

**CITY OF TEMECULA
AGENDA REPORT**

TO: City Manager/City Council

FROM: Luke Watson, Director of Community Development

DATE: April 28, 2020

SUBJECT: Community Development Department Monthly Report

PREPARED BY: Lynn Kelly-Lehner, Principal Management Analyst

RECOMMENDATION: That the City Council receive and file the Community Development Department monthly report.

The following are the highlights for Community Development for February and March 2020.

Digital Permit Center

The unprecedented COVID-19 pandemic necessitated the shift of Permit Center's physical operations to a digital process in short amount of time. The Community Development Department, in collaboration with the Business License, Building & Safety, Fire Department, Land Development, Police, and Information Technology developed the ability to complete all permit center services online in under one week.

The groundwork for this online permit center is the result of a previous investments in a citywide enterprise permitting and land management software. Staff from various departments have been implementing various levels of digital processes over the past year and this prior knowledge allowed for the City to quickly replicate these processes. IT completed a significant amount of work in three days to enable departments to deliver services online and allow some staff to work remotely. While this quick transition occurred, City staff was able to maintain a full suite of permit services; citizens, private developers, and other agencies have been able to get the services they need without service closures during the transition.

In addition to internal processes, City staff has expedited a planned transition to a digital process for outside agencies. Staff has received positive responses from many outside partners who are providing letters of agreement to transition to an entirely digital outside agency process. Staff expects that these changes will result in further improvements with outside collaboration, as well reduced costs/time for mailings. In addition to the above changes, staff has been able to conduct regular department, inter-department, and outside partner reviews with various collaboration software. Staff continues to collect feedback on the new processes, and is making changes to accommodate customer requests/feedback.

CURRENT PLANNING ACTIVITIES

New Cases: Planning processed 128 new applications and conducted eight (8) Public Hearings in February and March. A detailed account of planning activities is attached to this report.

Plan Type	February 2020	March 2020
Long Range Projects	6	1
Development Plan	2	0
Home Occupations	43	20
Minor Exception	1	0
Modifications	10	13
Pre-Application	4	3
Public Convenience or Necessity	0	1
Residential Tract Product Review	3	0
Assessory Dwelling Unit	2	1
Sign Program	1	0
Temporary Use Permit	6	9
Zoning or Planning Letter	0	2
Total	78	50

Winchester Hills Specific Plan Amendment (PAs18-0660 and 18-0661): The City is processing a Specific Plan Amendment to the Winchester Hills Specific Plan for a Residential Overlay within portions of Planning Area 12 that will allow for up to 1,000 residential units; and a General Plan Amendment to amend the underlying General Plan Land Use designations for Planning Area 12 to a Specific Plan Implementation (SPI) land use. The project is located on the corner of Date Street and Ynez Road. **(COOPER)**

Heirloom Farms (PAs 18-0659, 18-0660, 18-0661): The City is processing a Development Plan to allow for the construction of 325 unit single-family community on 27.86 acres consisting of detached homes, attached townhomes, and duplexes. Community meetings were held on June 19, 2018 and February 20, 2020, and further outreach will take place prior to a public hearing. The City is working with a consultant to prepare a fiscal impact analysis. The project is located on the northwest corner of Date Street and Ynez Road. **(COOPER)**

Arrive @ Rancho Highlands (PA19-1448): The City is processing a Development Plan for a 270-unit multi-family community adjacent to the Temecula Duck Pond, southeast of Rancho California Road on the north side of Ynez Road. The project includes leasing offices, clubhouse, fitness center, pool, spa, yoga center, BBQ areas, tot lot, and dog park. This project is located within the Affordable Housing Overlay Zone. The project is proposing 20% of the units (55 units) as affordable at or below 60% average median income (AMI). **(COOPER)**

Solana Assisted Living (PAs19-0940 and 19-0941): The City is processing a Development Plan and Conditional Use Permit for the construction of an approximately 90,343 square foot, two story, 105 unit assisted living and memory care facility located on the southeast corner of

Margarita Road and Solana Way. The City is working with an environmental consultant to prepare environmental documents for the proposed project. **(COOPER)**

