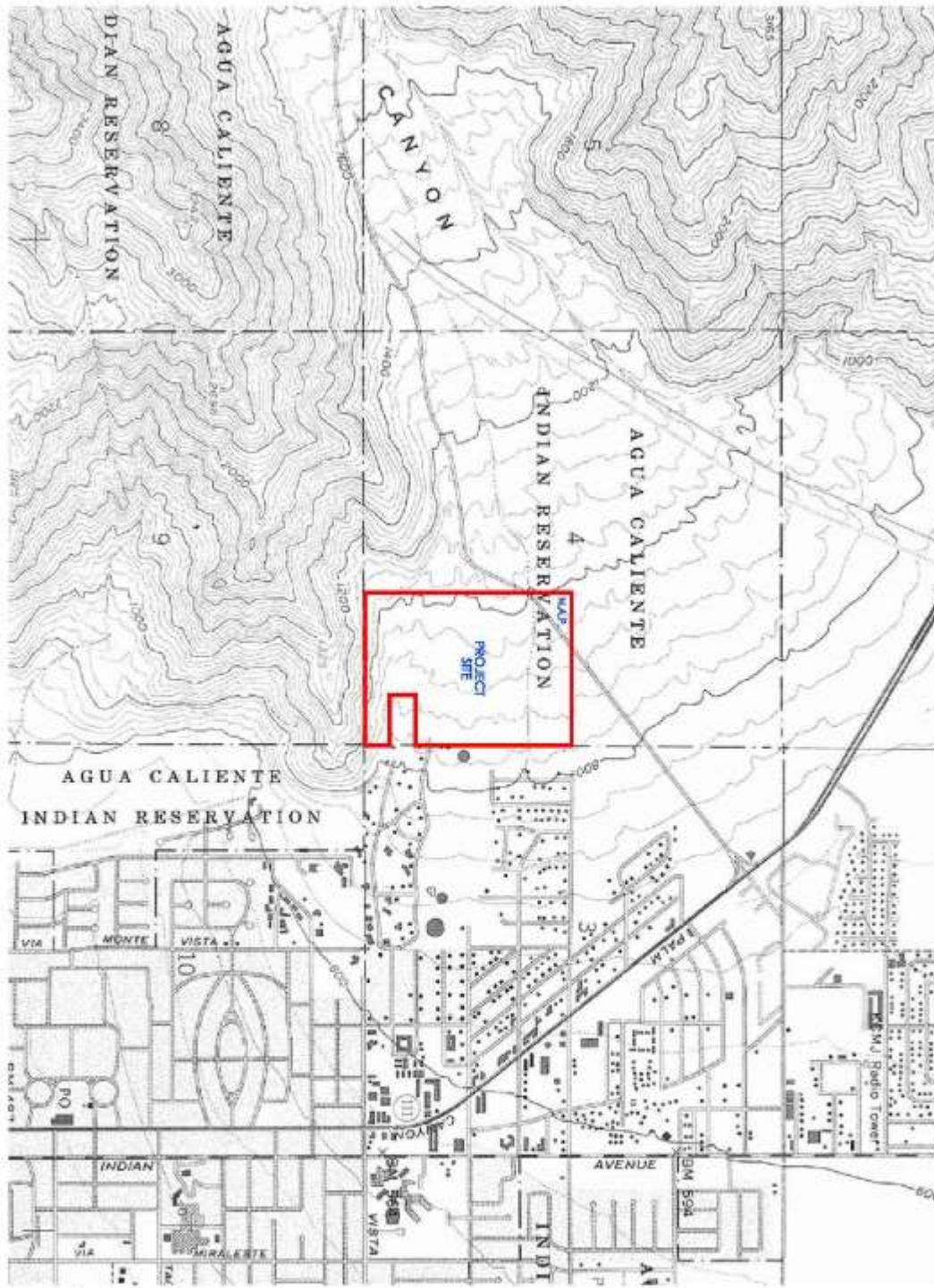

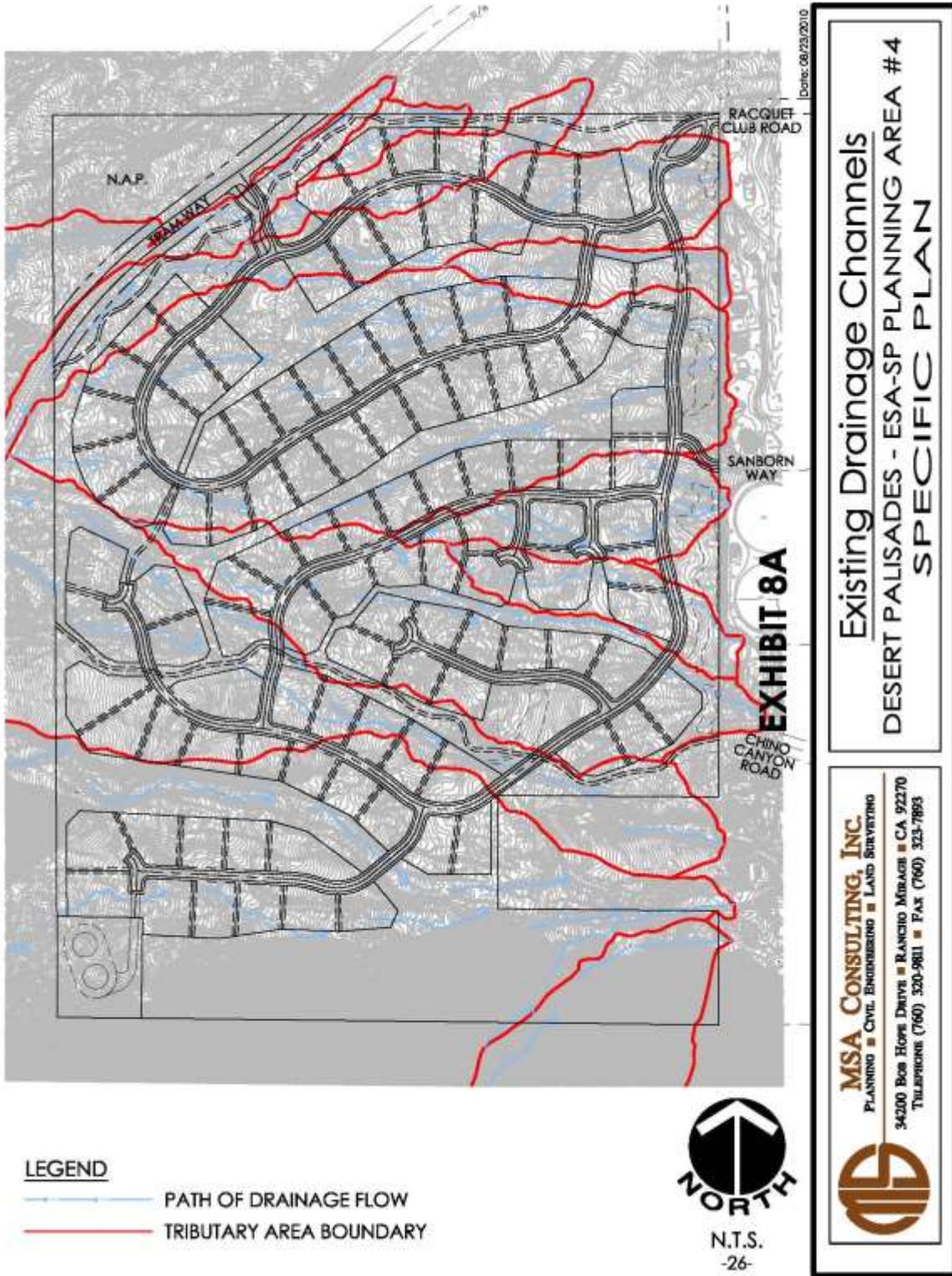


EXHIBIT 7

Date: 08/19/2010

 <p>MSA CONSULTING, INC. PLANNING • CIVIL ENGINEERING • LAND SERVICES 34300 200th Street Drive • Rancho Mirage • CA 92270 TELEPHONE (760) 333-0811 • FAX (760) 333-7893</p>	<p>U.S. Geological Survey DESERT PALISADES - ESA-SP PLANNING AREA #4 SPECIFIC PLAN</p>
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N.T.S.
1/27

EXHIBIT 8B

Date: 05/28/2010

	<p>MSA CONSULTING, INC. PLANNING & CIVIL ENGINEERING & LAND SERVICES 34200 Bear Hollow Drive • Rancho Mirage • CA 92270 Telephone (760) 330-9811 • Fax (760) 333-7893</p>	<p>Existing On-Site Drainage Conditions DESERT PALISADES - ESA-SP PLANNING AREA #4 SPECIFIC PLAN</p>
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Boulder cluster



Large rock outcropping



Boulder field



Large rock outcropping



Boulder field



Facing north across the site from the mountain slopes to the south



Near the center of the site facing north-northwest



N.T.S.
28

EXHIBIT 9

Circle 08/23/2010

	<p>MSA CONSULTING, INC. PLANNING & CIVIL ENGINEERING & LAND SERVICES 34200 RAN HOPE DRIVE ■ RANCHO MIRAGE ■ CA 92770 TELEPHONE (760) 330-9811 ■ FAX (760) 333-7893</p>	<p>Existing Site Photographs DESERT PALISADES - ESA-SP PLANNING AREA #4 SPECIFIC PLAN</p>
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PHASING PLAN

Because each of the lots within the project will be individually sold to buyers, it is expected that residences within the project will be constructed on a lot by lot basis over many years in response to market demands and the preferences of each property owner. As previously mentioned, site infrastructure (roads, trails, utilities) will be installed by the master developer in a single phase prior to the sale of home sites.

HYDROLOGY AND FLOOD CONTROL

The property is shown on the Flood Insurance Rate Map (FIRM), Community Panel No. 06065C1552G, Map Revised August 28, 2008 (Exhibit 10). The FIRM indicates that the northerly portion the property is included in Flood Zone X-Protected by Levee and Zone D-Undetermined which indicates that the property has possible but undetermined flood hazards for the southern portion. The flood control for the southern portion of the property would be handled through the project design and the implementation of the Palm Springs Master Plan of Drainage. After the project design has been completed, it will be submitted to FEMA for Flood Zone reclassification.

The project site is located within an alluvial fan over which storm water has historically flowed in an unpredictable manner. After the floods of 1938 and 1939, the Army Corps of Engineers studied ways to protect Palm Springs from the occasional storm waters that exceeded the capacity of Chino Creek. Thirty years later the Corps constructed the Chino Canyon Levee to convey large amounts of water from Chino Creek during a major storm event towards the Whitewater River to the northeast, away from Tram Way, its intersection with N. Palm Canyon Drive, residential uses to the south, and as had been experienced, flooding in the downtown. This levee has aided in placing a portion of the project site outside of the 500-year flood.

