

**STAFF REPORT – PLANNING
CITY OF TEMECULA
PLANNING COMMISSION**

TO: Planning Commission Chairperson and members of the Planning Commission

FROM: Luke Watson, Deputy City Manager

DATE OF MEETING: November 15, 2023

PREPARED BY: Matt Peters, Assistant Director of Community Development

PROJECT SUMMARY: Long Range Planning Project Number LR22-0158, Amending Title 16, and 17 of the Temecula Municipal Code Pertaining to Urban Lot Splits and SB 9 Two Unit Developments.

RECOMMENDATION: Adopt a Resolution recommending that the City Council adopt the proposed Ordinance.

CEQA: Statutorily Exempt
Public Resources Code Section 21080.17

BACKGROUND SUMMARY

The proposed ordinance would make amendments to Title 16 (Subdivisions) and Title 17 (Zoning) of Temecula Municipal Code to implement the requirements of Senate Bill (SB) 9, which requires the ministerial approval of up to four-unit development and urban lot splits on all single-family residential zoning districts.

Current zoning regulations permit up to three units on a parcel zoned for a single-family dwelling: one primary dwelling; one Accessory Dwelling Unit (ADU); and one Junior Accessory Dwelling Unit (JADU).

Senate Bill 9 (SB 9) was signed by Governor Newsom on September 16, 2021 and became effective January 1, 2022 (see Attachment 4). It requires that a local jurisdiction allow ministerial approval (no discretionary review) of four units on parcels zoned for single family dwellings per lot and/or the subdivision of a single-family zoned parcel into two equal sized parcels (a 40 to 60 percent split of lot size is allowed). This type of subdivision (“urban lot split”) may result in each lot containing a duplex or two detached residential units.

SB 9 allows cities to adopt objective development standards that regulate such projects provided they do not conflict with the Senate Bill. All new development resulting from an urban lot split must follow the City’s Objective Design Standards adopted by City Council (Ordinance 2022-02

and Resolution 2022-08), provided the new development meets the definition of a multi-family dwelling unit.

ANALYSIS

Senate Bill 9 (SB 9) specifically authorizes local agencies to impose objective zoning, subdivision, and design standards consistent with the bill's provisions, and to adopt an ordinance to implement its provisions. The default standards contained in the new state law lack sufficient objective zoning, subdivision, and design standards to preserve the health, welfare and safety of the community. The City of Temecula desires to adopt objective zoning and design standards that will apply to the ministerial review of qualifying urban lot splits and SB 9 two unit residential developments in the City's single-family residential zones.

On February 22, 2022, pursuant to Government Code Section 65858, the Temecula City Council enacted Interim Urgency Ordinance No. 2022-03. Adoption of the Interim Urgency Ordinance imposed a moratorium on the approval of applications for housing development projects and urban lot splits permitted by Senate Bill 9 that do not meet the objective zoning and design standards contained in the ordinance.

Adoption of the Interim Urgency Ordinance also means that the added protection developed by the City was put in place immediately and applied to any SB 9 applications for a period of 45 days (expiring on April 8, 2022). State Urgency Ordinance provisions are structured so that during the 45-day period, further studies may be conducted to determine if additional standards or regulations are warranted. After 45 days, the City Council can extend the ordinance for another 320 days and another one-year extension of the ordinance is allowed after the 320-day extension. The City extended the Interim Urgency Ordinance twice and it is scheduled to expire on February 21, 2024. Pursuant to State law, the City cannot further extend the Interim Urgency Ordinance and must adopt permanent regulations prior to the expiration of the Interim Urgency Ordinance.

Staff has prepared an ordinance consistent with State Law, and with additional provisions to promote orderly growth and development as detailed below:

1. Proposed Change Analysis

The SB9 Urban Lot Split Ordinance will require new lot lines to be straight from the front property line to the rear with no curves, jogs, or major angles. This will ensure proper lot design and physical improvements, lot access from public right-of-way, adequate width and setbacks to accommodate utilities, and help achieve livability and protection of land values. Finally, straight lot lines will help avoid confusion between property owners with regard to ownership, access, trespass, and maintenance.

A 10-foot setback between habitable structures is required to ensure proper separation for light, air, structure maintenance and access, and fire protection consistent with the California Building Code.

SB9 requires two Primary Dwellings be allowed on a single lot. Two additional units are allowed for a total of four units under an Urban Lot Split scenario. The City's SB9 ordinance will limit the two additional units to 1,200 square feet each consistent with Accessory Dwelling Unit (ADU) law in an effort to promote consistency for administration, and to accommodate smaller, more affordable dwelling units.

The City has included Objective Design Standards in the SB9 Ordinance to ensure consistency of colors, materials, roof pitch, window sizes and other design elements to match the existing or proposed primary dwelling units in order to promote consistency and quality of development.

2. Affordability Covenant

The City is exploring an Affordability Covenant for SB9, Urban Lot Split development. The affordability covenant requirement is being explored to help implement the State's goal of providing affordable housing and to help the City meet its State-mandated Regional Housing Needs Assessment (RHNA) number of providing 4,193 affordable units during the 6th Cycle Housing Element from 2021-2029.

The Department of Housing and Community Development (HCD) considers any requirement for affordable housing above a 15% threshold to be an inclusionary housing requirement. The City is exploring requiring one of four units, or 25% to be affordable. As such the City is required to complete an economic feasibility study to provide evidence that the ordinance does not unduly constrain the production of housing. The City is working with Keyser Marston Associates (KMA). If the study indicates that the affordability covenant does not unduly constrain the production of housing by making it too expensive to build, then the City will also explore an in-lieu fee as a state-mandated option to the affordability covenant.

LEGAL NOTICING REQUIREMENTS

Notice of the public hearing was published in the *Press Enterprise* on November 2, 2023.

ENVIRONMENTAL DETERMINATION

In accordance with the California Environmental Quality Act, the proposed project has been deemed to be statutorily exempt from further environmental review.

The adoption of the ordinance approving the Municipal Code amendments necessary to implement Senate Bill 9 is statutorily exempt from CEQA pursuant to Government Code §65852.21(j) and §66411.7(n) which state that the adoption of an ordinance by a city or county implementing the provisions of Government Code § 65852.21 and § 66411.7 and regulating urban lot splits and two unit projects is statutorily exempt from the requirements of CEQA. A Notice of Exemption will be prepared and will be filed in accordance with CEQA and the State CEQA Guidelines.

- ATTACHMENTS:**
1. PC Resolution
 2. Exhibit A - Draft City Council Ordinance
 3. Notice of Public Hearing
 4. Senate Bill 9
 5. Interim Urgency Ordinance No. 2022-03
 6. CC SB9 Alleviation Report
 7. Interim Urgency Ordinance No. 2022-03 Extension No. 1 and 2