Temecula Hyundai (PA19-1307): The City is processing a Modification for the construction of an approximately 5,382 square-foot two-story building on the rear portion of the existing Temecula Hyundai site to include new service bays, parts storage, and offices, located at 27430 Ynez Road. (The project was previously approved under PA14-2899, but the approval expired). This item is scheduled for Planning Commission on April 22, 2020. **(COOPER)**

Lantern Crest Temecula (PA19-1452): The City is processing a Modification to a previously approved Development Plan (PA17-0328) for an approximately 524,362 square foot, four-story, 496 unit, independent and assisted living community. The project site was previously approved as the WESTliving Assisted Living Facility in the Winchester Hills Specific Plan. **(COOPER)**

Woodspring Suites (PA20-0072): The City is processing a Development Plan for an approximately 60,600 square foot, four-story, 126 room Woodspring Suites Hotel located on the west side of Madison Avenue between Buecking Drive and McCabe Court. **(COOPER)**

Sommers Bend Home Product Review (PAs 20-0328, 20-0329, and 20-0330): The City is processing the second phase of a single family residential home product review for Sommers Bend. The second phase is all age qualified homes encompassing three villages located in PAs 22, 23A, and 24 for a total of 192 units. **(COOPER)**

Sommers Bend Age Qualified Private Recreation Center (PA20-0278): The City is processing a Development Plan for the Sommers Bend age qualified private recreation center consisting of an approximately 11,159 square foot clubhouse building (including a fitness center, multi-purpose room, and kitchen), pool, spa, pickleball courts, bocce ball, group BBQ, yoga lawn, cabanas, and 45 parking spaces located within PA23B at Sommers Bend. **(COOPER)**

LONG RANGE PLANNING

Old Town Specific Plan Amendment (LR20-0209): Staff is preparing an amendment to the Old Town Specific Plan to allow for four-story hotels in the Downtown Core District. Currently, outside of the Hotel Overlay District, the Specific Plan only allows four-story buildings in the Downtown Core District when at least one floor is residential or when one floor is office and parking is provided for that floor. Staff is working with Ascent Environmental to prepare an EIR Addendum for the project and anticipates presenting the Specific Plan Amendment to the Planning Commission in May 2020, and to the City Council in June 2020. **(FISK)**

Old Town Parking Study (LR17-1502): Staff is working with Fehr & Peers to update the 2010 Old Town Parking Management Plan. The Study will take a detailed look at existing parking policies, standards, supply and demand within the study area, as well as the effect that planned future development and recently approved projects will have on future demand. The study will also identify custom strategies and standards for management of the parking supply. Per direction provided by the City Council Old Town Subcommittee, consisting of Mayor Naggar and Council Member Schwank, staff presented the study findings to the Old Town Local Review

Board on October 14, 2019. On December 10, 2019, staff provided an update to the Subcommittee regarding the Board's discussion. Staff was directed by the Subcommittee to present the study findings to the Public Traffic/Safety Commission and Community Services Commission. This has been completed. Staff will next present the study findings to the Planning Commission Old Town Subcommittee and then the full Planning Commission. **(JONES)**

Objective Design and Development Standards (LR18-1684): The City received an SB 2 Grant from the State Department of Housing and Community Development (HCD) to update the Objective Design and Development Standards for multi-family and mixed-use residential developments, with the goal of expediting housing production, streamlining approval processes, and establishing the foundation for future regulations and housing laws. MIG is working to revise the draft ordinance to be in conformance with SB 35, as well as to incorporate objective (measurable) design guidelines into the City's Development Code. **(TOMA, PETERS)**

CEQA Traffic Impact Analysis - VMT Thresholds and Guidelines (LR18-1506): The City has been selected by Southern California Association of Governments (SCAG) through the 2018 Sustainable Communities Program to update the Traffic Impact Analysis (TIA) Guidelines to facilitate compliance with SB 743 Vehicles Miles Traveled (VMT) and new CEQA Guidelines. Currently, the City's TIA Guidelines provide a methodology for assessing potential traffic and circulation impacts of proposed projects, General Plan Amendments, Specific Plans, and zone changes. The Guidelines use Level of Service (LOS) based on intersection delay to analyze impacts to intersections and roadway segments. This project will transition to the TIA Guidelines from LOS based to VMT based guidelines for CEQA evaluation before the state deadline of July 1, 2020. Staff is working with Fehr & Peers to update the TIA guidelines to include VMT methodology, thresholds of significance, and mitigation measures. On January 28, 2020, Staff met with the General Plan Update Subcommittee, consisting of Mayor Pro Tem Edwards and Council Member Rahn, to introduce the project. A follow up Subcommittee meeting is scheduled for April 13, 2020. The project is scheduled for Planning Commission on April 22, 2020 and the City Council in May. **(TOMA, PETERS)**

