

**CITY OF TEMECULA
AGENDA REPORT**

TO: City Manager/City Council

FROM: Luke Watson, Director of Community Development

DATE: May 26, 2020

SUBJECT: Introduce an Ordinance to Amend Chapter 17.21 Affordable Housing Overlay Zone of the Temecula Municipal Code (Long Range Project No. LR20-0279)

PREPARED BY: Dale West, Associate Planner II

RECOMMENDATION: That the City Council introduce and read by title only an ordinance entitled:

ORDINANCE NO. 2020-

AN ORDINANCE OF THE CITY COUNCIL OF THE CITY OF TEMECULA AMENDING TITLE 17 OF THE TEMECULA MUNICIPAL CODE TO AMEND CHAPTER 17.21 REGARDING THE AFFORDABLE HOUSING OVERLAY ZONE, AND MAKING THE DETERMINATION THAT THE PROPOSED ORDINANCE IS EXEMPT FROM FURTHER ENVIRONMENTAL REVIEW UNDER CEQA GUIDELINES SECTION 15061(B)(3)

SUMMARY OF

ORDINANCE: The proposed ordinance would amend the timing for the submittal of the Cultural Resources Treatment Agreement, add the requirements that affordable housing units must be constructed concurrently with, or prior to, market rate housing units, and add that affordable housing units be dispersed throughout the development project.

BACKGROUND: The Affordable Housing Overlay Zoning District (AHOZ) was adopted by the City Council on September 5, 2018. The adoption of the AHOZ implemented Program 1 of the City's 2014-2021 Housing Element, and is intended to encourage the development of affordable housing in the City in order to meet the City's Regional Housing Need Assessment (RHNA). The AHOZ establishes an overlay zone on 44 parcels within the City. Parcels within the Affordable Housing Overlay Zone may be developed using the underlying zoning designation, or as an affordable housing project under the Affordable Housing Overlay, thus providing additional development opportunities to property owners whose properties are located within the overlay zone. If a site is developed as an affordable housing project within the AHOZ, at least 20 percent of the residential units in each project are to be reserved for households earning no greater than 80 percent of the area median income (AMI), adjusted for family size appropriate to the unit.

For mixed-use affordable housing projects in the Uptown Temecula Specific Plan Area, residential uses shall occupy at least 50 percent of the total floor area of the mixed-use project.

A project seeking to develop under the Affordable Housing Overlay Zone is only subject to administrative review, and is not subject to any discretionary review. As such, staff is only permitted to review the project to determine if it complies with the requirements set forth in Chapter 17.21 of the Temecula Municipal Code. These requirements include ensuring that the project complies with the following: Development Code standards, Specific Plan standards, Cultural Resources Treatment Agreement with Pechanga, Multiple Species Habitat Conservation Plan, Building and Fire Codes, Transportation Uniform Mitigation Fee (TUMF), Development Impact Fees, Water Quality Management Plan, and certain dedication of improvements (if applicable). The Development Code standards address such requirements as height limits, setbacks, lot coverage, and parking.

The proposed ordinance would amend the timing for the submittal of the Cultural Resources Treatment Agreement by clarifying that it must be submitted “prior to the approval of the Administrative Review Application,” as opposed to “before the issuance of the Administrative Review Application.” The proposed change is necessary, not only to protect the cultural resources in the area, but to also ensure that the Cultural Resources Treatment Agreement appropriately reflects any changes to the project that may occur during the processing of the application.

The proposed ordinance also adds the requirements that affordable housing units must be constructed concurrently with, or prior to, market rate housing units, and dispersed throughout the development project. These revisions are necessary to ensure that affordable housing is actually constructed by project proponents that seek to develop using the Affordable Housing Overlay Zone.

On April 22, 2020, the Planning Commission considered the draft ordinance at a public hearing and adopted Planning Commission Resolution No. 2020-09, recommending the City Council adopt the proposed ordinance, amending Title 17 of the Temecula Municipal Code regarding the Affordable Housing Overlay Zone.

FISCAL IMPACT: None

ATTACHMENTS:

1. Ordinance
2. April 22, 2020 Planning Commission Staff Report
3. Planning Commission Resolution 2020-09
4. Notice of Public Hearing