Since its construction in the 1960's by the Army Corps of Engineers, the Chino Canyon levee has been subsequently owned and maintained by Riverside County Flood Control (RCFC). Recently, the City of Palm Springs and RCFC have been formally notified of the need to evaluate the construction of the levee and determine if its construction meets current FEMA standards for levee construction. RCFC is the responsible party for coordinating with FEMA on this re-certification program; however, if RCFC is unable to demonstrate that the levee meets current FEMA construction requirements, the levee will be decertified and the area of land downstream of the levee (including the proposed project), currently shown as protected from the 100 year flood could be reclassified as subject to flooding. The Chino Cone Levee has been provisionally accredited by FEMA, with levee certification anticipated in late 2010.

According to the Palm Springs Master Drainage Plan Map, future storm drain facilities are proposed for the eastern extents of the Chino Cone, in anticipation of future development. The major line depicted on the map in the area of the project is Line 2, which is located on the eastern side of the Desert Palisades property. The project lies within the tributary area of Line 2 which calls for a 63" storm drain running in a northerly direction along the east side of the project and continuing north beneath Highway 111 to an eventual outlet to the Whitewater wash (see Exhibit 11a).

Exhibit 11b shows the route of Line 2 as it relates to approved and proposed projects which are either tributary to or contain a portion of the proposed line on-site. According to this exhibit, two projects along the route of Line 2 are approved, and have been conditioned to address their portion of Line 2: Mountain Gate (includes Mountain Gate I and II) and Crescendo. The table on the following page includes a summary of the projects/properties along Line 2, including acreage, estimated drainage acreage fees, and linear feet of the line found on or adjacent to each site.

Summary of Projects/Properties Along Proposed Route of Line 2

Project/Property	Status	Acres	Estimated Fees (\$)	Tributary	Lineal ft. on-site *
Desert Palisades	Proposed	117 +/-	761,787.00	Yes	2,468 +/-
Crescendo	Approved	42 +/-	273,462.00	No	860 +/-
Agua Caliente Reservation	Unknown	400 +/-	2,604,400.00	Yes	2,640 +/-
Palm Springs Modern	Unknown	36 +/-	234,396.00	No	1,649 +/-
Samson/Broxmeyer	Unknown	105 +/-	683,655.00	Yes	865 +/-
Mountain Gate I	Constructed	83 +/-	540,413.00	No	1,635 +/-
Mountain Gate II	Constructed	46 +/-	299,506.00	Yes	2,405 +/-
BLM/COD	Proposed	116 +/-	755,276.00	Partial	776 +/-
APN 669-310-007	Unknown	7 +/-	45,577.00	Yes	250 +/-
TOTAL			\$6,198,472.00		

*As seen on Exhibit 11b, some properties share a common boundary with the route of Line 2. The estimated linear feet calculation is specific to each project/property and as a result some overlap occurs.