Housing Element Update (LR18-1620 and LR17-1757): The City is working with De Novo Planning Group to update its 2021-29 Housing Element. De Novo will assist with the RHNA process, community engagement, CEQA, and preparation of the Housing Element. The current Housing Element was certified by the Department of Housing and Community Development (HCD) in 2013 and will serve as the foundation for the update. The Housing Element is a required element of the City's General Plan and serves as a blueprint for meeting the housing needs of the City's residents, at all economic levels, and addressing segments of the population with special housing needs. The City Council General Plan Ad Hoc Subcommittee, consisting of Mayor Pro Tem Edwards and Council Member Rahn, and the Planning Commission General Plan Ad Hoc Subcommittee, consisting of Commissioners Watts and Youmans, will serve as advisory bodies during the process. **(WEST, TOMA, PETERS)**

Regional Housing Needs Allocation (RHNA) (LR17-1757): Related and running concurrently with the Housing Element Update, is the Regional Housing Needs Assessment (RHNA). The RHNA planning cycle is an eight-year cycle and will cover the planning period October 2021 through October 2029. The process involves developing the methodology for allocating existing

and projected housing needs for the SCAG Region. The SCAG Regional Council will adopt the RHNA Allocation Methodology and distribute the RHNA to SCAG member cities and counties in April 2020. The Final RHNA Allocation will occur in October 2020. **(WEST)**

Accessory Dwelling Unit Ordinance (LR19-1596): Governor Newsom signed a series of bills in 2019 to address the housing crisis, including a number of bills (AB 881, AB 68, SB 13, AB 587, and AB 670) to remove barriers to the construction of Accessory Dwelling Units and Junior Accessory Dwelling Units (ADU), limiting local authority to regulate such units. California Government Code Section 65852.2 requires local governments approve ADU applications, subject to reasonable development standards. There is a need to amend the Municipal Code to fully comply with State Law and to retain the City's authority to continue to enforce the majority of the City's existing regulations. This item was approved at Planning Commission on February 19, 2020, and is scheduled for City Council on April 28, 2020. **(WEST)**

Density Bonus Ordinance (LR19-1597): The California State Density Bonus Law (SDBL) was adopted in 1976 sought to address the affordable housing shortage by encouraging development of low- and moderate-income units. Over time, the law was expanded to recognize the need for housing at a wider range of income levels and with specialized needs. The SDBL is intended to increase the production of affordable housing by requiring local agencies to grant an increase to the maximum allowable residential density for eligible projects, and support the development of eligible projects at greater residential densities by granting incentives, concessions, waivers, and/or reductions to applicable regulations. Assembly Bill 1763, effective January 1, 2020, amends Government Code Section 65915, creating additional density bonuses for housing projects where 100 percent of the units are dedicated for lower income households, and reducing the amount of parking for qualifying types. This item was approved by the Planning Commission on February 19, 2020, and scheduled for City Council on April 28, 2020. **(WEST)**

Waves to Wineries: Staff is working with the National Park Service on the Waves to Wineries Trail Plan. The purpose of this plan is to unite Temecula Wine Country with the Pacific Coast by identifying a network of trails along the Santa Margarita River corridor. The goals are to identify existing trails and implement a strategy to fill in the missing links. **(PETERS)**

AFFORDABLE HOUSING

Mission Village Rehabilitation: The City partnered with Affirmed Housing for modifications to their regulatory agreements on the existing Mission Village Affordable Housing Complex. This modification will result in the complete rehabilitation of the complex and secure affordable covenants on the property for an additional 55 years. The modifications to the agreement were approved by City Council on August 13, 2019. The County of Riverside Oversight Board approved the modifications on September 5, 2019, and the State Department of Finance approved the project on October 18, 2019. The construction loan for the rehabilitation project closed on March 14th. As part of the negotiations, the City received an additional \$1.2 million to use towards the creation of affordable housing. Construction for the rehabilitation will begin in 2020. **(LEHNER, WATSON)**