North of Highway 111, the Mountain Gate projects have partially implemented the Master Plan of Drainage by incorporating an open channel/retention basin design for the portion of Line 2 which is found between the two phases of the project. This channel as it currently exists is sized to carry stormwater originating from the undeveloped tributary area southwest of Highway 111 (i.e. the Chino Cone) which flows through culverts beneath Highway 111. If development eventually occurs along the route of Line 2 southwest of Highway 111, this open channel will be slightly modified with rip/rap and other support features consistent with the Master

Plan. Drainage acreage fees were also paid to the City for the Mountain Gate project. The Bureau of Land Management currently owns the vacant land north of Mountain Gate which is also included in the route of Line 2 prior to the outlet into the Whitewater Wash. Preliminary development plans have been submitted for the BLM property to accommodate the proposed western campus of College of the Desert, and the open channel through the Mountain Gate project includes a weir system at its northern end to allow overflow water in a storm event to sheet flow in a northeasterly direction across the BLM property and into the Whitewater Wash.

The Crescendo project, although not tributary to Line 2, was also conditioned to address the implementation of this storm drain line. The conditions of approval include language requiring the applicant to prepare a complete set of storm drain improvement plans for the entire length of Line 2, construct the on-site segment of the line prior to the first certificate of occupancy, and pay the appropriate drainage acreage fees for the proposed development. Crescendo and other downstream properties would benefit by having tributary flows collected before impacting these developments. Projects that implement improvements called for in the Master Plan of Drainage can be credited with the cost of those improvements against their required Drainage Fees.

Of the remaining four properties along the route of Line 2, only the 36 acre Nichols-Palm Springs Modern Homes property located west and south of the Visitor Center had submitted a development application which is now on hold. Line 2 extends along the western boundary of this property and again the project is not tributary to the line. The Agua Caliente Band of Cahuilla Indians has approximately 400 acres of developable reservation land (tributary to the line) immediately west of the Nichols-Palm Springs Modern Homes project site, and the proposed route of Line 2 extends between these properties. No formal development plans have been presented to the City for this land. The 105 acre area referred to as the Pavelek/Century properties immediately southwest of Highway 111, which currently

has no development plans, provides the final link between the Chino Cone and Mountain Gate portions of Line 2.

Due to the status of some properties west of Highway 111 within the reach of Line 2 which have not been processed by the City, and due to the fact that the funding and construction of master planned facilities is based on overall City, private developer, and Riverside County Flood Control District priorities and resources, there is no way to predict when the remainder of this line will be installed and functioning.

On an interim basis, individual properties have been allowed to develop after demonstrating that no increase in off-site flows will occur as a result of the development and with the payment of acreage drainage fees.

Desert Palisades proposes to begin the implementation of its portion of Line 2 of the City's Master Plan of Drainage at the onset of the development of the project's infrastructure. The design intention is to temporarily integrate the on-site section of the storm drain with an overall retention/detention system until the time that the downstream portions of Line 2 have been completed to the outlet in the Whitewater Channel.

The implementation of Line 2 will include a culvert/inlet that will be deployed in the most southerly incised channel that historically carried occasional hillside storm water runoff for much of the south portion of Chino Cone. With the advent of the Chino Canyon levee, those historic flows were diverted into the main levee channel leaving a smaller tributary area and significantly smaller flows. These remaining flows will be captured and diverted into Line 2 once the entire reach of the storm drain is fully constructed. For the period prior to the full construction of Line 2, the existing condition will remain and storm water in the channel will continue to flow through the site toward the existing development area easterly of the subject property.

The storm drain line will serve as a temporary detention facility for Desert Palisades in the following manner: At locations where existing and proposed drainage channels cross Street “A”, proposed culverts will be installed to convey runoff into the storm drain pipe that includes both 60 inch and 84 inch segments. Also, proposed inlets will capture runoff from the proposed street, which also will be directed into the storm drain. Proposed manholes will be constructed where the culverts and inlets enter the storm drain, with outlet culverts emptying into existing drainage channels and basins east of Street “A”. Additionally, a drop-down structure with a low flow outlet pipe at the bottom will be constructed at the street inlets. At each of these manholes the downstream connection of the storm drain will be temporarily bulkheaded such that all runoff must discharge through the outlet culvert.

In locations where the proposed runoff exceeds existing conditions, the outlet culvert will be sized to limit the outflow to existing flow rates. The runoff detained in these cases will be stored in the storm drain pipe until it is discharged through the outlet culvert into proposed retention areas. Constructing the storm drain and related inlet facilities with the initial phase of site development will avoid having to re-enter and re-excavate the site after homes have been built and subject residents to this disruption. At such time as downstream sections of Line 2 are constructed and connected to the storm drain line within the project, the outlet culverts will be downsized at the manholes and the temporary bulkheads will be removed. The low-flow pipes in drop-down structures will remain open. Since all pertinent runoff is already being captured and collected in the storm drain, no additional facilities will be required.

Additional retention/detention capacity is needed beyond that afforded by the storm drain. There will be a number of small retention basins ranging from 100 to 790 cubic yards placed strategically around the site to help maintain the existing pre-developed condition and not impact downstream properties. In addition, each single-family residence will provide a retention/detention area on site, possibly as a

cistern to enable rainfall to be collected and dispersed through the irrigation system to each lot.

A new requirement for storm drain systems relates to provisions to treat polluted, “first flush” (also called “low-flow”) storm water before allowing the flow to enter the storm drain system. This requirement is implemented through a project specific Water Quality Management Plan (WQMP). Until Line 2 is fully operational and discharging flows into the Whitewater River, it will be functioning as a retention/detention system which will have different requirements than when Line 2 is totally functional as a storm drain. Until Line 2 is totally operational as a storm drain, it will retain the first flush within the portion installed within Desert Palisades. Since the timetable for Line 2 is unknown, the future treatment requirements cannot be determined at this time. However, the proposed drop-down structure at street inlets with low-flow pipes can be utilized if deemed appropriate in final design. Low-flow pipes will allow First Flush flows and nuisance flows to be conveyed to the on-site retention basins for infiltration. When the eventual completion of Line 2 occurs, filtration systems consistent with the Whitewater River Region (WRR) Stormwater Management Plan (SMP) will be added upstream of the storm pipe; therefore adding the filtration system at a later date will bring the project into full compliance.

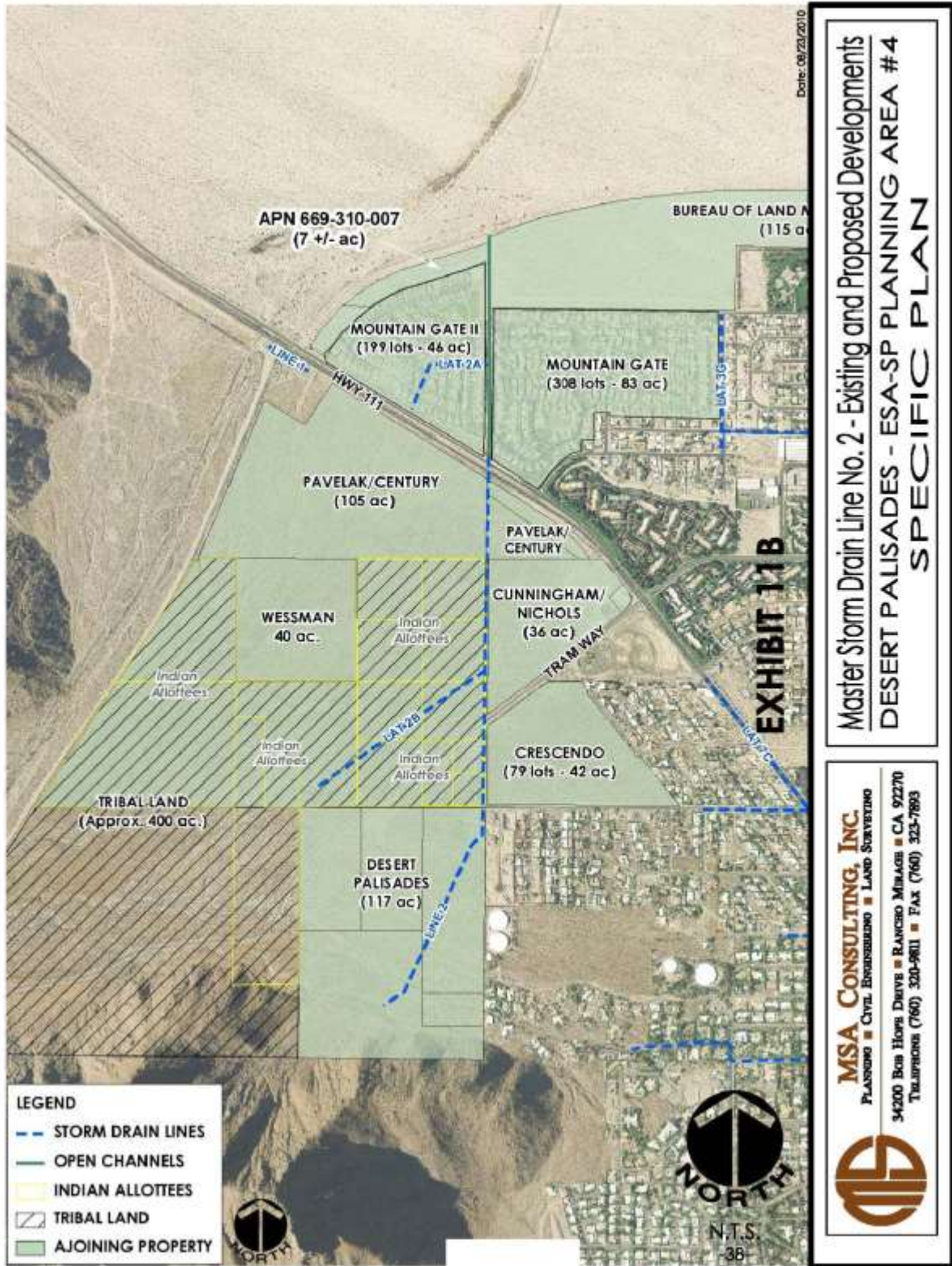
Individual home sites will be designed to retain incremental stormwater on site, either in surface basins, subsurface structures or in cisterns designed to allow reuse of rainwater in landscape areas. It is possible that groups of property owners could band together and create a common stormwater solution such as by dedicating a separate lot for that purpose. Such a solution would require an appropriate maintenance vehicle or annexation into the common area maintenance of the overall project if approved by the homeowners association as well as by the City.



EXHIBIT 10

Date: 05/02/08

	<p>MSA CONSULTING, INC. PLANNING • CIVIL ENGINEERING • LAND SURVEYING 34200 Bos Horn Drive • Rancho Mirage • CA 92270 Telephone (760) 333-9811 • Fax (760) 333-7895</p>	<p>FEMA Map DESERT PALISADES - ESA-SP PLANNING AREA 4 SPECIFIC PLAN</p>
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**Master Storm Drain Line No. 2 - Existing and Proposed Developments
DESERT PALISADES - ESA-SP PLANNING AREA #4
SPECIFIC PLAN**

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CULTURAL RESOURCES

Within the recently adopted General Plan Update EIR (2007) the project site and the majority of the Chino Cone are included in an area likely to have isolated milling features, sparse lithic scatters, and occasional pottery. Because the project is located within an alluvial fan, adjacent to tribal reservation land and has never been developed, it is identified by the City's General Plan as having a potential to contain archaeological resources.

A Historical/Archaeological Resources Survey Report was performed on the project site by CRM Tech in September of 2006. The Report includes historical and ethnohistorical research on Chino Canyon and activities of the Agua Caliente Indians, as well as non-native Anglo-American settlers within the vicinity of the project. The report also includes the results of a comprehensive field survey conducted on the property.

A number of cultural sites were identified on the property. The locations of all of the sites identified by the field archaeologist are discussed in detail within the CRM Tech report. These sites were catalogued and digitally identified with GPS, so that the locations were known during the site planning process to ensure their avoidance and preservation. Low residential densities and the flexible open-space concept allowed these cultural resources to be positioned in areas that would not be disturbed during the site's development.

Per standard mitigation measures, an observer will be present during all grading operations for the streets and infrastructure. An observer may not be needed during the construction of individual home sites if non-invasive foundation techniques are deployed. The determination will be made prior to issuance of grading and/or foundation permits. Grading operations will be stopped at the discretion of the archaeological observer upon the discovery of any significant resources. While not expected, if human remains are uncovered, the County Coroner shall be notified and

work halted pending recovery or other mitigation determined in the field by the observer.

GRADING AND EROSION CONTROL

The majority of the site is expected to be graded on a lot by lot basis due to the nature of the project. The streets will be graded at the onset of development, including subsurface infrastructure. Multiple lot specific grading activities may follow as property owners submit plans for home development. The grading concept for the property includes the streets and possible locations of drainage features throughout the site for handling storm flows and runoff conveyance. The objective for the preparation of the site is the minimal disturbance of the underlying landforms, site topography, and surface environment of the Chino Cone. All development will be designed to follow existing slopes and contours.

The project site will first be graded only for the construction of roadways and installation of associated infrastructure and utilities. Individual lot grading phases will follow this initial phase, and will be dictated by the rate each home site is sold to individual home owners, and the timing associated with design review/permitting of each home site. No mass grading of the site is proposed, in order to minimize overall site disturbance. In addition, cut-and-fill techniques to create flat development pads will be avoided. Individual lot design will include a grading plan to ensure that no increase in storm water run off will impact downstream properties including adding flows to existing drainage features.

The area of the project site is in a Slight Wind Erosion Hazard area (Palm Springs General Plan EIR). The Coachella Valley has been classified by the Environmental Protection Agency (EPA) as a “serious” non-attainment area for PM-10 particulate dust. During periods of moderate to heavy wind conditions, wind-blown dust and sand are a concern with grading operations. Because of health concerns, the Environmental Protection Agency has instituted a plan in the valley to curb fugitive dust.

Grading operations shall include adequate provisions for wind and water erosion control during, as well as after, grading operations have ceased. The details of erosion control shall be included in the overall project's Storm Water Pollution Prevention Plan (SWPPP) and PM-10 Dust Control Plan, as well as the PM-10 Plans required to be prepared for each individual lot prior to home building.