Las Haciendas Affordable Housing Project: The City has received a formal Development Plan for a 77-unit affordable multi-family housing community consisting of two residential buildings, a community building and tuck-under parking located at 28715 Las Haciendas. The City is negotiating a Loan Agreement with Community Housing Works (CHW) for the use of affordable housing tax allocation bond proceeds. **(LEHNER, RABIDOU, WATSON)**

Vine Creek Disposition and Development Agreement (DDA): City Council approved the DDA with Temecula Pacific Associates on June 25, 2019 for the development of 60 affordable units on City-owned property on Pujol Street. Temecula Pacific Associates is looking to secure financing from the State of California prior to the commencement of construction. **(LEHNER, WATSON)**

COMMUNITY DEVELOPMENT BLOCK GRANT (CDBG)

CDBG Administration: The 2020-21 Notice of Funding Availability (NOFA) was released in November 2019. Two technical workshops were held for applicants on December 12, 2019. The Finance Committee is expected to provide recommendations for the 2020-21 program on March 10, 2020. The recommendations will be heard at a public hearing at City Council on April 28, 2020. **(LEHNER)**

BUILDING & SAFETY

Building and Safety statistics for February and March 2020 are highlighted in the following table. Additional statistics are attached to this report.

Building & Safety Statistics	February 2020	March 2020
Permits	280	336
New Single Family Units	35	39
New Commercial Building	0	0
Photovoltaic	71	72
Tenant Improvements	8	8
Non Construction C of O	28	20
Number of Active Plan Checks	352	490
Number of New Plan Checks	63	142
Number of Finaled Permits	160	120
Inspections	1,999	1025
Inspections Per Day	105.21	44.1
Inspections Per Person Per Day	26.3	20.1
Stops Per Month	535	391
Visitors to Counter	1038	703

New Construction Projects Currently in Plan Check

- Truax Hotel (161,586 sf)
- Parking Structure on 3rd Street (48,907 sf)

- Town Square Market Place (two buildings at 43,640 sf each)
- Generations at Linfield - memory care/assisted living (59 apartments and 32 condos)
- iA Robotics (24,659 sf)
- Hotel (38,202 sf) Jefferson/Winchester
- Temecula Hyundai Service Building (5,753 sf)
- Trinity Lutheran Church Preschool (9,530 sf)
- Temecula Valley Lexus Dealership (54,898 sf)

Certificate of Occupancy

- Bright Solar – 27368 Via Industria
- Pacific Pro Physical Therapy and Sports Medicine – 28780 Single Oak Drive

Tenant Improvements

- Be Good Restaurant – 28636 Old Town Front Street
- Temecula Surgical Center – 31625 De Portola Road

CODE ENFORCEMENT

During the months of February and March, Code Enforcement responded to 214 web inquiries. In addition, the division opened 246 code cases, conducted 852 Weed Abatement inspections, 539 Code Enforcement Inspections, and forwarded 79 referrals.

Type of Code Case	February	March
Abandoned or Inoperable Vehicle	9	5
Vacant Home / Prop. Maintenance / Rodent/ Mold	4	4
Business or Home Occupation w/o license/CUP	2	21
Trash and Debris / Dumping	6	9
Overgrown Vegetation / Weeds / Fire Hazard	9	8
Green Pool / Vector Control / Stagnant Water	1	2
Graffiti	7	9
Noise/Nuisance/Animal Control	9	24
Trailer / RV Stored/Boat/Parking	9	7
Construction w/o Permit/Building Code	15	13
Encroach Public ROW / Trash Cans	6	11
Zoning/Signs	23	10
Public Safety & Health	5	18
Total Number of Cases	105	141

Foreclosure Tracking: Code Enforcement works with the local real estate community to monitor foreclosures, defaults and real estate owned properties.

Foreclosure Tracking	February 2020	March 2020
Residential - Default	54	61
Residential - Foreclosure	62	60
Residential - REO	42	40
Total - Residential	158	161
Commercial - Default	1	0
Commercial - Foreclosure	0	1
Commercial - REO	3	3
Total - Commercial	4	4

ATTACHMENTS:

1. Current Planning Activity Report
2. Community Development Statistics
3. Community Development Charts