The project will comply with the City's erosion control ordinance. The grading operations shall include adequate provisions for wind and water erosion control during grading as well as after construction operations have ceased.

- Pre Grading --The portions of the site to be graded shall be prewatered to a depth designated by the soils engineer prior to the onset of grading operations.
- During Grading -- Once grading has commenced, and until grading has been completed, watering of the site and/or other treatment(s) determined to be appropriate shall be ongoing.
- Post Grading -- All disturbed areas shall be treated to prevent erosion for the term that the area will remain undeveloped. Wherever feasible, final landscape and irrigation shall be installed.
- On-Site Observer -- Throughout construction, any project with a disturbed surface area of 50 or more acres shall have an On-Site Environmental Observer that:
 - Is hired by the property owner or developer, and
 - Has dust control as the sole or primary responsibility,
 - Has successfully completed the AQMD Coachella Valley Fugitive Dust Control Class and has been issued a current Certificate of Completion for the class, and
 - Is identified in the approved Fugitive Dust Control Plan as having the authority to immediately employ sufficient dust mitigation 24-hours per day, 7 days a week and to ensure compliance with this ordinance, the approved Fugitive Dust Control Plan, AQMD regulations and the Coachella Valley Model Dust Control Ordinance.

INFRASTRUCTURE / UTILITIES

STREETS

All streets within the community will be constructed by the applicant and are proposed with a 40 foot overall right-of-way, with parking permitted on the shoulders. A 24 foot inverted pavement section is proposed for the driving surface with a colored concrete center gutter at the centerline to convey stormwater. A variable width gravel shoulder is proposed for both sides of the street up to 8 feet in width to facilitate on-street parking. These streets will be privately maintained by the applicable Homeowner's Association.

It is the intent of the project to blend the street network into the existing contours of the site as much as possible, while allowing for proper design with regards to safety, and preservation of most existing natural drainage pathways.

Pursuant to requirements set forth within Section 92.21.1 of the City's Zoning Ordinance, all streets will be constructed with decorative interlocking concrete pavers (with an edge band) rather than asphalt. No curbs, gutters, or sidewalks are proposed, which gives each street edge a natural appearance. The surfaces of all streets will be designed as an inverted section, to allow for drainage to flow down the center of the road-way toward the appropriate retention basin or storm drain inlet. An 8-foot decomposed gravel shoulder is proposed in multiple locations throughout the site in order to accommodate on-street parking. Where appropriate, boulders moved during construction will be incorporated into these shoulder areas.

UTILITIES

Water Plan

Desert Water Agency (DWA) provides water service in the City of Palm Springs. The nearest water main is an 8" main located on the south side of Racquet Club Road, just east of the northeast corner of the project boundary. There are also 8"

water mains located adjacent to the eastern boundary of the project near the water tanks which service the Little Tuscany tracts to the east, and within the right-of-way of the paved portion of Chino Canyon Road also located in this neighborhood. All water lines throughout the project will fall within the proposed rights-of-way of the internal street system (under pavement sections). Connection stubs will be established at the locations of each home site, providing for full service once homes are constructed.

Water delivery lines required for the project shall be designed and installed in accordance with the requirements of Desert Water Agency and the City Fire Marshall.

Desert Water Agency (DWA) has a system master plan that includes two proposed reservoirs (either 500,000 or 1,000,000 gallons each) in the southwest corner of the project site. According to DWA, these tanks are needed to improve service to the existing residential tracts located east of the proposed project, because the existing reservoirs serving these neighborhoods require pressure boosters. These tanks would also serve other vacant properties in the area between the elevations of 760 feet and 900 feet above sea level.

The construction of the new reservoirs will eliminate the use of the gasoline powered booster system on the existing reservoirs and will also be utilized to serve most of the Desert Palisades project as homes are constructed, and any future development proposed for other ESA-SP Planning Areas located to the north. As shown on the Tentative Tract Map for Desert Palisades, access to the proposed tank locations is provided within the design of the subdivision in the form of a dirt road easement extending off of Street “J”. An agreement is also in place between DWA and the project developer for access rights (via the internal streets) to the water reservoir site for routine inspection and maintenance operations. Portions of the private street rights-of-way within the project will also be utilized to route a water delivery line

which will connect the proposed reservoirs to the existing reservoirs along the eastern boundary.

As the DWA Master Plan also includes additional reservoirs to serve Tribal and other lands to the west, a future line will also be needed to connect the future uphill reservoirs with those at the SW corner of Desert Palisades. The first of these reservoirs will be operational prior to the issuance of building permits for homes at Desert Palisades.

Sewer Plan

Sanitary sewer facilities are provided by the City of Palm Springs. The nearest sewer main is an 8" line located along the south side of Racquet Club Road, parallel to the water main discussed above. All sewer lines throughout the project will fall within the proposed rights-of-way of the internal street system (within pavement sections). Connection stubs will be established at the locations of each home site, providing for full service once homes are constructed. Sewer facilities shall be designed and installed in accordance with the requirements of the City of Palm Springs. It should be noted that one of the most important objectives during the formulation of the site plan and tentative map was to design the interior streets with the contours of the site as to allow for the gravity flow of wastewater through the project's sewer system. This design will allow for the efficient downhill flow of wastewater to the connection in Racquet Club Road and eliminate the need for any booster pumps.

Electrical Plan

Southern California Edison (SCE) provides electric facilities to the City of Palm Springs. Overhead SCE electrical lines are currently located along the south side of Tram Way through the project site. These lines can be extended into the project and placed underground to provide service throughout the project, within public utility easement (P.U.E) sections of the proposed streets. Connection stubs can be

provided to each home site to ensure adequate electrical connections for future individual lot construction.

If the City requires overhead utilities to be undergrounded as part of the proposed project, the developer shall adhere to the City's existing utility undergrounding ordinance (Section 8.04.401 of the City's Municipal Code).

OTHER UTILITIES

The Gas Company provides natural gas services to the site. Three 2" medium pressure mains are located in the vicinity of the project site. One is located along the south side of Racquet Club Road near the northeast corner of the property. The remaining two mains are near the southeast corner of the site, within Chino Canyon Road, and between Chino Canyon Road and Cielo Drive.

Verizon provides telephone service to the area. There is an overhead Verizon line running parallel to the electrical lines discussed above along the south side of Tram Way. Buried Verizon lines are also located within the cluster of residences near the southeast corner of the project site, between Chino Canyon Road and Cielo Drive.

Time Warner Cable provides television cable and internet service to the area. There are existing cable lines within the cluster of residences near the southeast corner of the project, within Cielo Drive, and north of Cielo Drive between Cielo Drive and Chino Canyon Road.

Palm Springs Disposal Service provides waste disposal service to the project site.

Refer to the previous discussion under Hydrology and Water Quality for details on the storm drain line to be installed within the right-of-way of proposed street "A", the project's responsibility under the City of Palm Springs Master Drainage Plan.

PUBLIC SERVICES

Fire Protection

Fire services for the area are provided by the City of Palm Springs. There are four stations located within the City of Palm Springs. Northern Palm Springs is served by Station #443. The location for Station #443 is 590 East Racquet Club Rd., roughly 1 1/4 miles southeast of the project site.

Due to the proximity of this fire station to the site, and because the proposed project is located adjacent to existing development with two points of access, adequate response times are anticipated. According to the Five Minute Response Time Map prepared by the City of Palm Springs Fire Department, both access points on the eastern edge of the project are within the boundary of this area, but the project site itself appears outside of this boundary.

Project site plans shall be reviewed and approved by the Fire Department prior to approval of project. As part of this review the Fire Department shall review the balance between the open space requirements within Section 92.21.1 of the City's Zoning Ordinance and public safety issues, with regards to the proximity of structures to undisturbed brush (potential wildfire hazard).

According to the updated Riverside County Fire Severity Map, the project site and the majority of the Chino Cone is located in an area of high fire severity. The project is also located in an area designated by the General Plan as a Wildland-Urban Interface. The California Building Commission adopted the Wildland-Urban Interface codes in late 2005 with an effective date of January 2008. These new codes include provisions for ignition resistant construction standards in the Wildland-urban interface. Accompanying these new building standards are the updated fire hazard severity zone maps for the entire State. These maps will be used by building officials to determine appropriate construction materials for new buildings in the Wildland-urban interface.

The updated zones will also be used by property owners to comply with natural hazards disclosure requirements at time of property sale. All home construction in these areas will be required to follow the new building codes to prevent damage and further spread of wildfires. Refer to the architectural guidelines for Desert Palisades, which are included in Section V of this document, which have incorporated these standards for the custom homes proposed.

Police Protection

Police services are provided by the Palm Springs Police Department. The City of Palm Springs Police Department is located near the intersection of Tahquitz Canyon Way and Civic Center Drive, in the Civic Center complex, approximately 3.5 miles southeast of the project site. According to the 2007 General Plan Update EIR, the police department currently authorizes 93 sworn positions. These positions include 1 Chief of Police, 2 Captains, 3 Lieutenants, 14 sergeants, and 87 police officers. All but the Chief of Police and the two Captains are involved in managing, supervising, or providing direct police protection to the community. Additionally, 59.5 (one part-time position) unsworn personnel provide support to the department. This provides a staffing/population ratio of 2:1,000. The 2007 General Plan Update EIR also indicates that 1.0 officer per 1000 population (1.0:1000) is a sufficient staffing ratio. The Palm Springs Police Department has a mutual aid agreement with the Riverside County Sheriff's Department. Funding for the Police Department comes from the City's General Fund.

Additionally, future development shall participate in the Community Facilities District to fund future police and fire service needs.

Schools

The project lies within the boundaries of the Palm Springs Unified School District. The proposed development would contain a maximum of 110 dwelling units. Prior to issuance of any building permits, individual home builders shall pay all appropriate fees to the District.

RECREATION

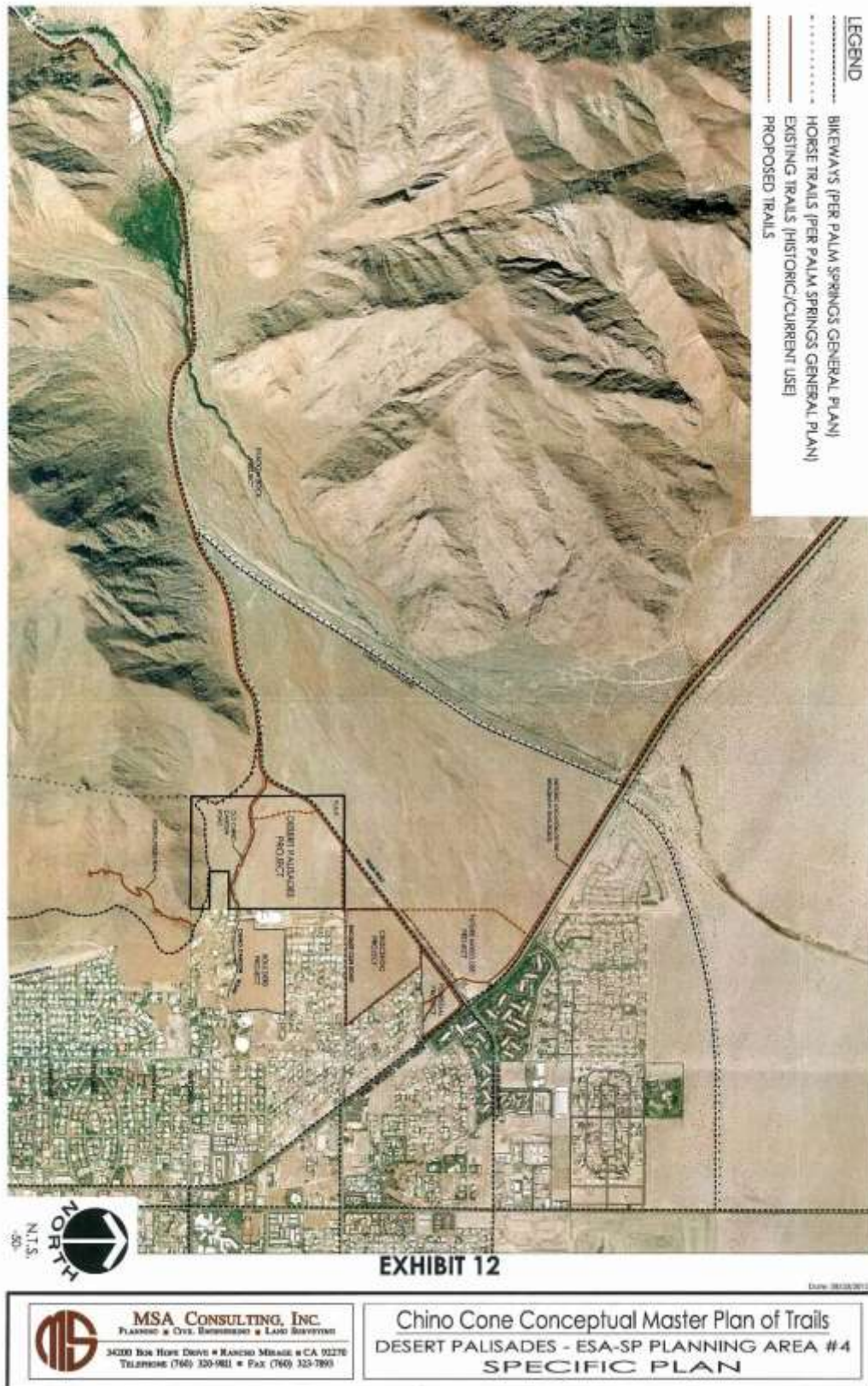
The proposed project includes on-site recreational amenities for residents to use, consisting of hiking trails accented with low intensity native landscaping, providing access to Tram Way and into Chino Canyon. While no sidewalks are proposed, the on-site street design includes a parkway consisting of decomposed granite that will be shared between pedestrians and occasional guest parking. As is typical throughout Palm Springs, pedestrians will also use the private street for walking around the community. Ungated Pedestrian portals will be available to provide access through the site for those hiking from the Little Tuscany and Chino Canyon residential communities including using the historic Chino Canyon Road trail alignment that connects with westerly terminus of Chino Canyon Road and Tram Way just westerly of Desert Palisades as well as trails connecting to Racquet Club Road, Tram Way and the internal street system. The proximity of the project to the trail system already existing within the foothills to the west provides for convenient access to area recreational uses.

Section 92.21.1.05 of the ESA-SP Ordinance requires an “interpretive nature center” or “specialty park” for all proposed projects in the zone, which will be provided on-site along with the establishment of the interpretive hiking/biking trail system proposed throughout the community. There are a number of potential locations for the interpretive center, which will be accessible by the trail system and will include a small gathering area (utilizing decorative benches and native rocks with naturally flat surfaces for seating), and a series of plaques identifying the native flora and fauna and other natural and cultural features of the Chino Cone area (refer to Exhibit 13). The trail system itself will also contain benches and plaques at appropriate points along the trails.

Chino Cone Trails Analysis

Concurrent with the submission of any proposed project application for a Specific Plan, Tentative Tract Map or building permit, The ESA-SP regulations found in the City's Zoning Ordinance, state that a trails analysis shall be prepared and submitted to the City. The analysis "shall include a map and text which identify all existing trails and all proposed trails within the project area. Existing trails shall include public trails established by dedication of easement or similar conveyance and trails established by use". Pursuant to these requirements, a Trails Analysis supplemental document, and a Conceptual Master Plan of Trails exhibit have been prepared for the Desert Palisades project, which ties the proposed trail system within the community to other existing trails and proposed projects in the vicinity.

Refer to Appendix A of this Specific Plan for the Trails Analysis text. The Conceptual Master Plan of Trails for the Chino Cone (displayed in Exhibit 12) was developed through feedback from neighboring property owners, as well as the City. Both the map and text are also incorporated into the EIR prepared for the Project





INTERPRETIVE PARK PERSPECTIVE
 INTERPRETIVE PARK LOCATION (SEE SITE PLAN)



EXHIBIT 13

Date: 06/23/2010

	<p>MSA CONSULTING, INC. PLANNING • CIVIL, ENVIRONMENTAL • LAND SERVICES 34200 Iron Horse Drive • Rancho Mirage • CA 92270 Telephone (760) 333-9811 • Fax (760) 333-7893</p>	<p>Interpretive Center Concept and Possible Locations DESERT PALISADES - CHINO CONE PLANNING AREA #4 SPECIFIC PLAN</p>
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WATER CONSERVATION

All development within the Desert Palisades project will be required to employ modern and efficient water conservation methods and technology both architecturally and as part of the project's landscaping design. Elements such as low flow shower heads and faucets, dual flush toilets, and xeriscaping are required. These concepts are elaborated further within the guidelines outlined in the sections on Architecture and Landscaping found later in this Specific Plan (Sections V and VI). Future homeowners in the project are strongly encouraged to consult with Desert Water Agency on methods to implement the latest trends in water conservation available, recommended by the agency for all customers in the service area.

FISCAL ANALYSIS

As required by the ESA-SP Zone, a fiscal analysis was prepared for the project by Stanley R. Hoffman Associates (March, 2007 and Updated July 2010), which presents the fiscal impacts of Desert Palisades Specific Plan to the City of Palm Springs. The fiscal impact analysis results showed recurring revenues and costs to the City's General Fund. Fiscal impacts were projected in year 2007 constant dollars. The Planning Commission requested an update based on current city budget information as well as to ascertain the impact of an incremental build out of the project in addition to the full build-out analysis. The updated study also included the annual Community Facilities District fee (\$500/lot/year).

As shown in the Table below an annual recurring surplus of \$593,464 is projected to the City after buildout and sale of the 110 completed and occupied homes, and represents an annual surplus of \$5,395 per home. This projected surplus is based on annual projected revenues of \$775,872 and annual projected costs of \$182,408. The updated study showed that even without the valuation increase that would be

brought about by the sale of lots, there still would be a surplus to the city. Lot sales and home construction would incrementally add to the surplus to the city.

*Summary of Projected Fiscal Impacts
Desert Palisades Specific Plan Fiscal Analysis, City of Palm Springs
(In Constant 2010 Dollars)*

Category	Total Entitled Lots Only without Homes ¹	Total Homes Completed and Occupied
Recurring Revenues	\$100,513	\$775,872
Recurring Costs	<u>93,318</u>	<u>182,408</u>
Net Recurring Surplus	\$7,195	\$593,464
Revenue/Cost Ratio	1.08	4.25
<i>Lots/Units</i>	<i>110</i>	<i>110</i>
<i>Annual Surplus per Lot/Unit</i>	<i>\$65</i>	<i>\$5,395</i>

Note: 1. Projected revenues for the scenario of entitled lots only without homes include property tax, in-lieu property tax (MVIL), property transfer tax and public safety CFD fees. Because there is no population associated with this scenario, fire and police costs are projected at the full costs of fire and police services after buildout of the completed and occupied homes as a "worst-case" scenario.

Source: Stanley R. Hoffman Associates, Inc.

EXISTING VIEW ANALYSIS

Because the Chino Cone is situated on an alluvial fan characterized by a steady climb in elevation from east to west, it is visible from various points throughout the City. Chino Cone also serves as a dramatic backdrop to the west for motorists traveling southeast into the City along Highway 111, one of the most utilized vehicular gateways into the downtown area. An existing view analysis was completed for this Specific Plan as required within the ESA-SP Zoning Code. It is important to note that a comprehensive photographic simulation incorporating many of the viewpoints presented herein is included in the EIR for an expanded discussion on potential impacts related to development on the site. The photographic analysis completed herein includes the use of photographs from various viewpoints throughout the northern extents of Palm Springs, and photographs from adjacent

residential neighborhoods located to the north and east of the project site, to illustrate the existing view condition from these selected locations. Reduced versions of the exhibits displaying the various photographs from both areas are included in Exhibits 14a and 14b.

From this preliminary analysis, it is clear that the project site is visible from multiple locations in the northern portions of the City (Exhibit 14a), particularly north of Vista Chino and along the major north/south corridors of Gene Autry Trail and Indian Avenue, supplying traffic to and from Interstate 10 and the City of Desert Hot Springs. The Chino Cone is an alluvial fan feature located at a higher elevation than the rest of Palm Springs, with an east/northeast oriented face, which makes it highly visible to motorists traveling north and south along Indian Avenue and Gene Autry Trail, as well as those traveling west on Interstate 10, Racquet Club Road, and Vista Chino. Depending on the orientation of buildings and presence of obstacles, the residential uses generally located north of Vista Chino may or may not have clear views of the project site.

The ESA-SP Zoning Code recommends the inclusion of the Palm Springs Aerial Tramway base station, portions of Tram Way, the Palm Springs Visitor's Center, and portions of North Palm Canyon Drive/State Highway 111 in any visual analysis prepared for projects located in the Zone. Photographs were taken from these locations as part of the existing view analysis. According to these photographs, the project site is not visible from the area around the base station, due to the presence of mountain forms obstructing views to the site. The project site is also difficult to see from the portion of Highway 111 approaching the Visitor's Center, due to the rapid elevation gains that obstruct the line of sight from the roadway surface at that location.

The project site is visible from the Visitor's Center. However, most of Little Tuscany and the large DWA water tanks are also visible from this location. The project site is also visible to traffic traveling west into Chino Canyon along Tram Way, but due to

the fact that Tram Way is at a higher elevation than the project site as it traverses through the northwest corner, the perimeter landscaped berm design features outlined in this Specific Plan should serve as an effective buffer to screen the proposed development from uphill traffic.

The photographic simulations (showing conceptual digital renderings of project build out) completed for the EIR show the extent of the visibility when the perimeter design features, as well as the proposed landscaping are accurately included in the model.

Although the site is highly visible from many locations, additional factors such as distance, lighting, and air quality (particularly on windy days) play a role in the visibility of development activities on the site from viewpoints outside of the immediate vicinity of the Chino Cone and Tram Way. For example, while the development will be visible from Interstate 10 (over 3 miles to the north/northeast), the low impact design envisioned by the design guidelines, will reduce the visual impact from such a distance due to limited dark green vegetation and the preservation of 83% of the site in its natural native landscape. This figure includes the steep hillside area that cannot be counted in the project's minimum required open space calculation of 74%. The dramatic views of the Chino Cone landscape will still predominate from distant locations. The photographic simulation presented in the EIR will aid in visualizing the development of the site with distance and scale accounted for.

With regards to views specifically from the adjacent residential neighborhoods (Exhibit 14b), it is clear from the photographs that most of the homes to the east reside at a substantially lower elevation than the project site. This fact coupled with line of sight obstructions such as landscaping, adjacent homes, and the DWA water tanks resulted in minimal views of the project site from these areas. Results of the photographic simulation aid in determining to what extent rooftops or other on-site characteristics will be visible from the same locations once development occurs.

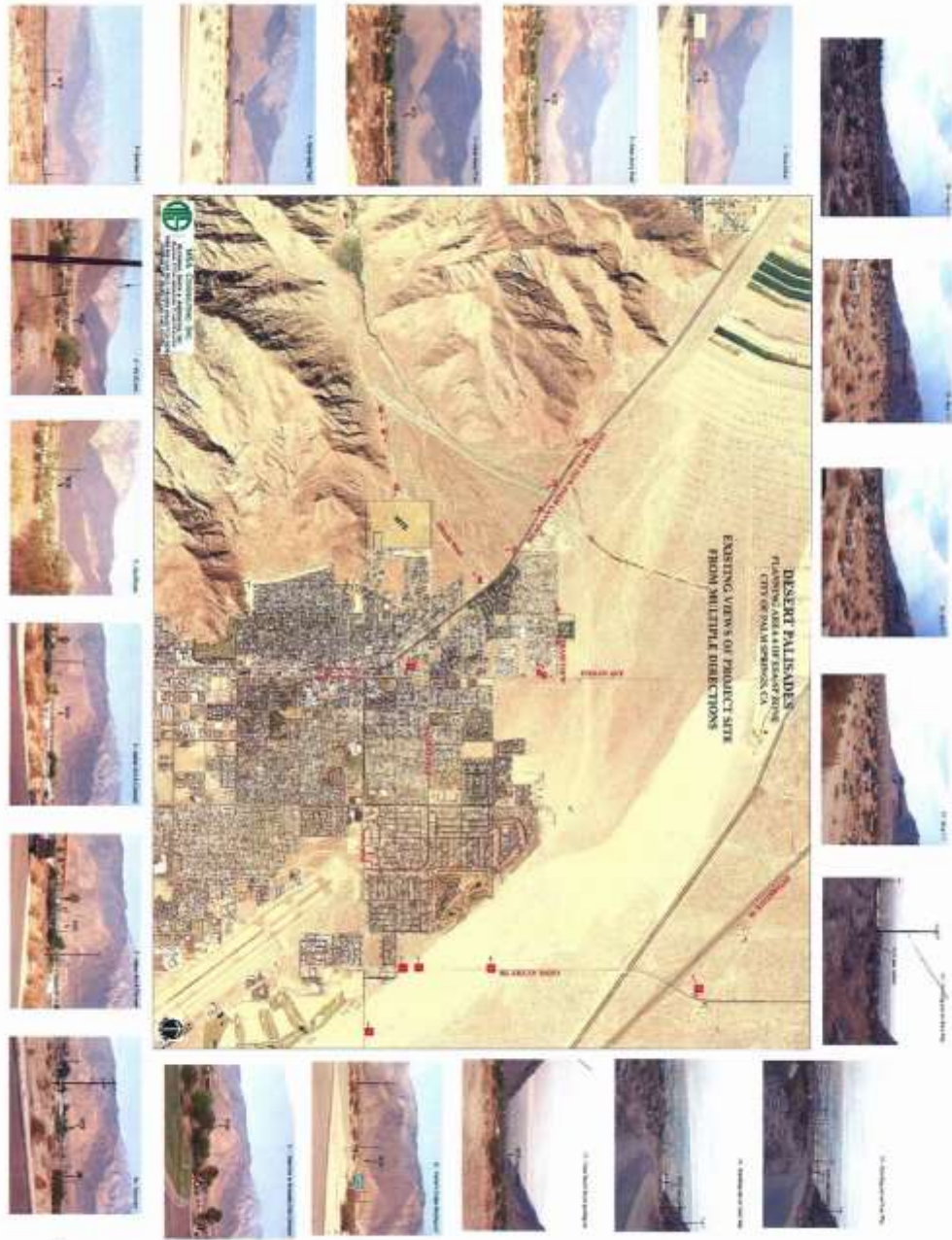


EXHIBIT 14A

Scale: 1:125,000


 <p>MSA CONSULTING, INC. PLANNING & CIVIL ENGINEERING & LAND SURVEYING 34330 BOE HORN DRIVE • RANCHO MESA • CA 92270 TELEPHONE (760) 320-9803 • FAX (760) 323-7893</p>	<p>Existing Views of Project Site - Citywide DESERT PALISADES - ESA-SP PLANNING AREA #4 SPECIFIC PLAN</p>
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DESERT PALISADES
PLANNING AREA 4 OF ESA-SP ZONE
CITY OF PALM SPRINGS, CA

**EXISTING VIEWS OF PROJECT SITE
FROM ADJACENT RESIDENTIAL USES**

EXHIBIT 14B

Date: 11/09/2010

 <p>MSA CONSULTING, INC. PLANNING • CIVIL, ENGINEERING • LAND SURVEYING 34200 Iron Horse Drive • Rancho Mirage • CA 92270 Telephone: (760) 330-9811 • Fax: (760) 333-7893</p>	<p>Existing Views of Project Site - Adjacent Neighborhood DESERT PALISADES - ESA-SP PLANNING AREA #4 SPECIFIC PLAN</p>
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Adopted January 5, 2011- Case 5.1154